

20 July 2020

### Update on Koojan Cu-Ni-PGE Project in the New Norcia Region, Western Australia

Lachlan Star Limited (ASX:LSA, **Lachlan Star** or the **Company**) is pleased to provide an update on Koojan Copper-Nickel-PGE Project (**Koojan Project**) located approximately 130km north of Perth (Figure 1). Lachlan Star has completed initial geological mapping and continued to review the geophysical surveys for the region and commenced discussions for a Heli-ElectroMagnetic (**Heli-EM**) survey.

#### Highlights

- In June 2020, Lachlan Star entered into a **6-month Option Agreement** with Coobaloo Minerals Pty Ltd (**Coobaloo**), granting the right to purchase up to a 75% interest in the Koojan Project, a highly prospective Copper-Nickel-PGE Project in the New Norcia Region, Western Australia
- The Koojan Project is approximately 80km north of the recent Julimar Ni-PGE discovery by Chalice Gold Mines and approximately 130km north of Perth
- Detailed geological traverses completed identifying mafic to ultramafic lithologies within the targeted prospective zone (Figure 2)
- Evidence of sulphide mineralisation identified, and petrological studies and laboratory assay analysis planned for selected samples
- Rock Chip and surface geochemical sampling program planned to commence in July
- Additional exploration permit granted bringing the total granted area to over 250km<sup>2</sup>
- Review of geophysics continuing, and Heli-EM survey reviewed in conjunction with neighbouring explorers

Lachlan Star Executive Director, Klaus Eckhof said *“our recent geological mapping has confirmed the presence of mafic to ultramafic lithologies in an identified prospective corridor with a geological setting that has similarities to the Julimar Ni-Cu-PGE discovery and the Yarrowindah Ni-Cu-PGE project. The reconnaissance work has demonstrated the presence of anomalous copper and nickel mineralisation, and now our geological interpretation is allowing us to begin to define priority areas for next stage exploration.*

*The Koojan Project covers an extensive area and our exploration program will consist of further geological mapping and aeromagnetic interpretation, geochemical sampling consisting of rock chip and auger geochemistry, and potentially, a geophysical survey to define priority drill targets.*

*The New Norcia area is an emerging Ni-Cu-PGE province; the early exploration we have completed is highlighting the prospectivity of the Koojan project and the potential for the discovery of mineralisation in an area previously unexplored.”*

## **Koojan Project**

### *Geological mapping and interpretation*

Detailed geological traverses have been completed over the southern block of tenements of the Koojan Project. Access to the area is excellent with public roads and farm access tracks allowing full coverage of the area (Figure 3). The geological mapping has identified a series of mafic units (gabbro and basalt units) and ultramafic units (harzburgite). Examination of the ultramafic units has identified the presence of sulphide mineralisation, and petrological studies are planned for these units to identify the sulphide assemblage. In addition, rock chips have been collected for initial assay and whole rock analysis to confirm the field observations.

The interpretation of the geological mapping is continuing in conjunction with an interpretation of the regional aeromagnetic data and this new geological interpretation will be a guide for the proposed geochemical sampling programs expected to commence in late-July / early-August.

### *Geophysical Review – Heli-EM survey*

The Koojan Project is interpreted to be located within the same geological setting as the Julimar and Yarawindah Ni-Cu-PGE prospects. This setting is characterised as a zone of intrusive mafic to ultramafic rocks proximal to the margin of the Yilgarn craton and hosted within a complex structural setting on the margin of gravity anomalies. This structural zone is interpreted to have intruded the granite dominated terrain and can be traced from the Julimar prospect through to the Koojan Project where filed reconnaissance and Government geological mapping has identified a series of mafic to ultramafic units within the Koojan Project area.

Lachlan Star is reviewing the possibility of joining a Heli-EM survey that will focus on the identified zones of mafic and ultramafic units. The identification of sulphide mineralisation noted in the rock units gives confidence that an EM survey may be able to identify sulphide systems. It has been noted that discoveries in the New Norcia region have been made through a combination of surface geochemistry and geophysics (**EM**) and reconnaissance mapping of the Koojan Project indicates this approach will be suitable to the project area.

In addition to the use of EM geophysics the Company is also reviewing the potential for a gravity survey that may provide additional information on the geological and structural control in the project area.

### *Koojan Project tenements*

Lachlan Star confirms that a further tenement E70/5429 has been granted to the vendor of the Koojan Project. This recently granted tenement is in the eastern portion of the project and the initial geological mapping of the area has confirmed the presence of mafic and ultramafic units. In addition, review of competitor activity on neighbouring projects highlights the presence of gold and base metal anomalies that may continue into the Koojan Project. This will be a focus of our exploration program.

### *Exploration Program*

As outlined previously, the proposed field programme, to be run concurrently wherever possible, will include:

- Geological Mapping including rock chip and target prioritisation.
- Geochemical sampling – auger drilling on a systematic basis over key areas as well as regional mafic to ultramafic targets.

- Geophysics – review is continuing with the potential for a Heli-EM survey to commence in mid-August and possible gravity survey to follow.
- Review and prioritisation of drill targets with the aim of commencing drilling as soon as possible.

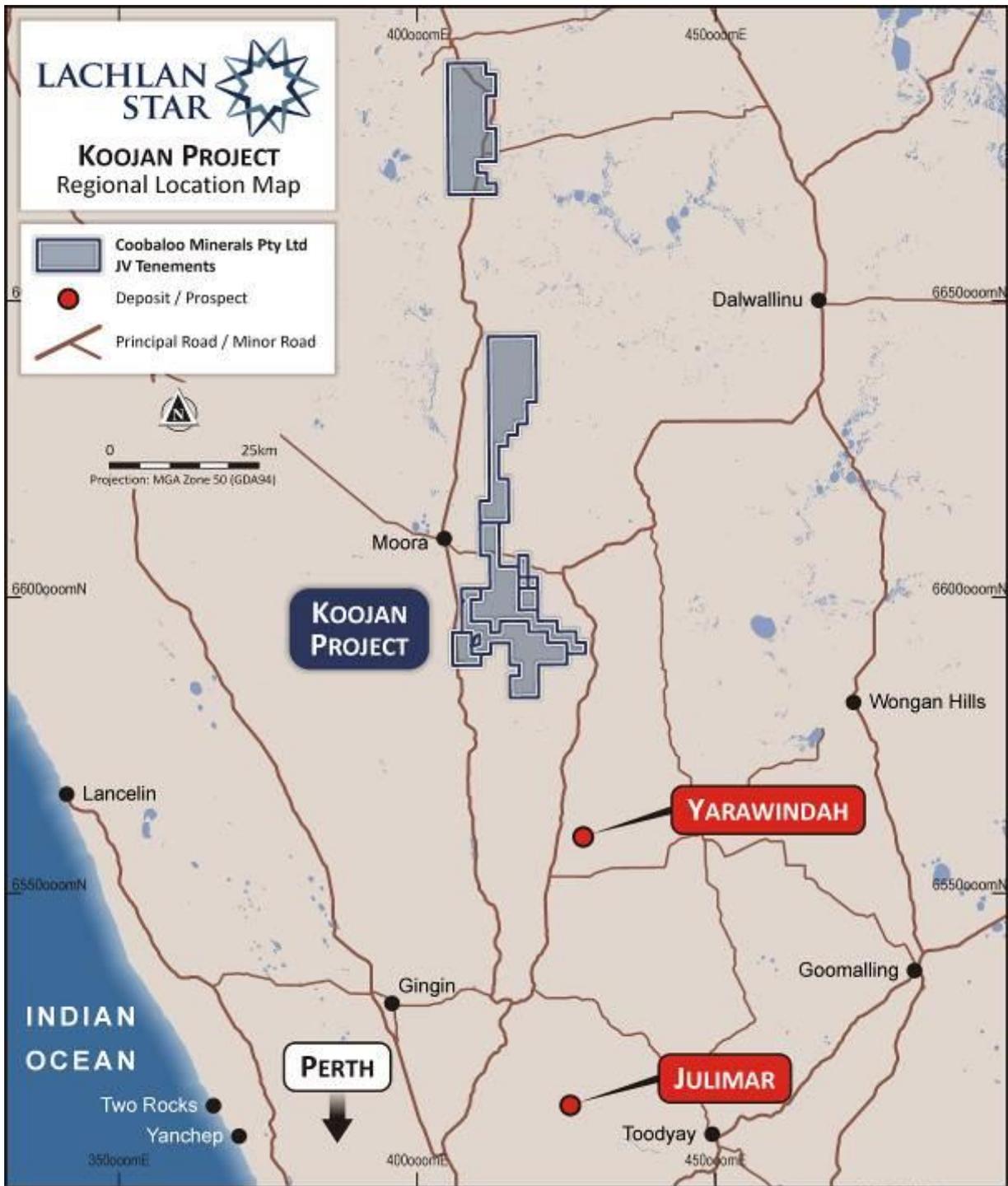


Figure 1: The Koojan Project location

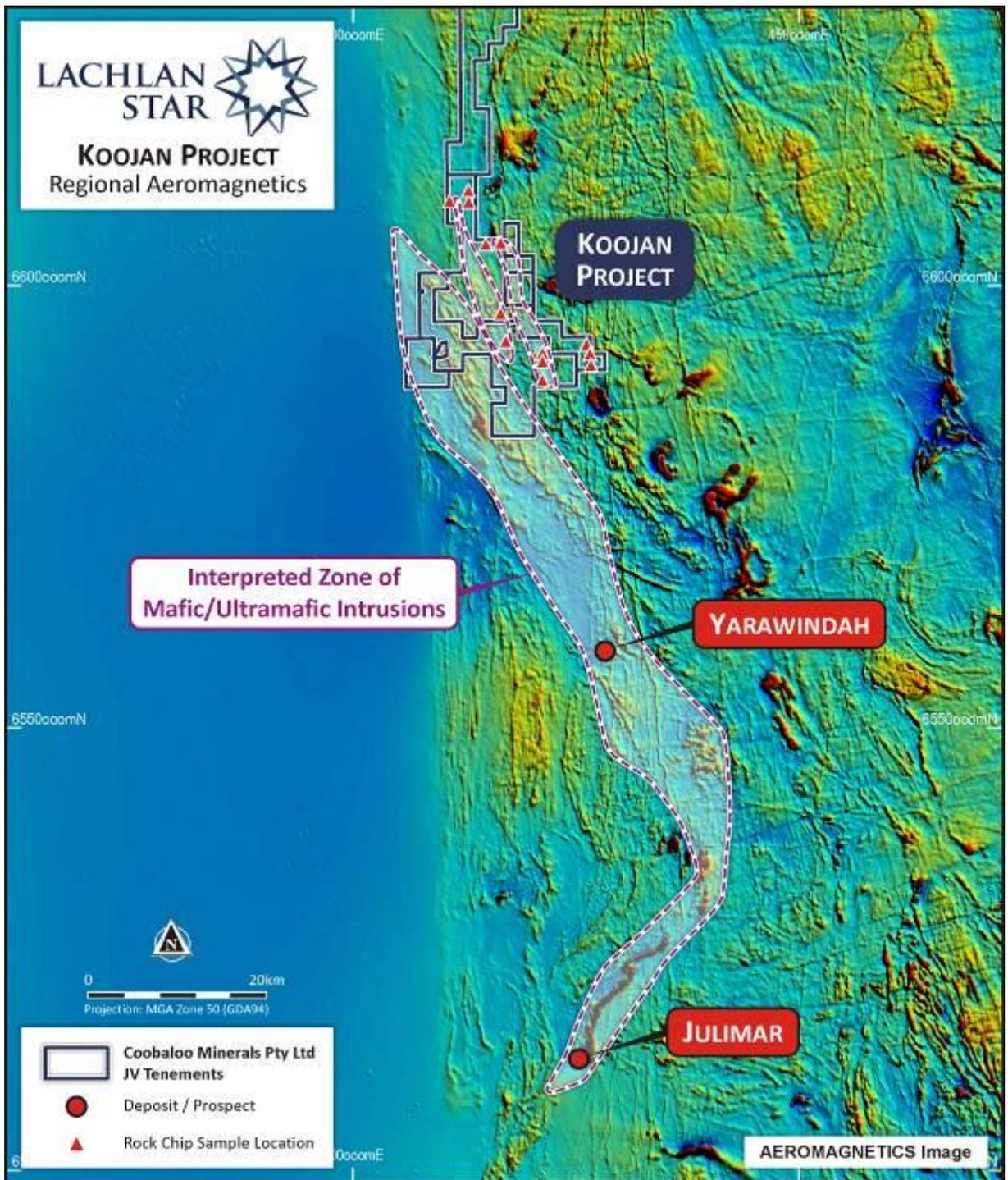


Figure 2: Regional aeromagnetics and prospective zones highlighted

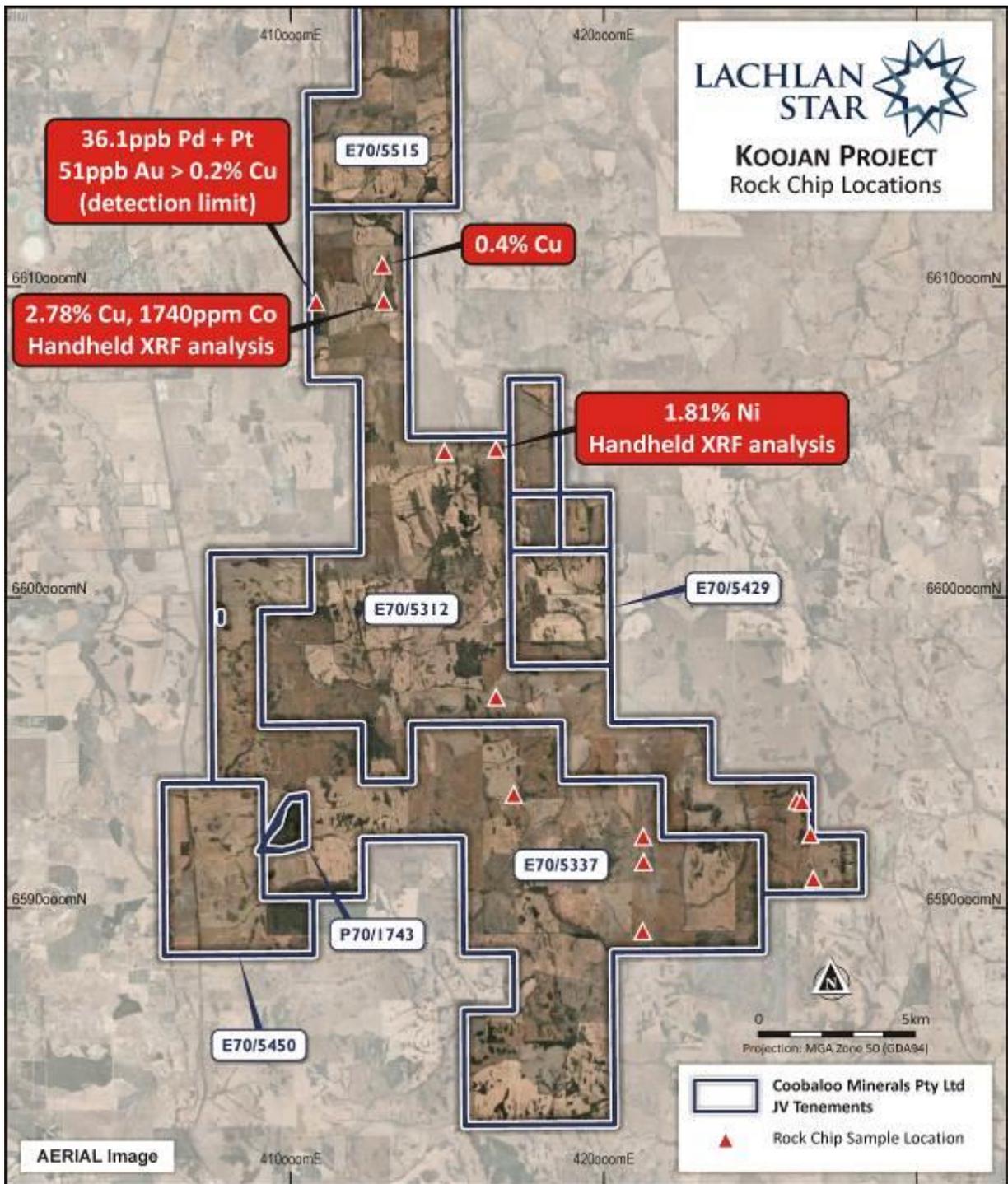


Figure 3: Koojan Project Reconnaissance Rock chip location overlying satellite image

This announcement was approved by the Board of Lachlan Star Limited.

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**Competent Person's Statement – Exploration Results**

*The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Mr Bernard Aylward, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Aylward is a Director of Lachlan Star Limited. Mr Aylward has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Aylward consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

**Forward Looking Statements and Important Notice**

*This report contains forecasts, projections and forward-looking information. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions it can give no assurance that these will be achieved. Expectations and estimates and projections and information provided by the Company are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are out of Lachlan Star's control.*

*Actual results and developments will almost certainly differ materially from those expressed or implied. Lachlan Star has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this announcement. To the maximum extent permitted by applicable laws, Lachlan makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission from, any information, statement or opinion contained in this report and without prejudice, to the generality of the foregoing, the achievement or accuracy of any forecasts, projections or other forward looking information contained or referred to in this report.*

*Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.*

## JORC Code, 2012 Edition – Table 1 report template

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>• <i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>• <i>In cases where ‘industry standard’ work has been done this would be relatively simple (e.g. ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<p>No sampling to directly. Announcement refers to geological mapping, and rock chips samples have been collected and will be assess for petrological and laboratory analysis</p> <p>Rock chip samples have been selected from areas of identifiable bedrock outcrop.</p>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>• <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	No drilling undertaken. Exploration activity is geological mapping
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results asses</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential</i></li> </ul>	No drilling undertaken. Exploration activity is geological mapping

Criteria	JORC Code explanation	Commentary
	<i>loss/gain of fine/coarse material.</i>	
<b>Logging</b>	<ul style="list-style-type: none"> <li>• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<p>Exploration activity is geological mapping completed on traverses. Geological notes were made to be included in an interpretation.</p> <p>No drill logging was completed</p>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	No sub-sampling was undertake
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i></li> </ul>	No analysis completed. Samples collected will be reviewed for petrological examination and laboratory assay analysis for whole rock geochemistry

Criteria	JORC Code explanation	Commentary
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	No verification was carried out and no adjustments were made as the release pertains to geological mapping.
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	Geological mapping completed on traverses with location identified by GPS with $\pm 5$ m accuracy
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	Geological mapping completed on traverses and focussing on areas of outcrop.
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	No grid utilised. Mapping is direct to outcropping geology and point locations.
<b>Sample security</b>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	Samples collected by geologist on site, labelled and retained.
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	No audits completed.

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<p>Lachlan Star has signed a six-month Option agreement with Coobaloo Minerals Pty Ltd to review and potentially acquire up to 75% of the Coobaloo Minerals Pty Ltd tenements in the New Norcia region. The terms of the Option agreement are fully described in the attached announcement..</p> <p>Granted tenements are E70/5312, E70/5337 and E70/5429. Tenements are recently granted and in good standing with secure title.</p> <p>Application tenements are E70/5450, 5515, 5516 and P70/1743. Grant is pending and all compliance will now be managed by Lachlan Star.</p>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<p>The Coobaloo Minerals tenements in the New Norcia region are referred to as the Koojan Project.</p> <p>The Koojan project has been acquired to explore for Base metals (copper, nickel, cobalt and zinc) and precious metals (gold and platinum group metals). This style of mineralisation has not been explored for historically in the project area, and Lachlan Star is continuing a review of all historical exploration reporting.</p> <p>Within the New Norcia region there is historic and current exploration for the mafic to ultramafic hosted Ni-Cu-Co-PGE mineralisation and this is proving successful at the Chalice Gold Mines Limited Julimar discovery and the Cassini Resources Limited Yarrowindah prospect.</p> <p>Within the project area historical exploration has focussed on the Bauxite exploration with drilling completed. This work will be assessed to assist in the geological interpretation and analysis of depth of weathering.</p>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<p>The Koojan project is considered prospective for Cu-Ni-Co-PGE mineralisation, with the geological model defined as mafic to ultramafic intrusive hosted mineralisation.</p> <p>This style of mineralisation is recognised in the New Norcia region and demonstrated by the Yarrowindah prospect currently being explored by Cassini Minerals Ltd and the Julimar prospect being explored by Chalice</p>

Criteria	JORC Code explanation	Commentary
		<p>Gold Mines Limited.</p> <p>The geological model is appropriate as the geological setting of proximity to a craton margin (Yilgarn Craton), association with structural complexity and recognition of intrusive mafic and ultramafic units. The Government geological mapping has identified mafic and ultramafic units within the project area, and field reconnaissance completed by Lachlan Star has observed these units in the field. In addition, the early stage reconnaissance rock chip sampling completed by Coobaloo Minerals Pty Ltd has demonstrated the presence of anomalous nickel, copper, cobalt and PGE within the project area that requires further work and verification.</p> <p>The proposed exploration program has been designed to target this style of mineralisation and includes the geological mapping described in this announcement, and the proposed detailed geochemical sampling and geophysical surveys designed to highlight areas of significant sulphide mineralisation. This approach has been demonstrated to be successful in the New Norcia region</p>
<p><b>Drill hole Information</b></p>	<ul style="list-style-type: none"> <li>• <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> </li> <li>• <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	<p>No drill hole data. Appropriate figures are included in the announcement.</p>
<p><b>Data aggregation</b></p>	<ul style="list-style-type: none"> <li>• <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high</i></li> </ul>	<p>No data aggregation</p>

Criteria	JORC Code explanation	Commentary
<b>methods</b>	<p>grades) and cut-off grades are usually Material and should be stated.</p> <ul style="list-style-type: none"> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</li> </ul>	Announcement refers to geological mapping and no reference is made to mineralisation
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	Appropriate diagrams of location, surface features and results are provided in the report.
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<p>Announcement reports initial geological mapping completed following signing of commencement of Option agreement.</p> <p>Lachlan Star intends to continue a systematic exploration program to evaluate the project.</p>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	No additional exploration data to be reported.

Criteria	JORC Code explanation	Commentary
<b>Further work</b>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<p>An exploration program consisting of:</p> <p>Geological mapping, interpretation and Rock chip sampling</p> <p>Geochemical sampling to consist of grid based auger geochemical sampling and multi-element analysis</p> <p>Geophysical survey possibly to include gravity survey and EM survey.</p> <p>Proposed</p>