

Final RC Drill Results Extend Gidgee Discovery

Highlights

- Assay results received for the final 8 holes from the 26 hole RC drilling program completed in October.
- All 5 holes from Gidgee Flat reported gold greater than 1g/t Au, extending the mineralised zone to over 300m of strike. Results include:
 - LNRC056
 - 6m at 3.7g/t Au from 191m, including 1m at 8.3g/t Au from 194m.
 - LNRC055
 - 4m at 5.4g/t Au from 32m
 - 4m at 5.6g/t Au from 96m
 - 2m at 3.0g/t Au from 205m and
 - 6m at 1.7g/t Au from 212m
 - LNRC061 and LNRC062 targeted the bedrock below LNR1079 (4m at 6.8g/t Au from 44m) at the northern limit of RC drilling, intersecting 2m at 1.6g/t Au from 174m and 1m at 2.6g/t Au from 213m, respectively.
- Results were received for the final 3 RC holes drilled at Contessa. No significant assays were reported, however two of the three holes were did not achieve planned depth.
- The entire 26 hole RC program provided important structural and geological information and a range of significant assay results that will be reviewed in detail and used to inform and plan the next major RC drill program following a planned IP geophysics survey.
- 11 of 77 planned reconnaissance aircore drill holes targeting large multi-element geochemical anomalies on the Yowereena JV have been completed. The program has been temporarily suspended due to the drill rig being unsuitable for the ground conditions encountered.
 - Of note, hole LNR1109 intersected quartz veining and 1m of massive pyrite at 104m within the target area.

West Australian gold explorer Lodestar Minerals Limited (“Lodestar” or “the Company”, ASX : LSR) provides the final assay results for the remaining 8 of 26 RC drill holes completed on the Company’s 100% - owned Ned’s Creek project (see Figure 1).

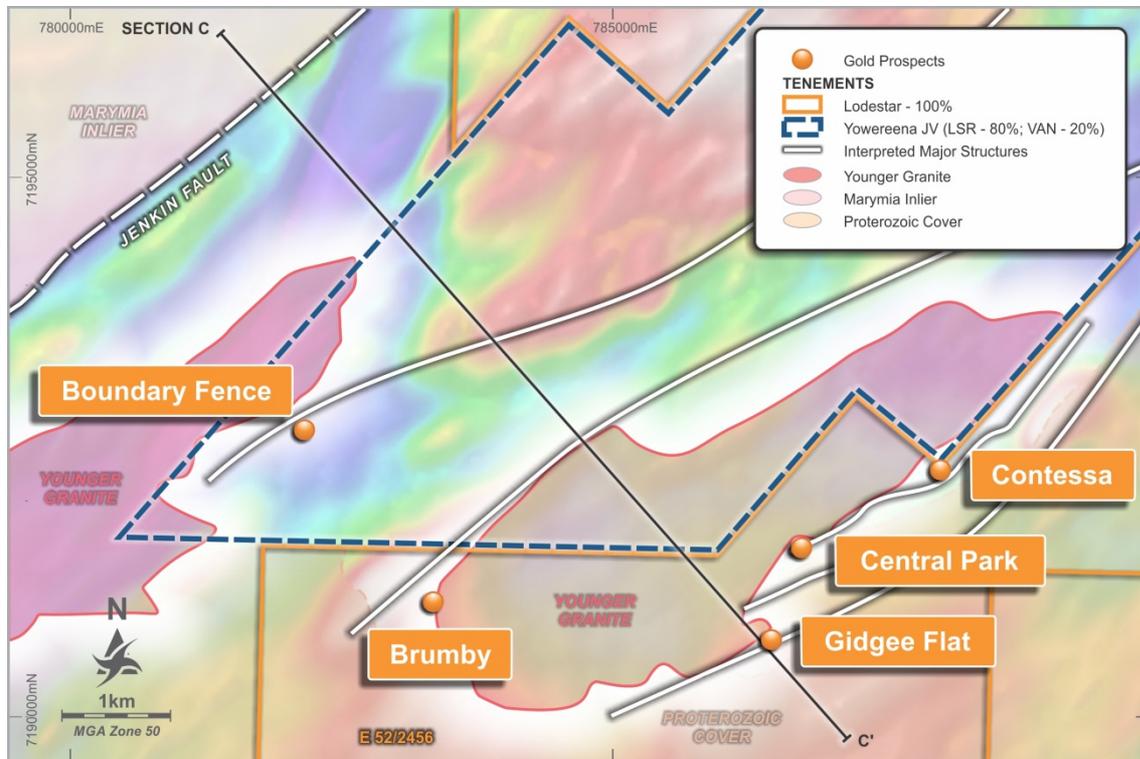


Figure 1 Prospect location plan - Ned's Creek project on background aeromagnetic image, showing principal exploration targets on granite margins.

The results represent 5 holes from Gidgee Flat and 3 holes from the Contessa prospect. Significant results greater than 1g/t Au are listed in Table 1 and results from all holes are listed in the Annexure.

GIDGEE FLAT

The RC drilling targeted the down-dip extension of previously discovered mineralisation (LNRC056), tested continuity of mineralisation between existing RC drilling (LNRC054 and LNRC055) and tested the northern extension of mineralisation, targeting the bedrock beneath LNR1079 (4m at 6.8g/t Au from 44m, see Lodestar’s ASX announcement dated 4th July 2018 and Figure 2).

Significant assays from Gidgee Flat include;

LNRC054

- 4m at 1.7g/t Au from 88m and
- 1m at 1.3g/t Au from 114m

LNRC055

- 4m at 5.3g/t Au from 32m
- 4m at 5.6g/t Au from 96m
- 2m at 3.0g/t Au from 205m and
- 6m at 1.7g/t Au from 212m

LNRC056

- 2m at 4.1g/t Au from 100m and
- 6m at 3.7g/t Au from 191m

LNRC061

- 2m at 1.5g/t Au from 174m

LNRC062

- 1m at 1.2g/t Au from 72m and
- 1m at 2.6g/t Au from 213m

LNRC056 confirmed a zone of gold mineralisation within a north-dipping structure adjacent to the syenite contact (also intersected in LNRC039 and LNRC053, see Lodestar’s ASX announcements dated 22nd May 2018 and 16th November 2018). This zone reported 6m at 3.7g/t Au from 191m in LNRC056 (see Figure 3) and remains open at depth and along strike to the south west.

LNRC061 and LNRC062 both intersected bedrock gold mineralisation, with LNRC062 also intersecting a 30m wide interval of low grade (<0.5g/t Au) between 42m and 74m indicating that the mineralisation extends 120m to the north east, beyond the discovery area and the area where the granite contact has been intersected in RC and aircore drilling. The mineralised intersections in LNRC061 and LNRC062 extend the Gidgee target to more than 300m of strike.

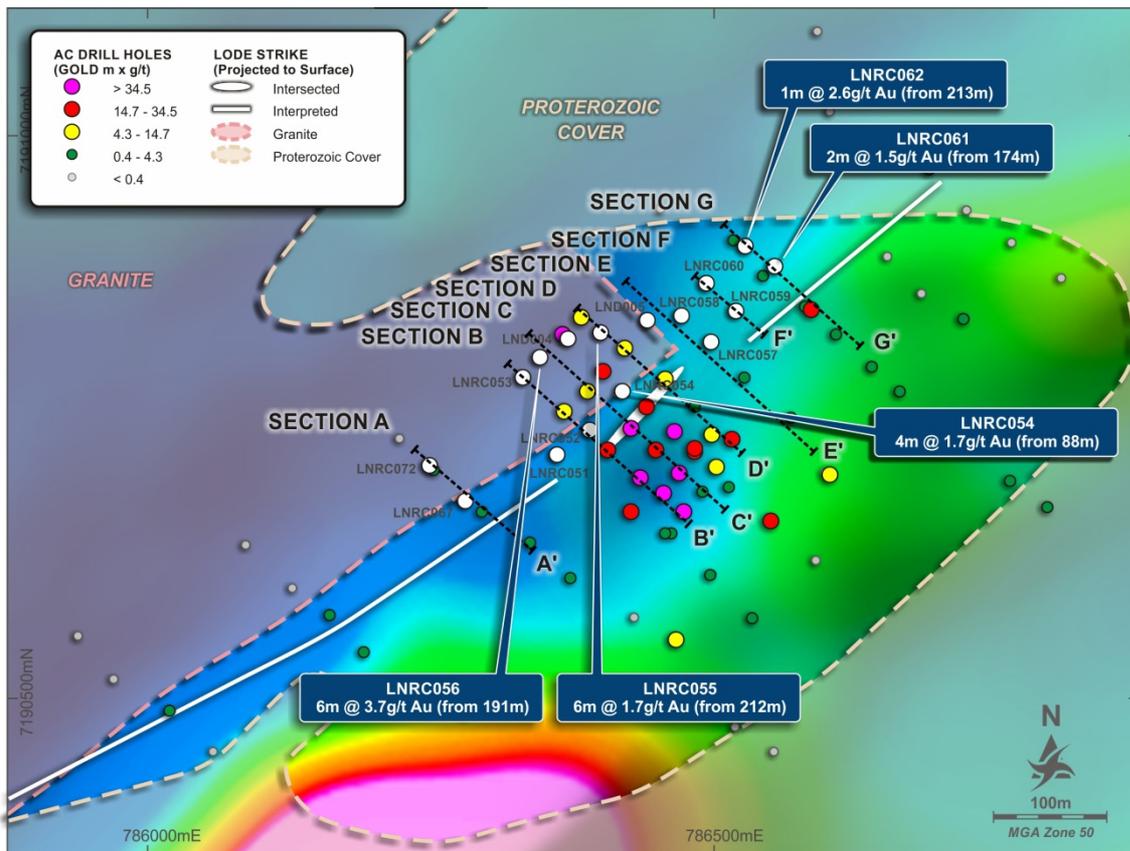


Figure 2 Gidgee Flat collar location plan on background aeromagnetic image.

LNRC054 intersected a wide zone of low grade mineralisation, generally less than 0.5g/t Au at the target depth between 90m to 120m. LNRC055 deviated from the planned trajectory and did not effectively test the target at a depth of 200m, the results are consistent with those reported from LNRC040 (1m at 10.7g/t Au from 203m and 3m at 3.0g/t Au from 215m, see Lodestar's ASX announcement dated 22nd May 2018).

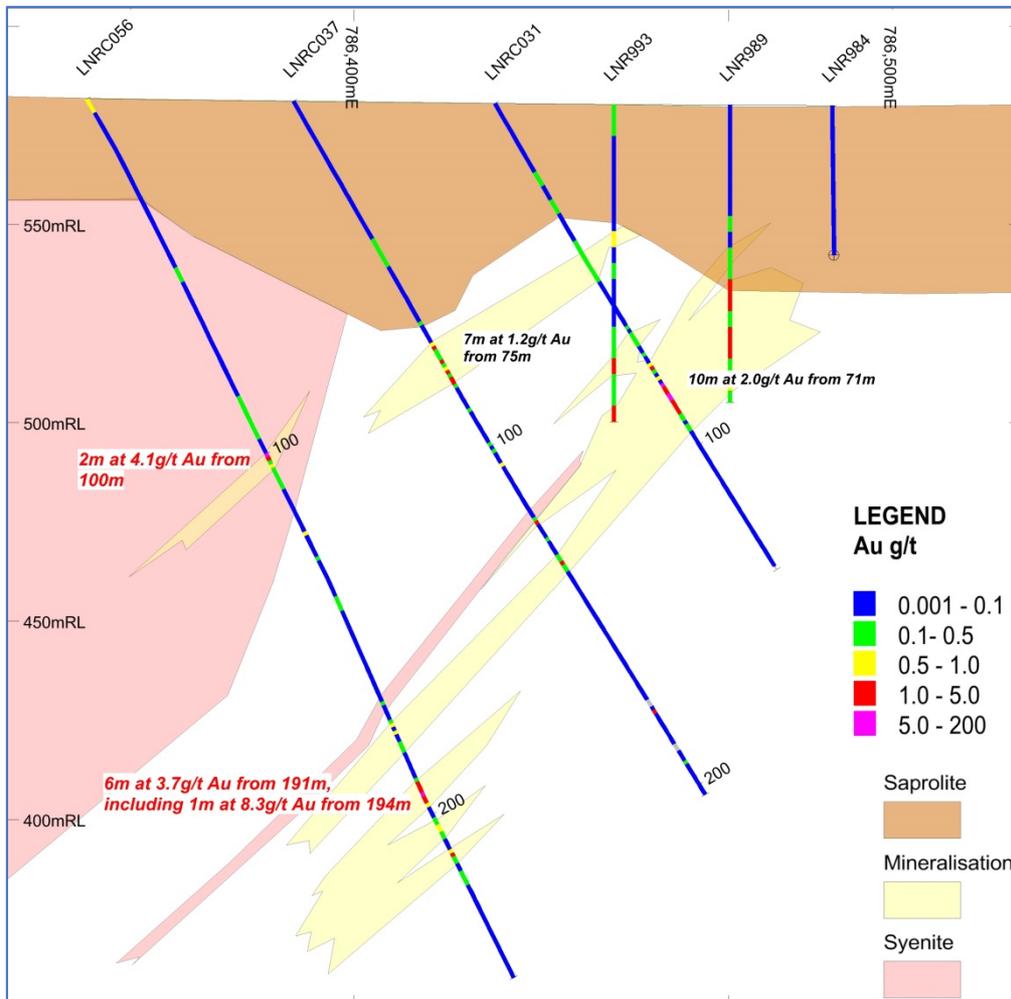


Figure 3 Gidgee Flat cross section (C-C') looking north east, LNRC056.

CONTESSA

Results have been received for the final 3 remaining holes from the recent program. Holes LNRC050 and LNRC063 were drilled 40m north east of the high grade intersection in LNRC026 (see Lodestar's ASX announcement dated 12th June 2108) but stopped short of the planned depth due to drilling difficulties. LNRC064 was drilled 80m northeast of LNRC026 (see Figure 4). No holes reported significant assay results.

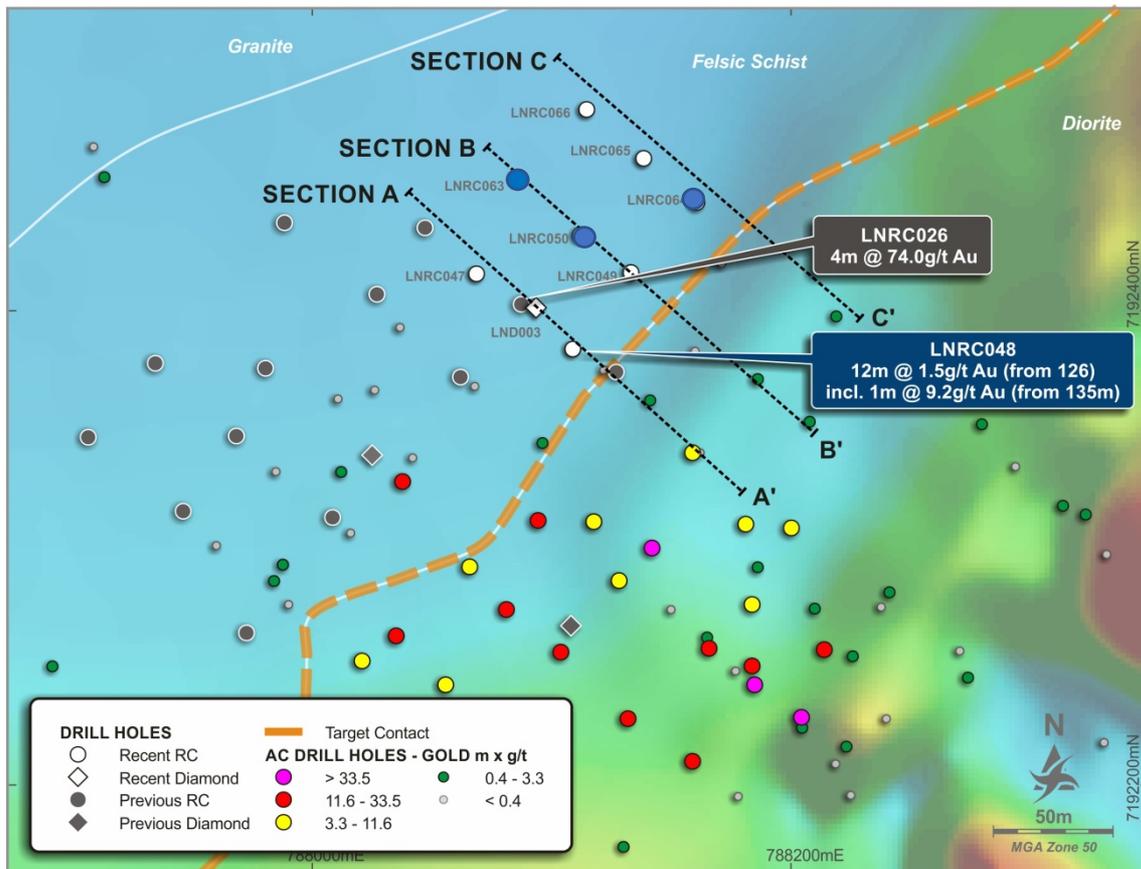


Figure 4 Contessa collar location plan, showing LNRC050, LRC063 and LNRC064 collars as blue dots. Background aeromagnetic image.

CONCLUSION OF NED'S CREEK PROGRAM

The 2018 RC drilling programs have extended the Gidgee Flat and Central Park discoveries of 2017 and confirm the granite – syenite contact as the site of significant gold mineralisation, consistent with Lodestar's intrusion-related gold exploration model. At Contessa, the presence of widespread gold mineralisation, with locally extremely high-grades, will require follow up drilling to evaluate the large shear zone that defines the granite contact, a key control at Central Park and Gidgee Flat.

The focus for the next phase of work will be to locate structural settings where mineralisation is concentrated. An IP geophysical survey is planned for the main prospect areas where the effectiveness of the technique can be determined before extending geophysical exploration over the large untested areas of the contact. The results of the IP and on-going review of the large amount of geochemical and geological data acquired during 2018 will define the targets for the next major program of RC drilling.

AIRCORE PROGRAM

A reconnaissance aircore drilling program commenced on the Yowereena JV tenements (LSR 80% : VAN 20%) targeting several large multi-element geochemical anomalies coincident with major structural corridors (see Figures 5 and 6). The program has been halted temporarily because the drilling rig was not able to maintain sample integrity under the conditions encountered. The program will resume at the start of the field season once another drilling contractor has been engaged.

The program was designed to test extensive gold +/- arsenic-bismuth-lead anomalies defined by Homestake Gold basement-cover interface sampling. Initial drilling was to be carried out on 100m by 400m or 800m hole spacing.

Only 11 of the 77 planned holes were completed (see Figure 6 and Table 2). The first traverse drilled at the eastern end of a 1km anomaly has encountered 1m of massive pyrite from 104m, with associated quartz veining in hole LNR1109. The significance of this intersection will await assay results but it further confirms widespread sulphidation along the major deformation zone located on the southern margin of the Marymia Inlier.

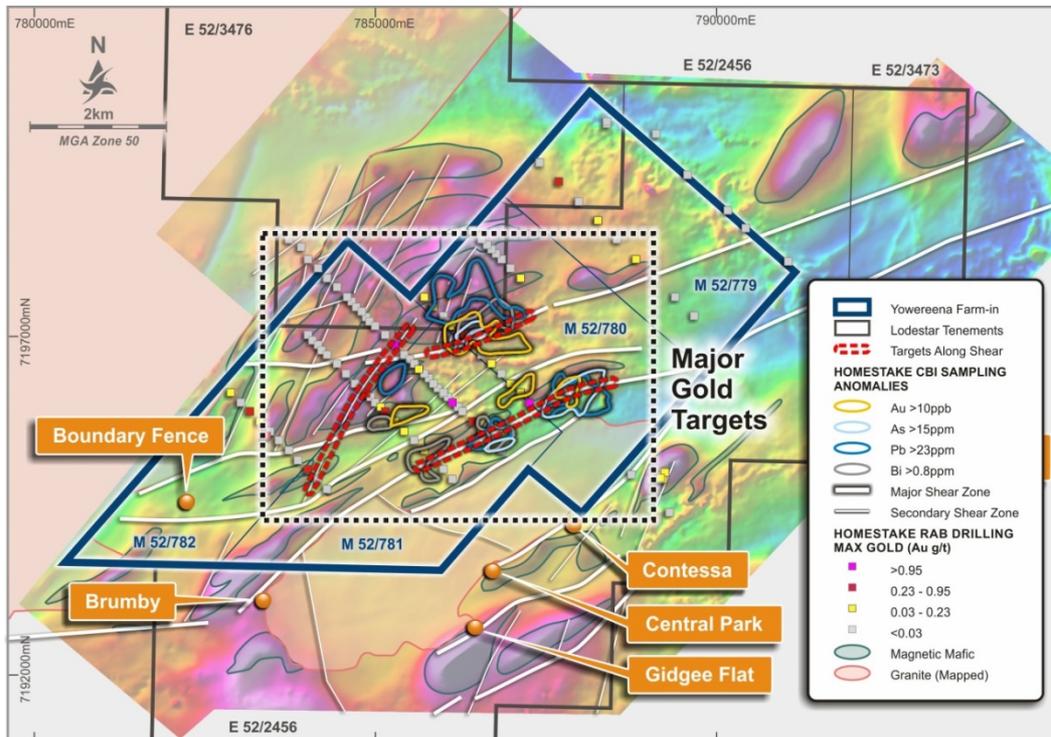


Figure 5 Completed aircore drilling (white dots) on aeromagnetic RTP 1VD image, showing multi-element geochemical targets.

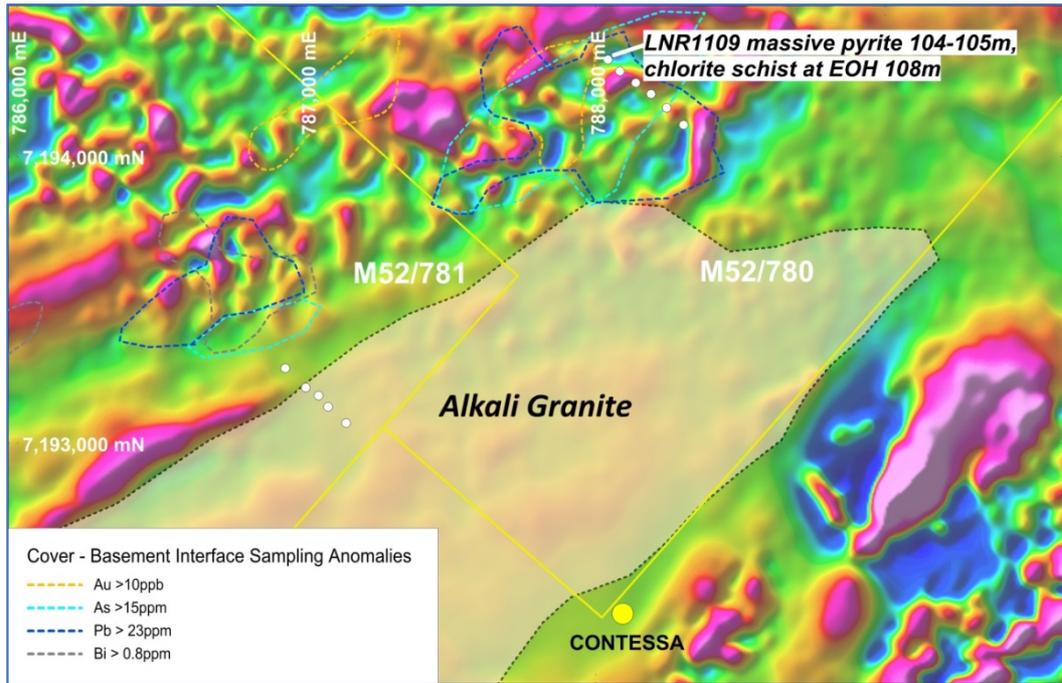


Figure 6 Cover-basement interface geochemical anomalies targeted by aircore drilling. Background RTP-1VD aeromagnetic image.

Table 1 Significant Assay Results >1.0g/t Au.

HoleID	Easting	Northing	RL	Total Depth	DrillType	Dip	Azimuth	From	To	Au g/t
LNRC054	786420.1	7190773	569.2	174	RC	58.46	130.98	88	92	1.74
								114	115	1.35
LNRC055	786399.9	7190825	569.6	252	RC	60.87	132.35	32	36	5.38
								96	100	5.6
								205	206	1.32
								206	207	4.84
								212	213	4.48
								213	214	1.96
								216	217	1.66
LNRC056	786346.7	7190803	569.4	246	RC	60.17	129.63	100	101	7.11
								101	102	1.19
								191	192	3.67
								192	193	1.46
								193	194	1.68
								194	195	8.35
								195	196	4.75
196	197	2.29								
								211	212	1.47

HoleID	Easting	Northing	RL	Total Depth	DrillType	Dip	Azimuth	From	To	Au g/t
LNRC061	786554	7190884	570	213	RC	59.48	130.36	174	175	1.63
								175	176	1.51
LNRC062	786528	7190901	570.5	246	RC	-59.2	130.96	72	73	1.18
								213	214	2.64

Table 2 Aircore drill hole details.

HoleID	Easting	Northing	RL	TotalDepth	DrillType	Dip	Azimuth
LNR1104	788303	7194109	571	42	AC	-90	0
LNR1105	788244	7194169	571	91.3	AC	-90	0
LNR1106	788190	7194217	594	89	AC	-90	0
LNR1107	788138	7194256	561	95	AC	-90	0
LNR1108	788082	7194297	573	66	AC	-90	0
LNR1109	788041	7194337	566	108	AC	-90	0
LNR1110	787137	7193071	579	24	AC	-90	0
LNR1111	787074	7193127	570	24	AC	-90	0
LNR1112	786998	7193194	578	62	AC	-90	0
LNR1113	787041	7193166	580	54	AC	-90	0
LNR1114	786926	7193262	579	44	AC	-90	0

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About Lodestar

Lodestar Minerals is an active Western Australian gold explorer with a prospective tenement package spanning more than 2,000km² at the edge of the Pilbara and Yilgarn Cratons. Lodestar has three main projects – Ned’s Creek, Camel Hills and Imbin – and has an 80% interest in the Yowereena gold project which is adjacent to Ned’s Creek.

Lodestar’s main focus is Ned’s Creek where it was first to identify the potential for syenite intrusion-related gold mineralisation within a craton margin setting and subsequently has made greenfields gold discoveries at the Contessa and Gidgee Flat prospects. Contessa is one of many partly explored gold anomalies located within a large shear zone developed along the southern margin of a 6 kilometre long, elongate composite granite intrusion. The Yowereena gold project provides Lodestar with access to the unexplored northern margin of the Contessa granite and under-explored prospective Archaean greenstone terrane within a region of major gold endowment and production.

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 announcements dated

- *14th March 2017 "Farm in Agreement Enhances Gold Potential at Ned's Creek".*
- *18th May 2017 "New Early Stage Gold Targets at Yowereena"*
- *22nd May 2018 "Outstanding RC Drill Results at Gidgee Flat and Contessa"*
- *4th July 2018 "Aircore Results Confirm Large Bedrock Drill Targets"*

These 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.