



ANNUAL FINANCIAL REPORT

**FOR THE FINANCIAL YEAR ENDED
30 JUNE 2024**

Lodestar Minerals Limited

ABN 32 127 026 528

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OPERATING AND FINANCIAL REVIEW

REVIEW OF OPERATIONS

HIGHLIGHTS

EARAHEEDY (LSR – 100%) – Base Metals, Gold

- Three diamond core holes and one RC hole comprising 1,093.4m were completed to follow up the significant RC drilling gold and base metal intersections in the maiden RC drilling programme which comprised 22 holes for 3,900m
- Single metre assays from the RC drilling included:
 - 2m @ 2.00 g/t Au from 45m in LERC012
 - 1m @ 1.58 g/t Au from 37m in LERC002
 - 1m @ 1.35 g/t Au from 34m in LERC022
- Significant gold intersections in multiple targets spread over an area at least 5km x 3km in size tested in the maiden Earahedy Aircore drilling programme, which was completed in the June 2023 Quarter, but assays received in July 2023
- Best intersections included:
 - 7m @ 1.03 g/t Au from 36m (EOH) in LEA0008 and
 - 8m @ 0.95 g/t Au from 56m in LEA0021
inc. 4m @ 1.69 g/t Au from 52m
- 16 new large base metal anomalous areas (*Cu, Pb, Zn, Co*) defined in first pass geochemical soil sampling
- Assays reported are from 4,650 samples taken in 2023 as well as 1,955 taken the previous year by Lodestar
- A further 2,206 geochemical soil samples taken in 2024 new areas as well as infilling anomalies previously reported

COOLGARDIE WEST (LSR – 100%) – Gold, Nickel, Lithium

- E15/2013 granted at Coolgardie West
- Geochemical soil sampling previously undertaken by Lodestar has defined two large gold anomalies of up to 2.5km length
- 307 infill soil samples taken to better define gold (Au) anomalies prior to drilling
- First pass aircore drilling planned for September Quarter 2024

NED'S CREEK PROJECT

- LSR agreed to terminate the JV with Vango Mining Limited in late 2024 and the parties have retained their respective tenements as contained in the JV Agreement
- A thorough technical review has identified several untested targets that justify drill testing in the September Quarter 2024
- These include two “bullseye” magnetic targets with similarities to the multi-million-ounce Wallaby Deposit near Laverton

COMPANY PROJECTS

There have been numerous changes in the Company portfolio during the year. The current projects include Earraheedy, Ned's Creek and Coolgardie West. Locations are shown in Figure 1.

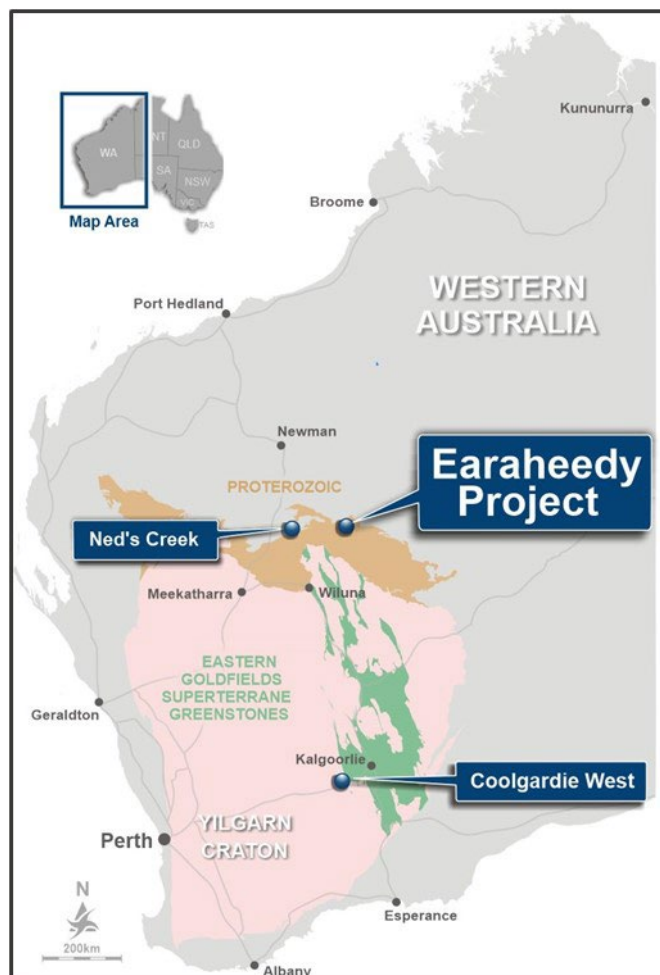


Figure 1: Projects location

EARAHEEDY PROJECT (Lodestar – 100%, Base Metals, Gold)

The Earraheedy Project (the “**Project**”) is located approximately 200km north-east of Wiluna on the opposite side of the Earraheedy Basin to Rumble Resources Chinook base metal discovery (Figure 2).

During the reporting period Lodestar completed a maiden RC drilling programme as well as a maiden diamond core drilling programme to follow up the successful Aircore drilling programme which was completed in the June 2023 Quarter.

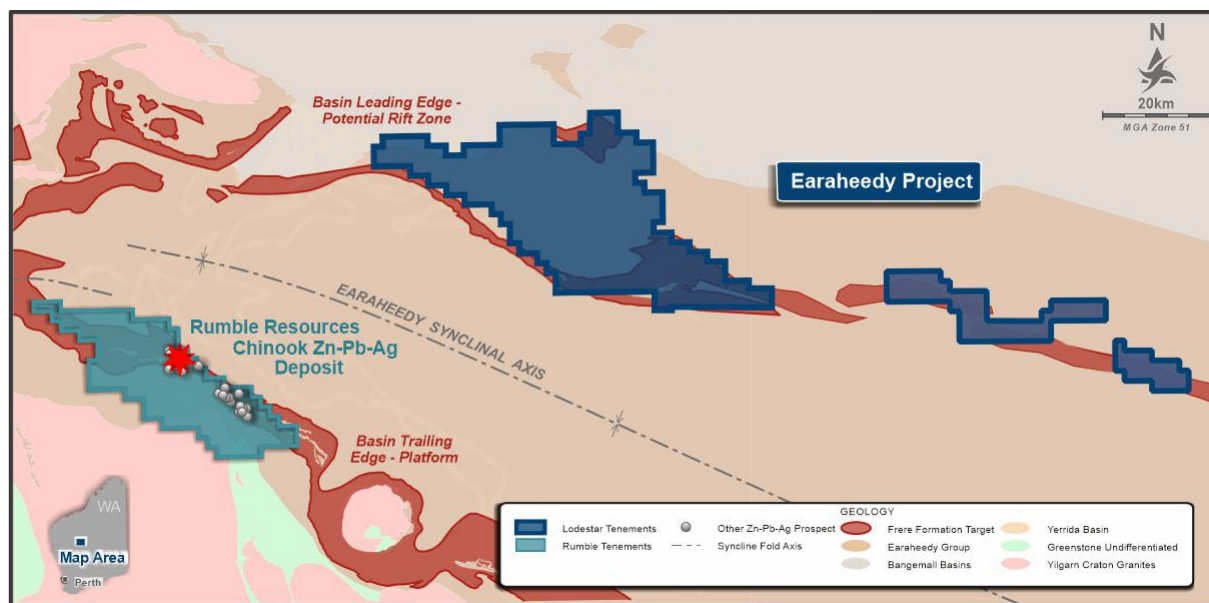


Figure 2: Lodestar's Earraheedy Project tenements at 30 June 2024

Aircore Drilling

Significant copper and gold intersections were returned at five targets on the seven tested in the Company's maiden aircore drilling programme at the Project (which was completed in June) (Figure 3).

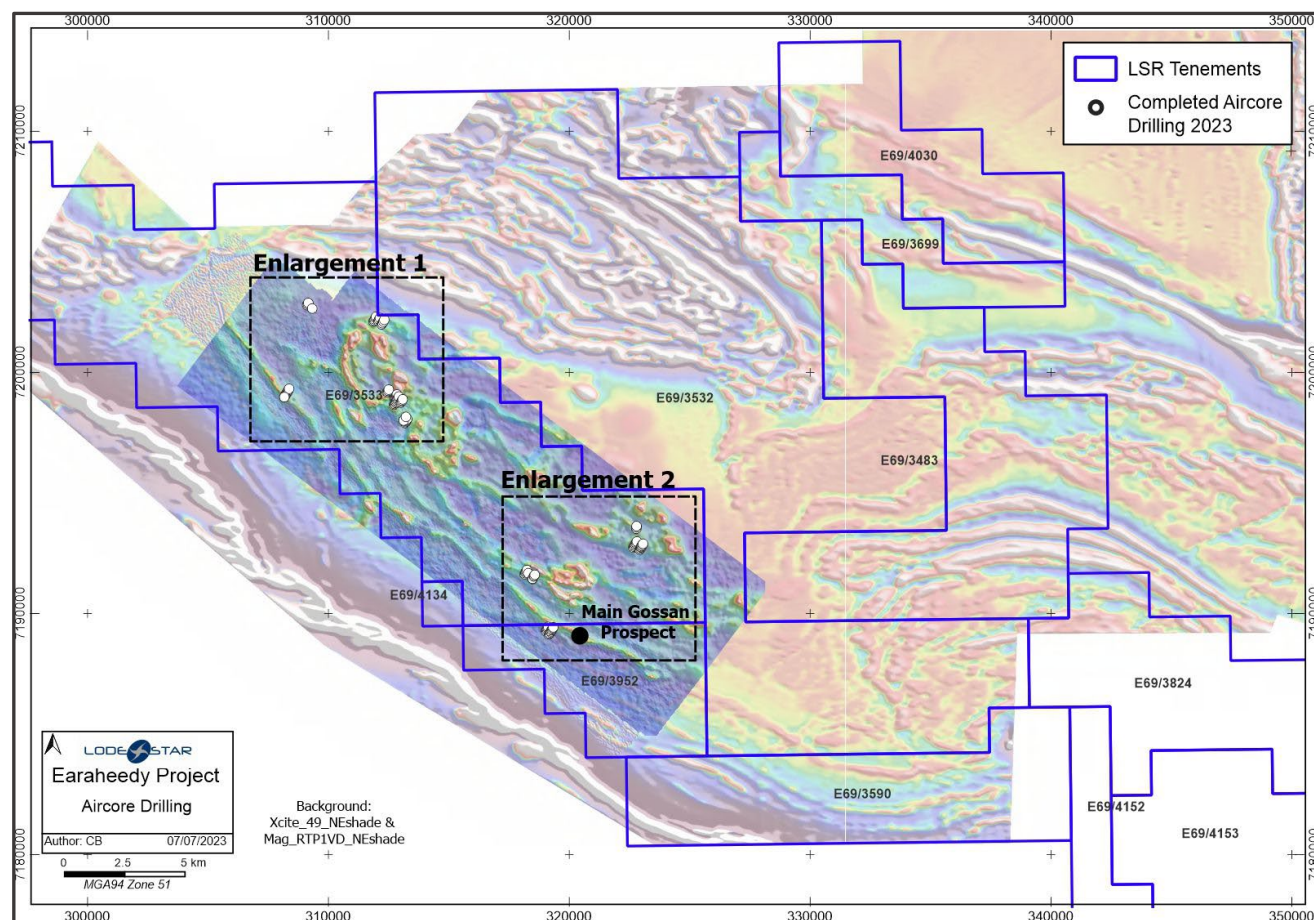


Figure 3: Lodestar Aircore drilling program

DISCUSSION OF RESULTS

99 Aircore holes were drilled for a total of 5,386m. Significant Cu intersections, based upon a threshold of 500ppm Cu (0.05% Cu) are included in Table 1, Figure 4 & 5, and significant Au results (above 0.2 g/t Au) in Table 2. Samples are 4m composites unless the hole finished at an uneven interval less than 4m.

Table 1: Aircore significant intersections (>4m @ 500ppm Cu)

Hole ID	From (m)	To (m)	Interval (m)	Cu (ppm)	Description
LEA0001	48	54	8	612	8m @ 612 ppm Cu
LEA0002	24	28	4	556	4m @ 556 ppm Cu
LEA0003	20	24	4	514	4m @ 514 ppm Cu
LEA0007	12	36	24	642	24m @ 642 ppm Cu
LEA0008	36	43 (EOH)	7	574	7m @ 574 ppm Cu
LEA0009	0	4	4	570	4m @ 570 ppm Cu
LEA0016	60	64	4	534	4m @ 534 ppm Cu
LEA0052	8	12	4	531	4m @ 531 ppm Cu
LEA0058	8	28	20	962	20m @ 962 ppm Cu
Inc.	12	20	8	1536	8m @ 1536 ppm Cu
LEA0064	12	20	8	959	8m @ 959 ppm Cu
Inc.	12	16	4	1329	4m @ 1329 ppm Cu
LEA0089	40	47	7	625	7m @ 625 ppm Cu
LEA0092	4	16	12	1462	12m @ 1462 ppm Cu
Inc.	4	8	4	3674	4m @ 3674 ppm Cu
LEA0097	4	16	12	510	12m @ 510 ppm Cu

N.B. EOH = end of hole

Table 2: Aircore significant Au intersections (>3m @ 0.2 g/t Au)

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Description
LEA0001	12	24	12	0.20	12m @ 0.20 g/t Au
LEA0002	12	16	4	0.22	4m @ 0.22 g/t Au
LEA0003	32	36	4	0.39	4m @ 0.39 g/t Au
LEA0008	36	43 (EOH)	7	1.03	7m @ 1.03 g/t Au
LEA0014	68	72	4	0.23	4m @ 0.23 g/t Au
LEA0019	116	120	4	0.20	4m @ 0.20 g/t Au
LEA0021	16	20	4	0.23	4m @ 0.23 g/t Au
LEA0021	52	60	8	0.95	8m @ 0.95 g/t Au
Inc.	56	60	4	1.69	4m @ 1.69 g/t Au
LEA0022	8	12	4	0.32	4m @ 0.32 g/t Au
LEA0022	32	40	8	0.33	8m @ 0.33 g/t Au
LEA0047	44	47 (EOH)	3	0.31	3m @ 0.31 g/t Au

N.B. EOH = end of hole

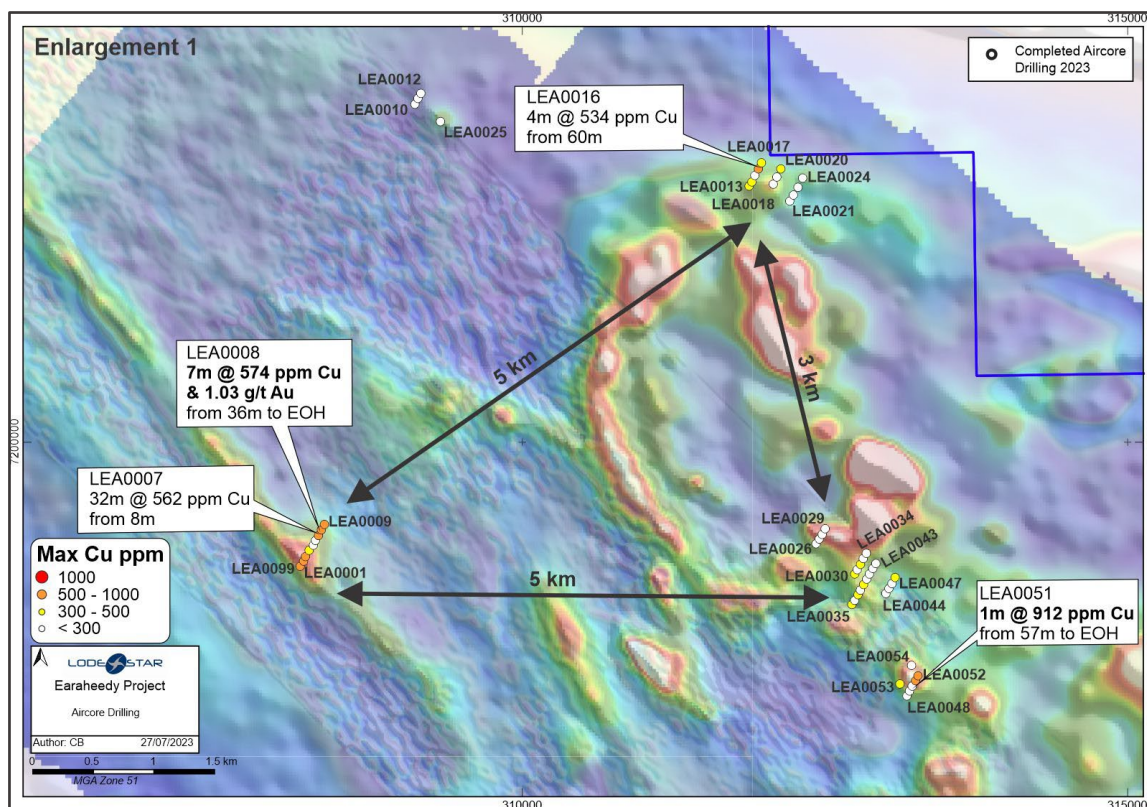


Figure 4: Enlargement 1. Northern drilling area showing Cu results over EM background

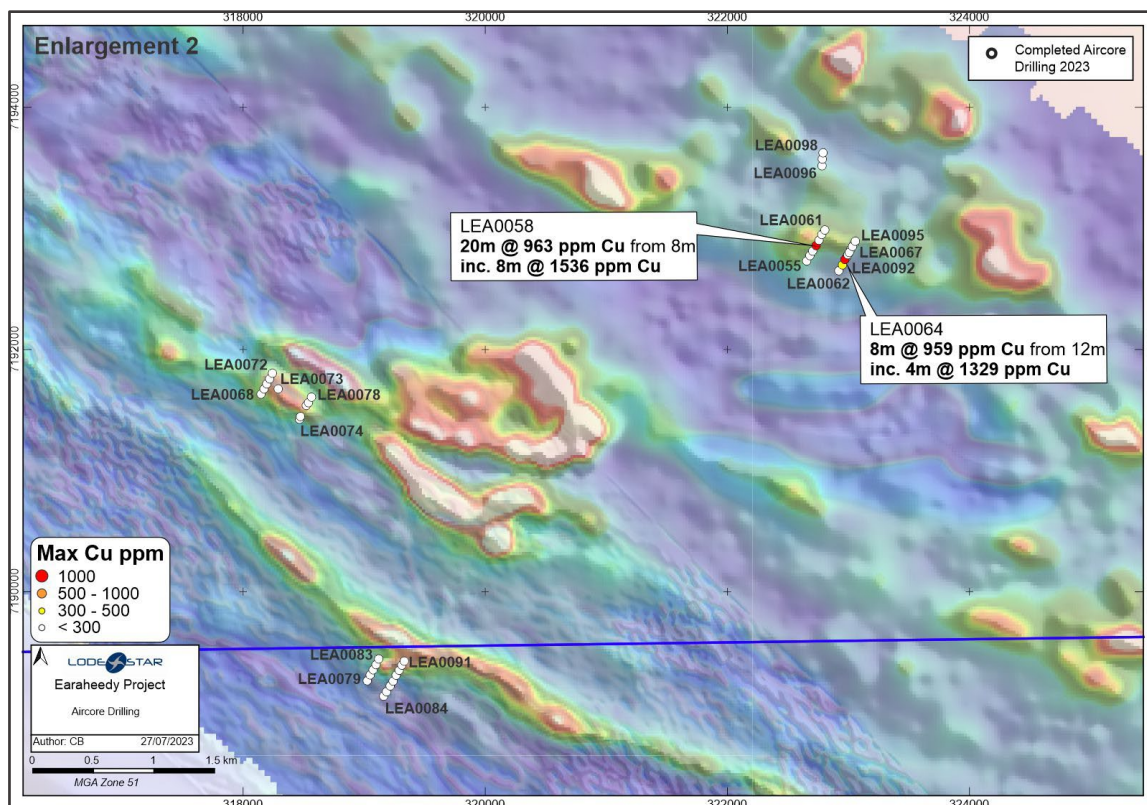


Figure 5: Enlargement 2. Southern drilling area showing Cu results over EM background

RC Drilling

A total of 22 RC holes comprising 3,900m were completed to follow up significant gold and copper intersections in first pass Aircore drilling as reported on 17 July 2023 and 2 August 2023.

Assays from single metre re-splits in the RC drilling confirmed numerous significant gold, copper and zinc mineralisation in numerous intervals in 15 of the 22 holes drilled (Table 3).

Table 3: Significant RC drill intersections

Hole ID	From (m)	To (m)	Interval (m)	Au g/t	Au Description (>1m @ 0.2 g/t)	Cu %	Zn %	Cu/Zn Description (>1m @0.1%)
LERC001	12	13	1	0.21	1m @ 0.21 g/t Au from 12m			
LERC001	16	17	1	0.28	1m @ 0.28 g/t Au from 16m			
LERC001	28	29	1	0.49	1m @ 0.49 g/t Au from 28m			
LERC001	102	107	5			0.11		5m @ 0.11% Cu from 102m
LERC001	137	138	1			0.10		1m @ 0.10% Cu from 137m
LERC001	154	155	1			0.05		1m @ 0.05% Cu from 154m
LERC002	37	38	1	1.58	1m @ 1.58 g/t Au from 37m			
LERC002	45	46	1	0.58	1m @ 0.58 g/t Au from 45m			
LERC002	48	49	1	0.20	1m @ 0.20 g/t Au from 48m			
inc	196	197	1			0.10		1m @ 0.10% Cu from 196m
inc	190	191	1			0.11		1m @ 0.11% Cu from 190m
inc	198	200	2				0.14	2m @ 0.14% Zn from 198m
LERC003	193	194	1	0.28	1m @ 0.28 g/t Au from 193m			
LERC005	97	101	4	0.53	4m @ 0.53 g/t Au from 97m			
LERC007	49	51	2	0.44	2m @ 0.44 g/t Au from 49m			
LERC008	8	15	7	0.77	7m @ 0.77 g/t Au from 8m			
inc	9	13	4	1.10	4m @ 1.1 g/t Au from 9m			
LERC008	66	68	2	0.63	2m @ 0.63 g/t Au from 66m			
LERC012	29	30	1	0.22	1m @ 0.22 g/t Au from 29m			
LERC012	45	51	6	0.94	6m @ 0.94 g/t Au from 45m			
inc	45	47	2	2.00	2m @ 2.00 g/t Au from 45m			

Table 3: Significant RC drill intersections (continued)

Hole ID	From (m)	To (m)	Interval (m)	Au g/t	Au Description (>1m @ 0.2 g/t)	Cu %	Zn %	Cu/Zn Description (>1m @0.1%)
LERC012	57	60	3			0.11		3m @ 0.11% Cu from 57m
LERC012	122	123	1	0.63	1m @ 0.63 g/t Au from 122m			
inc	46	47	1			0.12		1m @ 0.12% Cu from 46m
LERC014	78	80	2	0.25	2m @ 0.25 g/t Au from 78m			
inc	76	78	2			0.15		2m @ 0.15% Cu from 76m
inc	81	82	1			0.13		1m @ 0.13% Cu from 81m
inc	84	85	1			0.10		1m @ 0.10% Cu from 84m
LERC015	10	12	2			0.10		2m @ 0.10% Cu from 10m
LERC015	29	30	1	0.48	1m @ 0.48 g/t Au from 29m			
LERC015	32	33	1	0.20	1m @ 0.2 g/t Au from 32m			
LERC016	74	75	1	0.30	1m @ 0.3 g/t Au from 74m			
inc	77	83	6			0.14		6m @ 0.14% Cu from 77m
inc	15	17	2			0.13		2m @ 0.13% Cu from 15m
LERC017	40	50	10			0.11		10m @ 0.11% Cu from 40m
LERC022	6	7	1	1.02	1m @ 1.02 g/t Au from 6m			
LERC022	6	7	1			0.08		1m @ 0.08% Cu from 6m
LERC022	15	39	24			0.06		24m @ 0.06% Cu from 15m
inc	34	35	1			0.11		1m @ 0.11% Cu from 34m
LERC022	27	28	1	1.27	1m @ 1.27 g/t Au from 27m			
LERC022	34	35	1	1.35	1m @ 1.35 g/t Au from 34m			

Diamond Core Drilling

Three diamond core holes were also completed for 793.40m (including a 102m RC pre-collar in LEDD003) and one RC hole was completed for 300m (Table 4). This RC hole replaced one of the planned diamond core hole because of a lack of water within the vicinity which is required to drill diamond core. See Figure 6 for drill hole location plan.

All assays have been received with the best Au intersection was 1m @ 0.34 g/t Au from 249.6m in LEDD002. The best Cu intersection was 1.2m @ 0.17% Cu from 106.2m in LEDD001.

This program has helped the team understand the geological structural controls, ground conditions and logistics requirements for larger diamond drilling program in the future.

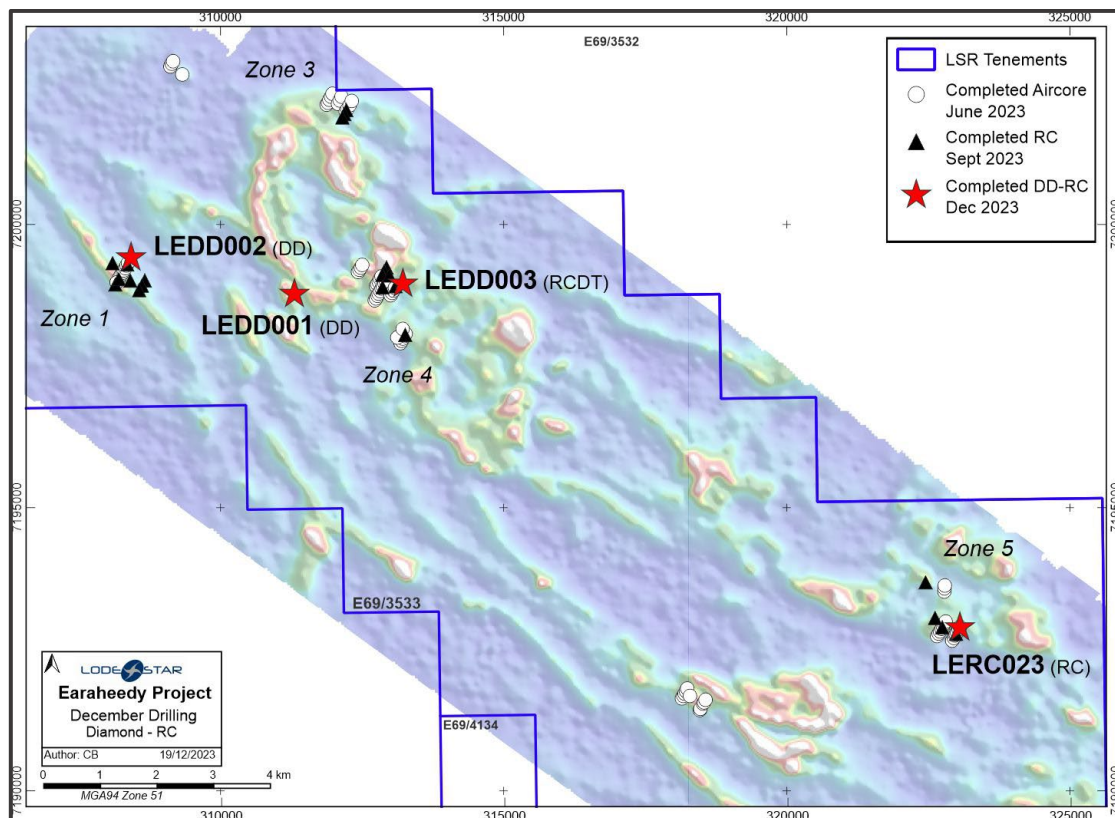


Figure 6: Drill hole location plan in relation to LSR Tenure on electro-magnetic background

LEDD001 and LEDD002 presented strong deformation and folding of the sedimentary package, mainly constituted of black shales and fine to medium grained sandstone. Multiple generations of pyrite and veining were observed (Figure 7). LEDD003 presented a less deformed sedimentary package, with little veining and hydrothermal origin pyrite.

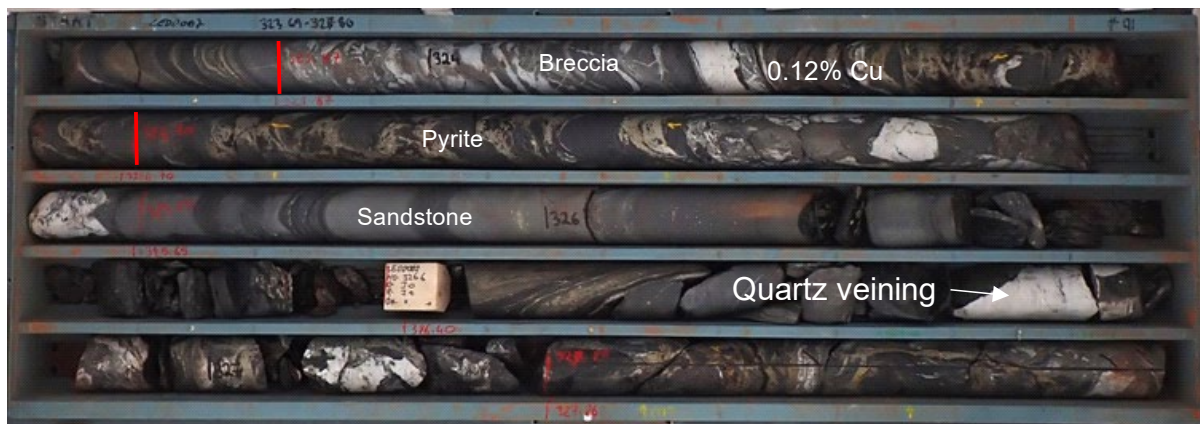


Figure 7: Core tray of LEDD002 showing the strong deformation of the stratigraphy.

Geochemical Soil Sampling

All assays have been received from multiple soil sampling programmes completed in late 2023. In total 4,650 samples were collected over numerous areas that were previously untested. A further 2,206 samples were taken in the June 2024 Quarter (Figure 8). All 2024 samples were sieved to -200 μm size fraction and assayed for a multi-element suite of 60 elements. All assays have been received.

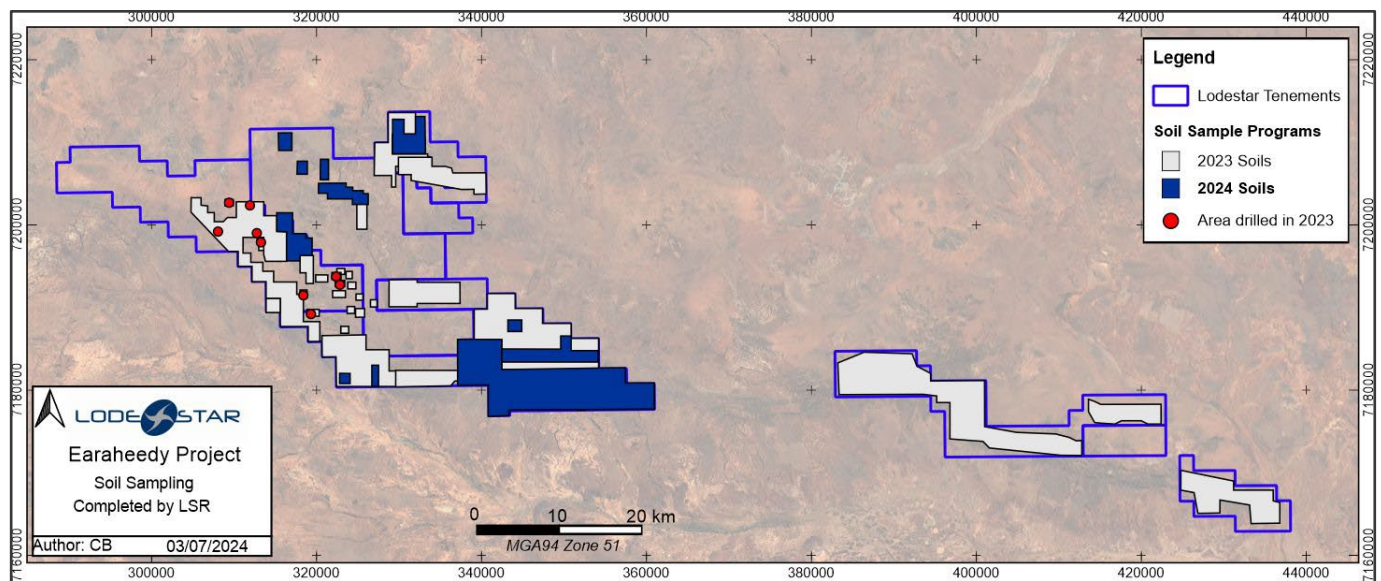


Figure 8: Geochemical soil sample coverage by Lodestar in 2023 and 2024

Following compilation and interpretation of all assays from the numerous geochemical soil sampling programmes completed in 2023 and 2022 Lodestar delineated 16 significant and large base metal anomalous areas spread over the project area which extends over more than 100km of strike length and more than 30km across strike in the main area.

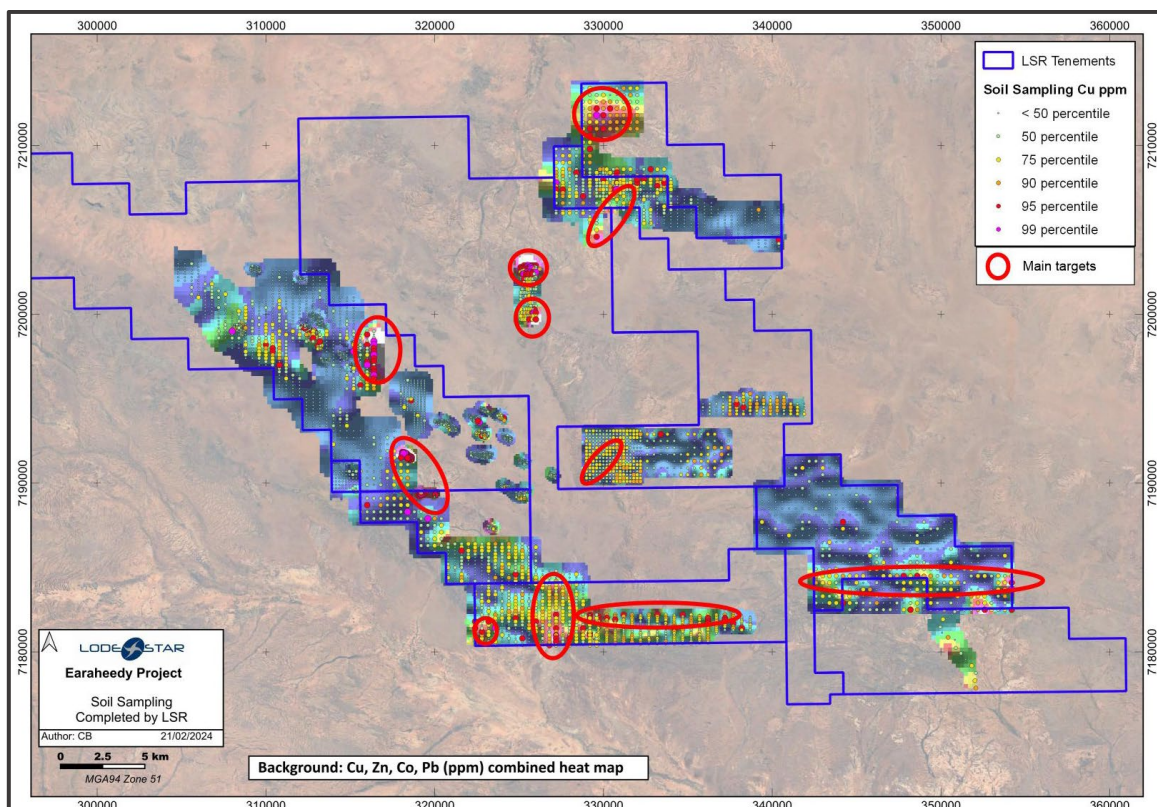
Each sample was assayed for a multi-element suite of 60 elements. This large suite of elements includes potential “*path finders*” which may be associated with various styles of mineralisation and are used as tools, along with geological and geophysical information, to improve the interpretation and delineation of new targets.

Different sample size fractions, UFF (~2 µm), 200 µm and 2mm have been used across the tenement, depending on the regolith cover. These size fractions correspond to the maximum grain size of the analysed samples. Each size fraction has different element assay thresholds hence why they have been treated as separate datasets. The data has been separated into four datasets: UFF, 200 µm, 2 mm across the Main tenements (west block) and 2 mm across Tripod tenement (east tenements).

Each size fraction data set was analysed separately and the 50th, 75th, 90th, 95th & 99th percentile determined for each of the 60 elements assayed (Table 4). This allows to categories the results whilst comparing them to their background level (50th percentile). The data sets were then merged according to their percentile ranges to create the combined images.

New anomalous target areas were then defined using this combined information as well as incorporating interpretation of geological and geophysical data.

The following figures (9-12) represent the soil sampling completed by Lodestar showing Copper or Zinc values. The background image is a combined heat map of Cu, Zn, Co and Pb (in ppm). The red outlines are the newly defined targets.



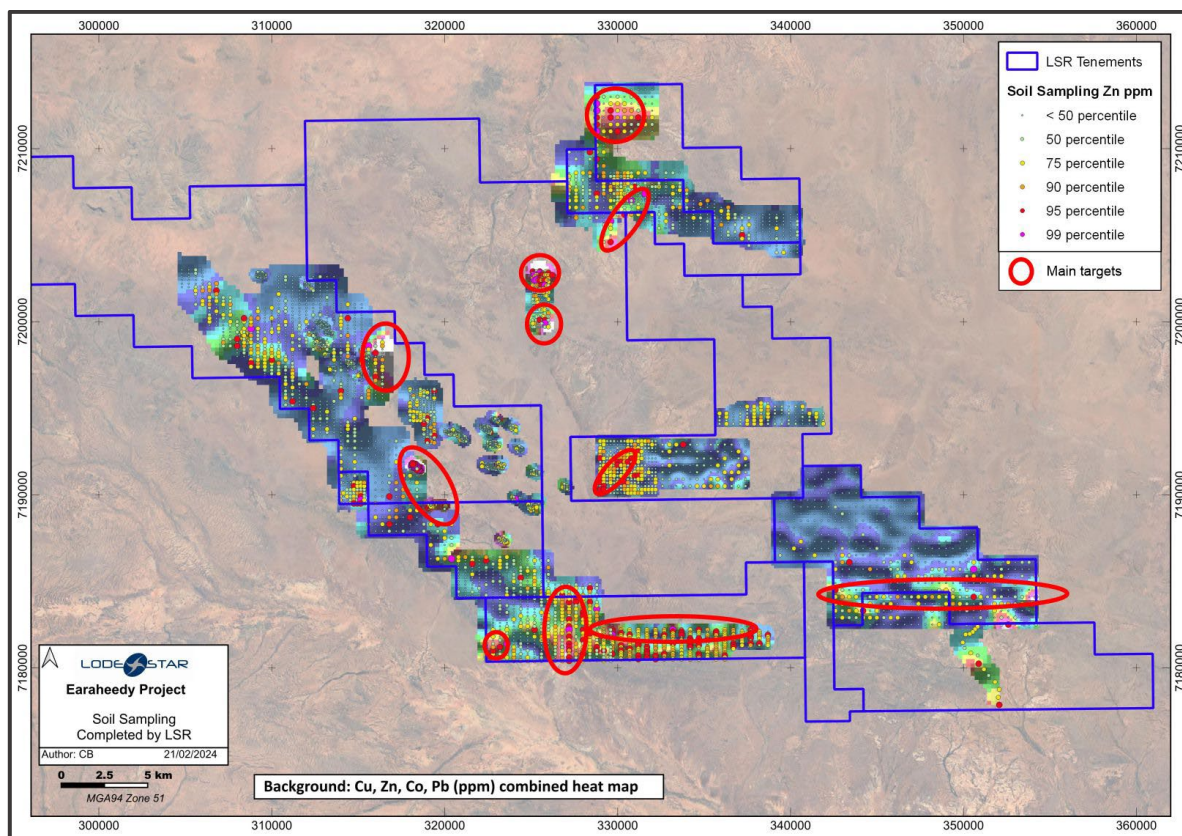


Figure 10: Zinc values in Main tenements (2022 and 2023 samples)

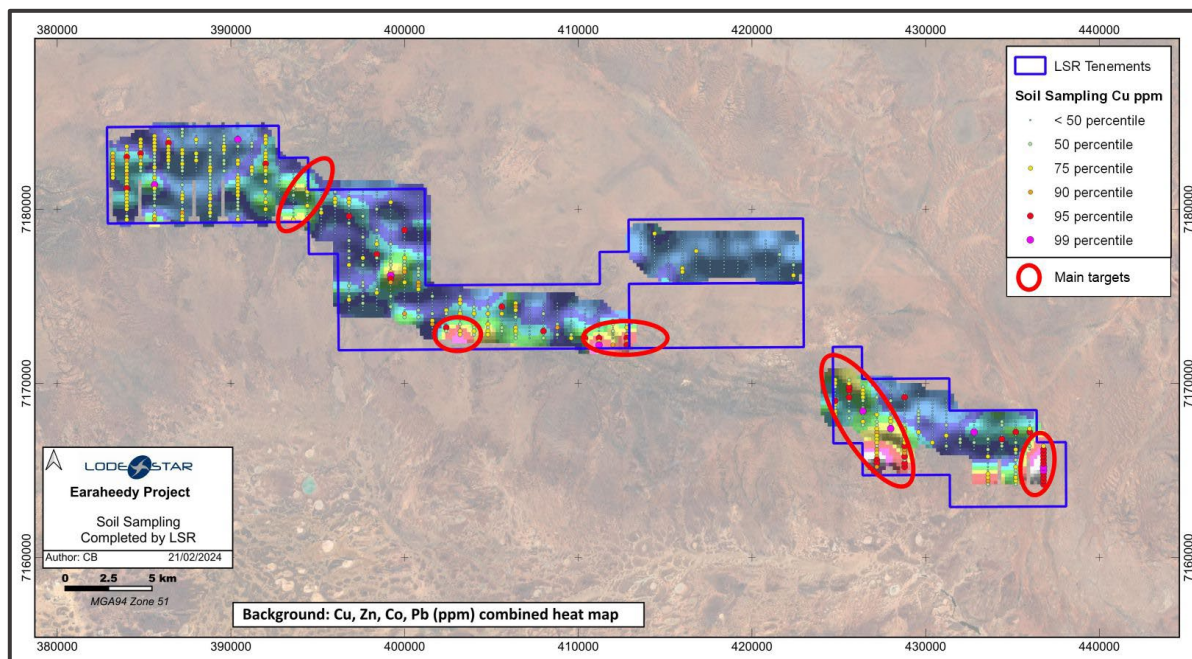


Figure 11: Copper values in Tripod tenements (2022 and 2023 samples)

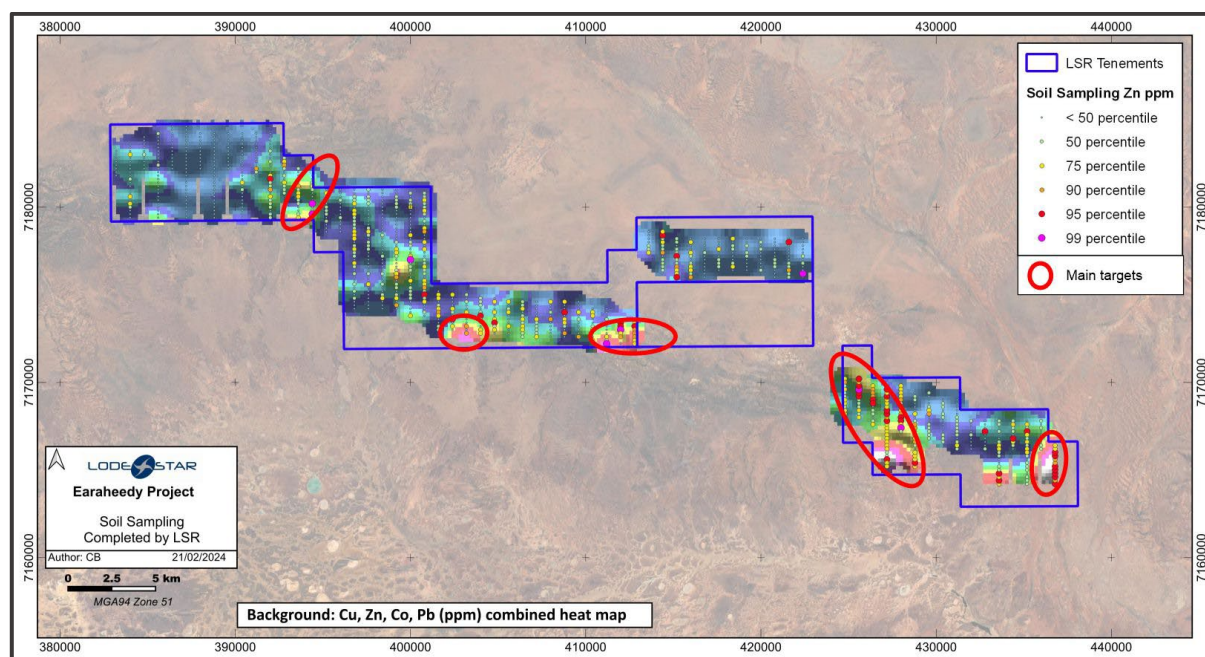


Figure 12: Zinc values in Tripod tenements (2022 and 2023 samples)

Table 4: Values in ppm of the elements used in the combined Cu, Co, Pb, Zn heat maps classified by their percentile values.

	Percentile	50	75	90	95	99
Fraction size	Element					
2 mm - Main	Cu	17	20	25	28	49
	Zn	22	30	40	48	66
	Co	4	5	6	7	14
	Pb	15	19	22	24	29
2 mm - Tripod	Cu	16	18	22	24	36
	Zn	18	26	36	42	58
	Co	4	4	5	6	11
	Pb	11	14	18	20	40
200 µm	Cu	15	18	22	26	45
	Zn	16	22	30	36	50
	Co	4	5	6	6	9
	Pb	9	13	19	23	37
UFF	Cu	28	34	39	42	61
	Zn	40	48	58	65	93
	Co	14	19	24	28	42
	Pb	26	29	32	35	43

Subsequent to the end of the reporting period, soil sample assays were received from the June 2024 sampling. This enabled a more detailed analysis and interpretation of all geochemical soil sampling data. Some of these were in areas never previously sampled and the remainder were infill samples between the 2023 sample points.

As a result of the more detailed interpretation, a rationalisation of our tenement package has been possible and peripheral tenements E69/3882, E69/3883, E69/4153, E69/3590, E69/4134 and E69/3824 were surrendered between 30 June 2024 and the signing of this report (see Figure 13 for current tenement area). Further interpretation of the soil sample assays within the remaining tenements is ongoing.

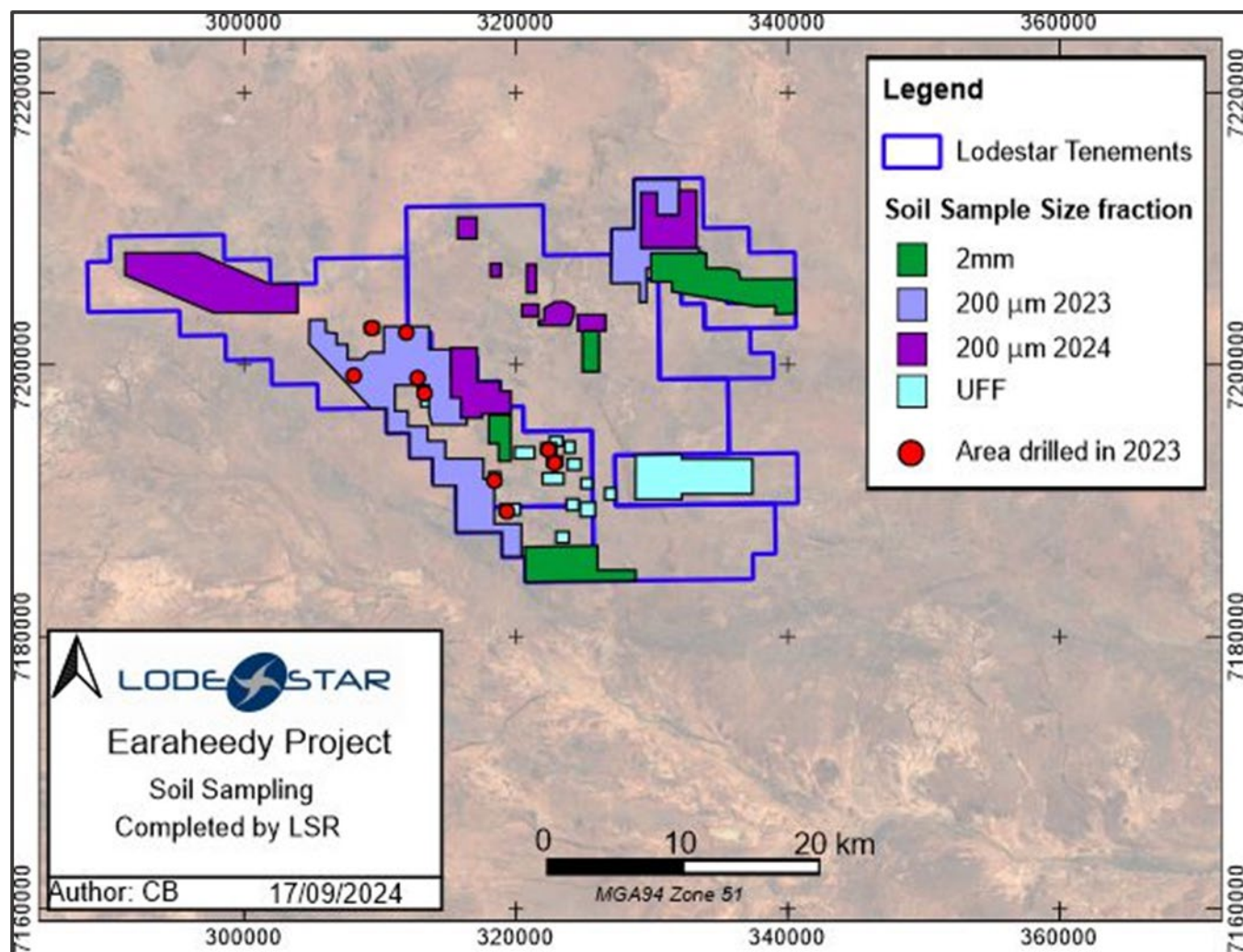


Figure 13: Current Earahedy tenement area with soil sample programmes completed

NED'S CREEK PROJECT

In late 2023 LSR reached agreement with Vango Mining Limited ("Vango") in respect of balances owed to Lodestar under its JV Agreement with Vango and that the JV Agreement be terminated and that the parties will retain their respective tenements as contained in the JV Agreement.

As a result, and following a payment being made, LSR has retained 100% ownership of E52/2456, E52/2734, E52/3473 and E52/3476 and Vango has retained 100% ownership of M52/779-782. Since 30 June 2024, E52/2734 and E52/3798 have been surrendered.

The Ned's Creek Project now comprises of three contiguous Exploration Licenses located 180 km northeast of the township of Meekatharra within the Ned's Creek and Marymia Pastoral Leases, Western Australia (Figure 14).

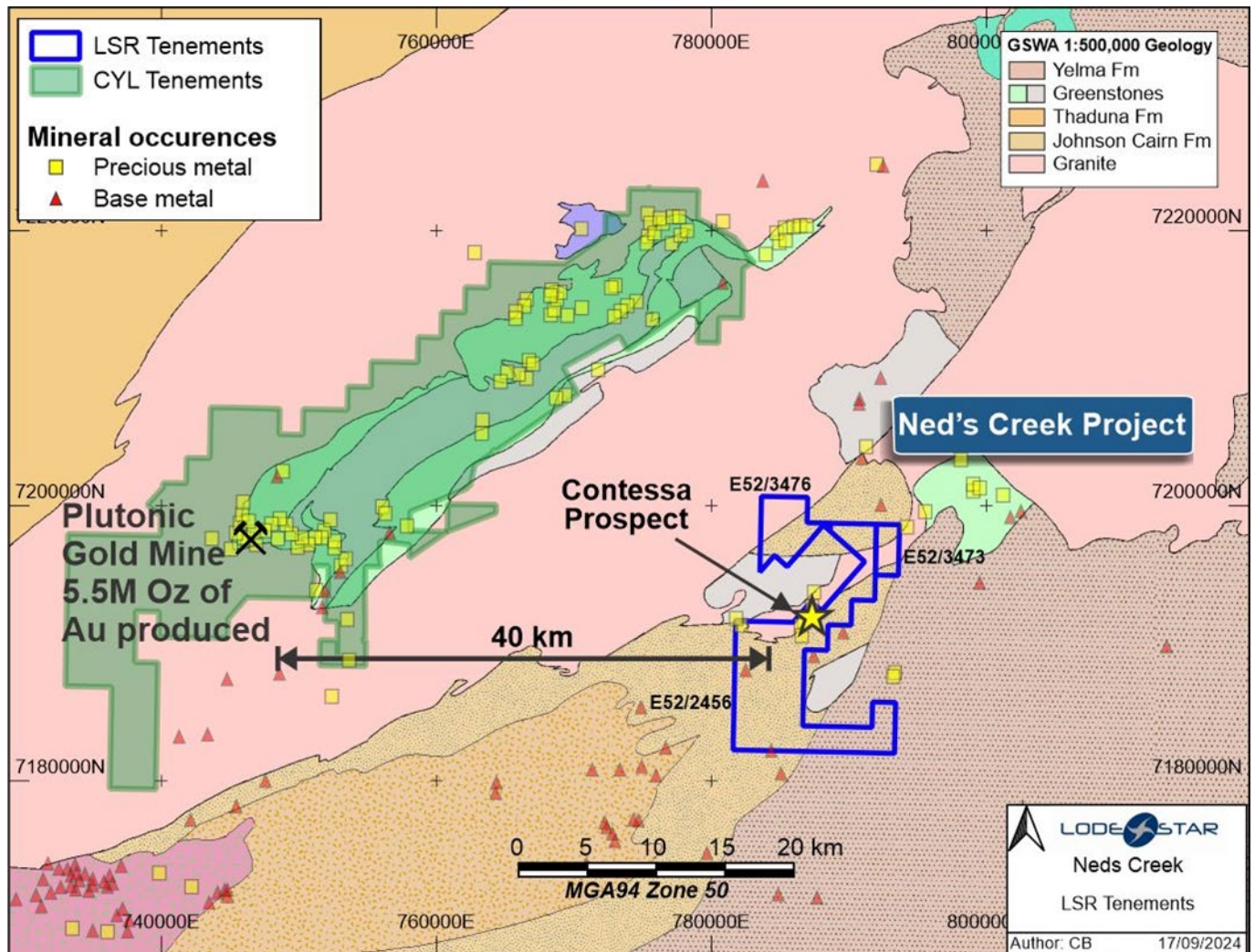


Figure 14: Ned's Creek Project location

Lodestar's previous exploration has defined a kilometre scale gold system adjacent to the Contessa granite. Extensive low-grade gold mineralization has been identified over a strike distance of 2.3 km on the southern margin of the granite, which has led to the identification of four main prospects, all within E52/2456:

- Contessa Prospect
- Central Park Prospect
- Gidgee Flat Prospect
- Brumby Prospect

Significant intersections included **11m @ 29 g/t Au** from 140m, **12m @ 3.7 g/t Au** from 36m, **11m @ 5.8 g/t Au** and **16m @ 2g/t Au** from surface in these four separate prospects spread over approximately 5km of strike.

Following the exploration of these four main prospects, a review of the geological, structural, mineralization information and a newly completed VTEM (Versatile Time Domain Electromagnetic) survey by consultant geologist Walter Witt and Company geologists defined four new target areas as follows (**Figure 15**):

- Contessa North – a mag, aircore geochemical anomaly target
- VTEM anomaly – a VTEM target
- Gidgee South – a mag target
- Little Granite South – a structural target

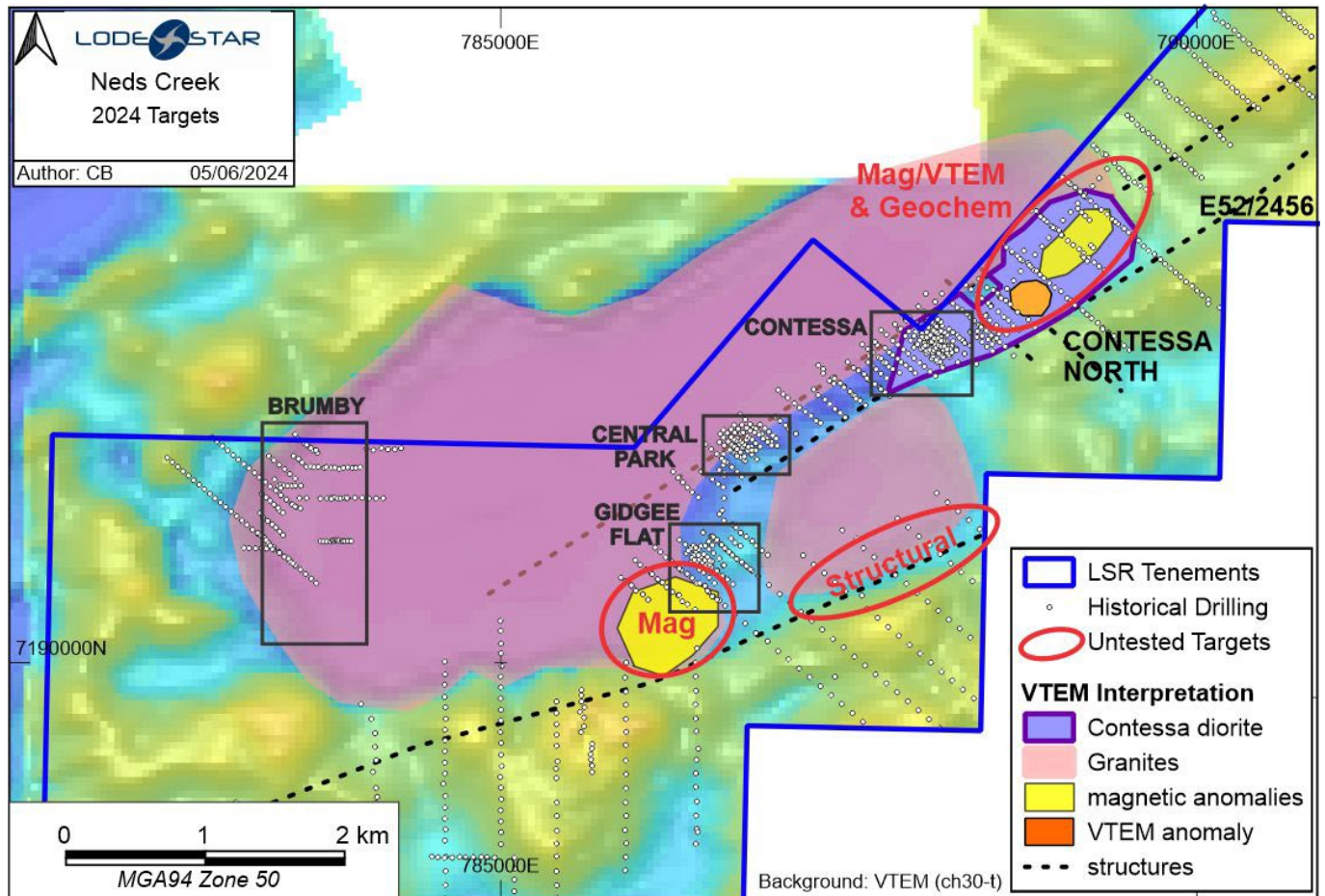


Figure 15: Historic prospects and untested magnetic, VTEM, geochemical and structural targets

These targets will be the focus of the Company in the coming year.

COOLGARDIE WEST PROJECT (Lodestar – 100%, Gold, Nickel, Lithium)

E15/2013, which is prospective for Au, Ni and Li, 59sq km in area and located 7km west of Coolgardie in the Eastern Goldfields region of Western Australia was granted in 2024 (Figure 16).

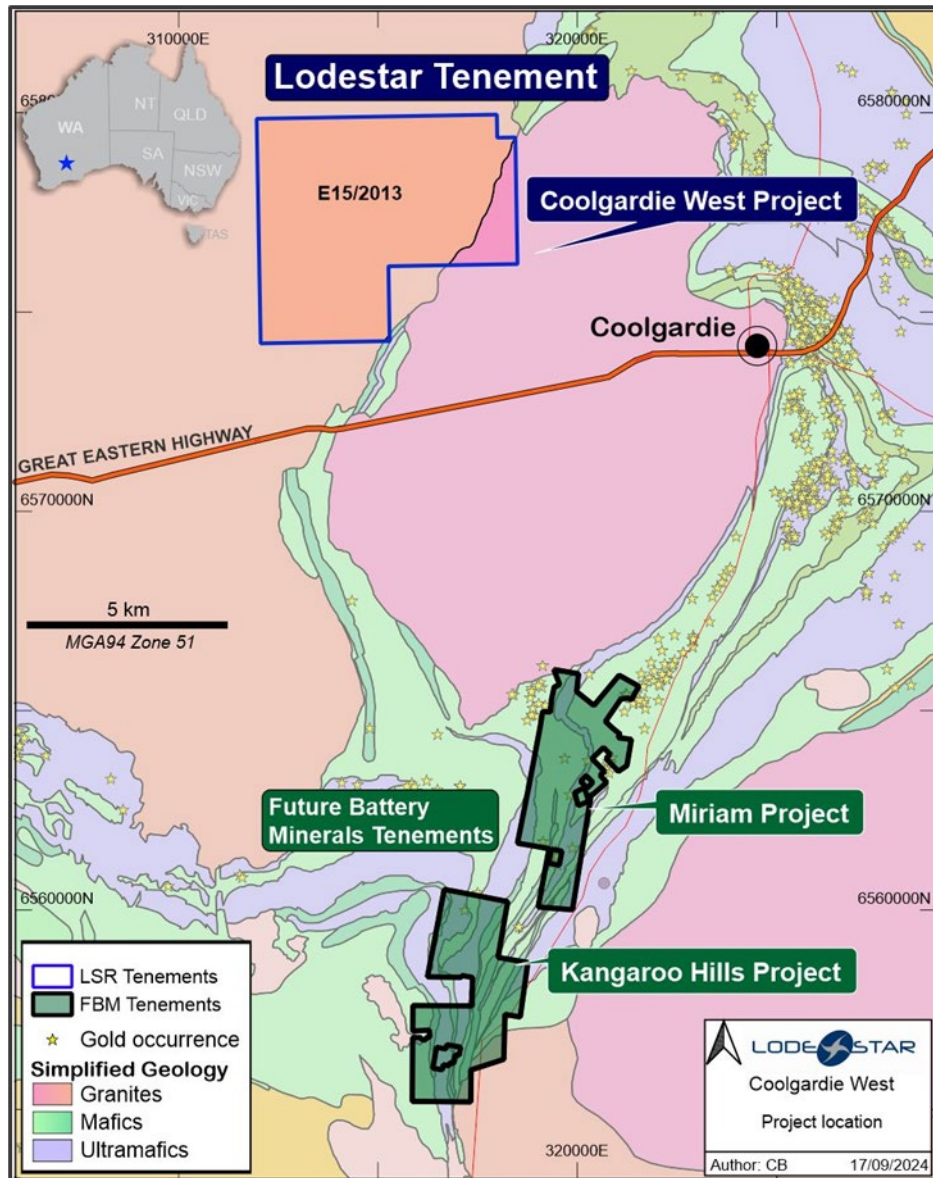


Figure 16: E15/2013 location map on geological and gold occurrence background. LSR has 9.2M shares and 27.5M performance rights in Future Battery Minerals who have nearby lithium projects

Soil sampling at Coolgardie West has already identified two large anomalous gold target zones (Figure 16) which are planned to be drilled during the 2Q 2024 following infill soil sampling, heritage clearances and PoW approvals.

Multi-element geochemistry (UFF™) was completed over E15/2013, in the area where the Coolgardie greenstone belt is deflected around the western margin of the Calooli monzogranite. The 5km long greenstone is prospective for gold, nickel and LCT pegmatite mineralisation. 1114 soil samples were collected over the tenement area including the greenstone and margins, defining two large gold anomalies related to the greenstone belt and to structural features in the aeromagnetic imagery.

The gold anomalies peak at 69ppb Au and currently cover over 3km strike length each. Limited historical RAB drilling at the southern margin of Lodestar's northern anomaly has intersected wide intervals of volcanic rocks (mafic and ultramafic rocks) rather than granites, so this increases the Au prospectivity of the host rocks which have been incorrectly interpreted previously due to a sandy cover of soil in this area. This sandy cover is likely to have diluted the geochemical response in conventional soil sampling techniques.

Following grant of E15/2013 Lodestar completed infill soil sampling comprising 307 samples to better define existing large Au soil anomalies (Figure 17).

The two anomalies are planned to be drilled during the September Quarter with a 1,000m aircore programme.

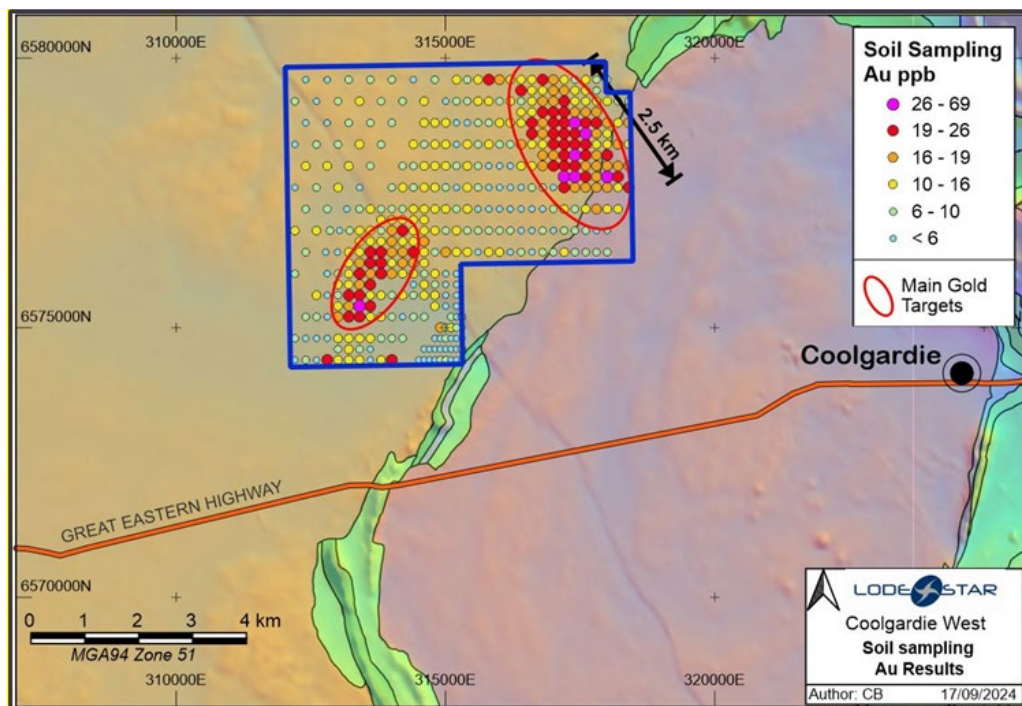


Figure 16: Coolgardie West soil sampling Au results over aeromagnetic TMI image and GSWA 1:500,000 scale interpreted bedrock geology

COMPETENT PERSONS' STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Mr Ed Turner who is a full-time employee for Lodestar and a Member of the Australasian Institute of Geoscientists. Mr Turner 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 Turner consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

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.

TRADITIONAL OWNERS

Lodestar Minerals would not be able to operate successfully without the support of the Traditional Owners and the local communities in which we operate. We continue to build trust and respect between Lodestar Minerals and our key stakeholders through transparency, listening, acting on concerns, and looking for innovative and sustainable ways of ensuring that the Traditional Owners are participating in the journey to explore and develop, responsibly and sensitively. We are working closely with our Native Title holders to identify mutually supportive initiatives which will see a growing range of business and employment opportunities being developed and importantly ensuring that the local community has the capability and opportunity to grow with the Company.

FINANCIAL RESULTS AND CONDITION

The loss for the financial year ended 30 June 2024 attributable to members of Lodestar Minerals Limited after income tax was \$4,614,689 (2023: \$307,918). The loss includes a \$1,604,885 loss (2023: \$2,996,707 gain) on the fair value of finance assets and exploration expenditure of \$2,305,089 (2023: \$2,074,466).

On 5 August 2023, the Group sold its 20% interest in the Kangaroo Hills Lithium Project, effectively the sale of Eastern Coolgardie Minerals Pty Ltd, to Future Battery Minerals Limited. The sale gives Lodestar exposure to 100% of FBM's lithium and nickel projects portfolio. Consideration for the sale was:

- \$250,000 in cash upon completion.
- \$125,000 in cash on or before three months after completion.
- \$125,000 in cash on or before six months after completion.
- 27,505,429 fully paid ordinary shares in Future Battery Minerals Limited; and
- 27,505,429 performance rights which will vest and convert into fully paid ordinary shares upon FBM delineating and announcing a Mineral Resource (JORC Code compliant) of at least 10mt at 1.0% Li₂O at the Kangaroo Hills Lithium Project.

The Group has a working capital deficit of \$312,585 (2023: surplus of \$2,956,413) and had net cash outflows of \$445,219 (2023: net cash outflow of \$1,288,544).

On 5 September 2024, Lodestar completed a non-renounceable rights issue raising \$1,348,932 before costs to fund operations.

BUSINESS STRATEGIES AND PROSPECTS

Lodestar is currently not producing a saleable product and relies on several forms of fund to complete the mineral exploration programs and to pay administrative overheads. These include:

- Capital raising via share placements
- Farming out assets to reduce exploration expenditures
- Sale of investments
- Borrowings from related and third parties

Lodestar's strategy is to explore for minerals utilising these funds with the aim of making an economic mineral discovery which can be exploited by mining. In this process, Lodestar may explore dozens of individual tenements each year but will surrender tenements where there are insufficient indicators of mineralisation. This means cost savings are made for rent and rates, and heritage/native title associated fees. The focus therefore moves to a smaller area of exploration ground as time goes by and exploration activities become more advanced.

BUSINESS STRATEGIES AND PROSPECTS (continued)

New tenements can also be applied for if there is a good geological reason which is a normal part of the Company strategy. In addition, the Company continually reviews potential new projects for purchase or earn-in opportunities.

Funding these activities is a major risk and the Company mitigates this by reducing discretionary spend when funding is difficult and speed up exploration when funding is easier.

In summary, Lodestar's strategy requires a nimble and flexible approach with continual reassessment of spending and the quality of Company assets to minimise waste.

MATERIAL BUSINESS RISKS

The key risk factors affecting the Company are set out below.

Exploration Risk

The Company's focus is on the exploration and exploitation of natural resources and are at an early stage of exploration development. Mineral exploration, development and mining are considered high-risk activities from an investor standpoint. The success of the Company's operations depends on, amongst other factors, successful exploration of reserves, securing and maintenance of title to tenements, appropriate design, construction, commissioning and operation of mining and processing facilities and successful management of operations. There is risk inherent with exploration activities that the programs executed by management do not identify economically viable mineral deposits for exploitation. Even if an apparently viable deposit has been recognised, there is no guarantee that it is capable of being exploited profitably.

Lodestar seeks to manage and mitigate the risks around exploration by undertaking staged and systematic exploration programs, designed to identify mineral resources through various exploration methods. Results from exploration programs are assessed for determination of viability of further exploration funding being allocated to the Company's various projects.

Commodity Price Risk

The prices of natural resources are volatile and can fluctuate widely within any given financial period. As an entity exploring for base and battery metals, changes in the prices of these commodities will not currently affect the Company's financial position, financial results and cash flows as the Company is not a producing entity. However, depressed, or declining commodity prices may restrict access to capital and the ability for the Company to grow and assess further exploration opportunities. Commodity prices have in recent years been characterized by significant price fluctuations driven by the market's expectations of demand for various natural resources, which are influenced by geopolitical events and other global phenomena beyond Lodestar's control, including global events such as the COVID-19 pandemic and the Russia-Ukraine war.

As Lodestar is not a producing entity, the Company has not entered any hedging arrangements to mitigate downside commodity price risks.

Farm-out and Joint Venture Partners

Lodestar may enter farm-out or joint venture agreements in relation to assets. Farm-out or joint venture partners may be unable to pay for their share of applicable costs.

Material Business Risks (continued)

Counterparty risks

A dispute or a breakdown between Lodestar and its Joint Venture Partners, suppliers or customers, or a failure to reach a suitable agreement with Joint Venture Partners, suppliers or customers could have an adverse effect on the reputation and/or financial performance of the Company.

Global Financial Conditions

Economic conditions, both domestic and global, have the potential to affect the capacity for the Group to raise additional capital for operations. Adverse changes in macroeconomic conditions, such as but not limited to, rates of inflation, interest rates, exchange rates, employment rates and input costs are outside of the Company's control. A slowdown in financial markets or other economic conditions has the potential to result negatively against the Company's capacity to raise capital from markets for operations, if so needed.

Regulatory and Political

Exploration for, and development and exploitation of, natural resources in Australia is subject to numerous laws and regulations at both federal and state levels. These include areas of taxation, environmental protection, and operational regulatory compliance. Existing laws and regulations, as currently interpreted or reinterpreted in the future, or future laws and regulations could potentially adversely impact the Company. Compliance with such laws and regulations may significantly increase the Company's operating expenses and any failure to comply may result in material penalties and fines to the Company or the Operators. Whilst Australia is considered politically stable, changes in governmental regulations and policies (whether through change in governments or change in policy from existing governments) may adversely affect the financial performance or the current and proposed operations of the Company.

The ability to explore, develop and exploit natural resources, as well as industry profitability generally, can be affected by such changes, which are beyond the control of the Company. As such, future financial performance and future operations may thereby be materially adversely affected.

Climate policies

Polices related to climate and energy transition may adversely affect investment in mineral exploration and funding behaviour.

Weather conditions

Weather events (including those related to climate change) may result in physical damage to assets or interruptions to operations.

Decommissioning

Lodestar may not have accurately anticipated required decommissioning costs and obligations, which may vary due to higher standards potentially being imposed in the future. Higher decommissioning obligations may negatively impact the Company's financial position.

Environment

Mineral exploration, development and production activities may damage the environment. If Lodestar is responsible, it will be required to remediate such damage which may involve substantial expenditure and adversely affect Lodestar's reputation.

Material Business Risks (continued)

Key Personnel

The ability of Lodestar to achieve its objectives depends on the engagement of key employees, Directors and contractors with appropriate experience and expertise. If Lodestar cannot attract, motivate, and retain required personnel there is risk of additional costs and delays which may adversely affect Lodestar's financial performance.

Cashflow

Insufficient cashflow could result in an inability to meet contingent payment obligations, debt obligations and/or day to day operational commitments.

Availability of parts, labour, and logistics

Supply or availability of required infrastructure (including drill rigs when required), equipment, goods or services could be subject to interruptions, delays or increases in cost, which may impact exploration, the cost of running Lodestar's operations and the economics of future development projects.

Cybersecurity

Cyber incidents could result in interruptions to, or failure of, the Company's operations and business.

Insurance coverage

Insurance coverage may be insufficient to cover all risks associated with mineral exploration, evaluation, and future development.

Litigation risk

There is a risk that Lodestar may have claims made against it and be the subject of litigation or be required to commence litigations, including with respect to its other contracting parties. The impact of such actions may have a material adverse impact on Lodestar.

Access to capital

Lodestar's activities may require the Company to obtain additional funding from equity and debt capital providers. Any material restriction on the ability of Lodestar to source capital may restrict its operations preventing Lodestar from acquiring new assets and taking advantage of new development opportunities or delaying the commencement or completion of projects in which Lodestar is involved.

Taxation risk

Changes to the rate of taxes imposed on Lodestar or changes in tax legislation or changing interpretations enforced by taxation authorities, may lead to an increase in Lodestar's taxation obligations and a reduction in potential shareholder returns.

Australian Accounting Standards and International Financial Reporting Standards

Accounting Standards are set by the AASB and IASB and are outside the Directors' and Lodestar's control. Changes to accounting standards issued by the AASB and IASB may have a material adverse impact on the financial performance and position of Lodestar as reported in its financial statements.

Access to committed debt facility

Lodestar has entered into several debt facility agreements. In certain circumstances, the facility may be terminated, funding unavailable or withdrawn and/or repayments accelerated.

Unforeseen risk

There may be other unforeseeable circumstances beyond the control of the Company which may impact Lodestar, its operations and/or the valuation and performance of its shares. The above list of key risks ought not to be taken as exhaustive of the risks faced by Lodestar or by investors in Lodestar. The above risks and others not specifically referred to above may in the future materially affect Lodestar, its financial performance, or the value of its shares.

Each of the key risks if they were to materialise, could have a material and adverse impact on (among other things) Lodestar's business, reputation, growth, financial position and/or financial performance. Lodestar has an established risk management framework in place to identify, assess and mitigate risks in accordance with the materiality and risk tolerance parameters set by the Board of Directors.

DIRECTORS' REPORT

Your directors submit their Annual Report of the Group comprising Lodestar Minerals Limited ("**the Company**", "**LSR**" or "**Lodestar**") and its controlled entities ("**the Group**") for the year ended 30 June 2024. To comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

DIRECTORS

The names of the directors who held office during the whole of the financial year and up to the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Edward Turner	Managing Director	Appointed 28 February 2023
Ross Taylor	Non-executive Chairman	Appointed 30 June 2014
David McArthur	Non-executive Director	Appointed 13 August 2007

PRINCIPAL ACTIVITIES

During the financial year the principal activities of the Group consisted of exploration and evaluation of the Group's exploration tenements situated in Western Australia.

DIVIDENDS

The Directors recommend that no dividend be provided for the year ended 30 June 2024 (2023: Nil).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no matters that significantly affected the affairs of the Group during the financial year, other than those matters referred to in the Review of Operations above.

LIKELY DEVELOPMENTS

The Group is focussed on exploration within its current portfolio of base metals tenement interests and will also continue to assess other opportunities which may offer value enhancing opportunities for shareholders.

ENVIRONMENTAL REGULATIONS

The Group is required to carry out the exploration and evaluation of its exploration tenements in accordance with various Government laws and regulations.

The Group conducts its exploration activities in an environmentally sensitive manner and in compliance with all relevant laws and regulations. The Group is not aware of any significant breaches of these laws and regulations.

INFORMATION ON DIRECTORS

Information on Directors	Experience, qualifications, and other directorships
Name:	Ross Taylor
Title:	Non-Executive Chairman
Qualifications:	BCom (UQ), SIA, ACA.
Experience and expertise:	Mr Taylor is a Chartered Accountant and an investment banking consultant with a thorough knowledge of international financial markets gained whilst working in Australia, London, New York, and Tokyo. He has extensive experience in the global investment banking sector and has held senior positions with Deutsche Bank, Bankers Trust and Barclays Capital.
Other current directorships:	Non-Executive Chair of RemSense Technologies Limited since 21 February 2024 (non-executive director from 20 August 2020 to 20 February 2024)
Former directorships (past 3 years):	None
Special responsibilities:	Chair of the Remuneration and Nomination Committee Member of the Audit and Risk Management Committee
Interests in shares:	201,018,405
Interests in options:	62,081,185
Name:	Edward Turner
Title:	Managing Director
Qualifications:	B App Science (Geology)
Experience and expertise:	Mr Turner has over 35 years of experience in the mining industry. He is a geologist with extensive experience in exploration management, underground mining, resource development, capital raisings, and commercial acquisitions and divestments. He has worked in precious metals, base metals, uranium and lithium in Australia, Africa, Eastern Europe, and South America. Recent Executive roles have included Technical Director of Riedel Resources Limited, CEO for Galena Mining Limited, and CEO of Kingwest Resources Limited.
Other current directorships:	None
Former directorships (past 3 years):	None
Special responsibilities:	None
Interests in shares:	15,750,010
Interests in options:	53,150,005

INFORMATION ON DIRECTORS (continued)

Name	Experience, qualifications, and other directorships
<p>Name:</p> <p>Title:</p> <p>Qualifications:</p>	<p>David McArthur</p> <p>Non-Executive Director</p> <p>BCom, ACA</p>
<p>Experience and expertise:</p>	<p>Mr McArthur has a Bachelor of Commerce Degree from the University of Western Australia. Mr McArthur is a Chartered Accountant, having spent four years with a major international accounting firm, and has over 30 years' experience in the accounting profession. Mr McArthur has been actively involved in the financial and corporate management of numerous public listed companies over the past 30 years.</p> <p>Mr McArthur has substantial experience in capital raisings, company re-organisations and restructuring, mergers and takeovers, and asset acquisitions by public companies.</p>
<p>Other current directorships:</p>	<p>Non-Executive Director of Delorean Corporation Limited Appointed: 2 December 2020</p>
<p>Former directorships (past 3 years):</p>	<p>Non-Executive Director of Sacgasco Limited Appointed: 15 November 2016 Resigned: 1 June 2022</p>
<p>Special responsibilities:</p>	<p>Chair of the Audit and Risk Management Committee Member of the Remuneration and Nomination Committee</p>
<p>Interests in shares:</p> <p>Interests in options:</p>	<p>22,583,357</p> <p>29,516,675</p>

'Other current directorships' stated above are current directorships for listed entities only and exclude directorships of all other types of entities.

'Former directorships' stated above are directorships held in the last three years for listed entities only and exclude directorships of all other types of entities.

COMPANY SECRETARIES

David McArthur is a Chartered Accountant and was appointed to the position of Company Secretary on 13 August 2007. Mr McArthur has over 30 years' experience in the corporate management of publicly listed companies.

Jordan McArthur is a Chartered Accountant and was appointed to the position of Joint Company Secretary on 17 April 2018. Mr McArthur has over ten years corporate and financial experience in Australia and the United Kingdom.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors ("the Board") and of each Board committee held during the year ended 30 June 2024, and the number of meetings attended by each director was:

	Full board		Audit and risk management committee	
	Attended	Held	Attended	Held
Ross Taylor	4	4	2	2
Edward Turner	4	4	2	2
David McArthur	4	4	2	2

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

The small size of the Board means that members of the Board meet informally on a regular basis to discuss company operations, risks, and strategies, and as required formalise key actions through circular resolutions.

The audit and risk management, finance and environmental functions are handled by the full board of the Company.

In addition to the meetings held above, several decisions of the Board were undertaken via 11 circular resolutions.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Other than as disclosed in note 28 of the notes to the consolidated financial statements, there have been no matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations of the Group, the results of these operations, or the state of affairs of the Group in future financial years.

INDEMNITY AND INSURANCE OF OFFICERS

The Company has agreed to indemnify all Directors and Company Secretaries against any liability arising from a claim brought by a third party against the Company. The Company has paid premiums to insure each Director and Company Secretary against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct whilst acting in the capacity of Director or Company Secretary of the Company, other than conduct involving wilful breach of duty in relation to the Company. The current premium is \$24,738 (2023: \$24,720) to insure the Directors and Company Secretaries of the Company.

INDEMNITY AND INSURANCE OF AUDITOR

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

SHARES UNDER OPTION

Unissued ordinary shares of Lodestar Minerals Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price cents	Number under option
09-Dec-2022	31-Jan-2026	1.5	25,000,000
22-Mar-2023	31-Jan-2026	1.5	25,000,000
15-Aug-2023	31-Jan-2026	1.5	10,000,000
06-Nov-2023	31-Jan-2026	1.5	81,000,000
16-Jul-2024	30-Jun-2026	0.3	288,691,311
30-Aug-2024	30-Jun-2026	0.3	25,000,000
05-Sep-2024	30-Jun-2026	0.3	360,77,470
05-Sep-2024	30-Jun-2026	0.2	93,450,000
			908,915,781

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

27,500,000 ordinary shares of Lodestar Minerals Limited were issued during the year ended 30 June 2024 on the exercise of options granted. No shares were issued during the year ended 30 June 2023.

AUDIT AND NON-AUDIT SERVICES

No non-audit services were provided during the year by the auditor of the Company, HLB Mann Judd.

ROUNDING

The amounts contained in the financial report have been rounded to the nearest \$1 (unless otherwise stated) pursuant to the option available to the Company under ASIC Class Order 2016/191. The Company is an entity to which the class order applies.

AUDITOR INDEPENDENCE

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 36.

AUDITOR

HLB Mann Judd continues in office in accordance with section 327 of the *Corporations Act 2001*.

AUDITED REMUNERATION REPORT

This report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for the Directors of Lodestar Minerals Limited for the year ended 30 June 2024. There were no other key management personnel during the year. The information provided in this remuneration report has been audited as required by Section 308(3C) of the *Corporations Act 2001* and its Regulations.

The Remuneration Report details the remuneration arrangements for the Directors who are defined as those persons having authority and responsibility for planning, directing, and controlling the major activities of the Group, directly or indirectly, whether executive or otherwise.

Remuneration philosophy

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results achieved. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ("the Board") ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors. The performance of the Group depends on the quality of its key management personnel. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

The reward framework is designed to align executive reward to shareholders' interest. The Board has considered that it should seek to enhance shareholders' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate and distinct.

Non-Executive Directors' Remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The Chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to the determination of his own remuneration.

ASX Listing Rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held in 2008, where the shareholders approved a maximum annual aggregate remuneration of \$250,000.

Each Non-Executive Director receives a fee for being a Director of the Company which is inclusive of sub-committee memberships:

- | | |
|---------------------------|---|
| • Non-Executive Directors | \$40,000 p.a. plus statutory superannuation |
| • Chairman | \$60,000 p.a. plus statutory superannuation |

Remuneration structure (continued)

Executive Directors' Remuneration

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

There are three components to the executive remuneration and reward framework:

- base pay and non-monetary benefits
- share-based payments
- other remuneration such as superannuation and long-service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration

Fixed remuneration, consisting of base salary, superannuation, and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. The Nomination and Remuneration Committee has access to external, independent advice where necessary.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits where it does not create any additional costs to the Group and provides additional value to the executive.

Short-term incentive scheme

The short-term incentives ("STI") program is designed to align the targets of the business units with the performance hurdles of key management. STI payments are granted to executives based on specific annual targets and key performance indicators ("KPIs") being achieved. At this stage, the Group does not award any STIs.

Long-term incentive scheme

The long-term incentives ("LTIs") include long-service leave and share-based payments. Share options are awarded to executives based on long-term incentive measures. These include increase in shareholder's value relative to the entire market and the increase compared to similar companies.

The Company has adopted an Employee Incentive Option Plan (Plan). Under the Plan, the Company may grant options to Company eligible employees and consultants to attract, motivate and retain key employees over a period of three years up to a maximum of 10% of the Company's total issued ordinary shares at the date of the grant. Director options are granted at the discretion of the Board and approved by shareholders. Performance hurdles are not attached to vesting periods however the Board determines appropriate vesting periods to provide rewards over time.

Group performance and link to remuneration

The remuneration of the Group's key management personnel, including any component of remuneration that consists of securities in the Company, is not formally linked to the prior performance of the Group. The rationale for this approach is that the Group is in the exploration phase, and it is currently not appropriate to link remuneration to factors such as profitability or share price.

Remuneration structure (continued)

Group performance and link to remuneration (continued)

	2024	2023	2022	2021	2020
Other income (\$)	640,635	553,676	-	23,805	239,675
Loss before income tax (\$)	(4,614,689)	(307,918)	(1,971,707)	(4,355,854)	(729,797)
Loss attributable to equity holders (\$)	(4,614,689)	(307,918)	(1,971,707)	(4,355,854)	(729,797)
Share price at year end (cents)	0.10	0.40	0.50	0.80	0.90
Number of listed ordinary shares	2,023,397,349	1,843,397,348	1,738,437,348	1,290,937,34	852,801,994
Weighted average number of shares	1,991,307,185	1,759,909,786	1,476,951,047	966,088,725	805,256,797
Basic loss per share EPS (cents)	(0.23)	(0.02)	(0.13)	(0.45)	(0.09)
Unlisted options	209,750,007	187,750,000	162,726,789	166,050,598	53,323,809
Market capitalisation (\$)	2,023,397	7,373,589	8,692,187	10,327,499	7,675,218
Net tangible assets / (liabilities) (NTA) (\$)	(171,036)	3,071,097	2,954,970	1,393,609	3,436
NTA Backing (cents)	(0.01)	0.17	0.17	0.11	-

During the financial years noted above, there were no dividends paid or other returns of capital made by the Company to shareholders.

Use of remuneration consultants

No remuneration consultants provided services during the year.

Voting and comments made at the Company's 2023 Annual General Meeting ("AGM")

At the 2023 AGM, 99.47% of the votes received, supported the adoption of the remuneration report for the year ended 30 June 2023. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Employment Contracts

Remuneration and other terms of employment for key management personnel are formalised in contracts of employment. Details of these contracts are as follows:

Name:	Edward Turner
Title:	Managing Director and Chief Executive Officer
Agreement commenced:	17 February 2023
Details:	<p>Base salary for the year ending 30 June 2023 of \$275,000 plus statutory superannuation. Termination benefits are payable upon termination by the Company, other than for gross misconduct, equal to base salary for the notice period. Three months termination notice by either party.</p> <p>In view of the need to preserve cash and considering the current financial climate and market conditions, Mr Turner has received 75% of his salary paid in cash since 1 March 2024, with the balance accrued.</p>

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Details of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

	Short-term benefits	Post employment benefits	Long-term benefits	Share- based payments	Total
	Cash salary and fees (A) \$	Super- annuation \$	Long service leave (B) \$	Equity- settled options \$	\$
2024					
Non-executive Directors					
Ross Taylor	80,000	8,800	-	63,750	152,550
David McArthur	60,000	6,600	-	63,750	130,350
Executive Directors					
Edward Turner	277,115	30,250	(1,287)	63,750	369,828
	417,115	45,650	(1,287)	191,250	652,728
2023					
Non-executive Directors					
Ross Taylor	71,667	7,525	-	-	79,192
David McArthur	51,667	5,425	-	-	57,092
Edward Turner ^(C)	13,154	1,381	-	-	14,535
Executive Directors					
Edward Turner	107,831	10,513	1,287	82,750	202,381
Former Directors					
Bill Clayton	91,362	8,912	1,584	-	101,858
	335,681	33,756	2,871	82,750	455,058

^(A) Included in Edward Turner's cash salary and fees is \$2,115 of annual leave expense (2023: \$7,703)

^(B) During the current year, \$1,287 of long service leave provision accrued in the prior year for Edward Turner was reversed in line with the Company's policy to accrue after five years

- (C) Edward Turner held the position of non-executive director from 2 December 2022 until 17 February 2023 when he was appointed Managing Director and Chief Executive Officer.

Details of remuneration (continued)

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		At risk - LTI	
	2024 %	2023 %	2024 %	2023 %
Non-executive Directors				
Ross Taylor	58	100	42	-
David McArthur	51	100	49	-
Edward Turner	-	100	-	100
Executive Directors				
Edward Turner	83	59	17	41
Former Directors				
Bill Clayton	-	100	-	-

No cash bonuses were granted during the year (2023: Nil).

Additional disclosures relating to key management personnel

Shareholdings

The number of shares in the company held during the financial year by each director, including their personally related parties, is set out below:

	Held at 30 June 2023	Purchases	Sales	Held at 30 June 2024
Ross Taylor	191,856,035	-	(65,000,000)	126,856,035
Edward Taylor	2,000,000	7,450,000	-	9,450,000
David McArthur	13,550,007	-	-	13,550,007
	207,406,042	7,450,000	(65,000,000)	149,856,042

Option holdings

The number of options over ordinary shares in the company held during the financial year by each director, including their personally related parties, is set out below:

	Held at 30 June 2023 Number	Expired Number	Granted Number	Held at 30 June 2024 Number	Vested and exercisable at 30 June 2024 Number	Value of options expired during the year \$
Ross Taylor	25,000,000	(25,000,000)	25,000,000	25,000,000	25,000,000	265,500
Edward Taylor	25,000,000	-	25,000,000	50,000,000	50,000,000	-
David McArthur	25,000,000	(25,000,000)	25,000,000	25,000,000	25,000,000	265,500
	75,000,000	(50,000,000)	75,000,000	100,000,000	100,000,000	531,000

50,000,000 options issued to directors as part of compensation on 21 April 2021, expired during the year ended 30 June 2024. These options had a fair value of 1.06 cents per option.

No options granted as compensation in the current or prior years were exercised.

Share-based remuneration granted as compensation

Details on options over ordinary shares in the Company that were granted as compensation to each director during the reporting period and details on options that vested during the reporting period are as follows:

	Number of options granted	Exercise Price (cents)	Grant date	Expiry Date	Fair value at grant date (cents)
Edward Turner	25,000,000	1.5	06-Nov-23	31-Jan-26	0.25
Ross Taylor	25,000,000	1.5	06-Nov-23	31-Jan-26	0.25
David McArthur	25,000,000	1.5	06-Nov-23	31-Jan-26	0.25

Other transactions with key management personnel

On 21 February 2023, Susan McArthur, a related party to David McArthur, provided a \$260,000 cash loan to the Company, accruing interest at 10% per annum, pro rata, repayable within six months. The loan was secured against shares held by the Company in FBM. As disclosed in note 30, \$169,260 (\$160,000 plus accrued interest) was repaid on 15 September 2024. On 21 August 2024, Susan McArthur agreed to extend \$100,000 of the loan for a further six months, maturing on 21 February 2024, accruing interest at 10% per annum, pro rata.

Broadway Management (WA) Pty Ltd, a company for which Mr McArthur is a director, received \$111,000 (2023: \$102,000) in repayment for commercial, arms-length consulting services. The balance outstanding on 30 June 2024 was \$49,500 (2023: \$17,000).

DAS (Australia) Pty Ltd, a company for which Mr McArthur is a director, received \$45,000 (2023: \$45,000) in repayment for company secretarial services. The balance outstanding on 30 June 2024 was \$15,000 (2023: \$7,500).

On 6 November 2023, the Company issued 6,000,000 options to Jordan McArthur, a related party to David McArthur, exercisable at 1.5 cents on or before 31 January 2026 with a fair value of 0.25 cents per share. The issue of these options was approved by shareholders at the 2023 AGM.

END OF AUDITED REMUNERATION REPORT

This report is made in accordance with a resolution of the Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors.



EDWARD TURNER
Managing Director

26 September 2024
Perth, WA

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Lodestar Minerals Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.



Perth, Western Australia
26 September 2024

B G McVeigh
Partner

hlb.com.au

HLB Mann Judd ABN 22 193 232 714

A Western Australian Partnership

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GENERAL INFORMATION

The consolidated financial statements cover Lodestar Minerals Limited as a Group consisting of Lodestar Minerals Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Lodestar Minerals Limited’s functional and presentation currency.

Lodestar Minerals Limited is a listed public company limited by shares, incorporated, and domiciled in Australia. Its registered and principal place of business is:

Registered office
Level 1,
31 Cliff Street
Fremantle WA 6160

A description of the nature of the Group’s operations and its principal activities are included in the Directors’ Report, which is not part of the financial statements.

The financial statements were authorised for issued, in accordance with a resolution of directors, on 26 September 2024. The directors have the power to amend and reissue the financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Other income	4	640,635	553,676
Finance income	5	12,313	20,038
Net fair value (loss) / gain on revaluation of financial assets	14	(1,604,885)	2,996,707
Exploration expenditure expensed through profit or loss		(2,305,089)	(2,074,466)
Site restoration expense		(1,628)	(6,092)
Site restoration provision extinguished		6,400	-
Marketing and business development costs		(118,333)	(37,848)
Personnel expenses	6	(680,165)	(366,481)
General and administration costs		(179,811)	(169,544)
Professional fees		(295,112)	(209,551)
Depreciation expense	15	(33,076)	(27,061)
Amortisation expense		(23,793)	(16,422)
Impairment of other receivables	12	-	(796,990)
Other losses	7	(3,617)	(620)
Finance costs	5	(28,528)	(173,264)
Loss before income tax		(4,614,689)	(307,918)
Income tax expense	10	-	-
Loss for the year		(4,614,689)	(307,918)
Other comprehensive loss, net of tax		-	-
Total comprehensive loss for the year		(4,614,689)	(307,918)
Total comprehensive loss attributable to owners of the Company		(4,614,689)	(307,918)
Earnings / (loss) per share (cents per share)			
Basic and diluted	9	(0.23)	(0.02)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As of 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Cash and cash equivalents	11(a)	192,131	637,350
Trade and other receivables	12	20,561	15,259
Prepayments	13	75,164	63,293
Other financial assets	14	320,897	3,514,657
Total current assets		608,753	4,230,559
Property, plant, and equipment	15	130,608	112,625
Right of use assets	16	87,808	-
Intangible assets		3,830	5,106
Other financial assets	14	2,059	2,059
Total non-current assets		224,305	119,790
Total assets		833,058	4,350,349
Liabilities			
Trade and other payables	17	(511,677)	(670,952)
Borrowings	18	(269,260)	(565,551)
Lease liabilities	19	(16,012)	-
Employee benefits	6	(124,389)	(31,243)
Site restoration provision		-	(6,400)
Total current liabilities		(921,338)	(1,274,146)
Lease liabilities	19	(78,926)	-
Total non-current liabilities		(78,926)	-
Total liabilities		(1,000,264)	(1,274,146)
Net (liabilities) / assets		(167,206)	3,076,203

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
As of 30 June 2024

	Note	2024 \$	2023 \$
Equity			
Share capital	20	37,096,840	35,998,910
Reserves		445,600	1,180,855
Accumulated losses		(37,709,646)	(34,103,562)
Total (deficit) / equity attributable to equity holders of the Company		(167,206)	3,076,203

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2024

	Issued capital \$	Options reserves \$	Accumulated losses \$	Total equity \$
Balance on 1 July 2022	35,878,617	878,805	(33,795,644)	2,961,778
Loss after income tax expense for the year	-	-	(307,918)	(307,918)
Total comprehensive loss for the year	-	-	(307,918)	(307,918)
<i>Transactions with owners in their capacity as owners</i>				
Contributions of equity, net of transaction costs (note 20)	120,293	-	-	120,293
Share-based payments (note 21)	-	302,050	-	302,050
Balance on 30 June 2023	35,998,910	1,180,855	(34,103,562)	3,076,203
Balance on 1 July 2023	35,998,910	1,180,855	(34,103,562)	3,076,203
Loss after income tax expense for the year	-	-	(4,614,689)	(4,614,689)
Total comprehensive loss for the year	-	-	(4,614,689)	(4,614,689)
<i>Transactions with owners in their capacity as owners</i>				
Contributions of equity, net of transaction costs (note 20)	1,097,930	-	-	1,097,930
Transfer to accumulated losses on expiry of options	-	(1,008,605)	1,008,605	-
Share-based payments (note 21)	-	273,350	-	273,350
Balance on 30 June 2024	37,096,840	445,600	(37,709,646)	(167,206)

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Recovery of bad debts		625,000	-
Cash paid to suppliers and employers		(1,334,030)	(1,019,258)
Interest paid		(34,819)	(413)
Interest received		12,313	20,038
Payments for exploration and evaluation		(1,879,580)	(1,127,243)
Net cash used in operating activities	11(b)	(2,611,116)	(2,126,876)
Cash flows from investing activities			
Proceeds from sale of financial assets at fair value through profit or loss		1,088,875	-
Proceeds from the sale of Kangaroo Hills	14	500,000	-
Proceeds from sale of Nepean assets	4	-	514,926
Cash held on acquisition of subsidiary		-	1
Payments for property, plant, and equipment		(45,345)	(117,250)
Net cash from investing activities		1,543,530	397,677
Cash flows from financing activities			
Proceeds from issue of shares	20	825,000	-
Proceeds from the conversion of options	20	192,500	-
Proceeds from sophisticated investor loans	11(c)	-	550,000
Proceeds from related party loans	11(c)	260,000	-
Repayment of sophisticated investor loans	11(c)	(550,000)	-
Repayment of premium funding facility	11(c)	(26,970)	-
Repayment of short-term loans	11(c)	-	(65,123)
Repayment of right of use lease liability	11(c)	(15,387)	(15,193)
Payment of capital raising costs		(35,276)	(4,507)
Payment of transaction costs related to loans		(27,500)	(24,522)
Net cash from financing activities		622,367	440,655
Net decrease in cash and cash equivalents		(445,219)	(1,288,544)
Cash and cash equivalents on 1 July		637,350	1,925,894
Cash and cash equivalents on 30 June	11(a)	192,131	637,350

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT
For the year ended 30 June 2024

1 MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The Group has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2024. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

1.2 BASIS OF PREPARATION

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001, as appropriate for, for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, certain classes of property, plant, and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

1.3 PARENT ENTITY INFORMATION

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 26.

1.4 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Lodestar Minerals Limited (“company” or “parent entity”) as of 30 June 2024 and the results of all subsidiaries for the year then ended. Lodestar Minerals Limited and its subsidiaries together are referred to in these financial statements as the ‘Group’.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances, and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired, is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position, and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

When the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities, and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

1.5 CURRENT AND NON-CURRENT CLASSIFICATION

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when it is either expected to be realised or intended to be sold or consumed in the Group’s normal operating cycle, it is held primarily for the purpose of trading, it is expected to be realised within 12 months after the reporting date, or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date. All other assets are classified as non-current.

A liability is classified as current when it is either expected to be settled in the Group’s normal operating cycle, it is held primarily for the purpose of trading, it is due to be settle within 12 months after the reporting date, or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

1.6 GOING CONCERN

The consolidated financial statements have been prepared on a going concern basis which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the normal course of business. For the year ended 30 June 2024, the Group incurred an operating loss of \$4,614,689 and had net cash outflows from operating activities of \$2,611,116 (including \$1,879,580 of exploration payments). On 30 June 2024, the Group had net liabilities of \$167,206, with total cash on hand of \$192,131.

The directors are aware that additional funds may need to be sourced from one or more of the following alternatives for the Group to carry on its business, meet its working capital requirements and its planned exploration commitments for tenements held:

- Capital raising such as:
 - Private placement
 - Entitlement issue
 - Share purchase plan
- Borrowings from related or third parties
- Farming out assets to reduce exploration expenditures

On 12 April 2023, the Company signed an At the Market Subscription Agreement (ATM) with Acuity Capital. The ATM provides Lodestar with up to \$2,000,000 of standby equity capital up until 31 July 2026.

As disclosed in note 28, on 6 September 2024, the Company completed a non-renounceable rights issue, raising \$1,348,932 (before costs) through the issue of 1,348,931,566 fully paid ordinary shares at 0.1 cents each. One (1) free attaching unlisted option exercisable at 0.3 cents on or before 30 June 2026 will be issued for every two (2) shares.

If further equity/ loans funds are not achieved, it may give rise to a material uncertainty regarding the outcome of funding alternatives, and therefore may cast significant doubt as to whether or not the Group will be able to continue as a going concern, given the current cash position and the Group's ability to raise cash when required, the directors are of the opinion the Group can carry on operations for the foreseeable future, and that it will be able to realise its debts and discharge its liabilities in the normal course of business. If necessary, the Group has the capacity to delay or cancel expenses that are discretionary in nature, including administrative costs and exploration expenditure that are not contractually binding. The timing of raising additional capital will depend on the investment markets, current and future planned exploration activities.

2 CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, revenue, and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. Judgements estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

2 CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model, using the assumptions detailed in note 21.

Fair value of financial instruments

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Management bases its assumption on observable data as far as possible, but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. Refer note 22.

3 OPERATING SEGMENTS

Accounting Policy

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Lodestar Minerals Limited.

For management purposes, the Group is organised into one operating segment, which involves exploration for gold and base metals in Australia. All the Group's activities are interrelated, and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from the segment are equivalent to the financial statements of the Group as a whole.

There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss since 30 June 2023.

4 OTHER INCOME

Accounting Policy

Other income is recognised when the amount can be reliably measured and control of the right to receive the income be passed to the Group.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

4 OTHER INCOME (continued)

	Note	2024 \$	2023 \$
Recovery of bad debts	(i)	640,635	-
Other operating income		-	38,750
Sale of Nepean Nickel tenements		-	514,926
		640,635	553,676

- (i) As disclosed to the market on 25 August 2023, the Company filed proceedings in the Supreme Court of Western Australia for the winding up of Vango Mining Limited (a wholly owned subsidiary of Catalyst Metals Limited (**ASX:CYL**)) following noncompliance with a statutory demand served by Lodestar on Vango on 23 June 2023. As advised to the market on 27 October 2023, the Company reached a commercially confident settlement with Vango in respect of balances owed under its JV Agreement.

5 NET FINANCE COSTS

	Note	2024 \$	2023 \$
Interest income on deposits		12,313	20,038
Interest expense on financial liabilities measured at amortised cost			
Interest expense on loans received from related parties	18	(9,260)	-
Interest on right of use lease liabilities	19	(8,414)	(413)
Interest on premium funding facility	18	(728)	-
Interest expense on sophisticated investor loans	18	(10,126)	(15,551)
Sophisticated investor loan establishment fees		-	(157,300)
Total finance costs		(28,528)	(173,264)
Net finance costs / (income)		(16,215)	(153,226)

6 PERSONNEL EXPENSES AND EMPLOYEE BENEFITS

Accounting Policy

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual and long service leave, not expected to settle within 12 months of the reporting date, are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

The table below sets out personnel costs expensed during the year.

	Note	2024 \$	2023 \$
Directors' remuneration ⁽¹⁾	23	652,728	455,058
Staff salaries		355,652	149,024
Superannuation		39,186	15,648
Annual leave		20,910	6,368
Long service leave ⁽²⁾		(1,671)	1,671
Share-based payments – staff ⁽¹⁾		66,800	89,500
Other associated personnel expenses		7,268	9,385
		1,140,873	726,654
Expensed in exploration and evaluation		460,708	360,173
Expensed in personnel expenses		680,165	366,481
		1,140,873	726,654

⁽¹⁾ Director share-based payments expense of \$191,250 included in Directors' Remuneration

⁽²⁾ Reversal of long service leave provision in line with the Company's policy to accrue after five years

6 PERSONNEL EXPENSES AND EMPLOYEE BENEFITS (continued)

The table below sets out employee benefits at the reporting date.

	2024	2023
	\$	\$
Current		
Salary accrual	62,743	12,863
Superannuation	24,550	1,351
Liability for annual leave	37,096	14,071
Liability for long service leave	-	2,958
	124,389	31,243

7 OTHER LOSSES

	2024	2023
Note	\$	\$
Loss on sale of property, plant, and equipment	-	104
Foreign exchange loss	3,617	516
	3,617	620

8 EXPLORATION AND EVALUATION EXPENDITURE

The exploration and evaluation accounting policy expenses all exploration and evaluation expenditure as incurred. Expenditure incurred on activities that precede exploration and evaluation of mineral resources, including all expenditure prior to securing legal rights to explore an area, is expensed to profit or loss as incurred.

9 LOSS PER SHARE

Accounting Policy

Basic earnings per share

Basic earnings per share is calculated by dividing the profit / (loss) attributable to the owners of Lodestar Minerals Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to accounts for the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

	2024 \$	2023 \$
<i>Basic and diluted loss per share</i>		
Loss after income tax attributable to owners of Lodestar Minerals Limited	(4,614,689)	(307,918)
	Cents	Cents
Basic loss per share	(0.23)	(0.02)
Diluted loss per share	(0.23)	(0.02)
	Number	Number
<i>Weighted average number of ordinary shares</i>		
Issued ordinary shares on 1 July	1,843,397,348	1,738,437,348
Effect of shares issued	147,909,837	21,472,438
Weighted average number of ordinary shares on 30 June	1,991,307,185	1,759,909,786

10 INCOME TAX EXPENSE

Accounting Policy

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits, or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities, and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Lodestar Minerals Limited ("the head entity") and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses, and assets are recognised net of the amount of, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

10 INCOME TAX EXPENSE (continued)

Accounting Policy (continued)

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(a) Amounts recognised in profit or loss

	2024	2023
	\$	\$
Current tax expense	-	-
Deferred tax expense	-	-
Income tax expense	-	-

Numerical reconciliation of income tax expense to prima facie tax payable

Loss from continuing operations before income tax	(4,614,689)	(307,918)
Tax at the Australian tax rate of 25% (2023: 25%)	(1,153,672)	(76,980)
Non-deductible expenses	467,180	160,508
Non-assessable income	-	(750,000)
Adjustment for prior periods	(25,788)	20,994
Timing differences	(51,025)	159,427
Tax losses utilised not previously brought to account	763,305	486,051
Income tax expense	-	-

Tax losses

Potential future income tax benefits attributed to tax losses, not brought to account	9,069,258	8,307,467
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10 INCOME TAX EXPENSE (continued)

(a) Amounts recognised in profit or loss (continued)

All unused tax losses were incurred by Australian entities.

The benefit of these tax losses will only be obtained if:

- i) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised
- ii) the conditions for deductibility imposed by tax legalisation continue to be complied with
- iii) no changes in tax legislation adversely affect the Group in realising the benefit, and
- iv) satisfaction of either the continuity of ownership or the same business test.

(b) Unrecognised deferred tax assets and liabilities

Deferred tax liabilities have not been recognised in respect of the following items:

	2024 \$	2023 \$
Deferred tax liabilities		
Prepayments	(18,791)	(15,823)
Property, plant, and equipment	(4,875)	(920)
	(23,666)	(16,743)
Deferred tax assets		
Capital raising costs – s40-880	37,752	51,211
Borrowing costs – s25-25	-	2,593
Right of use assets	1,782	-
Intangible assets	9	12
Exploration for tax	358,740	385,217
Trade and other payables	53,341	44,018
Employee benefits	15,412	4,595
Provisions	-	1,600
Carry forward tax losses	9,069,258	8,307,467
	9,536,294	8,796,713
Net unrecognised deferred tax assets	9,512,628	8,779,970

11 CASH AND CASH EQUIVALENTS

Accounting Policy

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalent also includes, bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

(a) Reconciliation of cash recorded in Statement of Financial Position to Statement of Cash Flows

	2024	2023
	\$	\$
Cash and cash equivalents in the statement of cash flows	192,131	637,350

(b) Reconciliation of cash flows from operating activities

	2024	2023
	\$	\$
Cash flows from operating activities		
Loss for the period	(4,614,689)	(307,918)
Adjustments for:		
Other income	-	(514,926)
Bad debts expense	-	796,990
Exploration expenditure expensed	-	187,684
Finance expense	-	27,500
Equity-settled share-based payments	385,850	302,050
Depreciation and amortisation	56,869	43,483
Loss / (gain) on revaluation of financial assets	1,604,885	(2,996,707)
Loss on disposal of property, plant, and equipment	-	104
Change in other receivables	(5,225)	(187,645)
Change in other financial assets	-	50,000
Change in prepayments and deposits	(8,665)	126,369
Change in trade and other payables	(137,567)	416,041
Change in interest bearing liabilities	20,680	15,551
Change in employee benefits provision	93,146	(85,452)
Change in other provisions	(6,400)	-
Net cash used in operating activities	(2,611,116)	(2,126,876)

11 CASH AND CASH EQUIVALENTS (continued)

(c) Changes in liabilities arising from financing activities

	Shareholder Loans	Sophisticated Investor loans	Right-of-use lease liabilities	Related party loans	Premium Funding	Total
	\$	\$	\$	\$	\$	\$
Balance on 1 July 2022	-	-	15,193	-	-	15,193
Loan acquired on acquisition of subsidiary	65,123	-	-	-	-	65,123
Net cash used in financing activities	(65,123)	550,000	(15,193)	-	-	469,684
Interest on sophisticated investor loans	-	15,551	-	-	-	15,551
Balance on 30 June 2023	-	565,551	-	-	-	565,551
Loan acquired on acquisition of subsidiary	-	-	-	-	-	-
Net cash used in financing activities	-	(550,000)	(15,387)	260,000	(26,970)	(332,357)
Interest on sophisticated investor loans	-	(15,551)	-	-	-	(15,551)
Interest on related party loans	-	-	-	9,260	-	9,260
Premium funding facility	-	-	-	-	26,970	26,970
Right-of-use lease liabilities	-	-	110,325	-	-	110,325
Balance on 30 June 2024	-	-	94,938	269,260	-	364,198

12 TRADE AND OTHER RECEIVABLES

	2024 \$	2023 \$
Current		
Ned's Creek drilling costs due from Vango	-	796,990
Provision for expected credit losses ⁽¹⁾	-	(796,990)
Authorised government agencies	5,084	14,665
Other receivables	15,477	594
	20,561	15,259
Movement in the allowance for expected credit losses		
Opening balance	796,990	-
(Reversal of) / additional provisions recognised	(156,355)	796,990
Recovery of bad debts	(640,635)	-
	-	796,990

⁽¹⁾ As disclosed to the market on 25 August 2023, the Company filed proceedings in the Supreme Court of Western Australia for the winding up of Vango Mining Limited (a wholly owned subsidiary of Catalyst Metals Limited (**ASX:CYL**)) following noncompliance with a statutory demand served by Lodestar on Vango on 23 June 2023. As advised to the market on 27 October 2023, the Company reached a commercially confident settlement with Vango in respect of balances owed under its JV Agreement.

Other receivables are non-interest bearing. Note 22 includes disclosures relating to the credit risk exposures and analysis relating to the allowance for expected credit losses.

13 PREPAYMENTS

	2024 \$	2023 \$
Current		
ATM Establishment Fee	50,000	50,000
Capital raising costs paid in advance	3,206	-
Software licence	14,193	-
Insurance	2,167	1,460
Aspermont Mining News Perth Conference – September 2023	-	8,000
Right-of-use lease and outgoings	-	110
Other	5,598	3,723
	75,164	63,293

14 OTHER FINANCIAL ASSETS

Accounting Policy

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part, or all, of a financial asset, the carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired, or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the probably weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

14 OTHER FINANCIAL ASSETS (continued)

Accounting Policy (continued)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, as 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired, or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the probably weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

	2024	2023
	\$	\$
Current	320,897	3,514,657
Non-current	2,059	2,059
	322,956	3,516,716
Listed ordinary shares – designated at fair value through profit or loss	320,897	14,657
20% working interest in ECG– designated at fair value through profit or loss	-	3,500,000
Deposits and bonds	2,059	2,059
	322,956	3,516,716

14 OTHER FINANCIAL ASSETS (continued)

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

	Listed shares \$	Unlisted shares \$	Deposits and bonds \$	Total \$
Balance on 1 July 2022	17,950	500,000	52,059	570,009
Fair value revaluation of 437,814 VAN shares at \$0.037 per share	(1,751)	-	-	(1,751)
Disposal of 437,814 VAN shares at \$0.037 per share	(16,199)	-	-	(16,199)
Issue of 19,035 CYL shares at \$0.985 per share	18,749	-	-	18,749
Fair value revaluation of 19,035 CYL shares at \$0.77 per share	(4,092)	-	-	(4,092)
Expensed to exploration	-	-	(50,000)	(50,000)
Gain on revaluation of investment in ECG	-	3,000,000	-	3,000,000
Balance on 30 June 2023	14,657	3,500,000	2,059	3,516,716
Fair value revaluation of 19,035 CYL shares at \$0.48 per share	(5,520)	-	-	(5,520)
Sale of 19,035 CYL shares at \$0.48 per share	(9,137)	-	-	(9,137)
Cash received on completion of the sale of ECG to FBM	-	(500,000)	-	(500,000)
Issue of 27,505,429 FBM shares at \$0.105 per share ⁽¹⁾	3,000,000	(3,000,000)	-	-
Loss on initial recognition of FBM shares at fair value ⁽¹⁾	(111,930)	-	-	(111,930)
Sale of 18,3366,952 FBM shares	(1,079,738)	-	-	(1,079,738)
Fair value revaluation of FBM shares	(1,487,435)	-	-	(1,487,435)
Balance on 30 June 2024	320,897	-	2,059	322,956

⁽¹⁾ The issue of 27,505,429 fully paid ordinary FBM shares were calculated via the 15-day VWAP (10.907 cents per share) immediately prior to completion. On the date of issue, the share price was 10.5 cents per share resulting in a fair value loss of \$111,930 on Day 1.

	2024 \$	2023 \$
Fair value movement on revaluation of financial assets	(1,604,885)	(5,843)
Disposal of 437,814 VAN shares at \$0.77 per share	-	(16,199)
Issue of 19,035 CYL shares at \$0.985 per share	-	18,749
Gain on revaluation of investment in ECG	-	3,000,000
Net fair value (loss) / gain on revaluation of financial assets	(1,604,885)	2,996,707

Refer to note 22 for further information on financial instruments.

15 PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on diminishing balance basis to write off the net cost of each item of property, plant, and equipment (excluding land) over their expected useful lives as follows:

Mobile equipment and motor vehicles	8 years
Field equipment	10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained earnings / accumulated losses.

15 PROPERTY, PLANT AND EQUIPMENT (continued)

	2024 \$	2023 \$
Field equipment – at cost	54,752	37,479
Less: accumulated depreciation	(34,560)	(32,899)
	20,192	4,580
Communication and computer equipment – at cost	42,591	36,877
Less: accumulated depreciation	(37,019)	(36,208)
	5,572	669
Mobile equipment and motor vehicles – at cost	212,302	184,231
Less: accumulated depreciation	(107,458)	(76,855)
	104,844	107,376
	130,608	112,625

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Field Equipment \$	Mobile equipment & motor vehicles \$	Computer & comms Equipment \$	Total \$
Balance on 1 July 2022	5,725	14,668	2,148	22,541
Additions	-	117,250	-	117,250
Disposals	-	-	(105)	(105)
Depreciation expense	(1,145)	(24,542)	(1,374)	(27,061)
Balance on 30 June 2023	4,580	107,376	669	112,625
Additions	17,273	28,072	5,714	51,059
Depreciation expense	(1,661)	(30,604)	(811)	(33,076)
Balance on 30 June 2024	20,192	104,844	5,572	130,608

16 RIGHT-OF-USE ASSETS

Accounting Policy

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except when included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

	2024 \$	2023 \$
Land and buildings – right of use	128,324	43,094
Less: accumulated depreciation	(60,489)	(43,094)
	67,835	-
Field equipment – right of use	43,334	18,239
Less: accumulated depreciation	(23,361)	(18,239)
	19,973	-
	87,808	-

Additions to the right-of-use assets during the year were \$110,325.

The Group leases land and buildings for its office, a storage facility for its field equipment and has various exploration tenement leases under agreements of between five and fifteen years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

17 TRADE AND OTHER PAYABLES

	2024	2023
	\$	\$
Current		
Trade payables	296,540	460,589
Other payables and accrued expenses	215,137	210,363
	511,677	670,952

Refer to note 22 for further information on financial instruments.

18 BORROWINGS

Accounting Policy

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

18 BORROWINGS (continued)

	Book value 2024 \$	Fair value 2024 \$	Book value 2023 \$	Fair value 2023 \$
Current				
Related party loans (note 23b)	269,260	269,260	-	-
Loans from sophisticated investors	-	-	565,551	565,551
	269,260	269,260	565,551	565,551

	Sophisticated investor loans \$	Premium funding \$	Related Party Loans \$	Total \$
Balance on 1 July 2022	-	-	-	-
Loans and borrowings received	550,000	-	-	550,000
Interest charged	15,551	-	-	15,551
Balance on 30 June 2023	565,551	-	-	565,551
Loans and borrowings received	-	-	260,000	260,000
Financing of premium funding facility	-	26,970	-	26,970
Interest charged	10,126	728	9,260	20,114
Principal repaid	(550,000)	(26,970)	-	(576,970)
Interest repaid	(25,677)	(728)	-	(26,405)
Balance on 30 June 2024	-	-	269,260	269,260

As disclosed in the prior year, the Company entered into an At-the-Market Subscription Agreement (ATM) with Acuity Capital. The ATM provides Lodestar with up to \$2,000,00 of standby equity capital until 31 July 2026.

Refer to note 22 for further information on financial instruments.

Refer to note 23 for the terms of the related party loan.

19 LEASE LIABILITIES

Accounting Policy

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following:

- future lease payments arising from a change in an index, or a rate used
- residual guarantee
- lease term, or
- certainty of a purchase option and termination penalties.

When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

	2024 \$	2023 \$
Opening balance	-	15,193
Recognition of lease liabilities	110,325	-
Interest charged	8,414	413
Interest repaid	(8,414)	(413)
Less principal repayments	(15,387)	(15,193)
Lease liabilities included in the consolidated statement of financial position	94,938	-
Current	16,012	-
Non-current	78,926	-
	94,938	-

Refer to note 22 for further information on financial instruments.

20 CAPITAL AND RESERVES

Accounting Policy

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Issued capital

	Ordinary shares			
	Number of shares		Amount in \$	
	2024	2023	2024	2023
Balance on 1 July	1,843,397,348	1,738,437,348	35,998,910	35,878,617
Issue of fully paid shares for cash	137,500,001	-	825,000	-
Issue of fully paid shares on conversion of options	27,500,000	-	192,500	-
Issue of shares as consideration to acquire an exploration licence ⁽¹⁾	15,000,000	-	112,500	-
Issue of shares to facilitate ATM agreement ⁽¹⁾	-	80,000,000	-	-
Issue of shares as consideration for acquisition of Tripod Resources Pty Ltd	-	24,960,000	-	124,800
Capital raising costs	-	-	(32,070)	(4,507)
Balance on 30 June	2,023,397,349	1,843,397,348	37,096,840	35,998,910

⁽¹⁾ On 7 July 2023, the Company acquired an exploration licence for a \$25,000 cash consideration and 15,000,000 fully paid ordinary shares. The share price on issue date was 0.75 cents per share equating to a fair value of \$112,500.

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There is no current on-market share buy-back.

Reserves

Share-based payments reserve

The share-based payments reserve represents the fair value of shares to be issued to directors, consultants, and employees. This reserve will be transferred to capital once the shares are issued. Refer to note 21.

21 SHARE-BASED PAYMENTS

Accounting Policy

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that considers the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying the Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether that market condition has been met or not, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee, and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

21 SHARE-BASED PAYMENTS (continued)

The share-based payment expense included within the consolidated financial statements can be broken down as follows:

	2024 \$	2023 \$
Expensed in Personnel Expenses and Other Employee Benefits		
Options issued to directors	191,250	82,750
Options issued to employees	66,800	89,500
Expensed in Professional Fees		
Options issued to consultants	15,300	-
Expensed in Other Finance Costs		
Options issued to sophisticated investors	-	129,800
	273,350	302,050

Share-based payment programme

The Company has adopted an Employee Share Option Scheme ("ESOS"). Under the ESOS, the Company may grant options and rights to Company eligible employees to acquire securities to a maximum of 10% of the Company's total issued ordinary shares at the date of the grant. The fair value of share options granted is measured using the Black Scholes option pricing model.

The options and rights vest on a time scale as specified in the ESOS and are granted for no consideration. Options and rights granted under the plan carry no dividend or voting rights. When exercisable, each option is converted into one ordinary share. The maximum term of an option is 5 years from grant date and the exercise price is settled in cash.

Options will not be transferable and will not be listed on the ASX unless the offer provides otherwise or the Board in its absolute discretion approves.

Options

On 30 June 2024, a summary of the Group options issued and not exercised under the share-based payment programme are as follows. Options are settled by the physical delivery of shares:

21 SHARE-BASED PAYMENT PLANS (continued)

Options (continued)

Grant date	Vesting date	Expiry date	Exercise Price (cents)	Balance at the start of the year	Granted during the year	Exercised during the year	Expired / forfeited during the year	Balance at the end of the year	Vested and exercisable at the end of the year
21-Apr-21	21-Apr-21	15-Apr-24	2.5	82,750,000	-	-	(82,750,000)	-	-
09-Dec-22	09-Dec-22	31-Jan-26	1.5	25,000,000	-	-	-	25,000,000	25,000,000
22-Mar-23	22-Mar-23	31-Jan-26	1.5	25,000,000	-	-	-	25,000,000	25,000,000
06-Apr-23	06-Apr-23	14-Apr-24	0.7	55,000,000	-	(27,500,000)	(27,500,000)	-	-
15-Aug-23	15-Aug-23	31-Jan-26	1.5	-	10,000,000	-	-	10,000,000	10,000,000
06-Nov-23	06-Nov-23	31-Jan-26	1.5	-	81,000,000	-	-	81,000,000	81,000,000
Total				187,750,000	91,000,000	(27,500,000)	(110,250,000)	141,000,000	141,000,000
Weighted average exercise price (cents)				1.71	1.50	0.70	2.05	1.50	1.50

At the reporting date, the weighted average remaining contractual life of options outstanding at year end was 1.59 years.

Key valuation assumptions made at valuation date under the Black & Scholes option pricing model are summarised below:

	Number of Options	Exercise Price (cents)	Grant date	Expiry Date	Life of the Options (years)	Volatility %	Risk free Rate %	Fair value at grant date (cents)	Share price at grant date (cents)
Tranche 1	25,000,000	1.5	09-Dec-22	31-Jan-26	3.15	151.07	3.27	0.36	0.50
Tranche 2	25,000,000	1.5	22-Mar-23	31-Jan-26	2.87	146.79	3.12	0.33	0.50
Tranche 3	10,000,000	1.5	15-Aug-23	31-Jan-26	2.47	159.44	3.83	0.67	0.90
Tranche 4	81,000,000	1.5	06-Nov-23	31-Jan-26	2.24	167.58	4.12	0.25	0.40

21 SHARE-BASED PAYMENT PLANS (continued)

Options (continued)

On 30 June 2023, a summary of the Group options issued and not exercised under the share-based payment programme are as follows. Options are settled by the physical delivery of shares:

Grant date	Vesting date	Expiry date	Exercise Price (cents)	Balance at the start of the year	Granted during the year	Exercised during the year	Expired / forfeited during the year	Balance at the end of the year	Vested and exercisable at the end of the year
21-Apr-21	21-Apr-21	15-Apr-24	2.5	82,750,000	-	-	-	82,750,000	82,750,000
09-Dec-22	09-Dec-22	31-Jan-26	1.5	-	25,000,000	-	-	25,000,000	25,000,000
22-Mar-23	22-Mar-23	31-Jan-26	1.5	-	25,000,000	-	-	25,000,000	25,000,000
06-Apr-23	06-Apr-23	14-Apr-24	0.7	-	55,000,000	-	-	55,000,000	55,000,000
Total				82,750,000	105,000,000	-	-	187,750,000	187,750,000
Weighted average exercise price (cents)				2.50	1.08	-	-	1.71	

At the exercise date, the weighted average remaining contractual life of options outstanding at year end was 1.27 years.

22 FINANCIAL INSTRUMENTS

Accounting Policy

Recognition and derecognition

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled, or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

Subsequent remeasurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets to collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

22 FINANCIAL INSTRUMENTS (continued)

Accounting Policy (continued)

After initial recognition, these are measured at amortised costs using the effective interest method.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as listed bonds that were previously classified as held-to-maturity under AASB 139.

Impairment of financial assets

AASB 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'.

Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments that are not measured at fair value through profit or loss.

The Group considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Level 1'); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Level 2').
- 'Level 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category whilst 'lifetime expected credit losses' are recognised for the second category. The Group does not have any material expected credit losses.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators, and forward-looking information to calculate the expected credit losses using a provision matrix.

22 FINANCIAL INSTRUMENTS (continued)

Accounting Policy (continued)

Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are initially measured at amortised cost using the effective interest method except for derivatives and financial liabilities designation at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Derivative financial instruments

Derivative financial instruments are accounted for at fair value through profit and loss (FVTPL).

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The Group's overall strategy remains unchanged from 2023.

The capital structure of the Group consists of cash and cash equivalents, borrowings, and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax and general administrative outgoings.

Financial risk management objectives

The Group is exposed to market risk (including foreign currency exchange rate risk and interest rate risk), credit risk and liquidity risk.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed on a continuous basis to reflect changes in market conditions and the Group's activities. The Group does not trade financial instruments, including derivative financial instruments, for speculative purposes.

22 FINANCIAL INSTRUMENTS (continued)

Market risk

The Group's activities expose it primarily to the financial risks of changes in interest rates.

There has been no change to the Group's exposure to market risks or the manner it manages and measures the risk from the previous period.

Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

The Group's exposure to interest rate on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate risk sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the balance date.

At balance date, if interest rates had been 100 points higher or lower and all other variables were held constant, the Group's profit or loss would increase / (decrease) by \$1,801.

The Group's sensitivity to interest rates has increased during the year mainly due to the increase in cash held.

Credit risk management

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to credit risk from financial assets including cash and cash equivalents held at banks and trade and other receivables.

The Group has adopted a policy of only dealing with creditworthy counterparties.

The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses publicly available financial information and its own trading record to rate its customers.

The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks or government agencies with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, represents the Group's maximum exposure to credit risk.

22 FINANCIAL INSTRUMENTS (continued)

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium, and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate banking and borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Non-derivative financial liabilities

The following table details the Group's expected contractual maturities for its non-derivative financial liabilities.

These have been drawn up based on undiscounted contractual maturities of the financial liabilities based on the earliest date the Group can be required to repay.

The table include both interest and principal cash flows.

	Weighted average interest rate %	Less than 6 months \$	6 months to 1 year \$	1 – 5 years \$
30 June 2024				
Trade and other payables	n/a	410,607	188,363	-
Borrowings (including right of use lease liabilities)	8.8	177,114	108,159	78,926
		587,721	296,522	78,926
30 June 2023				
Trade and other payables	n/a	685,166	-	-
Borrowings (including right of use lease liabilities)	12.00	565,551	-	-
		1,250,717	-	-

22 FINANCIAL INSTRUMENTS (continued)

Fair value measurement

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy.

The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows the levels within hierarchy of financial assets and financial liabilities measured at fair value on a recurring basis:

	2024 Fair value \$	Fair value hierarchy	Valuation technique
Equity investments designated at fair value through profit or loss	320,897	Level 1	Quoted market prices in an active market

Transfers

During the year ending 30 June 2024, the Group's investment in ECG (Level 2) was sold. As disclosed in note 14, part of the consideration received was 27,505,429 FBM shares (Level 1).

Not measured at fair value

The Group has various financial instruments which are not measured at fair value on a recurring basis in the statement of financial position.

The Directors consider that the carrying amounts of current receivables, current payables and current borrowings are a reasonable approximation to their fair values.

The methods and valuation techniques used for the purposes of measuring fair values are unchanged compared to the previous reporting period.

23 RELATED PARTIES

Accounting Policy

Key management personnel compensation

Directors' remuneration is expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably.

(a) Key management personnel compensation

Key management personnel compensation comprises the following:

	2024	2023
	\$	\$
Short-term employee benefits	417,115	335,681
Long-term employee benefits	(1,287)	2,871
Post-employment benefits	45,650	33,756
Share-based payments – options	191,250	82,750
	652,728	455,058

(b) Other key management personnel transactions

Several key management personnel, or their related parties, hold positions in other companies that result in them having control or significant influence over these companies.

A number of these companies transacted with the Group during the year. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions to non-key management personnel related companies on an arm's length basis.

David McArthur

On 21 February 2024, Susan McArthur, a related party to David McArthur, provided a \$260,000 cash loan to the Company at arm's length, accruing interest at 10% per annum, pro rata, repayable within six months. The loan was secured against shares held by the Company in FBM. As disclosed in note 30, \$169,260 (\$160,000 plus accrued interest) was repaid on 15 September 2024. On 21 August 2024, Susan McArthur agreed to extend \$100,000 of the loan for a further six months, maturing on 21 February 2025, accruing interest at 10% per annum, pro rata.

Broadway Management (WA) Pty Ltd, a company for which Mr McArthur is a director, received \$111,000 (2023: \$102,000) in repayment for commercial, arms-length consulting services. The balance outstanding on 30 June 2024 was \$45,000 (2023: \$17,000).

DAS (Australia) Pty Ltd, a company for which Mr McArthur is a director, received \$45,000 (2023: \$45,000) in repayment for company secretarial services. The balance outstanding on 30 June 2024 was \$15,000 (2023: \$7,500).

23 RELATED PARTIES (continued)

David McArthur (continued)

On 6 November 2023, the Company issued 6,000,000 options to Jordan McArthur, a related party to David McArthur, exercisable at 1.5 cents on or before 31 January 2026 with a fair value of 0.25 cents per share, total value aggregating to \$15,300. The issue of these options was approved by shareholders at the 2023 AGM.

24 AUDITOR'S REMUNERATION

	2024	2023
	\$	\$
HLB Mann Judd		
<i>Audit and other assurance services</i>		
Audit and review of financial reports	49,738	35,753
Total Auditor's Remuneration	49,738	35,753

25 SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities, and results of the following wholly owned subsidiary in accordance with the accounting policy described in note 1.4:

Name of subsidiary	Place of incorporation	Equity Interests	
		2024	2023
		%	%
Audacious Resources Pty Ltd	Australia	100	100
Goldfellas Pty Ltd	Australia	100	100
Oro Del Sur Pty Ltd	Australia	100	100
Tripod Resources Pty Ltd	Australia	100	100

Balances and transactions between the Company and its subsidiary, which is a related party of the Company, have been eliminated on consolidation.

26 PARENT COMPANY DISCLOSURES

Accounting Policy

The accounting policies of the parent entity, which has been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements.

As at, and throughout the financial year ended 30 June 2024, the parent entity of the Group was Lodestar Minerals Limited.

	2024	2023
	\$	\$
Result of the parent entity		
Loss for the year	(3,724,193)	(3,140,076)
Total comprehensive loss for the year	(3,724,193)	(3,140,076)
Financial position of parent entity at year end		
Current assets	606,621	728,505
Total assets	830,927	848,295
Current liabilities	(3,488,502)	(1,231,883)
Total liabilities	(3,567,428)	(1,231,883)
Total equity of the parent entity comprising of:		
Share capital	37,096,840	35,998,910
Equity-settled benefits reserve	445,600	1,180,855
Accumulated losses	(40,278,941)	(37,563,353)
Total (deficiency) / equity	(2,736,501)	(383,588)

27 CAPITAL AND OTHER COMMITMENTS

Exploration expenditure commitments

To maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the requirements specified by the State Government. These obligations are not provided for in the financial statements and are payable as follows:

	2024	2023
	\$	\$
Mineral exploration		
Less than one year	410,000	959,200

28 MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 15 July 2024, the Company issued 577,382,625 fully paid ordinary shares at 0.1 cents each to raise \$577,383 (before costs) in working capital. One (1) free attaching unlisted option exercisable at 0.3 cents on or before 30 June 2026 issued for every two (2) shares subscribed.

On 30 August 2024, the Company issued 50,000,000 fully paid ordinary shares at 0.1 cents each to raise \$50,000 (before costs) in working capital. One (1) free attaching unlisted option exercisable at 0.3 cents on or before 30 June 2026 issued for every two (2) shares subscribed.

On 31 August 2024, 68,750,007 2 cent options issued on 17 November 2023 expired.

On 5 September 2024, the Company issued 721,548,941 fully paid ordinary shares at 0.1 cents each to raise \$721,549 (before costs) in working capital. One (1) free attaching unlisted option exercisable at 0.3 cents on or before 30 June 2026 issued for every two (2) shares subscribed.

On 5 September 2024, the Company issued 93,450,000 options as facilitation fee to brokers involved with placement of the shortfall from the Company's entitlement issue, exercisable at 0.2 cents each on or before 30 June 2026.

On 16 September 2024, the Company repaid \$174,745 to Susan McArthur being \$160,000 plus accrued interest. Balance outstanding \$100,000.

No other matters or circumstances have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations of the Group, the results of these operations, or the state of affairs of the Group in future financial years.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT
As of 30 June 2024

Name of entity	Type of entity	Place formed or incorporated	Percentage of share capital held (if applicable)	Australian tax resident or foreign tax resident	Foreign tax jurisdiction (if applicable)
Lodestar Minerals Limited	Body Corporate	Australia	n/a	Australian	n/a
Audacious Resources Pty Ltd	Body Corporate	Australia	100%	Australian	n/a
GoldFellas Pty Ltd	Body Corporate	Australia	100%	Australian	n/a
Oro Del Sur Pty Ltd	Body Corporate	Australia	100%	Australian	n/a
Tripod Resources Pty Ltd	Body Corporate	Australia	100%	Australian	n/a

At the end of the financial year, no entity within the consolidated entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Lodestar Minerals Limited, we state that:

In the directors' opinion:

1. The financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001, and other mandatory professional reporting requirements.
2. The attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as disclosed in *note 1.2*.
3. The financial statements and notes give a true and fair view of the Group's financial position as of 30 June 2024 and of its performance for the financial year ended on that date.
4. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
5. The Consolidated Entity Disclosure Statement on page 81 is true and correct.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the year ended 30 June 2024.

On behalf of the Board



Edward Turner
Managing Director

26 September 2024
Perth

INDEPENDENT AUDITOR'S REPORT

To the Members of Lodestar Mineral Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT*Opinion*

We have audited the financial report of Lodestar Minerals Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1.6 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Disposal of other financial assets Refer to Note 14	
<p>During the year the group disposed of its 20% interest in East Coolgardie Gold for consideration of \$500,000 cash, 27,505,429 Future Battery Minerals Limited (FBM) shares and 27,505,429 FBM performance rights that would only vest on announcement of a mineral resource of at least 10Mt at 1.0% Li₂O at the Kangaroo Hills Lithium Project.</p> <p>This was considered to be a KAM given the value of the amounts involved as well as the estimates necessary in determining the fair value of the consideration received.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> – Reviewed the and confirmed terms of the sales contract; – Agreed and assessed the fair value of consideration received ; – Assessed the fair value of the financial assets held at balance date; and – Assessed the appropriateness of the disclosures included in the relevant notes to the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

- (b) the consolidated entity disclosure statement that is true and correct and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may

reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Lodestar Mineral Resources for the year ended 30 June 2024 complies with Section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
26 September 2024



B G McVeigh
Partner

SECURITIES EXCHANGE INFORMATION

The shareholder information set out below was applicable on 16 September 2024:

1. Distribution of ordinary shares

Range	Total holders	Ordinary shares	% of issued capital
1 – 1,000	79	20,791	-
1,001 – 5,000	51	122,698	-
5,001 – 10,000	22	176,398	0.01
10,001 – 100,000	1,030	59,311,191	1.76
100,001 – 500,000	949	253,705,180	7.52
500,001 – 1,000,000	311	257,713,679	7.64
1000,001 and over	435	2,801,278,978	83.07
Total	2,877	3,372,328,915	100.00

There were 2,031 holders of less than a marketable parcel of ordinary shares.

2. Substantial shareholders

The substantial shareholders are set out below:

	Number of shares
Ross Jeremy Taylor	201,018,405

3. Voting rights

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll, every member present or by proxy shall have one vote for every share held.

Options and rights

No voting rights.

4. Corporate Governance Statement

In accordance with Listing Rule 4.10.3, the Company's Corporate Governance Statement can be found on the Company's website.

Refer to: <https://www.lodestarminerals.com.au/site/about-us/corporate-governance>

5. Unlisted options

Grant date	Number	Number of holders	Expiry date	Exercise price (cents)
09-Dec-22	25,000,000	1	31-Jan-26	1.5
22-Mar-23	25,000,000	1	31-Jan-26	1.5
15-Aug-23	10,000,000	1	31-Jan-26	1.5
06-Nov-23	81,000,000	4	31-Jan-26	1.5
15-Jul-24	288,691,311	218	30-Jun-26	0.3
30-Aug-24	25,000,000	1	30-Jun-26	0.3
05-Sep-24	360,774,470	25	30-Jun-26	0.3
05-Sep-24	93,450,000	4	30-Jun-26	0.2

6. Twenty largest shareholders on 16 September 2024

Shareholders	Ordinary shares	
	Number held	% of issued shares
Yucaja Pty Ltd <The Yoegiar Family A/C>	160,000,000	4.74
Mr Ross Jeremy Taylor <Jamanaro A/C>	136,323,898	4.04
Acuity Capital Investment Management Pty Ltd <Acuity Capital Holdings A/C>	80,000,000	2.37
Mr Andrew Walsh & Mr Peter Walsh <Alpha 2004 Super Fund A/C>	74,000,000	2.19
Dungay Resources Pty Ltd <Dungay Consulting A/C>	52,210,890	1.55
Citicorp Nominees Pty Limited	49,990,162	1.48
Mr Ross Jeremy Taylor & Mrs Natasha Tanya Taylor <Jamanaro Super Fund A/C>	47,167,263	1.40
Mr Jeremy Charles George Rhodes	43,000,000	1.28
Mr Benignus Peter Joseph Chellamuthu & Mrs Arul Rejula Jesurajan Mary Stella <Beni Globus S/F A/C>	42,250,000	1.25
CT West Pty Ltd <CT Family A/C>	40,911,148	1.21
Mr Simon Larkin	40,300,000	1.20
Scintilla Capital Pty Ltd	40,000,000	1.20
Mr Khanh Tran	40,000,000	1.19
Allowside Pty Ltd	38,269,937	1.13
Hera Investments Pty Ltd	32,165,653	0.95
Mr David Michael Cross	30,254,571	0.90
8Tive Trading Pty Ltd	30,000,000	0.89
Ms Megan Lousie Carter	28,021,000	0.83
Sarwell Pty Ltd <ARM Construct Emp S/F A/C>	27,199,975	0.81
Mr Tim Rith	25,000,000	0.74
Mr Albert Wijeweera	25,000,000	0.74

7. Tenements Listing as of 20 September 2024

Tenement description	Tenement number	Status	Percentage interest
Ned's Creek			
	E52/2456	Granted	100% - Audacious Resources
	E52/3473	Granted	100% - Lodestar Minerals
	E52/3476	Granted	100% - Lodestar Minerals
Earaheedy			
	E69/3483	Granted	100% - Lodestar Minerals
	E69/3532	Application	100% - Lodestar Minerals
	E69/3533	Granted	100% - Lodestar Minerals
	E69/3699	Granted	100% - Lodestar Minerals
	E69/3952	Granted	100% - Lodestar Minerals
	E69/4030	Granted	100% - Lodestar Minerals
Coolgardie West			
	E15/2013	Application	100% - Lodestar Minerals

CORPORATE DIRECTORY**Directors**

Mr Ross Taylor
Mr Edward Turner
Mr David McArthur

Secretaries

Mr David McArthur
Mr Jordan McArthur

Registered and Principal Office

Level 1, 31 Cliff Street
Fremantle WA 6160

Telephone: +61 8 9435 3200

Postal Address

PO Box 584
Fremantle WA 6959

Auditor

HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000

Bankers

ANZ Banking Group Limited
Level 2, 77 St Georges Terrace
Perth WA 6000

Share Registry

Computershare Limited
Level 17, 221 St Georges Terrace
Perth WA 6000

ASX Code

Shares: LSR

Website and Email

Website: www.lodestarminerals.com.au

Email: admin@lodestarminerals.com.au