Lodestar Minerals Limited ABN 32 127 026 528
Level 2, 55 Carrington Street PO Box 985
Nedlands WA 6009 Nedlands WA 6909
Tel: +61 8 9423 3200 Fax: +61 8 9389 8327

ASX ANNOUNCEMENT

31 July 2013

COMPANY SNAPSHOT

LODESTAR MINERALS LIMITED
ABN: 32 127 026 528

CONTACT DETAILS
Bill Clayton, Managing Director
+61 8 9481 5455

Principal Office
Level 2, 83 Havelock Street
West Perth, WA 6005

Registered Corporate Office
Level 2, 55 Carrington Street
Nedlands, WA 6009

PO Box 985
Nedlands, WA, 6909

admin@lodestarminerals.com.au

www.lodestarminerals.com.au

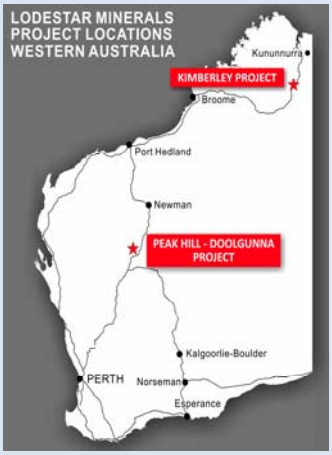
CAPITAL STRUCTURE
Shares on Issue:
222,233,215 (LSR)

Options on Issue:
4,750,000 (Unlisted)

ASX: LSR

PROJECTS
Peak Hill – Doolgunna:
Base metals, gold

Kimberley:
Nickel, copper, PGM's



JUNE 2013
QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

CONTESSA

- **Drilling reported significant grades and intercept widths of supergene gold mineralisation. Bedrock targets remain to be tested by drilling.**
- **Contessa represents a large gold anomaly at a 0.1 g/t cut-off, extending over 750m and remaining open along strike.**
- **The mineralisation is located within an underexplored, highly prospective felsic-mafic litho-structural corridor extending over 10 kilometres.**
- **Heritage Survey completed over the entire Contessa trend.**
- **Surface geochemistry and follow-up drilling is planned to test the Contessa trend.**

McDONALD WELL

- **Aircore drilling tested geochemical anomalies coincident with structural breaks displacing target shale – dolomite sequence.**
- **Drilling intersected zones of elevated copper and chalcophile multi-elements within hydrothermally altered and pyrite bearing carbonaceous shales adjacent to the structures.**
- **Geological mapping confirms the dolomite (carbonate) host to copper mineralisation at Sipa Resource's Enigma Prospect continues eastward into Lodestar's Neds Creek tenements.**

PEAK HILL-DOOLGUNNA
Neds Creek (E52/2440, E52/2444, E52/2456 & E52/2468)

The Neds Creek tenements extend over 830 square kilometres of the Proterozoic Yerrida Basin and cover part of the northern structural contact with Archaean basement. They are located 170 kilometres north east of Meekatharra and 7 kilometres east of the Thaduna-Green Dragon copper mines, currently being evaluated by Ventnor Resources (Figure 1).

The Basin contains thick volcano-sedimentary sequences that are bounded by large scale structures, the Jenkin and McDonald Well Faults. This setting has parallels in many of the world's major Proterozoic sediment-hosted base metal camps, highlighting the potential of this region to host large base metal deposits. In addition, Archaean granite/greenstone basement, which forms the northern margin to the Yerrida Basin, has potential to host significant gold mineralisation.

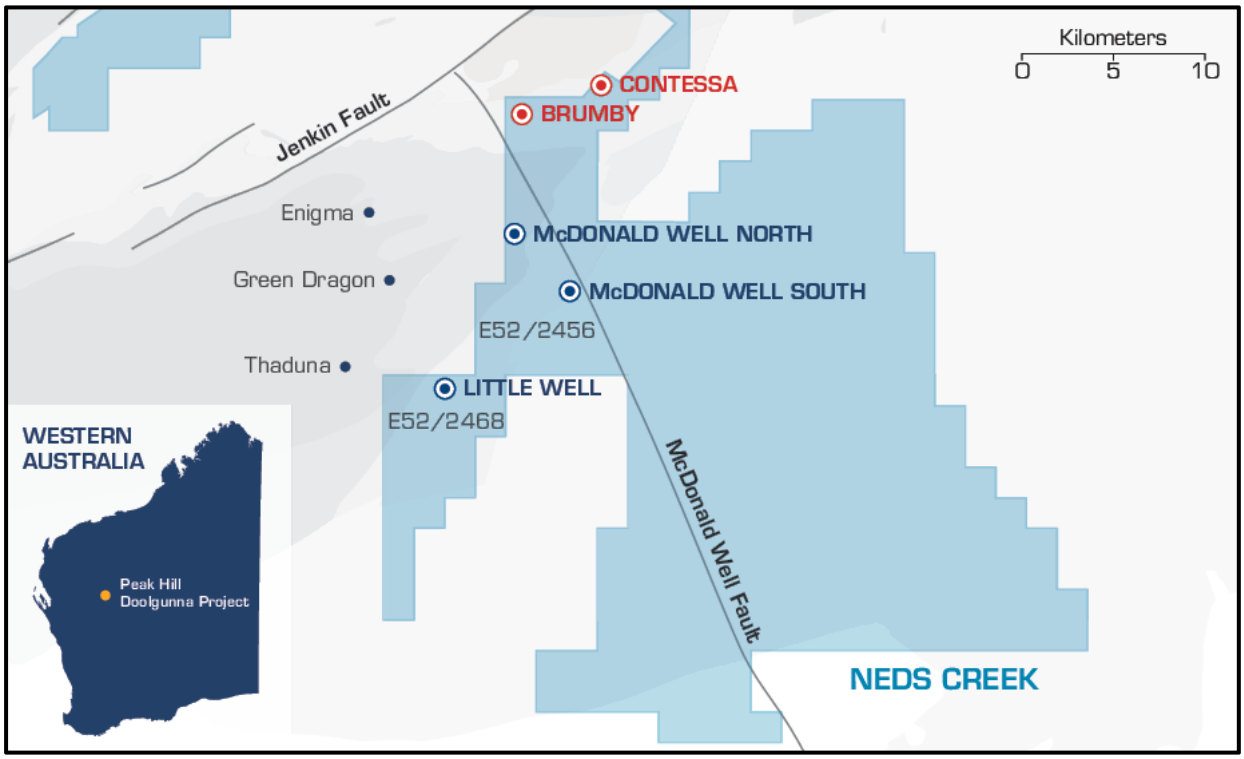


Figure 1. Location Plan showing the main Neds Creek prospects (Gold-red, Copper-blue).

EXPLORATION
Contessa (Gold)

Aircore drilling (total of 2,746 metres) was completed on ten traverses spaced an average of 80 metres apart with holes 20 – 90 metres apart on section (drill hole intercepts are listed in Table 2).

Gold mineralisation (greater than 1 g/t Au over at least 1 metre) has been intersected on seven drill sections (see Lodestar's ASX announcement of 4th June 2013). Significant results from the latest drilling included

LNR656 - ***21 metres at 3.01 g/t Au from 40 metres***
LNR651 - ***4 metres at 1.24 g/t Au from 50 metres and***
4 metres at 3.12 g/t Au from 60 metres
LNR659 - ***2 metres at 1.69 g/t Au from 51 metres***
LNR660 - ***2 metres at 1.21 g/t Au from 104 metres***
LNR673 - ***2 metres at 1.71 g/t Au from 68 metres***
LNR674 - ***3 metres at 6.26g/t Au from 68 metres***

The gold mainly occurs as supergene mineralisation forming a distinct horizon (locally up to 70 metres wide and 18m thick) at the base of oxidation, within a larger anomaly of >0.1g/t gold that extends over the entire 750 metre length of Contessa and remains open along strike. Surface geochemistry has identified an extensive bismuth and molybdenum anomaly associated with the Contessa mineralisation, the full extent of the geochemical anomaly has not been completely tested by drilling.

The gold is hosted by a weathered sequence of gabbros, mafic to ultramafic volcanic rocks and felsic sediments adjacent to an elliptical, north east trending granite stock. Geological mapping has shown that the sequence is exposed in a zone between the granite and the northern margin of the Yerrida Basin - ***the Contessa trend*** (Figure 2). Interpretation of aeromagnetic data indicates that the Contessa trend continues to the north east under shallow alluvial cover and to the south and west, where it is exposed intermittently beneath sediments of the Yerrida Basin, with a total strike extent exceeding 10 kilometres.

Extensive quartz veining, anomalous in gold, occurs within the granite over the entire 4.5 kilometre distance between the Brumby and Contessa Prospects and is further evidence of a large hydrothermal mineralising system in the immediate region.

The bedrock source of the gold remains an important target at Contessa. Supergene mineralisation can be displaced some distance from the primary source in deeply weathered terrains and additional drilling is required to test structural/stratigraphic positions at depth.

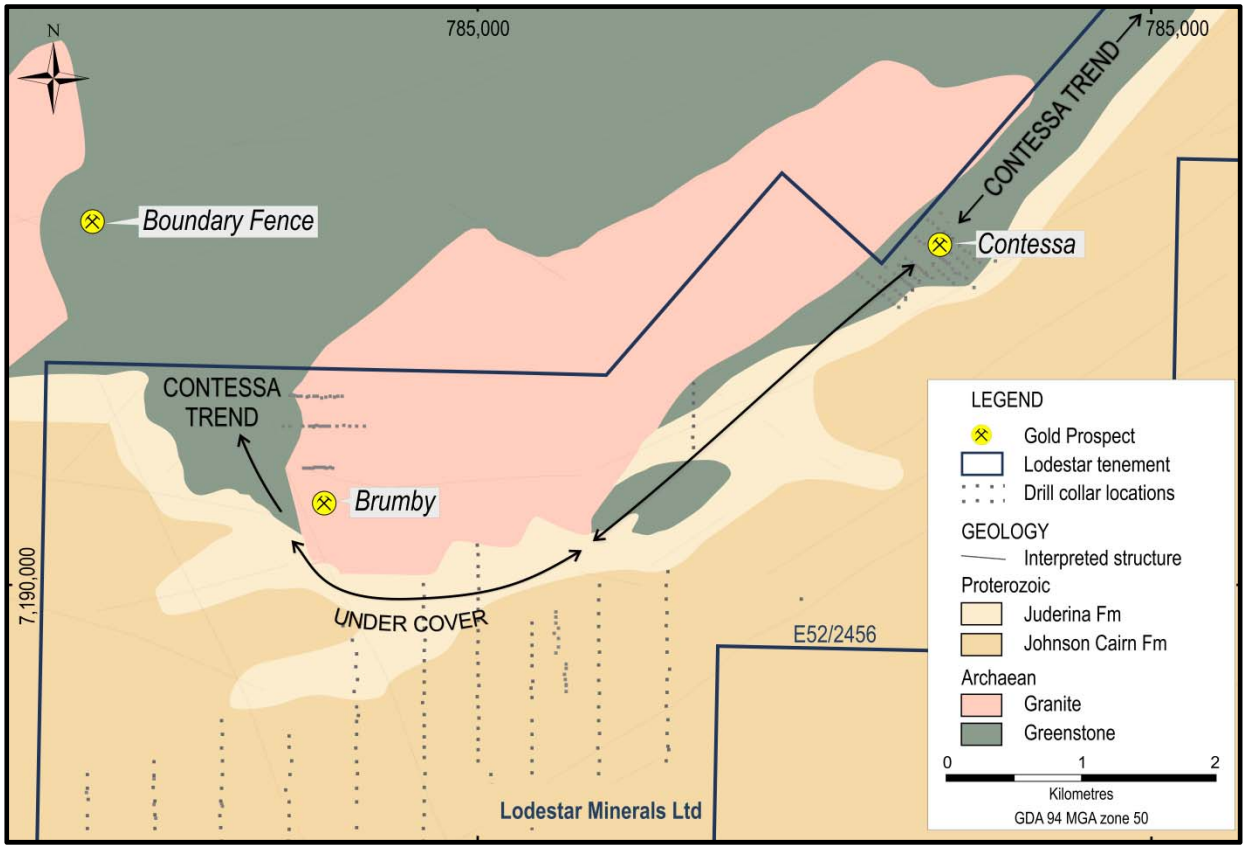


Figure 2 Regional extent of prospective Contessa host sequence in E52/2456

McDonald Well (Copper and Base Metals)

Drilling at McDonald Well tested large, multi-element geochemical anomalies coincident with major structures identified from geological mapping and interpretation of aeromagnetic data. The drill programme also tested, for the first time, the dolomite-sandstone sequence that hosts Sipa Resources' Enigma Prospect, 5 kilometres to the west (Figures 3 and 4).

A total of 60 aircore holes were completed for 4,162 metres (drill hole locations and intercepts are listed in Table 3)

Seven widely spaced traverses of drilling were completed, with holes spaced on 80 to 200 metre centres. Thirteen holes reported anomalous intersections of greater than 500ppm copper from variably weathered and pyritic carbonaceous shale and siltstone adjacent to the identified structures, including

LNR643 - ***10 metres at 770ppm Cu from 40 metres***
LNR647 - ***15 metres at 818ppm Cu from 40 metres***
LNR688 - ***20 metres at 803ppm Cu from 10 metres***

LNR706 - ***5 metres at 2560ppm Cu from 30 metres***

A single line of reconnaissance drilling, completed on 200 metre hole spacing, tested the position of the dolomite unit believed to host Sipa Resource's Enigma copper prospect, 5 kilometres to the west. The drilling intersected highly weathered silicified dolomite breccia and rarely, massive dolomite. Several of the scout drill holes reported anomalous copper (greater than 200ppm) associated with zinc, within wide intervals of elevated copper of greater than 100ppm. These results are significant in the context of a deep weathering profile, where there is strong leaching of metals to depths of 80 to 100 metres.

The dolomite sequence is an important regional target for copper and base metal mineralisation and these early results justify continued exploration of this extensive stratigraphic unit within the Neds Creek tenements.

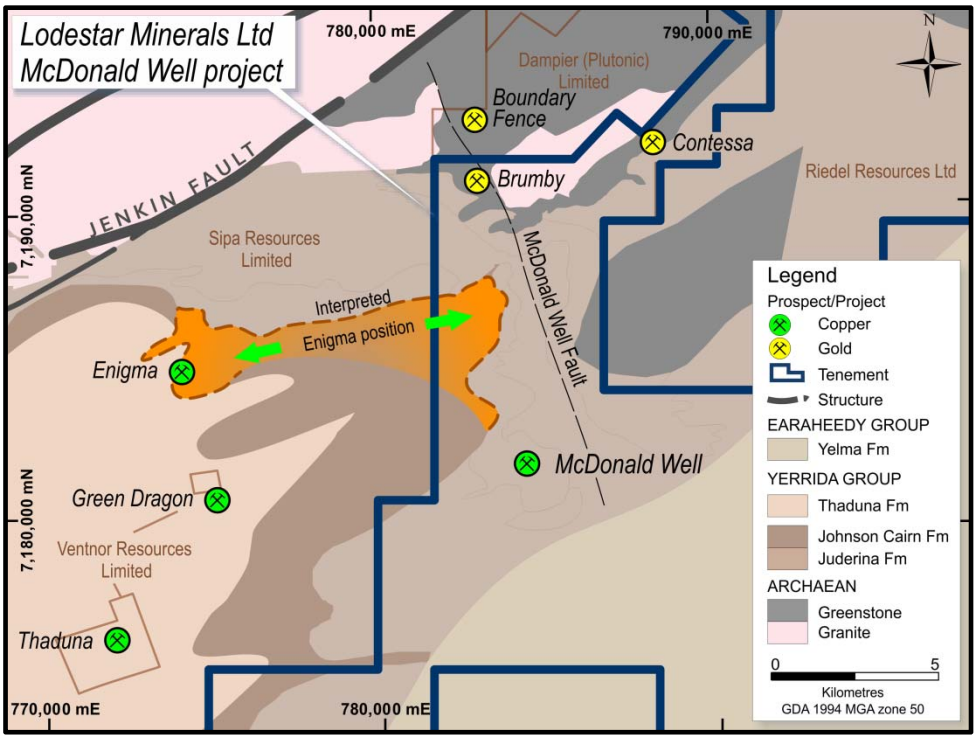


Figure 3 Interpreted geology, McDonald Well area

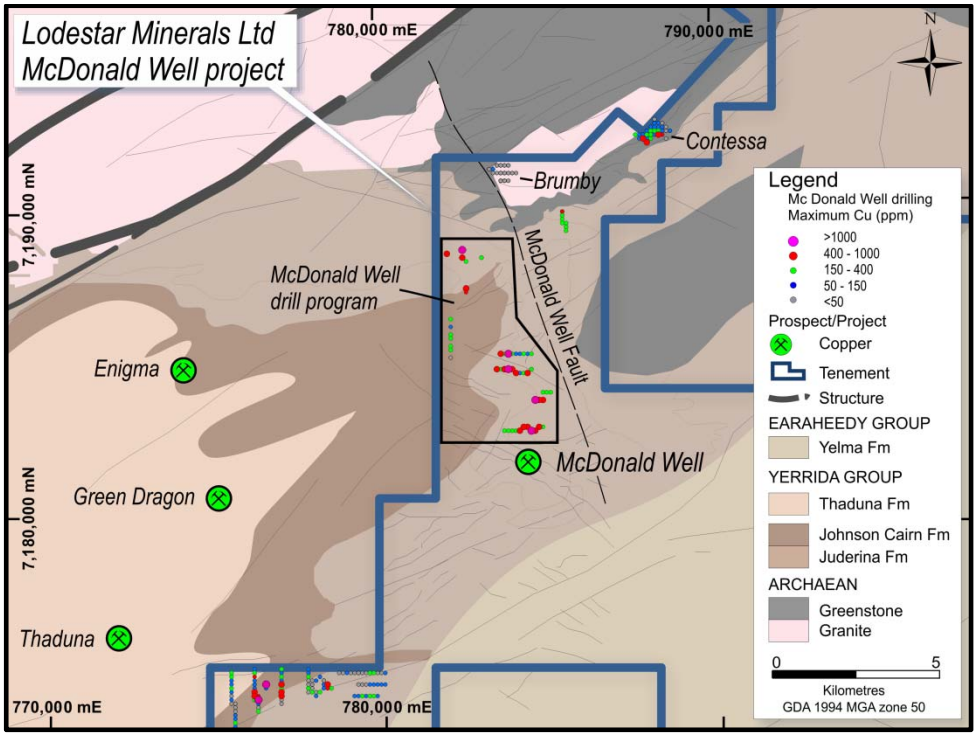


Figure 4 Location plan showing McDonald Well drilling completed during the reporting period

PLANNED ACTIVITIES

A phased programme of exploration to test regional and defined targets will include

- Regional – the Contessa Corridor, extending 5 kilometres northeast and 3 kilometres southwest of Contessa
    - Systematic, multi-element surface geochemistry to provide first pass coverage over the length of the Contessa trend.
- Contessa
    - Additional drilling to test structural/stratigraphic targets in the south west area of the current drill pattern.

BILL CLAYTON

Bill Clayton
Managing Director
Lodestar Minerals Limited
Tel: +61 8 9481 5455

Media
Colin Hay
Professional Public Relations
Tel: +61 9388 0944

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.

About Lodestar Minerals

Lodestar Minerals Limited is a Perth-based gold and base metal explorer. Lodestar acquired the Peak Hill-Doolgunna project in March 2010. The Peak Hill-Doolgunna project forms the core of Lodestar's project portfolio and represents a strategic landholding of 1460 square kilometres covering 120 kilometres of the Jenkin Thrust Belt, a regional fault system that is adjacent to the DeGrussa Cu-Au deposit. Lodestar believes the region has potential to host a number of styles of gold and base metal deposit and is conducting an aggressive exploration program to assess the potential of the under-explored north Murchison base metal province.

Table 1 Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Aircore drill holes were sampled as 5 metre composite samples. At Contessa, 1 metre samples were collected at depths greater than 40m. • Hole locations are fixed using a GPS, samples are logged and ground conditions that impact sample recoveries are recorded. • Samples for analysis are collected as 5 metre composites by scooping using a PVC spear from the 1 metre residual samples, either as piles placed on the ground or from bagged samples. The 5 metre composite samples are submitted as 2.5kg samples, crushed, dried and pulverised to produce a 40g charge for aqua regia digest. 1 metre split samples were submitted for the 1 metre sample intervals.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Aircore drilling technique using a 2.5" blade or hammer bit
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of*	• Sample recoveries and wet samples are monitored and included in Lodestar's drill hole database.

Criteria	JORC Code explanation	Commentary
	the samples. • • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Aircore & RAB drilling of wet samples is avoided by drilling practices, but some wet samples are nevertheless encountered (see below). Drill sampling equipment was cleaned regularly to minimise contamination. • Lodestar monitors the distribution of high grade gold and sample recoveries. Individual 1m samples are being assayed to refine the grade distribution.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Chips samples are routinely geologically logged. The drilling and sampling methods used are exploration methods and not intended to support Mineral Resource estimation. • Logging is qualitative in nature. • All aircore samples are geologically logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Aircore samples are recovered from the drill hole via a cyclone at 1 metre intervals. This sample is then riffle split into a bagged 2kg sub-sample and a residual sample which is either piled on the ground in sequence or bagged. Wet samples are collected in a bag beneath the cyclone and placed in a hole in the ground in sequence to dry. When dry, a scoop of material is removed to submit with the 5 metre composite sample. • The 5 metre composite and 1 metre samples are stored in pre-numbered bags and submitted to UltraTrace Laboratories for sample preparation and assay. Field duplicates are regularly submitted with the samples. • Sample preparation involves drying the whole sample, crushing and pulverising to 90% passing -75 microns. The sample is split with a rotary sample divider to obtain a 40 gramme charge.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• A nominal 40 gramme charge is digested with aqua regia and gold is determined by ICP-MS. This is a partial digest although it is extremely efficient for the extraction of gold. Assay of 1m split samples is by fire assay and ICP-AES finish. Base metals are analysed from the aqua regia solution by ICP-AES and ICP-MS.

Criteria	JORC Code explanation	Commentary
		• No geophysical tools were used to determine any element concentrations. • Laboratory QAQC involves the use of internal laboratory standards and replicate samples. Lodestar's certified reference standards and field duplicates were inserted throughout the programme. Results indicate that sample assay values are accurate and repeatable.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Significant intersections have been validated and reviewed independently by the Company's consulting geologist . • No twinned holes have been completed. • Field and laboratory data are collected electronically and entered into a relational database. Data collection protocols are recorded in Lodestar's operation manual. • There has been no adjustment to assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole locations are fixed by handheld GPS, differential GPS is used to record collars within mineralised zones. Accuracy is +/-5 metres or less. • Drill hole coordinates are recorded in GDA94 Zone 50 grid. • The topography within prospect areas is generally flat, RL's are averaged from GPS readings of individual drill holes in each area.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drill holes are spaced between 20m to 90m on section and generally 80m between sections at Contessa. The data is insufficient to establish continuity for Mineral Resource estimation. • 1 metre samples have been composited to 5 metre samples for assay.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The aircore drilling method does not provide structural information and the orientation of the underlying geology has not been established. Drilling is oriented perpendicular to the strike of the lithology as determined from interpretation of aeromagnetic data and local mapping.
Sample security	• *The measures taken to ensure sample security.*	• Samples are stored at Lodestar's exploration camp under

Criteria	JORC Code explanation	Commentary
		supervision prior to dispatch by licenced courier service (TOLL IPEC) or Lodestar staff to Ultratrace Laboratories.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been carried out.

Table 1 Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	• *Contessa, Brumby and McDonald Well are located on E52/2456, a tenement purchased by Lodestar Minerals Limited from Glenn Money. Lodestar has applied for the tenement to be transferred and the application is before the Office of State Revenue.* • *E52/2456 expires on 16/09/2015* • *E52/2468 expires on 16/09/2016*
Exploration done by other parties	• Exploration commenced at McDonald Well in the late 1960's, WMC explored for Zambian Copper Belt style mineralisation and completed regional geological mapping and sampling, followed by minor percussion drilling. CRA Exploration completed regional mapping and auger sampling, also at McDonald Well. No significant anomalies were identified on the tenements. Minor exploration drilling by Barrick and CRA Exploration east and south of Contessa intersected ultramafic lithologies, confirming the extent of the greenstone sequence in this area. There has been no material exploration by other parties over Contessa or Brumby.
Geology	• The geology of the project area comprises the northern margin of the Proterozoic Yerrida Basin. The geology forms two discrete units; o Proterozoic sediments of the Yerrida Basin that are prospective for sediment-hosted copper and base metal mineralisation in black shale and carbonate sequences, with evidence of secondary and primary copper mineralisation in the Thaduna district. o Archaean basement rocks on the northern margin of the Yerrida Basin. The basement-sediment contact trends east-west and Lodestar's exploration has recently identified extensive gold anomalism adjacent to this contact. The basement consists of granite and fringing mafic-ultramafic rocks that are poorly exposed at surface. The mafic-ultramafic rocks and the adjacent granite host the gold mineralisation and are thought to be Archaean in age and similar to the sequences that host the lode gold deposits in the Plutonic and Baumgarten greenstone belts.
Drill hole information	• Tabulated data is provided in Tables 2 and 3, attached.
Data aggregation methods	• Some assay data outside of known mineralisation are reported as 5 metre composite samples, no cutting of high grades has been applied.
Relationship between mineralisation widths and intercept lengths	• Drilling is oriented -60 degrees towards 310 degrees at Contessa, perpendicular to the interpreted strike of the host sequence. The mineralisation forms a sub-horizontal body on section, close to the interface between partly weathered and completely weathered rock. This flat-lying orientation is believed to be a result of gold being mobilised from the underlying rock by weathering processes and precipitated near the base of oxidation. Intercept widths or apparent thickness may be less than (~90%) the true thickness of the mineralisation .
Diagrams	• The current interpretation is based on wide spaced drilling - sectional interpretations have been completed, however as most drilling is within the weathered zone the lithological associations are poorly understood at present.
Balanced reporting	• All drill holes and intercepts are reported in Tables 2 and 3.
Other substantive exploration data	• None to report.
Further Work	• At Contessa the mineralisation remains open at depth and along strike, along the granite contact. Further surface exploration and drilling is planned, initially to extend and in-fill the geochemical coverage south west and north east

Criteria	Commentary
	of the current grid. Further drilling to test bedrock targets beneath the highest grade intercepts is contemplated.

Table 2 CONTESSA PROSPECT DRILLING RESULTS

TABLE 2
Contessa Prospect – June 2013
Significant Results (greater than 100ppb or 0.1g/t gold) from 5 metre composite samples at less than 40 metres depth or 1 metre samples below 40 metres depth

HoleID	Northing	Easting	RL	Depth (m)	Azimuth	Dip	From	To	Au (ppb)
LNR649	**7192286**	**787984**	**560**	**104**	**310**	**-60**	60	61	138
							62	63	131
							63	64	250
							64	65	420
							65	66	537
							66	67	609
							67	68	443
							83	84	1490
							89	90	116
							99	100	112
LNR650	**7192252**	**788021**	**560**	**98**	**310**	**-60**	48	49	129
							49	50	1620
							50	51	176
							51	52	189
							52	53	178
							53	54	2630
							54	55	750
							66	67	109
							67	68	234
							75	76	115
							76	77	1210
							79	80	1070
							80	81	943
							82	83	946
							83	84	591
							84	85	736
							85	86	318
							92	93	193
							95	96	805
							96	97	206
							97	98	168
LNR651	**7192222**	**788057**	**560**	**107**	**310**	**-60**	48	49	311
							51	52	2620

HoleID	Northing	Easting	RL	Depth (m)	Azimuth	Dip	From	To	Au (ppb)
							52	53	234
							53	54	155
							54	55	1990
							55	56	319
							60	61	8010
							61	62	2660
							62	63	128
							63	64	1690
							64	65	360
							71	72	219
							74	75	112
							76	77	102
							88	89	120
							90	91	1090
							93	94	660
							94	95	113
							98	99	571
							99	100	3810
							100	101	843
							101	102	107
							103	104	221
							104	105	103
LNR652	**7192188**	**788096**	**560**	**86**	**310**	**-60**	0	5	118
							30	35	157
							59	60	435
							65	66	214
							66	67	177
							67	68	372
							68	69	1550
							69	70	351
							70	71	443
							71	72	700
							72	73	751
							73	74	501
							74	75	182
							77	78	119
LNR653	**7192158**	**788134**	**560**	**81**	**310**	**-60**	71	72	109
							80	81	223
LNR654	**7192120**	**788174**	**560**	**67**	**310**	**-60**	0	67	NSI
LNR655	**7192274**	**788150**	**560**	**101**	**310**	**-60**	50	51	142
							53	54	110
							65	66	122
							66	67	174
							67	68	423

HoleID	Northing	Easting	RL	Depth (m)	Azimuth	Dip	From	To	Au (ppb)
							72	73	759
							73	74	244
							74	75	159
							97	98	238
LNR656	**7192242**	**788185**	**560**	**98**	**310**	**-60**	35	40	164
							40	41	1010
							41	42	2150
							42	43	193
							43	44	4090
							44	45	1160
							46	47	362
							47	48	5640
							48	49	8170
							49	50	1740
							50	51	5180
							51	52	523
							52	53	120
							53	54	8990
							54	55	3500
							55	56	5150
							56	57	142
							57	58	452
							58	59	271
							59	60	13100
							60	61	1190
							61	62	951
							62	63	150
							85	86	102
							86	87	760
							87	88	652
							88	89	190
							92	93	226
							93	94	152
LNR657	**7192216**	**788223**	**560**	**89**	**310**	**-60**	25	30	158
							41	42	119
							45	46	233
							47	48	130
							49	50	113
							53	54	710
							54	55	130
							56	57	540
							58	59	172
LNR658	**7192375**	**788122**	**560**	**98**	**310**	**-60**	0	98	NSI
LNR659	**7192340**	**788162**	**560**	**103**	**310**	**-60**	51	52	2080

HoleID	Northing	Easting	RL	Depth (m)	Azimuth	Dip	From	To	Au (ppb)
							52	53	1300
							54	55	128
							55	56	604
							56	57	171
							61	62	292
							77	78	171
							78	79	246
							82	83	515
							83	84	272
							92	93	146
							94	95	101
							96	97	153
							97	98	160
							98	99	155
LNR660	**7192308**	**788200**	**560**	**119**	**310**	**-60**	69	70	177
							70	71	112
							72	73	403
							73	74	101
							86	87	553
							87	88	161
							98	99	147
							99	100	122
							102	103	489
							103	104	585
							104	105	1190
							105	106	1230
							106	107	588
							110	111	118
							111	112	402
							112	113	968
							113	114	160
							114	115	337
							115	116	306
							116	117	647
							117	118	661
							118	119	772
LNR661	**7192281**	**788241**	**560**	**95**	**310**	**-60**	35	40	420
							45	46	966
							48	49	402
							51	52	742
							52	53	226
							78	79	270
							79	80	1670
							80	81	206

HoleID	Northing	Easting	RL	Depth (m)	Azimuth	Dip	From	To	Au (ppb)
							89	90	222
LNR662	**7192245**	**788274**	**560**	**69**	**310**	**-60**	10	15	111
							44	45	661
LNR663	**7192373**	**788248**	**560**	**108**	**310**	**-60**	57	58	138
LNR664	**7192334**	**788294**	**560**	**86**	**310**	**-60**	40	41	103
							64	65	181
LNR665	**7192373**	**788375**	**560**	**77**	**310**	**-60**	43	44	766
							45	46	173
							46	47	107
LNR666	**7192337**	**788420**	**560**	**61**	**310**	**-60**	44	45	237
							47	48	165
							48	49	162
LNR667	**7192303**	**788456**	**560**	**80**	**310**	**-60**	0	5	126
							5	10	292
							10	15	262
							45	46	692
							46	47	4070
							48	49	235
LNR668	**7192270**	**788492**	**560**	**69**	**310**	**-60**	5	10	162
							51	52	290
LNR669	**7192240**	**788532**	**560**	**83**	**310**	**-60**	48	49	167
							49	50	159
							57	58	295
							63	64	156
							73	74	811
							75	76	200
LNR670	**7192531**	**788314**	**560**	**116**	**310**	**-60**	0	116	NSI
LNR671	**7192479**	**788376**	**560**	**96**	**310**	**-60**	0	96	NSI
LNR672	**7192417**	**788452**	**560**	**78**	**310**	**-60**	66	67	271
							67	68	844
							68	69	521
							69	70	969
							70	71	269
							71	72	924
							72	73	1030
							73	74	580
							74	75	261
							75	76	285
							76	77	207
							77	78	719
LNR673	**7192386**	**788485**	**560**	**74**	**310**	**-60**	0	5	244
							5	10	178
							10	15	107
							43	44	275

HoleID	Northing	Easting	RL	Depth (m)	Azimuth	Dip	From	To	Au (ppb)
							63	64	2220
							64	65	457
							67	68	422
							68	69	2610
							69	70	811
							70	71	134
							72	73	112
LNR674	**7192350**	**788526**	**560**	**97**	**310**	**-60**	0	5	256
							5	10	140
							35	40	272
							60	61	625
							65	66	124
							68	69	10600
							69	70	3880
							70	71	4310
							71	72	567
							72	73	337
							73	74	357
							74	75	173
							75	76	128
							85	86	342
							86	87	468
							87	88	100
							88	89	188
							93	94	154
							95	96	133
LNR675	**7192311**	**788572**	**560**	**89**	**310**	**-60**	5	10	259
							64	65	624
							65	66	330
							66	67	363
							67	68	180
							68	69	167
							71	72	848
							72	73	683
							73	74	864
							74	75	191
							75	76	515
							76	77	134
							79	80	172
LNR676	**7192494**	**788481**	**560**	**67**	**310**	**-60**	47	48	109
							52	53	191
							53	54	117
LNR677	**7192461**	**788513**	**560**	**53**	**310**	**-60**	0	53	NSI
LNR678	**7192425**	**788560**	**560**	**64**	**310**	**-60**	0	64	NSI

HoleID	Northing	Easting	RL	Depth (m)	Azimuth	Dip	From	To	Au (ppb)
LNR679	**7192392**	**788598**	**560**	**67**	**310**	**-60**	0	67	NSI
LNR680	**7192359**	**788633**	**560**	**66**	**310**	**-60**	52	53	425
							55	56	180
							56	57	212
							58	59	149
							59	60	533
							60	61	180

** NSI = no significant intersection (<100ppb gold)*

Table 2 DRILLING RESULTS McDONALD WELL PROSPECT

TABLE 3 McDONALD WELL Drilling – June 2013 Significant Results (greater than 500ppm copper) from 5 metre composite samples									
Hole	Northing	Easting	RL	Depth (m)	Azimuth	Dip	From	To	Cu (ppm)
LNR635	7187366	782605	580	95	0	-60	0	95	NSI
LNR636	7187328	782605	580	95	0	-60	0	95	NSI
LNR637	7187289	782598	580	95	0	-60	25	30	507
LNR638	7188465	782092	580	55	0	-60	0	55	NSI
LNR639	7188381	783094	580	101	0	-60	0	101	NSI
LNR640	7188562	782598	580	100	0	-60	15	20	689
							20	25	1150
LNR641	7188373	782596	580	100	0	-60	10	15	640
							20	25	686
							25	30	662
LNR642	7188271	782605	580	100	0	-60	0	100	NSI
LNR643	7188466	782093	580	100	0	-60	25	30	625
							40	45	774
							45	50	767
LNR644	7184894	783120	580	100	90	-60	0	100	NSI
LNR645	7183597	784835	580	100	90	-60	30	35	908
							45	50	971
LNR646	7183597	784752	580	100	90	-60	30	35	515
							40	45	1300
							50	55	1330
LNR647	7183606	784672	580	100	90	-60	30	35	552
							40	45	798
							45	50	1120
							50	55	537
LNR648	7183609	784592	580	94	90	-60	0	94	NSI
LNR681	7184602	784583	560	80	90	-60	0	80	NSI
LNR682	7184607	784486	560	58	90	-60	0	58	NSI
LNR683	7184592	784380	560	62	90	-60	0	62	NSI
LNR684	7184584	784278	560	62	90	-60	0	62	NSI
LNR685	7184599	784199	560	62	90	-60	0	62	NSI
LNR686	7184603	784061	560	80	90	-60	0	80	NSI
LNR687	7184724	783981	560	80	90	-60	0	80	NSI
LNR688	7184721	783882	560	62	90	-60	10	15	640
							15	20	1230
							20	25	798
							25	30	547
LNR689	7184707	783783	560	62	90	-60	0	62	NSI
LNR690	7184722	783683	560	61	90	-60	0	61	NSI
LNR691	7184722	783584	560	62	90	-60	0	62	NSI

Hole	Northing	Easting	RL	Depth (m)	Azimuth	Dip	From	To	Cu (ppm)
LNR692	**7184724**	**783485**	**560**	**60**	**90**	**-60**	50	55	970
LNR693	**7185202**	**784500**	**560**	**62**	**90**	**-60**	0	62	NSI
LNR694	**7185199**	**784401**	**560**	**61**	**90**	**-60**	0	61	NSI
LNR695	**7185200**	**784304**	**560**	**62**	**90**	**-60**	0	62	NSI
LNR696	**7185195**	**784201**	**560**	**65**	**90**	**-60**	0	65	NSI
LNR697	**7185197**	**784093**	**560**	**62**	**90**	**-60**	0	62	NSI
LNR698	**7185202**	**784007**	**560**	**62**	**90**	**-60**	0	62	NSI
LNR699	**7185211**	**783896**	**560**	**62**	**90**	**-60**	60	62	1120
LNR700	**7185213**	**783803**	**560**	**60**	**90**	**-60**	0	60	NSI
LNR701	**7185191**	**783693**	**560**	**60**	**90**	**-60**	0	60	NSI
LNR702	**7185213**	**783612**	**560**	**60**	**90**	**-60**	0	60	NSI
LNR703	**7182703**	**784817**	**560**	**62**	**90**	**-60**	0	62	NSI
LNR704	**7182704**	**784731**	**560**	**68**	**90**	**-60**	50	55	501
LNR705	**7182692**	**784616**	**560**	**62**	**90**	**-60**	20	25	502
LNR706	**7182681**	**784525**	**560**	**62**	**90**	**-60**	30	35	2560
LNR707	**7182699**	**784418**	**560**	**51**	**90**	**-60**	0	51	NSI
LNR708	**7182704**	**784317**	**560**	**60**	**90**	**-60**	0	60	NSI
LNR709	**7182704**	**784222**	**560**	**62**	**90**	**-60**	0	62	NSI
LNR710	**7182703**	**784124**	**560**	**62**	**90**	**-60**	20	25	937
LNR711	**7182698**	**784021**	**560**	**61**	**90**	**-60**	0	61	NSI
LNR712	**7182701**	**783919**	**560**	**63**	**90**	**-60**	0	63	NSI
LNR713	**7182707**	**783812**	**560**	**58**	**90**	**-60**	0	58	NSI
LNR714	**7182695**	**783721**	**560**	**62**	**90**	**-60**	0	62	NSI
LNR715	**7183897**	**785099**	**560**	**62**	**90**	**-60**	0	62	NSI
LNR716	**7183904**	**784997**	**560**	**60**	**90**	**-60**	0	60	NSI
LNR717	**7183895**	**784896**	**560**	**54**	**90**	**-60**	0	54	NSI
LNR718	**7186307**	**782106**	**560**	**55**	**0**	**-60**	0	55	NSI
LNR719	**7186110**	**782099**	**560**	**62**	**0**	**-60**	0	62	NSI
LNR720	**7185909**	**782099**	**560**	**80**	**0**	**-60**	0	80	NSI
LNR721	**7185701**	**782099**	**560**	**69**	**0**	**-60**	0	69	NSI
LNR722	**7185502**	**782104**	**560**	**47**	**0**	**-60**	0	47	NSI
LNR723	**7185300**	**782103**	**560**	**50**	**0**	**-60**	0	50	NSI
LNR724	**7185400**	**782100**	**560**	**35**	**0**	**-60**	0	35	NSI
LNR725	**7185101**	**782100**	**560**	**39**	**0**	**-60**	0	39	NSI

**NSI = no significant intersection (<500ppm copper)*

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/01, 01/06/10, 17/12/10

Name of entity

LODESTAR MINERALS LIMITED

ABN	Quarter ended ("current quarter")
32 127 026 528	30 JUNE 2013

Consolidated statement of cash flows

	Cash flows related to operating activities		Current quarter $A'000	Year to date (12 months) $A'000
1.1	Receipts from product sales and related debtors		-	-
1.2	Payments for	(a) exploration and evaluation	(749)	(2,219)
		(b) development	-	-
		(c) production	-	-
		(d) administration	(169)	(799)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		18	44
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes received / (paid)		-	-
1.7	Other -		-	-
	Net Operating Cash Flows		(900)	(2,974)
	Cash flows related to investing activities			
1.8	Payment for purchases of:	(a) prospects	-	-
		(b) equity investments	-	-
		(c) other fixed assets	-	(8)
1.9	Proceeds from sale of:	(a) prospects	-	-
		(b) equity investments	-	-
		(c) other fixed assets	-	-
1.10	Loans to other entities		-	-
1.11	Loans repaid by other entities		-	-
1.12	Other (provide details if material)		-	-
	Net investing cash flows		-	(8)
1.13	Total operating and investing cash flows (carried forward)		(900)	(2,982)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(900)	(2,982)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	3,701
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – capital raising costs	-	(193)
	Net financing cash flows	-	3,508
	Net increase (decrease) in cash held	(900)	526
1.20	Cash at beginning of quarter/year to date	2,509	1,083
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,609	1,609

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	140
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 - Includes salaries paid to directors, as well as superannuation paid on behalf of directors. Also includes corporate and accounting services paid to a company associated with one of the directors. A percentage of the Managing Director's salary has been capitalised to exploration activities.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	472
4.2	Development	-
4.3	Production	-
4.4	Administration	167
	Total	639

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	409	2,509
5.2	Deposits at call	1,200	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	1,609	2,509

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference +securities *(description)*	Nil	N/A	N/A	N/A
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	N/A	N/A	N/A	N/A
7.3	+Ordinary securities **	222,233,215	222,233,215	N/A	N/A
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	N/A	N/A	N/A	N/A
7.5	+Convertible debt securities *(description)*	Nil	N/A	N/A	N/A
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A	N/A	N/A	N/A
7.7	Options *(description and conversion factor)*	2,500,000 2,500,000	- -	*Exercise price* Various Vatious	*Expiry date* 29 Novermber 2016 8 May 2017
7.8	Issued during quarter	N/A	N/A	N/A	N/A
7.9	Exercised during quarter	N/A	N/A	N/A	N/A
7.10	Expired during quarter	N/A	N/A	N/A	N/A
7.11	Debentures *(totals only)*	Nil	N/A		
7.12	Unsecured notes *(totals only)*	Nil	N/A		

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 31 July 2013

Company Secretary

Print name: David M McArthur

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.