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29th October 2010

ASX Limited

By Electronic Lodgement

Dear Sir / Madam

**RE: Lodestar Mineral Limited
Annual General Meeting Presentation**

Please find attached a copy of the presentation to be given by Mr Bill Clayton today at the Annual General Meeting.

Yours faithfully

A handwritten signature in black ink that reads "D M McArthur".

David M McArthur
Director

LODESTAR MINERALS LIMITED

EXPLORING IN AUSTRALIA'S NEWEST BASE METAL PROVINCE



October 2010

Forward Looking Statements

Forward Looking Statements: This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Lodestar Minerals' exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Lodestar Minerals believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

JORC Compliance

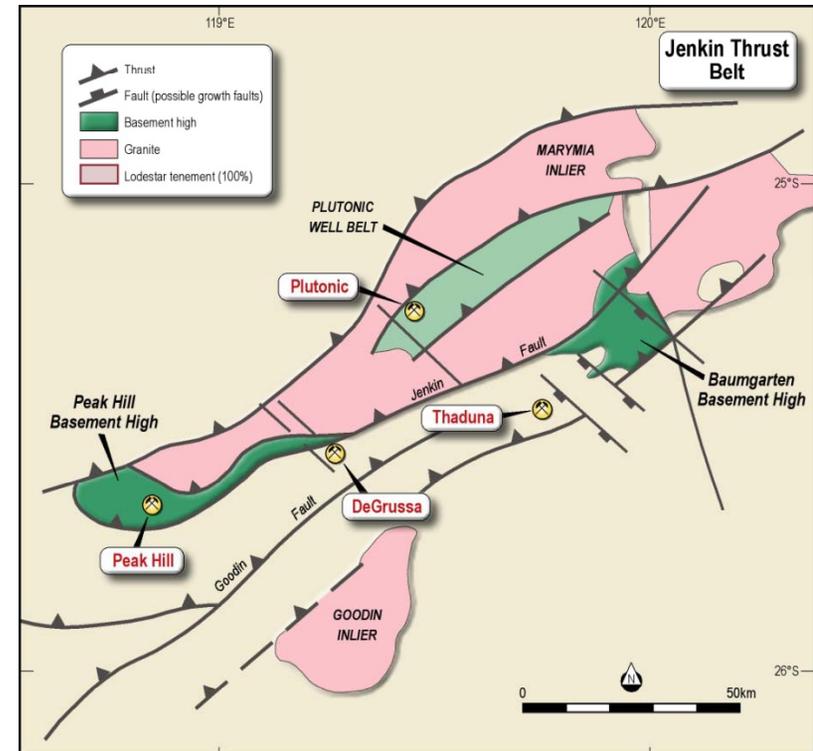
The information in this report to which this statement is attached that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Bill Clayton who is a member of the Australian Institute of Geoscientists. Bill Clayton is a full-time employee of the Company. Bill Clayton has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves". Bill Clayton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

- ❑ Why the Peak Hill – Doolgunna area?
- ❑ Corporate Structure and Peer Comparison – the investment proposition
- ❑ Timeline of Events
- ❑ Exploration Targets
 - *Neds Creek Project*
 - *Western Project*
 - *Marymia Project*
- ❑ Conclusion

Jenkin Thrust Belt – a New Base Metal Province



- ❑ Host to Sandfire's growing Degruusa discovery
- ❑ Base metal/Gold mineralisation recorded at a number of locations over 100-150 kilometres
- ❑ Historical exploration is limited
- ❑ Degruusa, potentially the first major discovery in a new base metal province

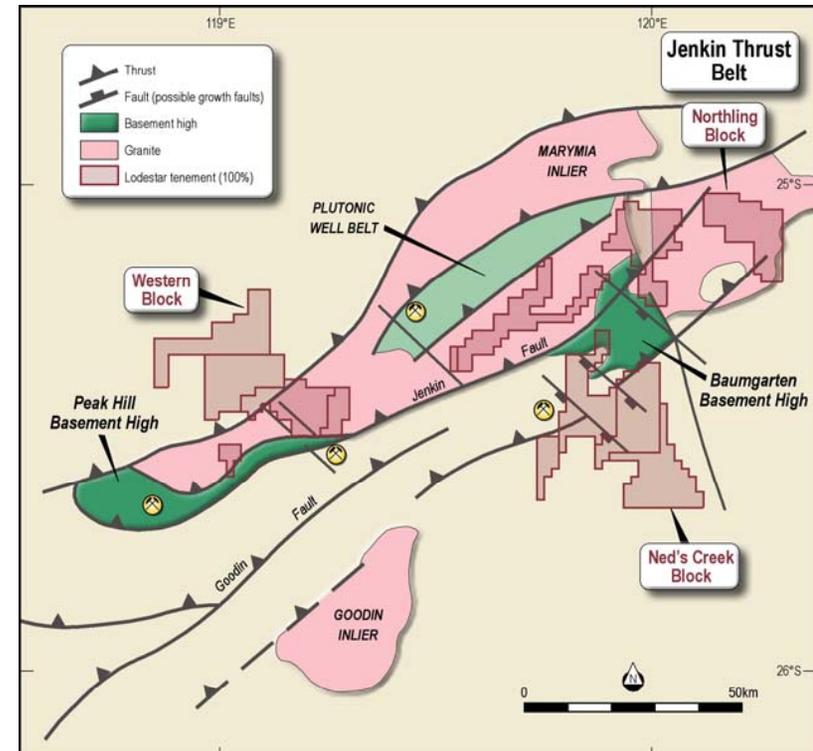


Relatively unexplored province with major discovery potential

The Exploration Opportunity



- ❑ Key land position (2,000km²) within the Jenkin Thrust Belt
 - Ned's Creek Project
 - Western Project
 - Northling Project
- ❑ Immediate drill targets based on VTEM/ base metal geochem anomalies



A large, under-explored land holding in Australia's newest base metal province
immediate drill targets

- ❑ A large, strategic tenement holding in a new and under-explored growing base metal province
- ❑ Prospectivity on a par or better than many higher capped competitors
- ❑ Lowest market cap entry into the province
- ❑ Major share price growth potential

Share Price Targets – Competitor Comparison



Company	Commodity	Status	Market Cap \$M
<i>Sandfire</i>	Cu-Au	Resource (Cu-Au)	1,060
<i>Thundelarra</i>	Cu-Au	Exploration	109
<i>Talisman</i>	Cu-Au	Exploration	100
<i>RNI</i>	Cu-Au	Exploration	84
<i>Sipa</i>	Cu, Au	Exploration	55
<i>Alchemy</i>	Au, Cu-Au	Resource (Au)	47
<i>Great Western</i>	Cu-Au	Exploration	33
<i>Ausgold</i>	Au, Cu-Au	Exploration	24
<i>Lodestar</i>	Cu-Au	Exploration	13

❑ Sandfire demonstrates the success case in this province

Lowest market capitalisation of the Doolgunna explorers, major upside potential

- ❑ **ASX code:**
LSR

- ❑ **Issued Capital:**
74 million shares/6 million unlisted options

- ❑ **Cash:**
\$1.9 million (30 September 2010)
(\$3.3M post-placement)

- ❑ **Market capitalisation:**
\$13 million (26 October 2010)

- ❑ **Top 20 Shareholders:**
41%

12 month Share Price Performance

Low	High	Current
0.05	0.19	0.16

Timeline of Events 2010



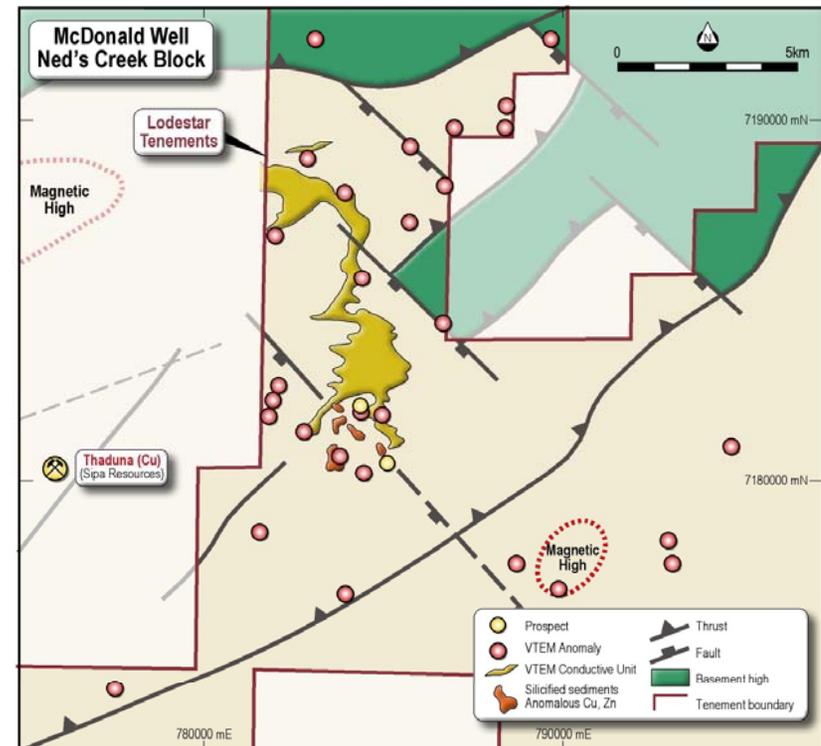
- ❑ **March** – Acquire project (9 of 13 tenements at application stage)
- ❑ **April** – Fly VTEM & identify anomalies
- ❑ **August** – Marymia tenements granted
- ❑ **September**
 - Neds Creek tenements granted
 - Capital Raising Announced
- ❑ **October**
 - Complete native title agreement with NT representatives
 - Submit POW for drilling Neds Creek drill program to DMP and NT representatives
 - DMP approval received, awaiting heritage clearance

Sequential progress to drilling program

Ned's Creek Project : Exploration Opportunity



- ❑ Widespread copper/base metal mineralisation on adjacent tenements
- ❑ Anomalous base metal geochemistry on district-wide basis suggests a large mineralising system
- ❑ Graben structures interpreted adjacent to Basement High
- ❑ Analogous structural settings recognised in major Proterozoic base metal provinces world wide

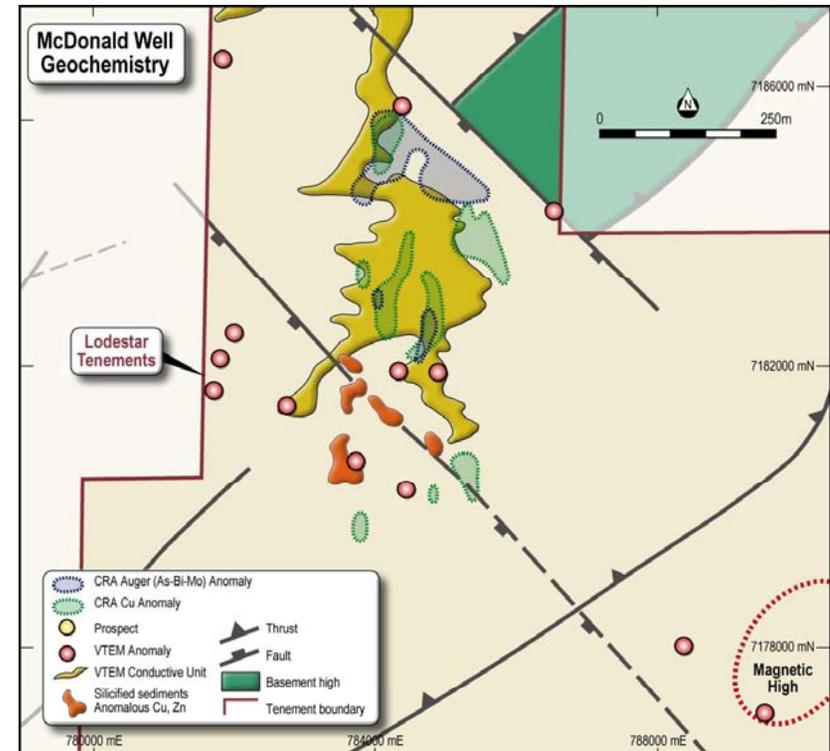


Prospective structural setting within large copper mineralising system

Ned's Creek Project: McDonald Well Prospect



- ❑ Historic exploration:
 - **WMC** rock chips to **4100ppm Cu** and **1120ppm Zn**
 - **CRA** anomalous Cu in shallow (1-3m) auger drilling
- ❑ 2010 VTEM survey identifies VTEM anomalies and conductive unit coincident with anomalous base metal geochemistry
- ❑ Immediate targets for drilling



Coincident anomalous VTEM and base metal geochemistry endorse high prospectivity

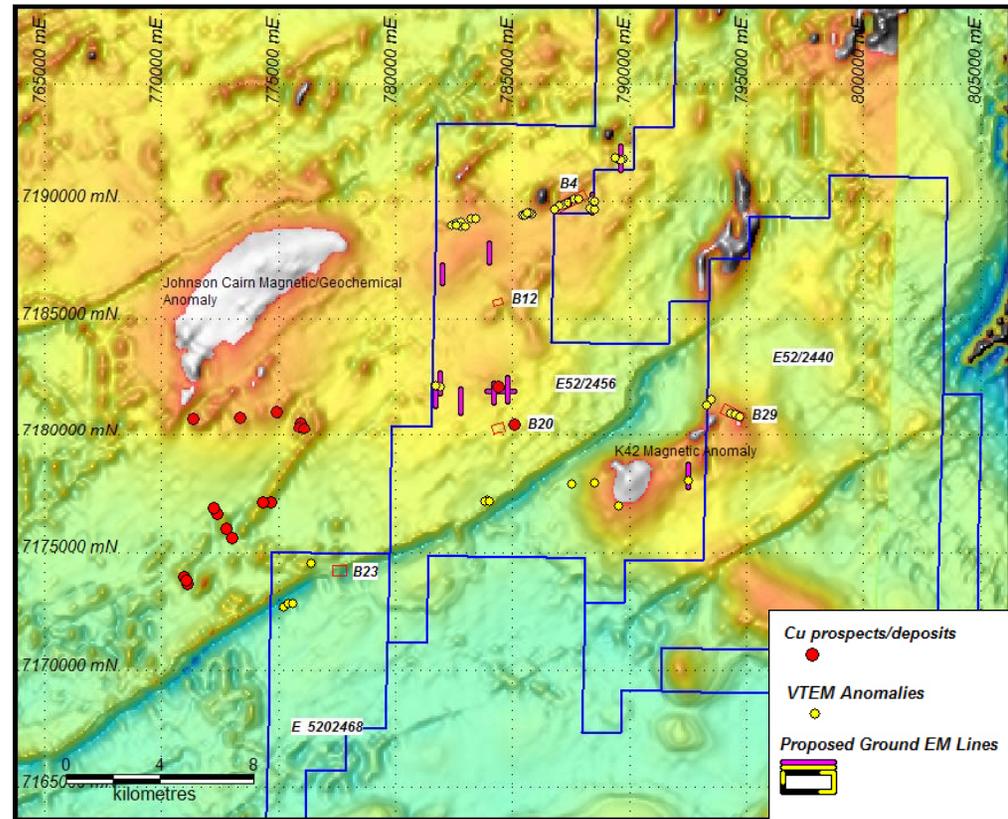
- ❑ **VTEM:**
Extend Survey to cover entire project area

- ❑ **Land Access:**
Finalise negotiations with Traditional Owners (September)

- ❑ **Exploration:**
 - Geological mapping, Soil and Rock Chip Sampling and surface EM

 - RC Drilling (November – December) five priority VTEM ± geochem targets at depths of less than 200m

- Ground EM being completed over a further 9 VTEM anomalies – extend the drilling program
- Gravity survey over K42 magnetic anomaly – alteration/density contrasts



McDonald Well area – VTEM anomalies, in-fill EM surveys and drill targets **B4-B29**

Ned's Creek: Exploration Program



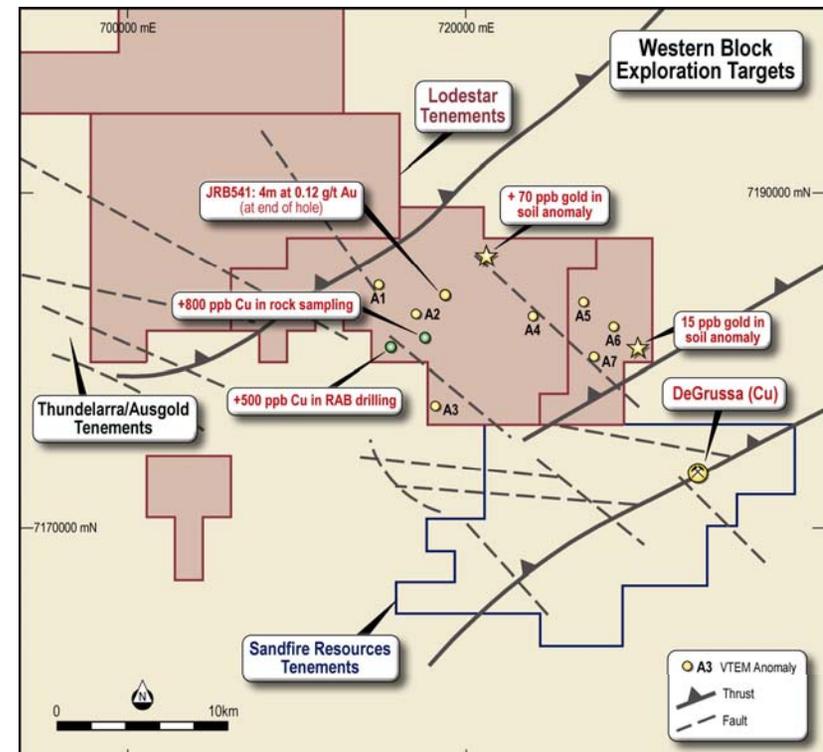
Photograph of the B23 anomaly drill site

Aggressive exploration/drilling proposed

Western Project: The Exploration Opportunity



- ❑ **LANDHOLDING:**
Adjoins Sandfire and Ausgold tenements
- ❑ **LOCATION:**
Between major gold camps, 6km NW of DeGrussa
- ❑ **HISTORIC EXPLORATION:**
 - effectiveness reduced by extensive soil/hardpan cover
 - soil sampling anomalies to 80ppb Au
 - wide spaced RAB reported 4m @ 0.12g/t at end of hole (not followed up)
- ❑ **NE STRUCTURES**
NE trending thrust faulting
Anomalous Cu to 800ppm in rock chip and RAB in breccia zone
- ❑ **VTEM**
Low amplitude anomalies identified under cover



NE thrust faulting and linking structures – potential controls on mineralisation

- Land Access:**
Finalise heritage access agreement

- Geochemistry:**
Regional stream/soil/rock chip geochemistry – first pass exploration gold, copper, base metals

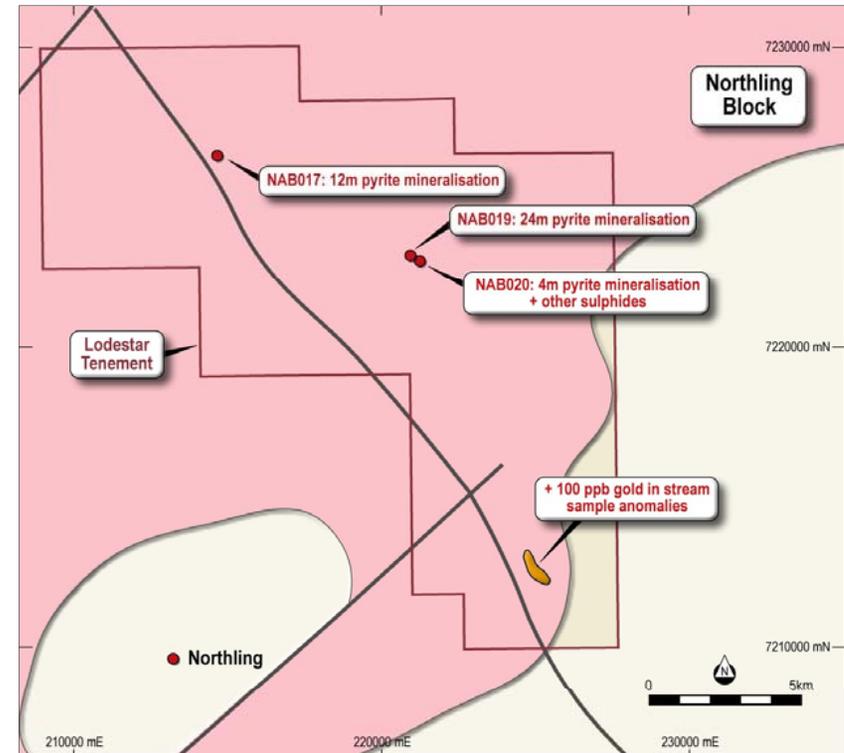
- Exploration under cover:**
Geological / structural study – focus on potentially mineralised structures and lithologies (December – March 2011)
Follow up geophysical programs

- Drilling**
Targeted drilling beneath cover (April – May 2011)

Marymia Project: The Exploration Opportunity



- ❑ Little systematic exploration, extensive soil cover
- ❑ Diamond exploration intersected ultramafic/mafic basement with sulphides in historic drilling – not assayed
- ❑ Unresolved gold in stream samples to 164ppb associated with NNW – trending fault
- ❑ Soil sampling reported contiguous gold to 4ppb, inadequate coverage failed to fully delineate stream anomaly



Unresolved gold anomaly and sulphide mineralisation in historic drilling 17

- ❑ **Land Access:**
 - Heritage agreement signed with Gingirana July 2010

- ❑ **Geochemistry:**
 - Review and plan geochemical programs for gold exploration infill

 - Field checking / mapping / soil geochemistry for base metals and gold

- McDonald Well drilling program**
- Complete in-fill EM surveys, including Little Well South – expected to define additional drill targets**
- Geochemistry:**
 - commence orientation geochemical exploration - Neds Creek & Marymia
- Exploration targeting “under cover” study – Western and Marymia projects**

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