

Commencement of Drilling – Yowereena

Western Australian gold explorer Lodestar Minerals Limited (ASX: LSR) (“Lodestar” or “the Company”) advises that an aircore drill program of up to 4,500m of drilling has commenced at the Boundary Fence gold prospect, located on the Yowereena tenements (see Figure 1), 37 kilometres east of the 5Moz Plutonic gold mine.

Lodestar is earning an 80% interest in four mining leases held by Vango Mining Limited (ASX : VAN) where historic exploration drilling completed by Marymia Exploration in the 1990s intersected very significant gold in saprolite and weathered mafic rocks near a granite contact. Of 99 historic RAB drill holes completed at Boundary Fence, 41 holes reported anomalous gold of >0.1g/t Au with individual metres reporting up to 110g/t Au¹.

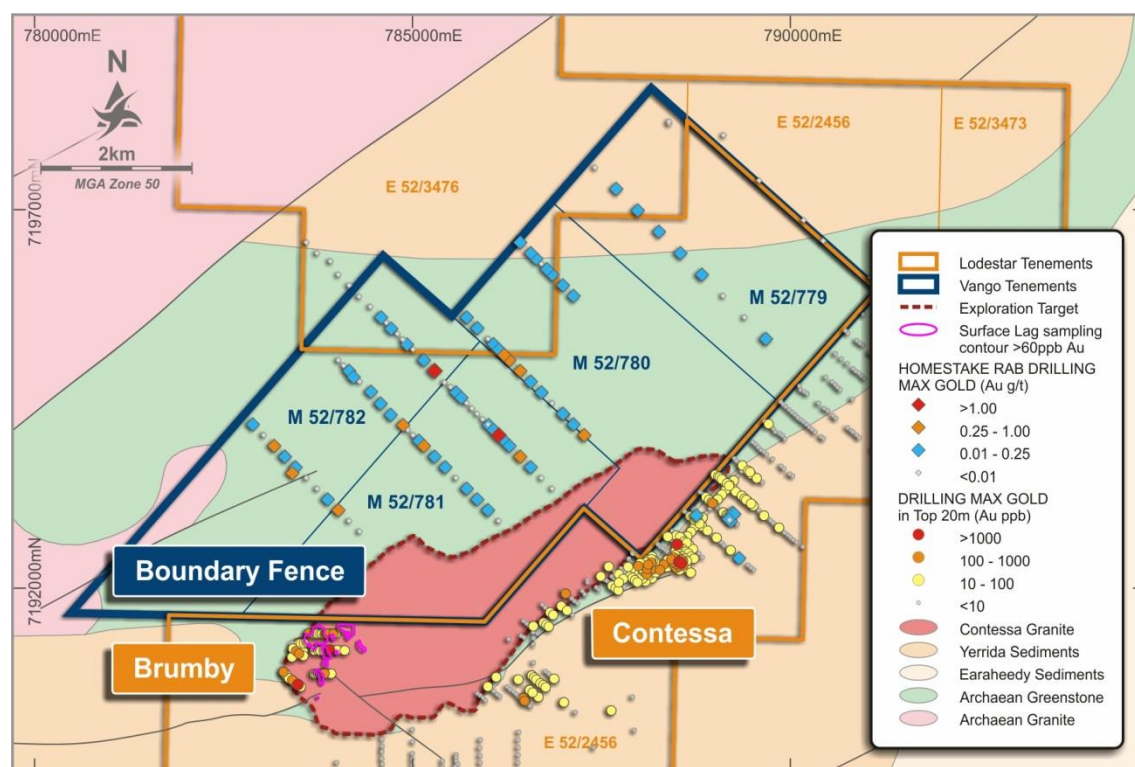


Figure 1: Location Plan showing the Boundary Fence gold prospect.

¹ See open file report A41789 “Yowereena Hill Joint Venture, Exploration Licence 52/527, RAB Drilling Programme. Marymia Exploration NL, June 1994. Available from <http://www.dmp.wa.gov.au/WAMEX-Minerals-Exploration-1476.aspx>. 10 November 2017.

The Boundary Fence prospect is situated within a major tectonic zone intruded by elongate granite bodies, between the Contessa granite and the Marymia Inlier. Lodestar's sampling has identified gold anomalies within the Yowereena tenements with similar metal associations to the mineralisation at Contessa, suggesting that Boundary Fence is part of a regional mineralising event (see Lodestar's ASX announcement dated 18 May 2017).

The aircore program will be the first drilling completed at Boundary Fence since 1997. A 500m long gold in soil anomaly at the prospect has yielded numerous significant drill intersections (see Figures 2 & 3 and Lodestar's ASX announcement dated 14 March 2017). These results have not been reported under JORC 2012 reporting standards and cannot be confirmed, but are intended to demonstrate the area's prospectivity:

- 12m at 8.1g/t Au from 0m in YHR-15
- 13m at 10.5g/t Au from 45m in YHR-54
- 7m at 2.4g/t Au from 29m in YHR-63
- 19m at 3.3g/t Au from 5m in YHR-90
- 26m at 2.1g/t Au from 0m in YHR-98

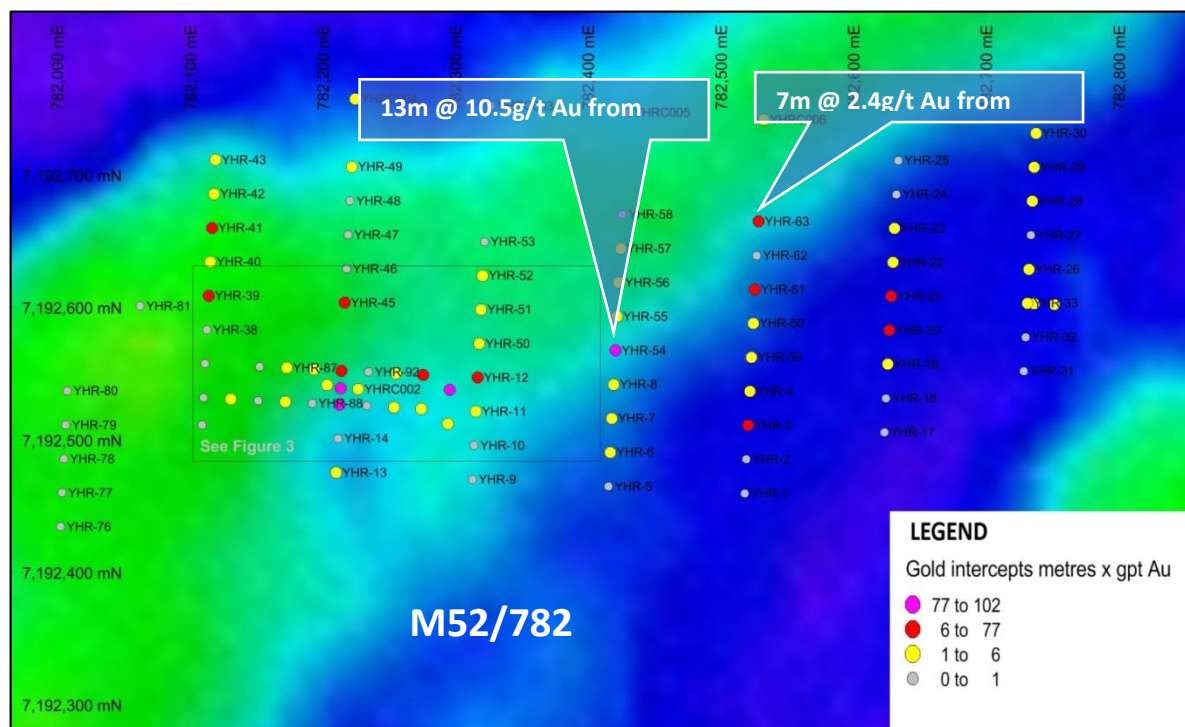


Figure 2: Historic RAB drilling at Boundary Fence Prospect showing gold distribution in drilling. RTP 1VD aeromagnetic image showing northeasterly striking magnetic zone (MGA94 Zone 50).

Lodestar will be completing a series of drill traverses for approximately 4,500m targeting the margin of a nearby granite for shear zone and contact related gold mineralisation, in addition to verifying the strong gold intersections reported in Marymia Exploration's historic RAB drilling.

Lodestar is earning an 80% interest at Yowereena by satisfying minimum expenditure commitments for a 12 month period from March 2017².

Following completion of the program at Boundary Fence, the aircore rig will move to the Gidgee Flats and Central Park prospects to complete a combined program of approximately 1,500m following up previous positive drill results.

The total program is expected to take around two weeks.

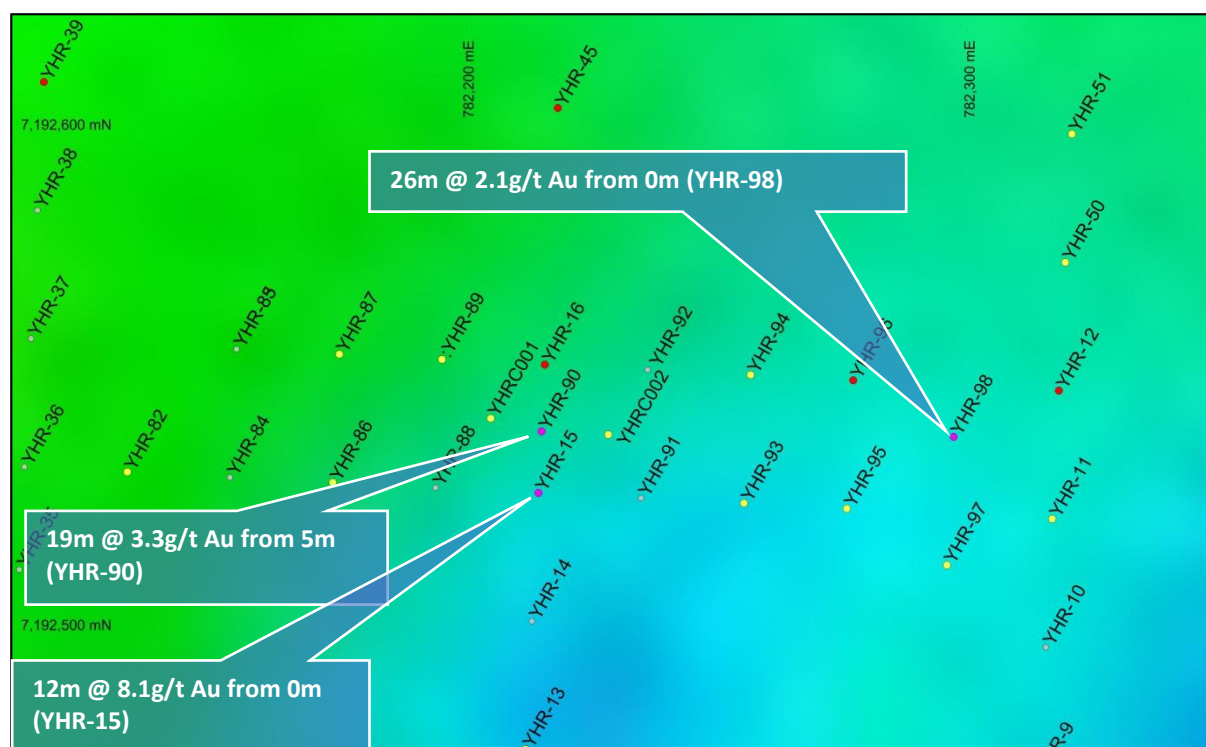


Figure 3 Drill intercepts in RAB drilling, colour coded legend as in Figure 2.

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About Lodestar

Lodestar Minerals is an active Western Australian gold explorer with a prospective tenement package spanning more than 2,000km² at the edge of the Pilbara and Yilgarn Cratons. Lodestar has three main projects – Ned's Creek, Camel Hills and Imbin – and is also earning an 80% interest in Vango Mining's Yowereena project which is adjacent to Ned's Creek.

² Refer to Lodestar ASX release dated 14 March 2017.

Lodestar's main focus is Ned's Creek where it has made a greenfield gold discovery at the Contessa prospect. Contessa is one of many partly explored gold anomalies located within a large shear zone developed along the margins of 6 kilometre long, elongate composite granite intrusion.

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.

The information in this announcement that relates to previously released exploration results was disclosed under JORC 2012 in the ASX announcements dated 14th March 2017 "Farm-in Agreement Enhances Gold Potential at Neds Creek" and 18th May 2017 "New Early Stage Gold Targets at Yowereena". These announcements are available to view on the Lodestar website. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.