

SHARE TRADING POLICY

INTRODUCTION

As a director or employee of Lodestar or any of its subsidiary entities, this policy applies to you.

If you wish to deal in the Company's shares (including when exercising any options you may hold) or any other listed or unlisted securities (collectively "Company Securities") you must follow this Policy.

Failure to do so could result in you coming under suspicion of insider trading. The provisions of this Policy may mean that you cannot deal in the Company's Securities without first obtaining consent. It is advised to read this policy carefully.

If the Policy does not prevent you from trading, but you meet one or more of the definitions of "Key Management Personnel" below, you will be required to follow the procedures set out in this Policy and obtain consent from the Company before trading in the Company's Securities. You must also notify the Company immediately after trading in the Company's Securities. Please note that the Policy will be interpreted strictly and in accordance with its spirit rather than its letter.

The ASX Listing Rules require all companies listed on ASX to adopt and apply a share trading policy which meets the minimum requirements set out in ASX Listing Rule 12.12.

The Policy applies where any director or employee of the Company wishes to deal in Company Securities. This includes not only buying or selling or agreeing to buy or sell shares and options in the Company, but also exercising, granting, accepting and discharging options over shares.

The following also constitutes trading in the Company's securities for the purposes of this Policy:

- a) Trading between Directors an/or certain employees of the Company;
- b) Off-market trading;
- c) Transfer of Securities for no consideration (other than transfers where the beneficial interest in the shares is retained);
- d) A Security taken into or out of treasury; and
- e) To, or to procure another person to, apply for, acquire, or dispose of, the Company's Securities, or enter into an agreement to apply for, acquire, or dispose of, the Company's Securities.

Compliance with the Policy (including any changes prescribed by the ASX Listing Rules and notified to you by the Company) is mandatory and a breach of either the Policy or the statutory prohibitions on insider trading may result in legal proceedings and/or disciplinary action, including, where appropriate, dismissal.

REGULATORY REGIME

The Nature of Prohibition

Insider trading is a criminal offence under Australian law and may also result in civil liability. In broad terms, a person will be engaged in insider trading if:

- a) a person ("the Insider") possesses information, which is information not generally available, and if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of particular the company's shares ("inside information"); and

- b) the Insider knows, or ought reasonably to know that the information is;
 - i. information which is information not generally available; and
 - ii. if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company's Securities;
- c) and the Insider (whether as principal or agent):
 - i. applies for, acquires, or disposes of, the Company's Securities, or enters into an agreement to apply for, acquire, or dispose of, the Company's Securities; or
 - ii. procures another person to apply for, acquire, or dispose of, the Company's Securities, or enter into an agreement to apply for, acquire, or dispose of, the Company's Securities; or
 - iii. the Insider, directly or indirectly, communicates the Inside Information, or causes the Inside Information to be communicated, to another person if the Insider knows, or ought reasonably to know, that the other person would or would be likely to:
 - 1. apply for, acquire, or dispose of, the Company's shares, or enters into an agreement to apply for, acquire, or dispose of the, the Company's Securities; or
 - 2. procure another person to apply for, acquire, or dispose of, the Company's Securities, or enter into an agreement to apply for, acquire, or dispose of, the Company's Securities.

("Prohibition").

How You Become Aware of the Inside Information is Irrelevant

It is irrelevant how or in what capacity the person came into possession of the Inside Information. The Prohibition applies to any employee or director who acquires Inside Information in relation to the Company's Securities, no matter in which capacity and is prohibited trading in those Securities.

It does not matter how or where the person obtains the Inside Information, and it does not have to be obtained from the Company to constitute Inside Information.

Information Which Might Affect Price or Value

The Prohibition refers to unpublished information which, if generally available, might materially impact the price or value of the Company's shares.

What Does Information Include?

"Information" includes matters of supposition or speculation and matters relating to the intentions or likely intentions of a person.

What Information Might Materially Affect Price or Value?

This means information that a reasonable person would expect to have a material effect on the price or value of the Company's Securities. A reasonable person would be taken to expect information to have a material effect on the price or value of the Company's Securities if the information would be likely to influence persons who commonly invest in shares whether or not to do so.

Examples of this type of information which might affect the price or value of the Company's Securities includes:

- a) proposed changes in the capital structure, capital returns and buy backs of the Company's Securities;
- b) information relating to Lodestar's consolidated financial results;
- c) a material acquisition, divestment, or realisation of assets;
- d) proposed dividends and share issues;
- e) changes to the Board;
- f) events which could have a material impact on profits (either negatively or positively);
- g) proposed changes in the nature of the business of Lodestar;
- h) notification to Lodestar of a substantial shareholding; and
- i) any information required to be announced to the market pursuant to ASX Listing Rule 3.1.

What Does "Unpublished" Mean

"Unpublished" for this purpose means that the information is not generally available. Information is generally available if it consists of readily observable matter, or it has been disseminated in a manner likely to bring it to the attention of investors and a reasonable period has elapsed. The Company publishes information to the market by releasing Company announcements to ASX. All announcements by the Company are available on the ASX website www.asx.com.au and the Company's website www.lodestarminerals.com.au.

TRADING BY DIRECTORS AND EMPLOYEES

Trading

You must not deal in, or procure another to deal in, the Company's Securities on considerations of a short-term nature (for example, to make a quick profit). You must also take reasonable steps to prevent any person connected with you (including your immediate family) from doing the same.

Closed Periods

You must not deal in, or procure another to deal in, the Company's Securities during a closed period.

A closed period is:

- a) the period two weeks prior to, and 24 hours after the release of, the Company's quarterly results;
- b) the period two weeks prior to, and 24 hours after the release of, the Company's half-year results;
- c) the period two weeks prior to, and 24 hours after the release of, the Company's full-year results;
- d) the 21 calendar days up to and including the date of the Annual General Meeting;
- e) the period of two weeks immediately prior to the release of a disclosure document offering shares in the Company; and
- f) any other period determined by the Chair in consultation with the Company Secretary to be a Blackout Period from time to time.

("Closed Period")

In addition to the restrictions noted above, employees and directors may not deal in the Company's Securities at any time if they have:

- a) information that they know, or ought reasonably to know, is Inside Information; or
- b) not complied with the requisite Notice of Dealing in Company Securities identified in this Policy.

The Company may at its discretion vary this rule in relation to a particular Closed Period by general announcement to all directors or key management personnel, either before or during the Closed Period. However, if a director or key management personnel is in possession of Inside Information which is not generally available to the market, then he or she must not deal in the Company's Securities at any time.

If you have a pressing financial commitment that cannot be satisfied other than by selling securities, you should talk to the person who is the nominated director responsible for trading in the Company's Securities.

You may be allowed to exercise an option or right under an employee share scheme where the final exercise date falls within a Closed Period if you could not have been expected to exercise it earlier. You should speak to the person who is the nominated director responsible for trading in the Company's Securities. Note that you will not be allowed to sell securities you receive during the prohibited period.

Securities in other Companies

Trading in securities of other companies with which the Company may be trading is prohibited where an individual possesses Inside Information. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not trade in securities of either the Company or its counterpart company.

Insider Trading

If you possess Inside Information, you should not engage in any activity which may contravene the Prohibition outlined above.

GUIDELINES FOR TRADING – CLEARANCE TO DEAL

This section applies to Key Management Personnel.

For the purpose of this policy, "Key Management Personnel" are defined as:

- a) any Director;
- b) Any first line reports of the Managing Director and their direct reports;
- c) Any other person designated by the MD as a key management personnel on the basis that they have authority and responsibility for planning, directing, and controlling the activities of the Company either directly or indirectly.

Clearance to Deal

You must not deal in any of the Company's securities without advising the Chair of the Company in advance and until clearance has been obtained. In his own case, the Chair, must advise the board in advance at a board meeting, or advise another designated director, and receive clearance from the board or designated director, as appropriate.

Circumstances for Refusal

You will not be given clearance to deal in any of the Company's securities during a prohibited period, which is:

- a) any Closed Period;
- b) any period when there exists any matter which constitutes Inside Information in relation to the Company's securities (whether or not you have knowledge of such matter) and the proposed trading would (if permitted) take place after the time when it has become reasonably probable that an announcement will be required in relation to that matter; or
- c) any period when the person responsible for the clearance otherwise has reason to believe that the proposed trading is in breach of this Policy.

A written record will be maintained by the Company of the receipt of any request received from you pursuant to the *Clearance to Deal* section of this Policy and of any clearance given. Written confirmation from the Company that such request and clearance have been recorded will also be provided to you.

Clearance Due to Exceptional Circumstances

Key Management Personnel who are not in possession of Inside Information in relation to the Company may apply for, and may be granted, clearance by the Chair (in their discretion) to sell or otherwise dispose of Company securities during a prohibited period where the person is in severe financial hardship or where there are other exceptional circumstances that, in the Chair's opinion, necessitate clearance.

Acting as Trustee

If you are a sole trustee (other than a bare trustee), the provisions of this Policy will apply as if you are trading on your own account. If you are a co-trustee (other than a bare trustee), you must advise your co-trustees of the name of the Company. If you are not a beneficiary, trading in the Company's securities undertaken by that trust will not be regarded as trading by you for the purposes of this Policy, where the decision to deal is taken by the other trustees acting independently of you or by investment managers on behalf of the trustees. The other trustees or the investment managers will be assumed to have acted independently of you for this purpose where they:

- a) have taken the decision to deal without consultation with, or other involvement of you; or
- b) if they have delegated the decision making to a committee of which you are not a member.

Trading by Connected Persons and Investment Managers

You must (so far as is consistent with your duties of confidentiality to the Company) seek to prohibit any trading in the Company's securities during a Closed Period or at a time when you are in possession of Inside Information in relation to those securities and would be prohibited from trading under the *Circumstances for Refusal* section of this Policy:

- a) by or on behalf of any person connected with you under Australian law (including nominees, agents, and other associates, such as family members, family trusts and family companies); or
- b) by an investment manager on your behalf or on behalf of any person connected with you, where either you or the person connected with you has funds under management with that investment manager, whether or not discretionary (save as provided in the *Acting as a Trustee* section above).

For the purposes of this Policy, you must advise all such connected persons and investment managers:

- a) of the name of the Company;
- b) of the Closed Periods which they cannot deal in the Company's securities;
- c) of any other periods when you know you are not yourself free to deal in the Company's securities under the provisions of this Policy unless your duty of confidentiality to the Company prohibits you from disclosing such periods; and
- d) that they must advise you immediately after they have dealt in the Company's securities (save as provided in the *Acting as a Trustee* section above).

Procedure to be Followed Before and After Trading

You must obtain specific approval from the Company before trading in the Company's securities. Complete a Clearance Request Form (see Attachment to this Policy) and send it via the Company Secretary to the person responsible for giving clearance to deal.

You will be notified of the decision by the return of your Clearance Request Form duly completed. You must not deal in the Company's securities until this has been returned saying your request has been approved. Any refusal is final and binding. If approval is given for trading, you should deal within 7 days of receipt of such approval.

Each person must obtain consent individually. You may not assume that if one person has obtained consent to deal that you may rely on that consent.

The Prohibitions on trading may also apply to persons connected with you under Australian Law. These include husbands and wives, children under 18 and associated companies and trusts. You must seek to prohibit these people from trading when you yourself are not allowed to deal. You must obtain consent for trading by these people and report their trading as you do your own.

You must notify the Company Secretary in writing immediately after trading in the Company's securities by signing and completing a Securities Trading Return Form (available from the Company Secretary) and sending it, together with, or later if then unavailable, a copy of the contract note from the stockbroker to the Company Secretary. Do not wait to receive your contract note before returning the Securities Trading Return Form.

Trading Which is not Subject to this Policy

The following trading in the Company's securities is NOT subject to this Policy:

- a) undertakings or elections to take up, taking up or allowing to lapse your entitlements under a rights issue or other offer (including an offer of securities in lieu of a cash dividend);
- b) selling enough of your entitlements nil-paid to allow you to take up the balance of your entitlements under a rights issue; or
- c) undertaking to accept or accepting a takeover offer.

EFFECT OF COMPLIANCE WITH THIS POLICY

Compliance with this Policy does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.

ATTACHMENT – CLEARANCE REQUEST FORM

CLEARANCE REQUEST FORM

Personal Details	
Name:	Address:
Position:	
Proposed Trading	
Number of shares/warrants/options:	Nature of transaction - (e.g. buying/selling)
When you intend to deal (assuming you receive clearance to do so)?	Do you know anything about the Group or which relates to the Group which, if it were made public, would lead to a substantial movement in the Company's share price?

If the trading is to be done by someone other than the above-named director or employee, please give details (director's or employee's spouse / children / trust / private company):

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You must disclose to one of the directors responsible for trading any additional material facts which may affect the decision as to whether the trading should be permitted or not.

I..... of

declare that the information above is true and that I have read the rules as set out in the Policy. I understand that the information above may be referred to in the event of a suspected breach of this Policy. I will inform promptly the directors responsible for trading if there is a change in any of the above circumstances. If the trading is approved, I will instruct a broker to carry out the transaction and will immediately notify the Company Secretary in writing when the trading has been effected.

Signature Date.....

ON COMPLETION, THIS FORM IS TO BE HANDED TO THE COMPANY SECRETARY

Request authorised/refused* by Date.....

(*Delete whichever is not applicable)