



ASX ANNOUNCEMENT

18th September 2015

Electronic lodgement

COMPANY SNAPSHOT

LODESTAR MINERALS LIMITED

ABN: 32 127 026 528

CONTACT DETAILS

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CAPITAL STRUCTURE

Shares on Issue:

334,546,575 (LSR)

Options on Issue:

20,750,000 (unlisted)
36,077,402 (listed - 31 Mar 2016)

ASX: LSR

PROJECTS

Peak Hill – Doolgunna:

Camel Hills – gold

Neds Creek – gold

Marymia – gold

Imbin – gold and base metals



DRILLING TO COMMENCE AT BIG SKY GOLD TARGET

West Australian gold and base metal explorer Lodestar Minerals Limited (ASX: LSR "Lodestar" or "the Company",) advises that RC drilling at the Company's Big Sky prospect is expected to commence in the week beginning 21st September 2015. Big Sky is located on the 100%-owned Camel Hills tenements, 200 kilometres northwest of Meekatharra, Western Australia (Figure 1).

The drilling will test a strong gold anomaly in trench sampling that extends across strike for a distance of 65 metres, including a 5 metre interval grading 12.6g/t gold (see Lodestar's ASX release dated 3rd September 2015). The target is a lode gold system associated with a major shear zone that extends for a distance of 12 kilometres in Lodestar's tenements.

Assay results from the drilling are anticipated to be available in mid-October.

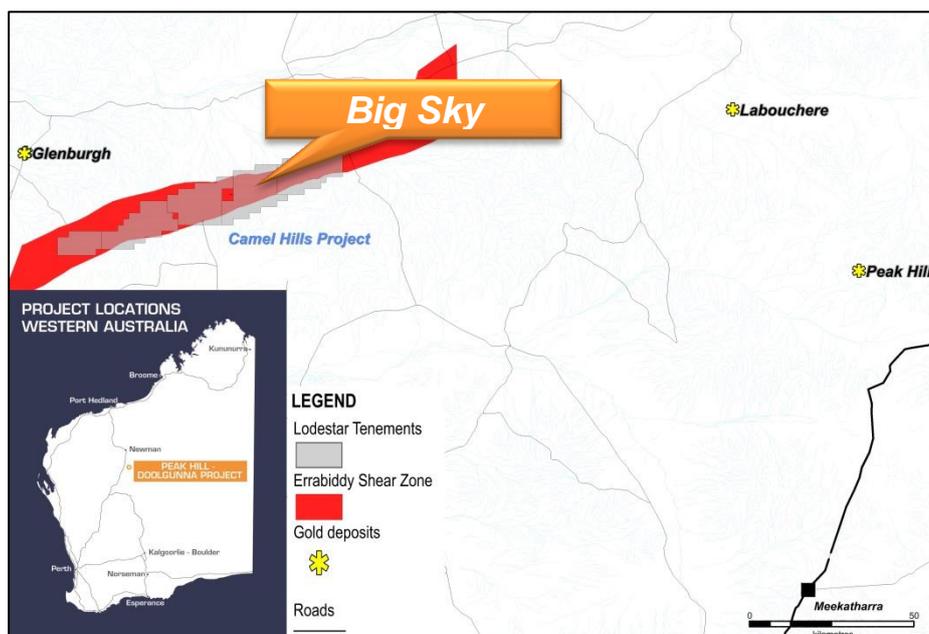


Figure 1 Location of the Big Sky gold prospect

Summary of Drill Target

Big Sky (Gold)

- 65 metre interval in shallow trenching returning grades greater than 0.1g/t gold, including 5 metres at 12.6g/t gold, open along strike to southwest.
- Targeting a shear-hosted lode gold system within a low grade halo.
- Located north of magnetic contact (the major structural feature at Big Sky) and historic RC drilling.
- Shallow weathering and simple to test with single traverse of up to 300 metres of drilling planned.

Bill Clayton
Managing Director

Competent Person Statement

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 2012 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 appears.

The information in this announcement that relates to previously released exploration results was disclosed under JORC 2012 in the ASX announcement dated 3rd September 2015 "Trenching Results Define New Gold Target at Big Sky". The announcements are available to view on the Lodestar website. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

About Camel Hills

The Camel Hills project is located 170 kilometres northwest of Meekatharra and 60 kilometres south and east of Gascoyne Resource's Glenburgh gold deposits (1Moz Au). The Errabiddy Shear Zone is 5 to 20 kilometres wide and is linked at depth to the Cardilya Fault, a major tectonic boundary between the Archaean Narryer Terrane and the accreted Palaeoproterozoic Glenburgh Terrane to the north. Re-worked craton margins are a favourable location for the formation of world-class orebodies, including orogenic gold deposits (e.g. Tropicana). The Errabiddy Shear Zone was reactivated during the collision of the Yilgarn and Pilbara cratons and is intensely deformed. Recent mineral systems prospectivity mapping by the GSWA has identified the Errabiddy Shear Zone as a favourable site for large-scale gold mineralisation, this view is supported by historic surface sampling that has identified strong gold anomalies associated with outcropping gneiss in the Main Grid area. Limited drilling completed by previous explorers is not regarded as a conclusive test of the gold potential at Camel Hills.