

COMPANY SNAPSHOT

LODESTAR MINERALS LIMITED
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CAPITAL STRUCTURE

Shares on Issue:
 88,989,477 (LSR)

Options on Issue:
 7,000,000 (Unlisted)

ASX: LSR

PROJECTS

Peak Hill – Doolgunna:
 Base metals, gold

Penfold:
 Nickel

Kimberley:
 Nickel, copper, PGM’s



**LODESTAR MINERALS EXPLORATION UPDATE:
 PEAK HILL – DOOLGUNNA PROJECT**

Expanded Doolgunna Drilling Program

- Neds Creek Block – Planned RAB drilling program expanded in view of emerging significance of Sipa Resource’s along strike Enigma copper anomaly and range of available geochemical targets.
- Revised program of approximately 21,000m on 500m line spacing over target copper anomalies and major north east trending structures. Heritage surveys to commence next week with drilling expected to commence in October 2011.
- Marymia – Drilling of the Transformer VTEM conductors about to commence.

NEDS CREEK

Lodestar Minerals Limited (**ASX: LSR**), (“**Lodestar**” or the “**Company**”) advises that preparations are underway for an intensive RAB drilling program over copper anomalies identified on E52/2456, along strike from Sipa Resource’s (ASX:SRI) Enigma copper prospect (Figures 1 & 2) and located within the same major structural zone on the north eastern margin of the Yerrida Basin in Western Australia.

Heritage clearance surveys are expected to commence next week. Access work will commence upon receipt of formal advice of clearance, followed by commencement of drilling.

MARYMIA

An initial four hole RC drilling program to test the “Transformer” VTEM (versatile time domain electromagnetic) anomalies on the Marymia tenements is scheduled to commence next week. Drilling will target potential sediment-hosted base metal (Pb-Zn-Ag) mineralisation.

The drilling will provide an initial test of the T1 and T2 conductors (with a combined strike-length of approximately 1700m) to planned depths of up to 200m (Figure 3). Heritage surveys and access work have been completed in preparation for the drilling program.

In addition to the RC drilling, traverses of RAB drilling will be completed over the T1 and T2 conductors to test geochemical dispersion in the weathered zone over a wider area. Lodestar is currently awaiting the arrival of a RAB rig (expected by end September) to complete this program

In-fill geochemical sampling is continuing over the lower contact of the sedimentary basin sequence at the northern margin, where regional lag sampling identified extensive Ag-Bi-Mo-Sn anomalism.

Contact:**Company**

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The information in this report that relates to Exploration Results is based on information compiled by Bill Clayton, Managing Director, who is a Member of the Australasian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Clayton consents to the inclusion in this report of the matters based on the information in the form and context in which it appear

About Lodestar Minerals:

Lodestar Minerals Limited is a Perth-based explorer with projects in the Kimberley, Peak Hill and Kalgoorlie regions. Lodestar acquired its “Flagship” Peak Hill – Doolgunna project in March 2010. The Peak Hill – Doolgunna project forms the core of Lodestar’s project portfolio and represents a strategic landholding of 2200 square kilometres covering 120 kilometres of the Jenkin Thrust Belt, a regional fault system that is adjacent to the recently discovered DeGrussa Cu-Au deposit. Lodestar is embarking on an aggressive exploration program to assess the excellent potential of the emerging and under-explored north Murchison base metal province.

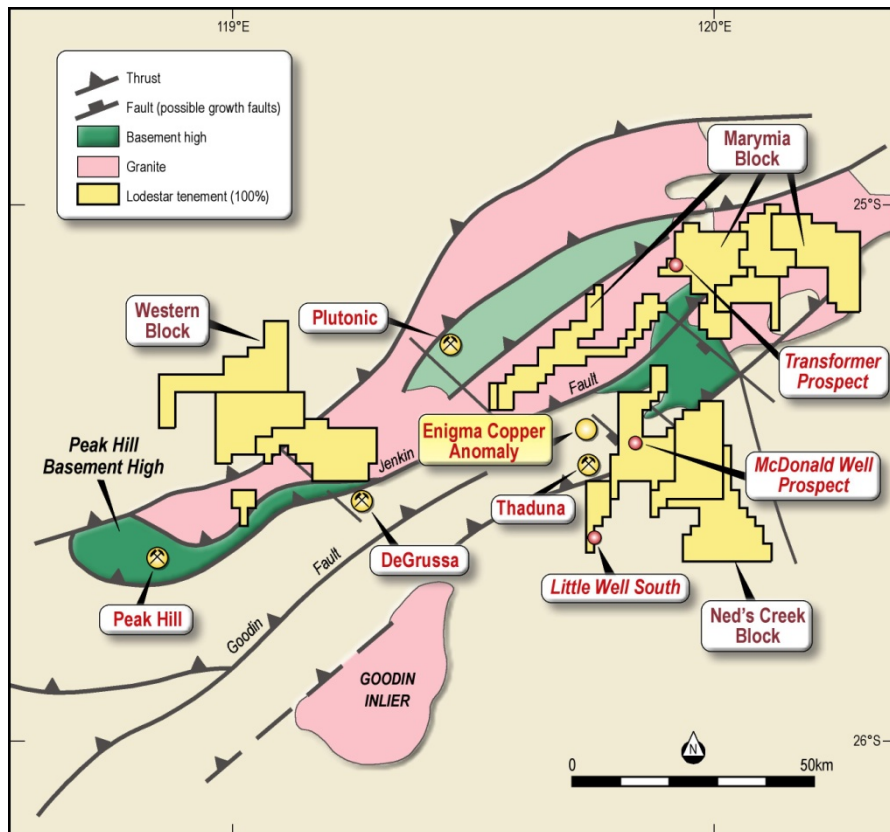
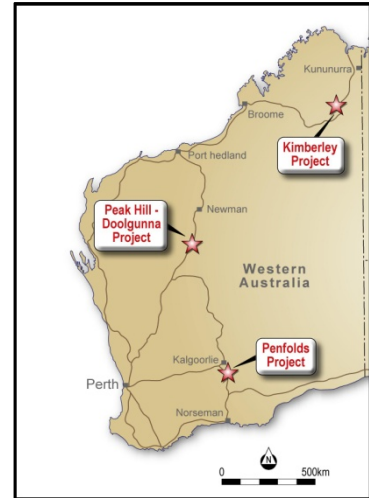


Figure 1 Location Plan, Ned’s Creek and Marymia Tenements, Peak Hill-Doolgunna Project

EXPLORATION UPDATE – PEAK HILL-DOOLGUNNA PROJECT

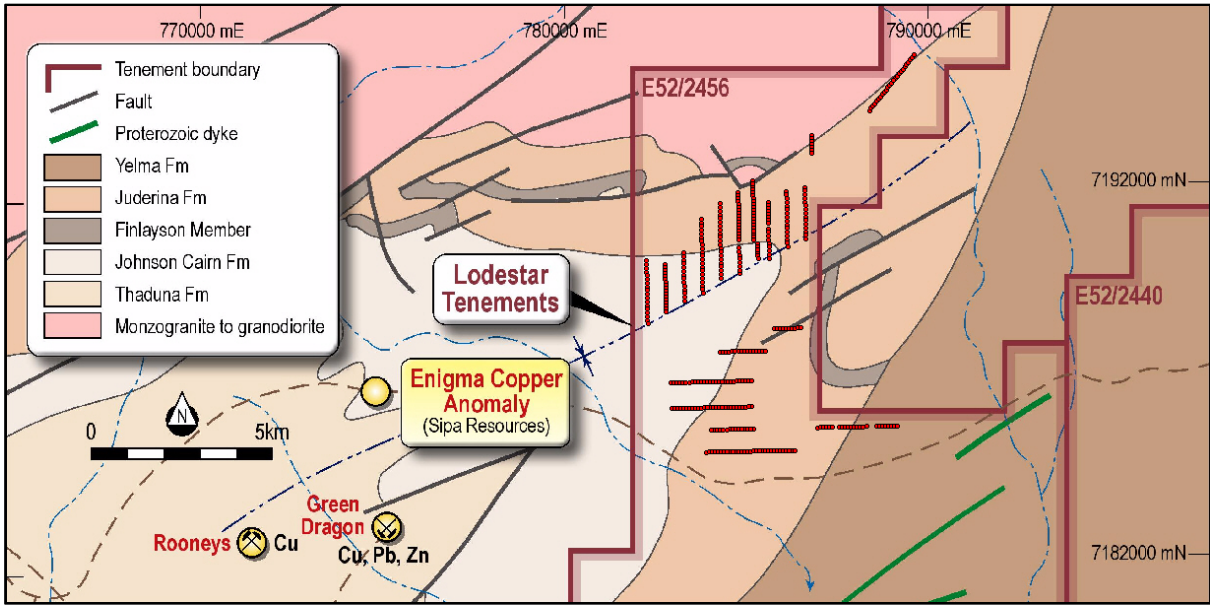


Figure 2 Location Plan of Lodestar's Neds Creek RAB drilling program

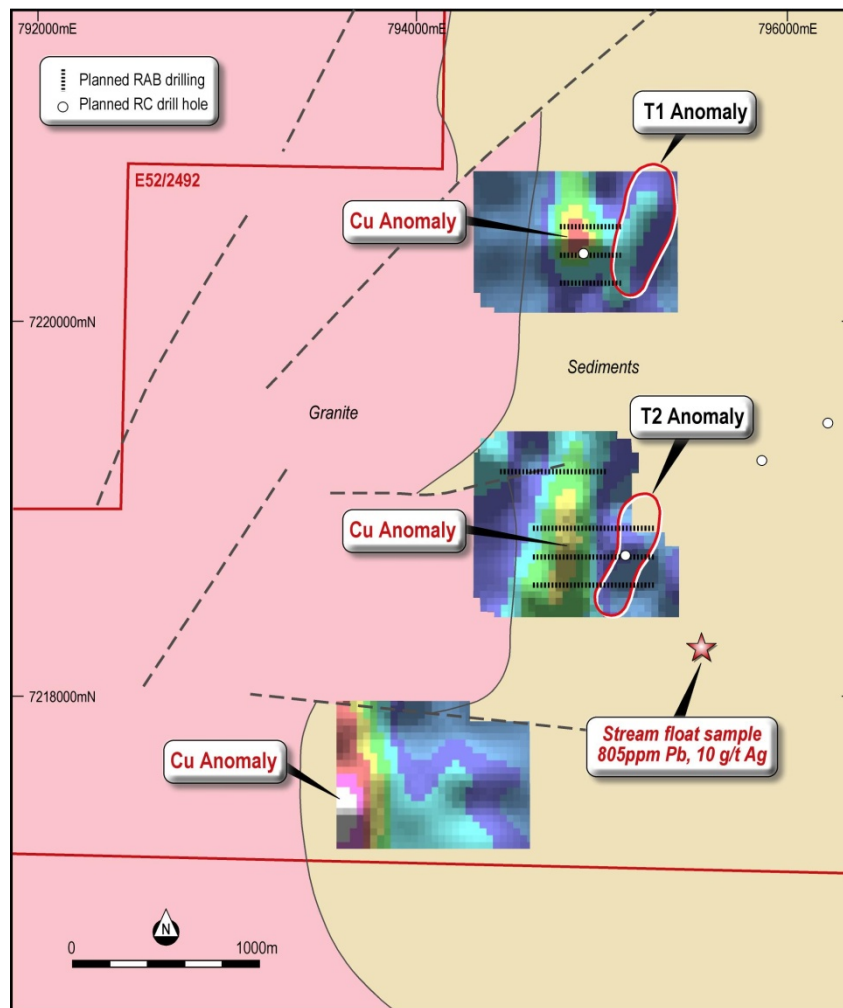


Figure 3 Location of the Transformer T1 & T2 VTEM conductors and planned drilling.