

26 October 2021



Dear Shareholder,

**NOTICE OF ANNUAL GENERAL MEETING**

Please be aware that Lodestar Minerals Limited (“**Lodestar**” or “**the Company**”) has today released a Notice of Meeting (**NoM**) for its Annual General Meeting of Shareholders to be held on 24 November 2021 at 11.00am Australia Western Standard Time.

In accordance with the temporary ‘no-action’ stance outlined by ASIC in Media Release 21-082, the Company will not be dispatching physical copies of the NoM unless specifically requested to do so. Instead, a copy of the NoM can be viewed and downloaded online at the following link:

<https://lodestarminerals.com.au/investor-centre/>

Should you wish to receive a physical copy of the NoM, please contact the Company via email to [companysecretary@lodestarminerals.com.au](mailto:companysecretary@lodestarminerals.com.au) or via telephone to +61 8 9435 3200.

A copy of the proxy form is enclosed in the NoM located at the above link. Proxy votes may be lodged by any of the following methods:

- Online: [www.investorvote.com.au](http://www.investorvote.com.au)
- By mail to Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne VIC 3001
- By fax to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)

Yours sincerely

A handwritten signature in blue ink, appearing to read "Jordan McArthur".

**Jordan McArthur**  
*Company Secretary*



**LODESTAR MINERALS LIMITED**

**ABN 32 127 026 528**

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**NOTICE OF ANNUAL GENERAL MEETING**

**PROXY FORM**

**AND**

**EXPLANATORY STATEMENT**

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*Date of Meeting*

**24 November 2021**

*Time of Meeting*

**11:00 am (AWST)**

*Place of Meeting*

**Level 1, 31 Cliff Street  
Fremantle, Western Australia**

# LODESTAR MINERALS LIMITED

ABN 32 127 026 528

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of shareholders of Lodestar Minerals Limited ("**Company**") will be held at 11:00 am (AWST) on Wednesday, 24 November 2021, at Level 1, 31 Cliff Street, Fremantle, Western Australia.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 2:00pm (AWST) on 22 November 2021.

An Explanatory Statement containing information in relation to each of the Resolutions to be put to the meeting accompanies this Notice.

### AGENDA

To consider and, if thought fit, to pass the following Resolutions.

#### ORDINARY BUSINESS

##### Financial Statements and Reports

To receive and consider the annual financial report for the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the auditor's report.

##### Ordinary Resolution 1: Adoption of the Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report contained within the Company's annual financial report for the financial year ended 30 June 2021."*

**Note 1:** The vote on this resolution is advisory only and does not bind the Directors or the Company.

**Note 2:** If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must stand for re-election. Less than 25% of shareholders voted against the remuneration report at the 2020 Annual General Meeting.

##### Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

### **Ordinary Resolution 2: Re-election of Director - Mr Ross Taylor**

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That Mr Ross Taylor, a Director, retires by rotation in accordance with clause 7.3 of the Company’s constitution, ASX Listing Rule 14.4 and for all other purposes, and being eligible is re-elected as a Director.”*

### **Ordinary Resolution 3: Ratification of prior issue of shares – LR 7.1**

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 100,000,000 fully paid ordinary shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf any sophisticated investor clients of 180 Markets Pty Ltd or any other sophisticated investors that took part in the October placement or is a counterparty to the agreement being approved or an associated of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **Ordinary Resolution 4: Ratification of prior issue of options – LR 7.1**

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 50,000,000 unlisted 31 December 2022 options on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf any sophisticated investor clients of 180 Markets Pty Ltd or any other sophisticated investors that took part in the October placement or is a counterparty to the agreement being approved or an associated of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

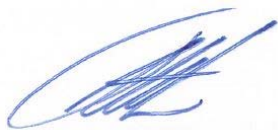
- (d) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (e) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (f) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (iii) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (iv) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **Special Resolution 5: Approval of 10% Placement Capacity**

To consider and, if thought fit, to pass, the following resolution as a **special resolution**:

*“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to the number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”*

**By Order of the Board**



**Jordan McArthur**  
**Company Secretary**

Dated: 21 October 2021

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## ENTITLEMENT TO ATTEND AND VOTE

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The Company may specify a time, not more than 48 hours before the Meeting, at which a “snap-shot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Annual General Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 2:00pm (AWST) on 22 November 2021.

### VOTING IN PERSON

To vote in person, attend the Meeting at the time, date and place set out above.

### VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- (a) each Shareholder has a right to appoint a proxy;
- (b) the proxy need not be a member of the Company; and
- (c) a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- (a) if proxy holders vote, they must cast all directed proxies as directed; and
- (b) any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

### CORPORATE REPRESENTATIVE

A Shareholder that is a corporation may appoint an individual to act as its corporate representative to vote at the Meeting in accordance with section 250D of the Corporations Act. Any corporation wishing to appoint an individual to act as its representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or Share Registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative. A 'Certificate of Appointment of Corporate Representative' is enclosed if required.

### ENQUIRIES

Shareholders are invited to contact the Company Secretary, Mr Jordan McArthur on +61 8 9435 3200 or via email to [companysecretary@lodestarminerals.com.au](mailto:companysecretary@lodestarminerals.com.au) if they have any queries in respect of the matters set out in this document.

# LODESTAR MINERALS LIMITED

ABN 32 127 026 528

## EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting (“**Notice**”) of the Company.

The Directors of the Company (“**Directors**”) recommend Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

The following information should be noted in respect of the various matters contained in the accompanying Notice.

### FINANCIAL STATEMENTS AND REPORTS

The business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021, together with the declaration of the Directors, the Directors’ report, the Remuneration Report and the auditor's report.

A copy of the Company’s 2021 Annual Report is available on the ASX platform (**ASX: LSR**) and on the website [www.lodestarminerals.com.au](http://www.lodestarminerals.com.au). Alternatively, a hard copy will be made available upon request.

The Company’s auditor, HLB Mann Judd, will be present at the Annual General Meeting and Shareholders will have the opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor’s report, the Company’s accounting policies, and the independence of the auditor.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company’s auditor about:

- (a) the preparation and content of the auditor’s report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the Annual Financial Statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted to the Company Secretary no later than 5 business days before the meeting date.

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### 1. ORDINARY RESOLUTION 1: Adoption of Remuneration Report

#### General

The Corporations Act requires that at a listed company’s annual general meeting, a resolution that the Remuneration Report be adopted must be put to the Shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company’s remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors’ report contained in the annual financial report of the Company for a financial year.

The Chair of the meeting must allow a reasonable opportunity for Shareholders to ask questions about or make comments on the Remuneration Report at the Annual General Meeting.

### **Voting consequences**

Pursuant to the Corporations Act, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the Directors of the Company who were in office when the Directors' Report (as included in the Company's annual financial report for the most recent financial year) was approved, other than the managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as Directors of the Company is approved will be the Directors of the Company.

### **Previous voting results**

At the Company's previous Annual General Meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

### **Proxy restrictions**

Shareholders appointing a proxy for Resolution 1 should note the following:

- (a) *If you appoint a member of the Key Management Personnel (other than the Chair) as your proxy*

If you elect to appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that member, **you must direct the proxy how they are to vote**. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

- (b) *If you appoint the Chair as your proxy*

If you elect to appoint the Chair where they are also a member of the Key Management Personnel whose remunerations details are included in the Remuneration Report, or a Closely Related Party of such a member, **you must direct the Chair how they are to vote**. Undirected proxies granted to these persons will be voted in favour of all Resolutions.

- (c) *If you appoint any other person as your proxy*

You **do not** need to direct your proxy how to vote, and you **do not** need to tick any further acknowledgement on the Proxy Form. Undirected proxies granted to these persons will be voted at their discretion.



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## **2. ORDINARY RESOLUTION 2: Re-election of Director - Mr Ross Taylor**

### **General**

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer.

Clause 7.3(a) of the Company's Constitution requires that at every Annual General Meeting of the Company one-third of the Directors (rounded down to the nearest whole number) shall retire from office. The Directors to retire are those who have been longest in office since their last election. A Director who retires by rotation under clause 7.3(a) is eligible for re-election.

The Company currently has 2 Directors (excluding the Managing Director) and accordingly 1 must retire.

Mr Taylor, the Director longest in office since his last election, retires by rotation and seeks re-election as a Director.

Information about Mr Taylor is set out in the Company's 2021 Annual Report.

The Board unanimously supports the re-election of Mr Taylor.

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## **3. ORDINARY RESOLUTIONS 3 & 4: Ratification of prior issue of shares and options**

### **General**

On 13 October 2021, the Company announced the issue of 100,000,000 fully paid ordinary shares in the capital of the Company, and one free attaching unlisted option exercisable at 3 cents by 31 December 2022 for every 2 shares applied for, totalling 50,000,000 options issued, to raise a total of \$1,000,000 before costs.

Resolution 3 seeks the ratification of issue of 100,000,000 ordinary shares under the Company's Listing Rule 7.1 capacity. Resolution 4 seeks the ratification of 50,000,000 unlisted options issued under the Company's Listing Rule 7.1 capacity.

### **Regulatory Requirements**

ASX Listing Rule 7.1 provides that the Company must not issue or agree to issue, subject to specified exceptions, more equity securities during any 12-month period than an amount which, when aggregated with the number of other securities issued within that 12-month period, represents 15% of the number of ordinary shares on issue at the commencement of that 12-month period, unless the issue falls within one of the nominated exceptions, or the prior approval of members of the Company at a general meeting is obtained.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1 whereby it provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purposes of ASX Listing Rule 7.1.

While the Shares and Options described in these Resolutions 3 and 4 have been issued within the 15% limit, the Company seeks Shareholder ratification of the issue of these Shares and Options for the purpose of Listing Rule 7.4 so that the Company may retain the flexibility to issue equity securities in the future, up to the 15% annual placement capacity set out in ASX Listing Rule 7.1, without the requirement to obtain prior Shareholder approval, should the need or opportunity arise.

If Resolution 3 is passed, the Issue will be excluded in calculating Lodestar's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

If Resolution 3 is not passed, the Issue will be included in calculating Lodestar's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

If Resolution 4 is passed, the Issue will be excluded in calculating Lodestar's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

If Resolution 4 is not passed, the Issue will be included in calculating Lodestar's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

#### **Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to these Resolutions 3 and 4:

- (a) the total number of Shares issued by the Company was 100,000,000 under Listing Rule 7.1;
- (b) the total number of Options issued by the Company was 50,000,000 under Listing Rule 7.1;
- (c) the issue price of the Shares was \$0.01 per share;
- (d) the Options were issued for nil consideration as free-attaching options;
- (e) the Shares and Options were issued on 19 October 2021;
- (f) the Shares issued were all fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing shares;
- (g) the Shares were issued to sophisticated investor clients of 180 Markets Pty Ltd and to existing sophisticated investor shareholders, who are not considered related parties of the Company;
- (h) the Options were issued on the terms and conditions set out in Appendix 1;
- (i) the Options were issued to sophisticated investor clients of 180 Markets Pty Ltd and to existing sophisticated investor shareholders, who are not considered related parties of the Company; and
- (j) the funds raised from the issue of Shares and Options was for ongoing exploration efforts on the Company's exploration assets and for working capital purposes.

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#### **4. SPECIAL RESOLUTION 5: Approval of 10% Placement Capacity - Shares**

##### **General**

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval by special resolution passed at its annual general meeting to allow it to issue up to the number of Equity Securities equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$12.52m (based on the number of Shares on issue and the closing price of Shares on the ASX on 21 October 2021).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. At the date of the meeting, the Company will only have one class of quoted Equity Securities on issue, being fully paid ordinary Shares (**ASX Code: LSR**).

If Shareholders approve Resolution 5, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

If Shareholders approve Resolution 5, the Company will have the additional 10% Placement Capacity under Listing Rule 7.1A.

If Shareholders do not approve Resolution 5, the Company will not have the additional 10% Placement Capacity under Listing Rule 7.1A.

Resolution 5 is a special resolution. Accordingly, at least 75% of votes cast by shareholders present and eligible to vote at the Meeting must be in favour of Resolution 5 for it to be passed.

#### **Technical information required by ASX Listing Rule 7.1A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 5:

##### **(a) Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 10 ASX trading days of the date above, the date on which the Equity Securities are issued.

##### **(b) Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting;
- (ii) the time and date of the entity's next annual general meeting; or
- (iii) the time and date of the approval by holders of the entity's ordinary securities of a transaction under ASX Listing Rules 11.1.2 or 11.2.

##### **(c) Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue. If Resolution 5 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table on the following page.

The table on the following page shows the dilution of existing Shareholders calculated on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Shares on issue Variable A* in Listing Rule 7.1A.2	Dilution			
	Issue price per Share	\$0.0045 50% decrease in Issue Price	\$0.009 Issue Price	\$0.018 100% increase in Issue Price
1,390,937,348 Shares Current Variable A	10% Voting Dilution	139,093,735 Shares	139,093,735 Shares	139,093,735 Shares
	Funds raised	\$625,922	\$1,251,844	\$2,503,687
2,086,406,022 Shares 50% increase in Current Variable A	10% Voting Dilution	208,640,602 Shares	208,640,602 Shares	208,640,602 Shares
	Funds raised	\$938,883	\$1,877,765	\$3,755,531
2,781,874,696 Shares 100% increase in Current Variable A	10% Voting Dilution	278,187,470 Shares	278,187,470 Shares	278,187,470 Shares
	Funds raised	\$1,251,844	\$2,503,687	\$5,007,374

\* The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

- (i) There are currently 1,390,937,348 Shares on issue as at 21 October 2021.
- (ii) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. That is why the voting dilution is shown in each example as 10%.
- (iv) The issue price set out above is the closing price of the Shares on the ASX on 21 October 2021.
- (v) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (vi) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.

- (vii) The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- (viii) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- (ix) This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

**(d) Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration only. The funds raised may be used for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets and general working capital.

The Company will comply with the disclosure obligations under Listing Rule 7.1A(4) and Listing Rule 3.10.3 upon issue of any Equity Securities.

**(e) Allocation under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company obtained approval under Listing Rule 7.1A on 4 November 2020. The Company has issued 85,280,199 fully paid ordinary shares pursuant to Listing Rule 7.1A in the 12 months preceding the date of the Annual General Meeting. These shares were ratified by shareholders at a General Meeting held 21 April 2021.

As the Company has previously sought shareholder approval for the additional placement capacity under Listing Rule 7.1A, the following information is provided in relation to all issues of equity securities in the 12-months prior to the date of the Annual General Meeting, pursuant to the requirements of Listing Rule 7.3A6(a) and 7.3A6(b):

A total of 85,280,199 ordinary shares have been issued under LR 7.1A representing 9.78% of the equity securities on issue at the commencement of the 12-month period preceding the date of the Annual General Meeting (being 871,601,994 equity securities). Ordinary shares issued under LR 7.1A are detailed in the table below.

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) <sup>1</sup>	Form of consideration
Appendix 3B – 17/02/21 Appendix 2A – 23/02/21	85,280,199	Shares <sup>2</sup>	Sophisticated investors <sup>3</sup>	\$0.0011 per Share (4.58% discount to Market Price <sup>4</sup> )	<b>Cash</b> Amount raised = \$852,801 Amount spent = \$852,801 Amount remaining = \$225,000  Use of funds: Exploration activities on the Company's owned tenements and payments for JV exploration activities, and for working capital purposes.

**Notes:**

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: LSR (terms are set out in the Constitution).
3. Sophisticated investor clients of Alto Capital Pty Ltd, 180 Markets Pty Ltd and Oracle Capital Pty Ltd.
4. Share price of placement calculated at 4.58% discount to 15-day VWAP prior to placement – requirements for no less than 75% of 15-day VWAP of market price adhered to.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.3**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.3 for release to the market.

**Voting Exclusion**

A voting exclusion statement has not included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 5.

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## GLOSSARY OF TERMS

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**10% Placement Capacity** has the meaning given in Resolution 5 of the Explanatory Statement.

**Annual General Meeting or Meeting** means the meeting convened by this Notice.

**ASX** means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

**ASX Listing Rules** means the Listing Rules of ASX.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means Lodestar Minerals Limited - ABN 32 127 026 528

**Directors** means the current directors of the Company.

**Options** means options exercisable at \$0.03 per option on or before 31 December 2022.

**Eligible Entity** means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Notice or Notice of Meeting or Notice of Annual General Meeting** means this notice of Annual General Meeting including the Explanatory Statement and the Proxy Form.

**Ordinary Securities** has the meaning set out in the ASX Listing Rules.

**Resolutions** means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

**AWST** means Australian Western Standard Time (Perth, Western Australia).

# LODESTAR MINERALS LIMITED

ABN 32 127 026 528

## APPENDIX 1

### TERMS AND CONDITIONS OF 31 DECEMBER 2022 OPTIONS

- (a) The Options will be unlisted.
- (b) The Options are exercisable at 3 cents each (“**Exercise Price**”).
- (c) The Options are exercisable at any time on or before 31 December 2022 (“**Expiry Date**”).
- (d) The Options have no vesting conditions.
- (e) Each Option exercised will entitle the holder to one Share in the capital of the Company.
- (f) The notice attached to the certificate has to be completed when exercising the Options (“**Notice of Exercise**”).
- (g) The Options do not confer voting rights upon the holder. Voting rights are received upon conversion of the Options into Shares.
- (h) Options may be exercised by the holder completing and forwarding to the Company a Notice of Exercise and payment of the exercise price for each Option being exercised prior to the Expiry Date.
- (i) All Shares issued upon exercise of the Options will rank pari passu in all respects with the Company’s then existing Shares.
- (j) Shares issued and allotted pursuant to the exercise of Options will be allotted and issued not more than 15 business days after the receipt of a properly executed Notice of Exercise and payment for the Exercise Price of each Option being exercised. The Company will apply for official quotation on ASX of Shares issued pursuant to the exercise of Options.
- (k) The holder of Options cannot participate in new issues of securities to holders of Shares unless the Options have been exercised and the Shares have been allotted and registered in respect of the Options before the record date for determining entitlements to the issue. The Company must give notice to the holder of the Options of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules. Options can only be exercised in accordance with these terms and conditions.
- (l) If the Company makes a bonus issue of Shares to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), then the number of Shares or other securities for which the holder of the Options is entitled to subscribe on exercise of the Options is increased by the number of Shares or other securities that the holder of the Options would have received if the Options had been exercised before the record date for the bonus issue. No change will be made to the Exercise Price.
- (m) If the Company makes a pro-rata issue of Shares to existing shareholders (except a bonus issue), the Exercise Price of an Option will be reduced according to the following formula:

$$\text{New Exercise Price} = O - \frac{E [P - (S + D)]}{N + 1}$$

O = the old Exercise Price of the Option

E = the number of underlying Shares into which one option is exercisable

P = volume weighted average market price (as defined by ASX LRs) per share during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.

- (n) If at any time the capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.



# CERTIFICATE OF APPOINTMENT OF CORPORATE REPRESENTATIVE

## Shareholder Details

This is to certify that by a resolution of the directors of:

..... (Company),  
*Insert name of Shareholder Company*

the Company has appointed:

.....,  
*Insert name of corporate representative*

in accordance with the provisions of section 250D of the Corporations Act 2001, to act as the body corporate representative of that Company at an annual general meeting of the members of Lodestar Minerals Limited to be held on Wednesday, 24 November 2021 commencing at 11.00 am (AWST) and at any adjournments of that general meeting.

DATED .....

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### Please sign here

Executed by the Company )  
in accordance with its constituent documents )  
)

..... Signed by authorised representative	..... Signed by authorised representative
..... Name of authorised representative (print)	..... Name of authorised representative (print)
..... Position of authorised representative (print)	..... Position of authorised representative (print)

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### Instructions for Completion

- Insert name of appointing Shareholder Company and the name or position of the appointee corporate representative (eg “John Smith” or “each director of the Company”).
- Execute the Certificate following the procedure required by your Constitution or other constituent documents.
- Print the name and position (eg director) of each authorised company officer who signs this Certificate on behalf of the Company.
- Insert the date of execution where indicated.
- Prior to the Meeting, send or deliver the Certificate to the registered office of Lodestar Minerals Limited at Level 1, 31 Cliff Street, Fremantle WA 6160

# PROXY FORM

## LODESTAR MINERALS LIMITED

ABN 32 127 026 528

### ANNUAL GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR  the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 11.00 am (AWST) on 24 November 2021 at Level 1, 31 Cliff Street, Fremantle, Western Australia, and at any adjournment of that meeting.

#### AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

#### CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances, the Chair of the Meeting may change their voting intention on any Resolution, in which case an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Ross Taylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of prior issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of prior issue of options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is \_\_\_\_%.

#### Signature of Member(s)

\_\_\_\_\_ Date: \_\_\_\_\_

##### Individual or Member 1

Sole Director/Company Secretary

##### Member 2

Director

##### Member 3

Director/Company Secretary

Contact Name: \_\_\_\_\_ Contact Ph (daytime): \_\_\_\_\_ Date: \_\_\_\_\_

## Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
  - **(Individual):** Where the holding is in one name, the Shareholder must sign.
  - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - In person to Level 1, 31 Cliff Street, Fremantle, Perth, WA;
  - By mail to PO Box 584, Fremantle, WA, 6959; or
  - By scan and email to [companysecretary@lodestarminerals.com.au](mailto:companysecretary@lodestarminerals.com.au)

so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**