



2 October 2019

Dear Option Holder,

EXPIRY OF LISTED OPTIONS (ASX: LSROA)

At the date of this notice, you are a registered holder of Options in Lodestar Minerals Limited (“**the Company**”, **ASX:LSR**). These options were issued between 27 October 2016 and 20 November 2017, or have been purchased on market since then.

This letter is to notify you of the impending expiry of your listed options in the Company at 5:00pm AWST on Thursday, 31 October 2019 (**Expiry Date**). It also sets out your alternative courses of action prior to expiry date and provides information about recent prices of the LSR shares and listed options.

As at 1 October 2019, the last traded price of LSR Shares was \$0.009. However, the market price should be monitored for any significant changes. We recommend that you seek independent financial advice if you are unsure whether to exercise your options.

Your choices as an Option Holder are:

- **Do nothing and allow your Options to lapse**

If you do not take any action to exercise your Options prior to 5:00pm AWST on Thursday, 31 October 2019, the Options will expire and your right to purchase LSR shares at \$0.03 will lapse.

- **Exercise all or some of your Options**

To exercise your Options, the enclosed personalised Options Expiry Notice and your cleared funds must be received by the Company’s share registry no later than 5:00pm AWST on Thursday, 31 October 2019. Payment can also be made by BPAY and further instructions are on the enclosed form.

Note that exercising your options does not incur any brokerage costs.

- **Sell all or some of your Options on market**

If you elect not to exercise your Options, you may wish to consider selling your Options on the ASX. Your Options are currently trading on the ASX under the ASX Code: LSROA. The last trade for LSROA was on 18 July 2019 and was \$0.001. When considering whether to sell your Options on market, you should bear in mind any brokerage charges that you may incur. The Options cease trading on the ASX on 25 October 2019.

In accordance with the ASX Listing Rules, the Company advises the following:

- (a) The number of Options you hold at the date of this letter is set out in your Options Expiry Notice.
- (b) Each Option entitles the holder to receive, on exercise, one fully paid ordinary share in the Company. If all Options are exercised, by all holders of the Options, then 96,553,702 fully paid ordinary shares will be issued.
- (c) The exercise price of the Options is \$0.03 per share. If cleared funds are not received by 5:00pm AWST on Thursday, 31 October 2019, then your Options will expire with no value and no further entitlement will exist.
- (d) Official quotation of the LSROA Options on the ASX will cease at the close of trading on 25 October 2019.
- (e) There is no underwriting agreement in place for the exercise of the Options.
- (f) The latest available market price of LSR shares prior to the date of this notice was \$0.009 at the close of trading on 1 October 2019.
- (g) The highest and lowest market prices of LSR shares traded in the three months immediately before the date of this notice were:
 - Highest:** \$0.010 per share on 27 September 2019
 - Lowest:** \$0.007 per share on 24 September 2019

Summary of key dates for Option holders are:

Last day of trading/quotation of LSROA Options:	25 October 2019
Final date for exercise and payment of Options:	5:00pm AWST 31 October 2019
Final date for allotment of new LSR shares:	Within 15 business days of expiry date

Further information:

If you have any queries about completing the form, please contact Lodestar Minerals Limited on 08 9435 3200, between 8:30am and 5:00pm AWST.

Yours sincerely,



Jordan McArthur
Joint Company Secretary