

# Lodestone Exploration Limited

*Exploring historic mineral fields with modern techniques*



**Presentation to Annual General Meeting – 30 November 2007**

# Overview

## Lodestone's Year:

-  136 square kms of airborne geophysics. Mt Morgan + Karinya.
-  20 square kms of ground geophysics. Karinya + Bocoolima.
-  23 holes on 6 drill targets for 2200 metres drilled.

## Positive Outcomes:

-  A new copper discovery at Limestone Creek. 13 kms north of Chillagoe.
-  Recent geophysical data, and fresh target models, further underpin Lodestone's interest in a copper - molybdenum - gold prospect 7 kms east of Mount Morgan in Central Queensland.

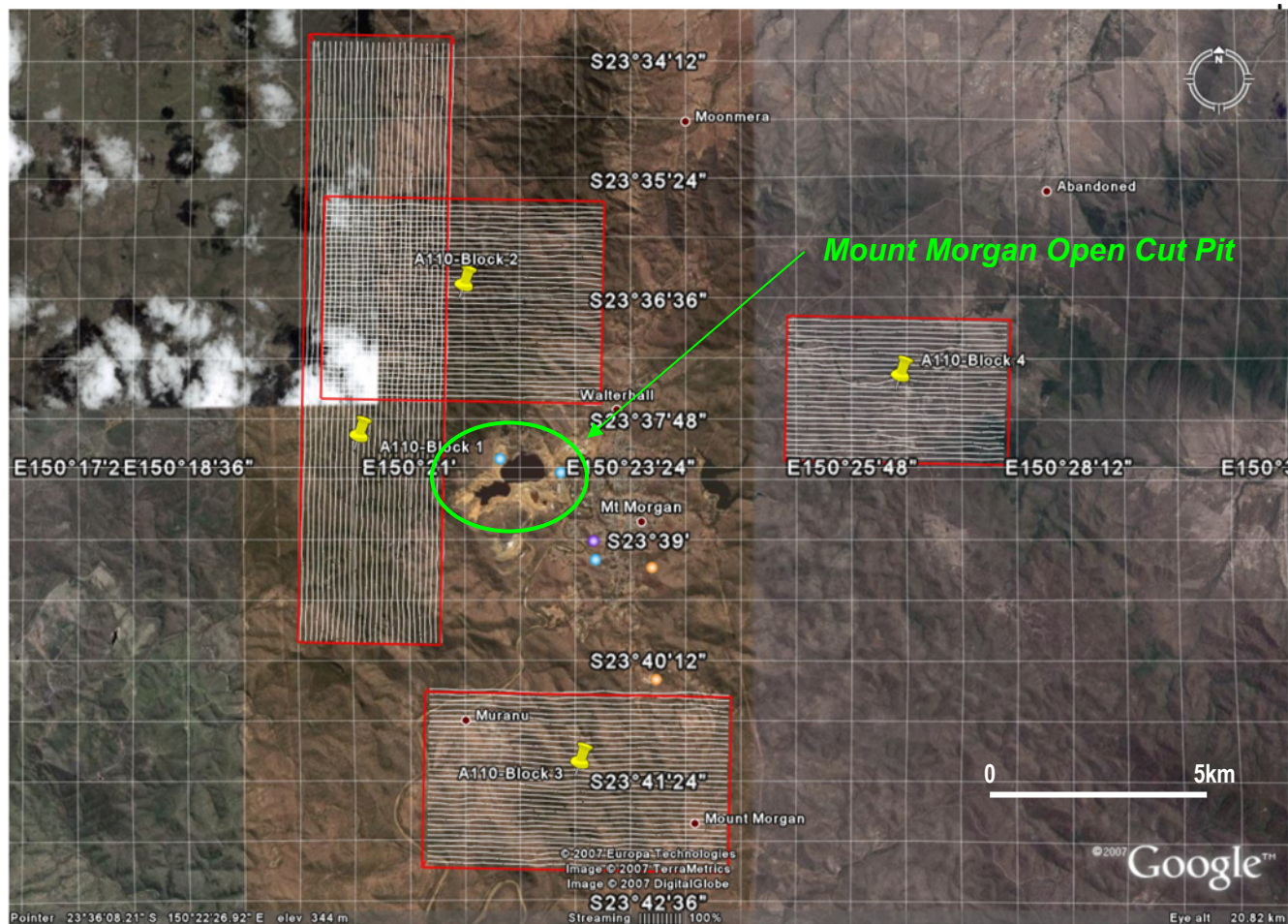
# Mount Morgan – Historic Endowment



Mount Morgan Mine Site and Smelter - Circa 1903.

- 50 million tonnes of ore
- Average 5 grams/tonne Gold
- 280 tonnes Gold
- 37 tonnes of Silver
- 360,000 tonnes Copper
- Gross Value A\$10 billion+

# Mount Morgan – Modern Techniques



2007 VTEM Geophysical Survey - Flight Plan

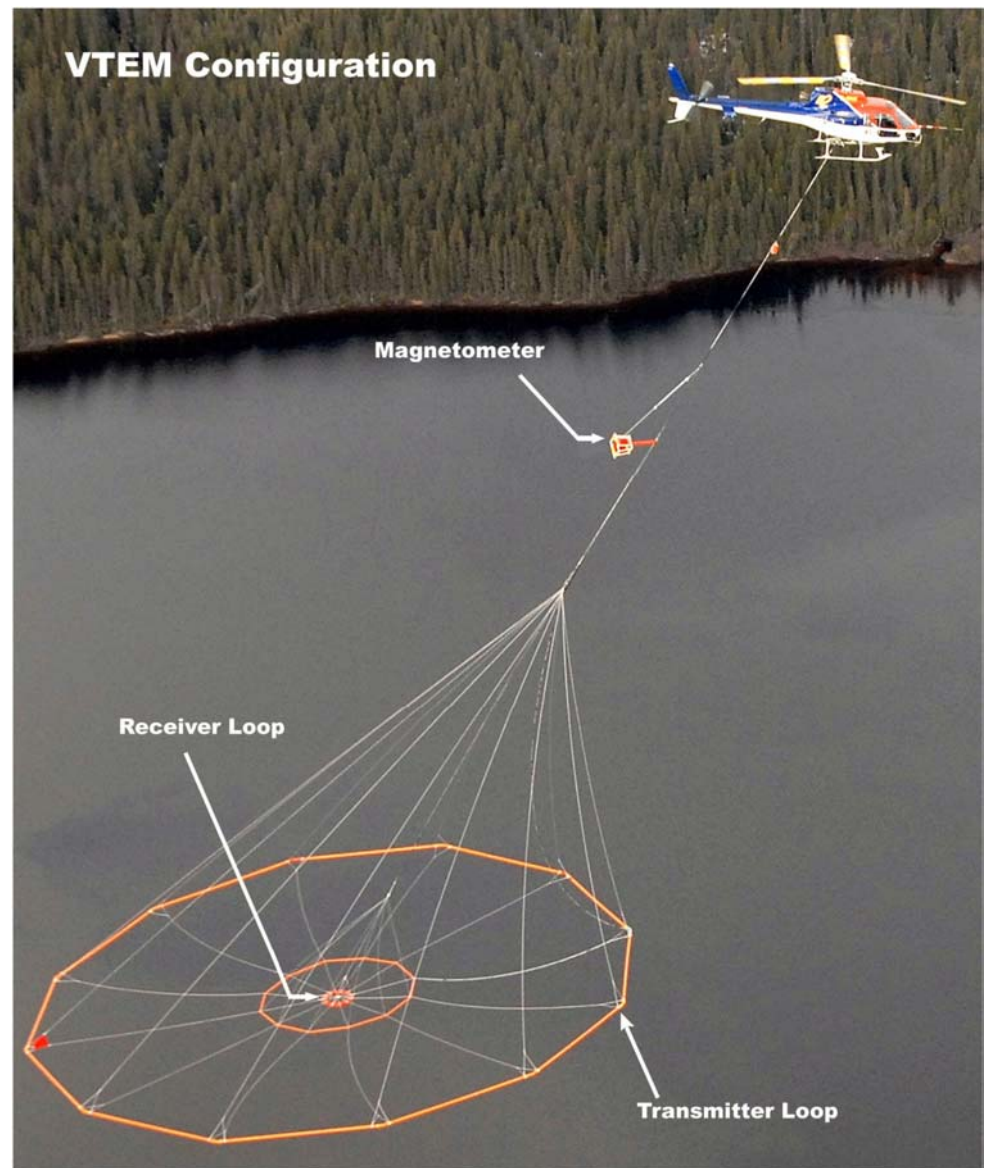


# Mount Morgan – Modern Techniques

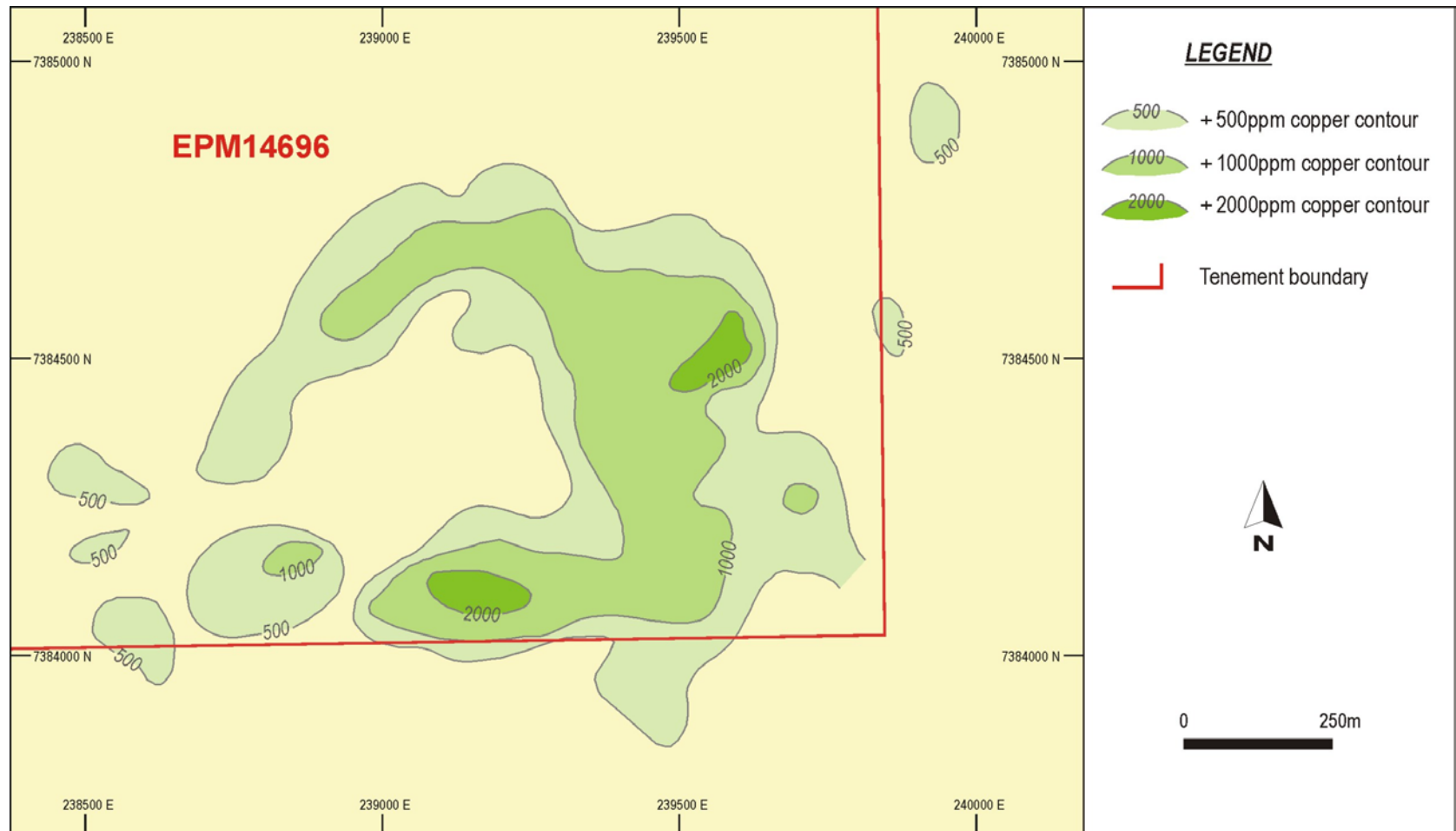
☛ **LOD's Needs.** To explore cost effectively for blind orebodies in rugged terrain

☛ **VTEM Offers.** High power. High Resolution. High Productivity.

☛ **Technique.** Mining Magazine's Exploration Award 2005.



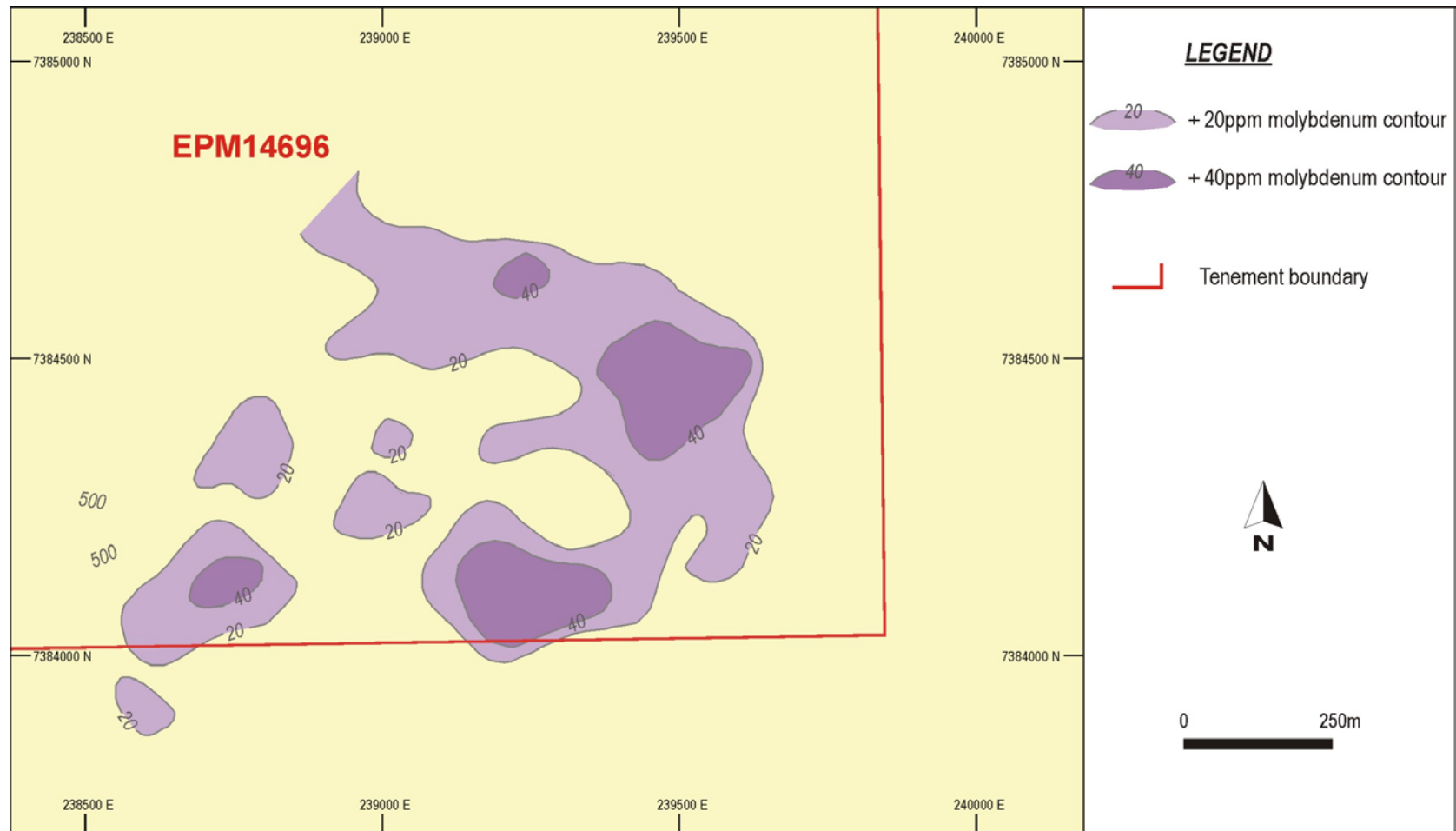
# Mount Morgan District Project: Discoverer Two Prospect



## 1975 Soil Geochemistry - Copper

*Values smoothed and contoured at 500, 1000ppm*

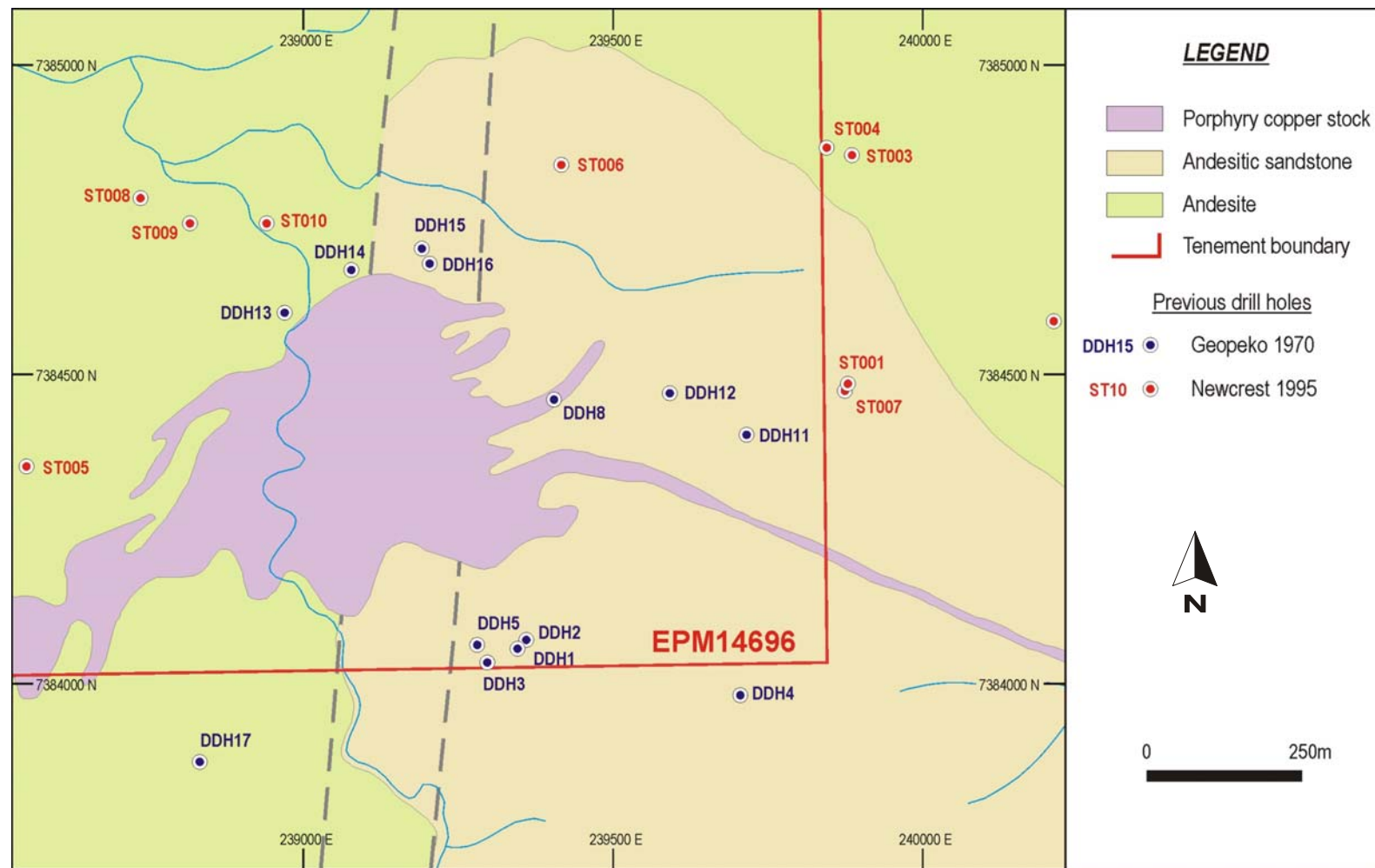
# Mount Morgan District Project: Discoverer Two Prospect



## 1975 Soil Geochemistry - Molybdenum

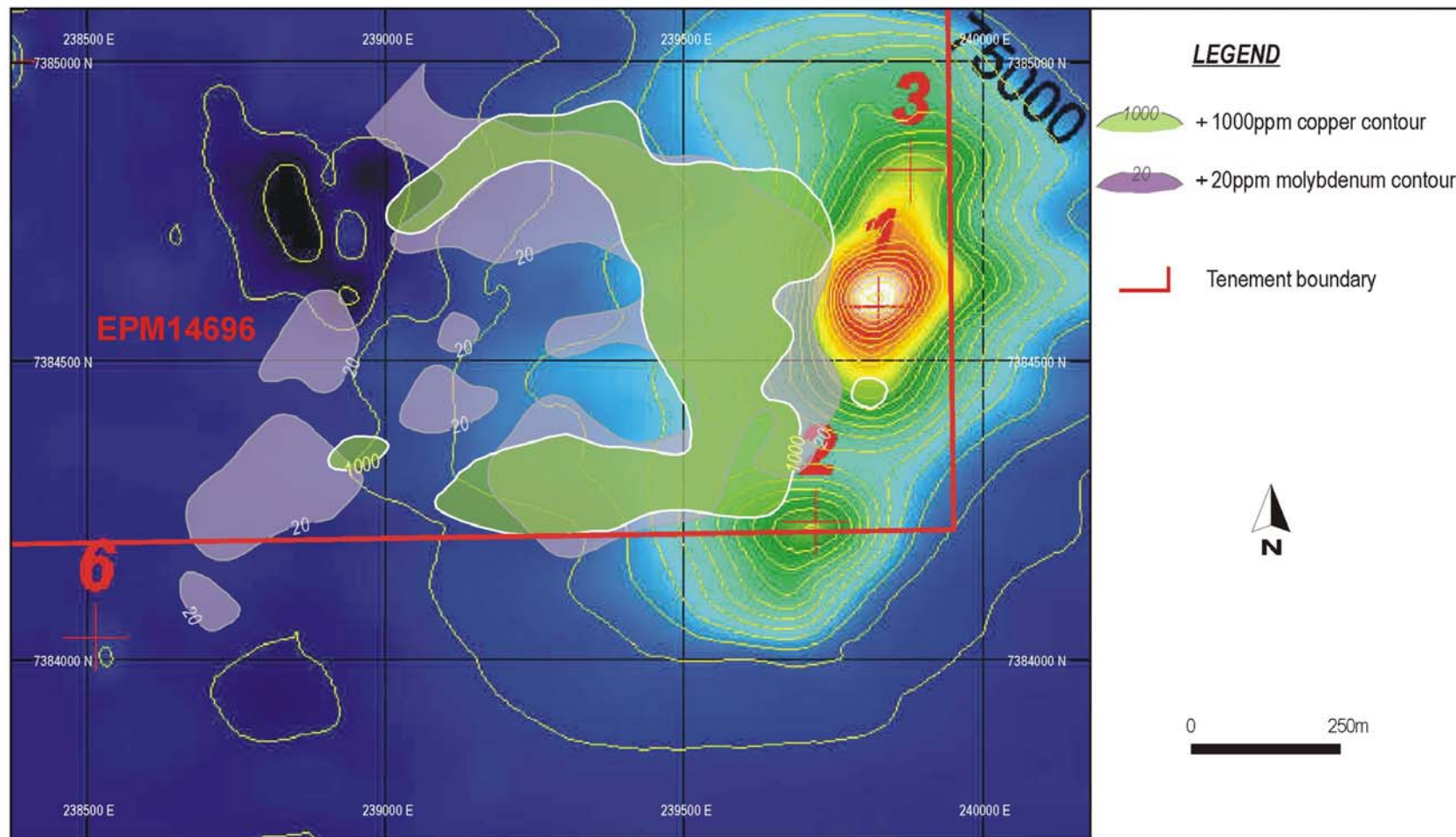
*Values smoothed and contoured at 20 and 40ppm*

# Mount Morgan District Project: Discoverer Two Prospect



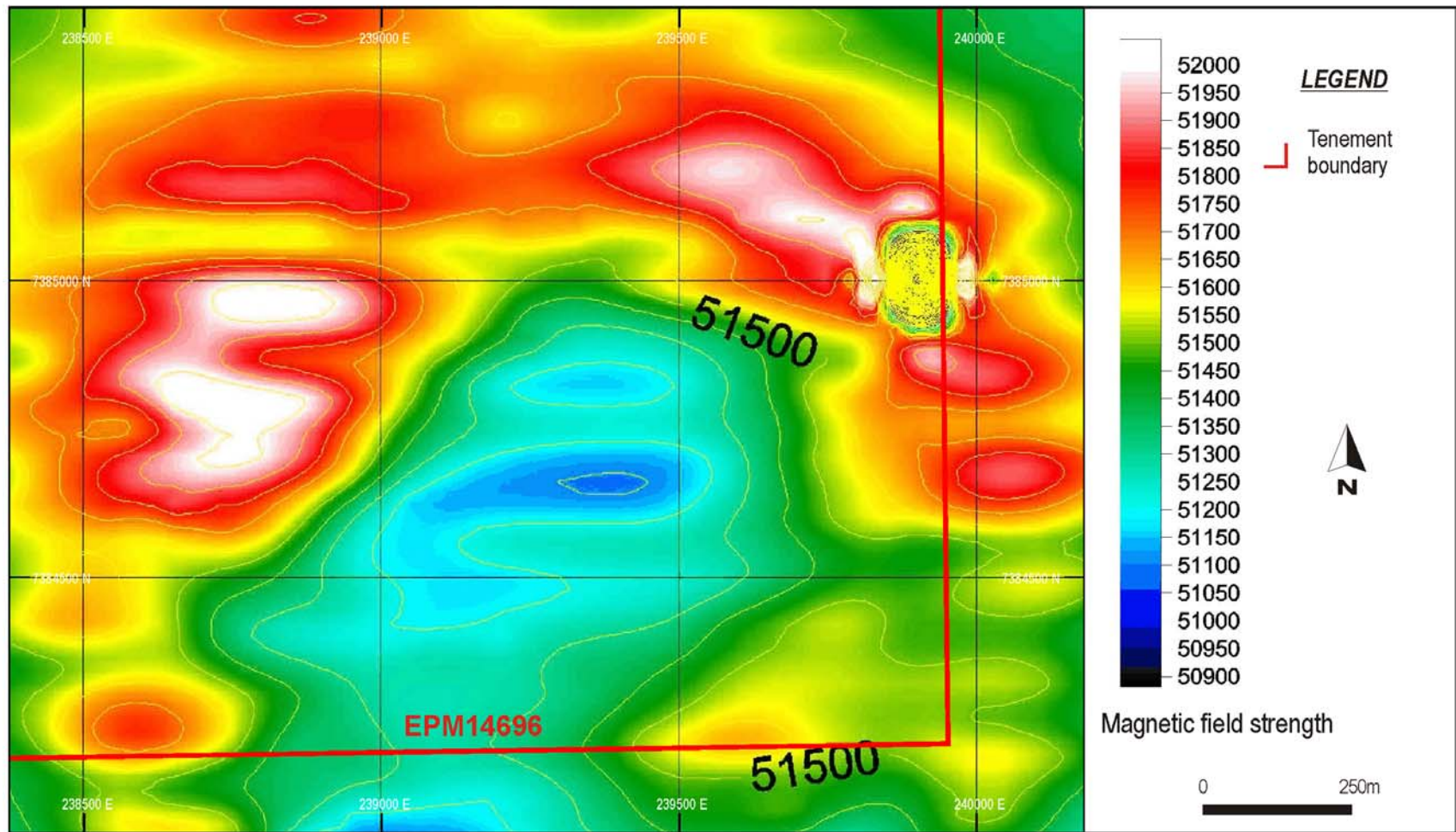


# Mount Morgan District Project: Discoverer Two Prospect



## 1975 Soil Geochemistry – Copper / Molybdenum on 2007 VTEM

# Mount Morgan District Project: Discoverer Two Prospect



# **Mount Morgan District Project: Discoverer Two Prospect. Outlook**

- Discoverer Two is prospective for skarn mineralisation at depth.
- A skarn in this environment could be copper zinc or gold rich, and could be high grade.
- VMS deposits could also occur in the prospect's acid volcanic sequence. Regional correlations suggest that the exposed acid volcanic sequence is equivalent to the stratigraphy immediately above the Banded Sequence at Mount Morgan.
- Fresh target generation is underway.



# Limestone Creek Project: Targeting

- 200 kms north-west of Cairns
- Targeting sediment-hosted gold in Chillagoe Formation
- Chillagoe Formation hosts former Red Dome mine and Kagara's Mungana project, 130 kms to the south
- IKONOS imagery interpreted by Ausmec
- Mapping and geochemical sampling





# Limestone Creek Project: Leane's Prospect. A New Copper Discovery

- LOD (Mike Seed) has discovered copper mineralisation with a strike length of at least 1.2kms
- Mineralisation includes narrow malachite bands in limestone
- Width and dip is not yet known because of scree cover
- Leane's Prospect "represents an excellent exploration target"
- Next steps: Heritage Clearance, Trenching and Drilling



# 2008 Work Plan

- **Mount Morgan District Project**

- Drill Explorer Two Copper – Molybdenum prospect

- **Limestone Creek Project**

- Drill Leane's Copper – Gold Prospect.

- **Other Current Project**

- Offer farmouts, or withdraw.

- **Acquire Additional Projects**

- High quality exploration.
- Advanced metals.



# Drilling Summary

- ☛ Mount Morgan District Project . . . 2000 metres at Discoverer Two Prospect
- ☛ Limestone Creek Project . . . 2000 metres at Leane's Prospect
- ☛ **Total drilling envisaged is 4,000+/- metres on 2 targets**

# Forward Looking Statements

The contents of this presentation includes forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties.

Activities, timetables and outcomes may differ materially from those expressed or implied by these forward looking statements.

Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.