

CAPITAL RAISING

Western Australian gold explorer Lodestar Minerals Limited (**ASX: LSR**) ("**Lodestar**" or "**the Company**") advises that it has placed 103,571,429 fully paid ordinary shares in the capital of the Company. One free attaching unlisted option exercisable at 2 cents by 30 December 2021 will be issued for every 3 shares applied for (a total of 34,523,809 options).

The Board of Lodestar is pleased to advise that 75 million shares (and 25 free attaching options) of the placement will be made to its Joint venture partner, Vango Mining Limited, at an issue price of 0.8 cents per share (for \$600,000 consideration). This is a premium of 14.29% above the Lodestar closing price before the placement. Vango will issue 3,529,411 fully paid ordinary shares at an issue price of 17 cents per share by way of consideration. This is a 6.25% premium above the Vango closing price before the placement. This will give Vango a strategic 8.79% holding in Lodestar.

The balance of 28,571,429 fully paid ordinary shares (and 9,523,809 free attaching options) will be issued at 0.7 cents per share to sophisticated and professional investor clients of Mac Equity Partners (International) Pty Ltd, to raise \$200,000. Mac Equity will receive a fee of 6% of the amount raised and will be issued 3,800,000 unlisted options on the same terms as the above options.

The placement will be made pursuant to Rule 7.3 and 7.1 of the ASX Listing Rules and S708A of the Corporations Act.

50,000,000 shares will be issued pursuant to shareholder approval granted at the Annual General Meeting held on 19 November 2019 pursuant to ASX Listing Rule 7.3.

53,571,429 shares and 38,323,809 options will be issued pursuant to Listing Rule 7.1

The funds raised will be used to advance exploration over the Company's Camel Hills project and for working capital purposes.

Lodestar chairman Ross Taylor commented: "We are extremely pleased to have Vango join Lodestar as a cornerstone investor, strengthening the strong relationship between the two Companies."

Vango recently entered into a farm in agreement with Lodestar to spend up to \$5 million over 3 years to earn a 51% interest in Lodestar's prospective Ned's Creek tenements. A drilling program has been commenced at Ned's Creek by Vango.

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