

LACHLAN STAR LIMITED QUARTERLY ACTIVITIES REPORT

PERIOD ENDED 31 MARCH 2024

Lachlan Star Limited (ASX: LSA, **Lachlan Star** or the **Company**) is pleased to present its activities report for the March 2024 Quarter.

HIGHLIGHTS

- Exploration field activities are underway across Lachlan Star's portfolio of high-potential gold and copper projects in the Lachlan Fold Belt of central New South Wales¹.
- Exploration to be prioritised at the Junee and Bauloora North Projects, located adjacent to ground being actively explored by gold major, Newmont Corporation, and at the North Cobar Project situated immediately north of Metals Acquisition Limited's (ASX: MAC) CSA mine.
- Ground gravity data acquired at the North Cobar Project, providing priority target areas for follow up geological mapping and surface geochemical sampling programs, scheduled for April/May 2024.
- Detailed mapping and surface geochemical sampling are scheduled at Bauloora North and Junee in the September Quarter.

OPERATIONS

NORTH COBAR (100% LSA)

The North Cobar Project lies immediately north of the Cobar mining centre in central New South Wales and straddles the northern extension to the Rookery and Buckwaroon Fault systems, a metalliferous fault network which is associated with several significant gold-base metal mines in the district.

During the March Quarter, a 120 square kilometre ground gravity survey was acquired with 3D modelling and interpretation of the final processed data also completed (**Figure 1**). The data has assisted in identifying priority areas characterised by primary structures flanking a series of anomalous gravity high features coincident with a magnetic anomaly (either high or low).

Funding for the geophysical survey was supported by the New South Wales Government New Frontiers Exploration Program (Round 5), which contributed a \$50,000 grant towards the program.

A program of follow-up geological mapping and soil sampling will commence shortly and aims to delineate a pipeline of potential targets across the project.

BAULOORA NORTH (100% LSA)

The Bauloora North Project is situated east of the township of Temora in central New South Wales, and immediately north and contiguous to ground being actively explored by gold major, Newmont Corporation, in joint venture with Legacy Minerals Holdings Limited (ASX: LGM). The Project is an early-stage exploration opportunity with potential to host low sulphidation gold and silver mineralisation.

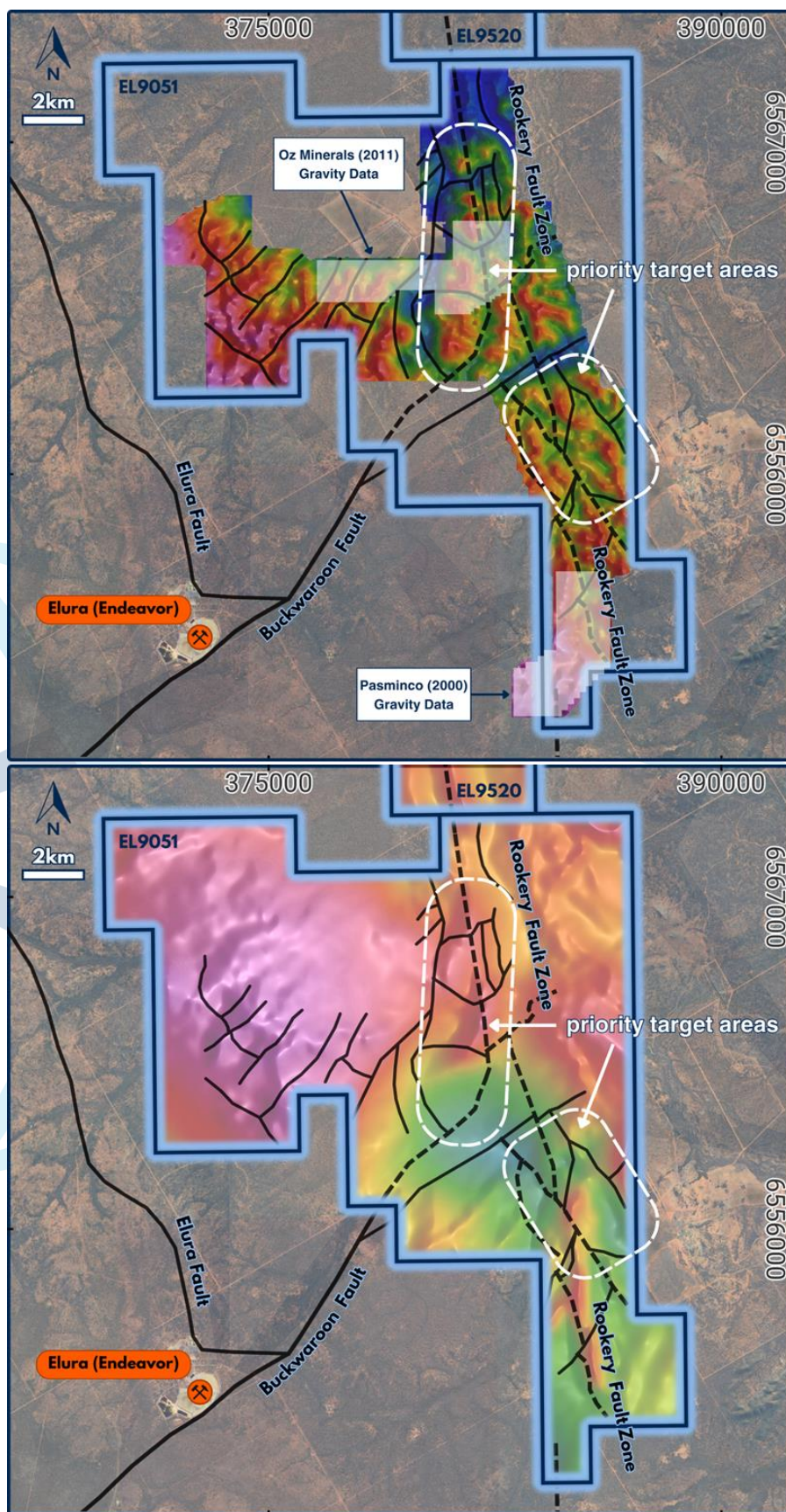


Figure 1 – Integrated Residual Bouguer ground gravity data (top image) and upward continued airborne magnetics (bottom image) over the North Cobar Project tenements (EL9051 and EL9520), showing combined Geological Survey of NSW and Lachlan Star interpreted structural line work and follow-up priority target areas (white dash) highlighted.



During the March Quarter, activities across the project were heavily focused on obtaining land access to priority areas for the upcoming detailed mapping and surface geochemical sampling campaign scheduled to commence in May.

The priority areas for on ground activities will be the potential northerly strike extensions to significant alteration, veining and mineralisation observed immediately to the south (**Figure 2**).

JUNEE (100% LSA)

At the Junee Project, the Company is exploring for porphyry copper-gold mineralisation within a district that is seeing renewed interest from explorers and gold major, Newmont Corporation.

The Company is currently undertaking a review of the project data and work conducted by previous explorers and will generate a target pipeline and work plan to inform the next phase of on ground exploration scheduled to take place during the September Quarter.

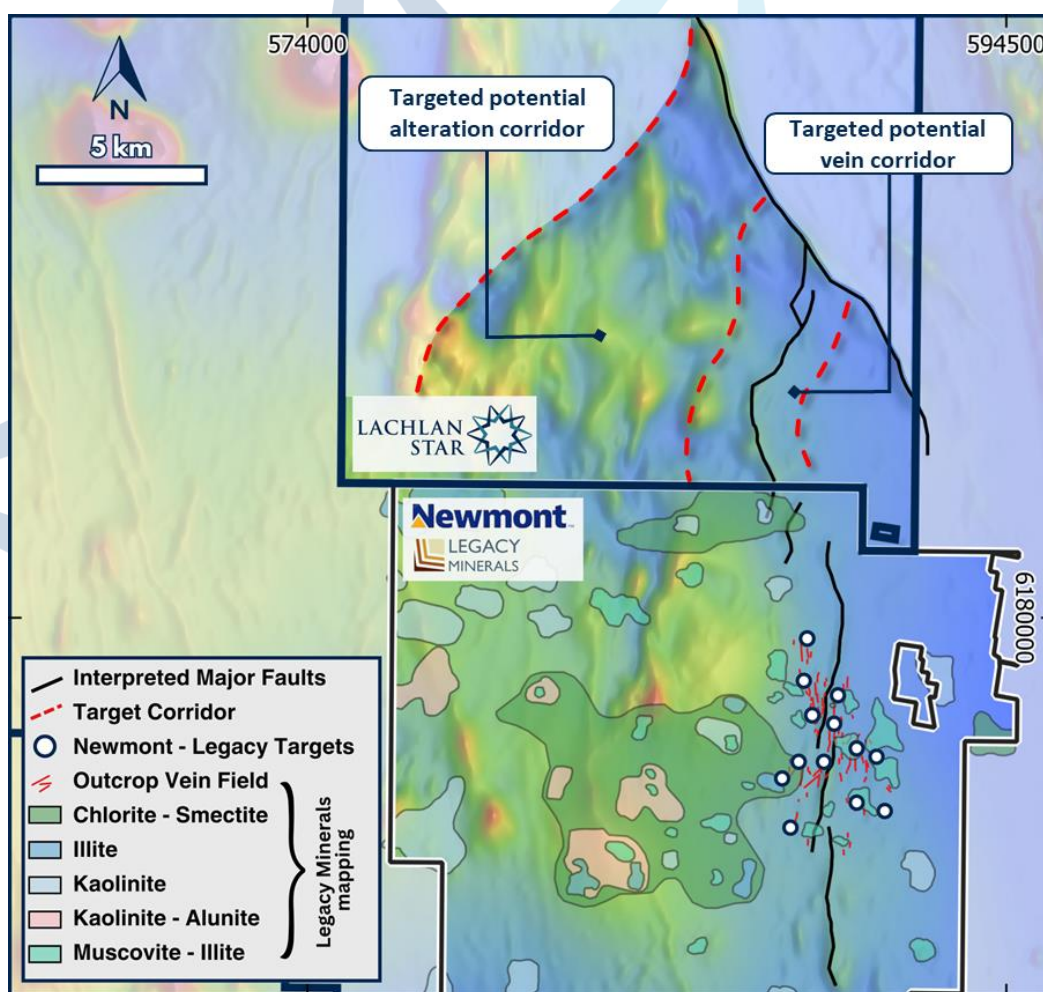


Figure 2 – Location of the Bauloora North project tenement (EL9448), outline of neighbouring tenement holder (Legacy Minerals – EL8994 and EL9464) with significant mapped geological featuresⁱⁱ and priority target areas highlighted.

KOOJAN JV (LSA 45% and MI6 30%)

During the March Quarter, Minerals 260 Limited (**Minerals 260**, ASX: MI6) received final assays for the two reverse circulation (RC) holes completed in the December 2023 Quarter. The holes aimed to test the strongest coincident chargeability-conductivity anomalies generated from the Dipole-Dipole Induced Polarisation (DDIP) survey across the Mallory prospect. As announced by Minerals 260 on 4 April 2024, both holes intersected predominately unmineralised Proterozoic dolerite units. Subject to further review, no further work on these targets is planned.



OTHER PROJECTS (80-100% LSA)

No significant activities were completed during the March Quarter on the Killaloe Gold project located in southern area of the Eastern Goldfields, Western Australia; or at the Princhester Magnesite project located north-west of Rockhampton, Queensland.

CORPORATE

Incentive Securities

On 28 February 2024, the Company issued a total of 6,000,000 incentive options exercisable at \$0.075 each to the Company's Chief Executive Officer and Exploration Manager.

Change of Address

Post Quarter end, the Company advised that its Principal Place of Business had changed to Level 2, 1292 Hay Street, West Perth WA 6005.

Summary of exploration Expenditure

There was \$328,000 in exploration expenditure incurred during the March 2024 Quarter.

Cash Position

As at 31 March 2024, the Company had approximately \$2.11 million of cash.

Note 6 to Appendix 5B

Payments reported to related parties of the entity and their associates under section 6.1 consist of fees paid to Directors and/or their associates for director, consulting, company secretarial and accounting services.

This announcement has been authorised for release by the Board of Lachlan Star Limited.

Competent Person's Statements – Exploration Results

The Information in this report that relates to Exploration Results for the New South Wales projects is extracted from the Company's announcement titled: "Initial field exploration programs commence at NSW gold-copper projects", dated 18 April 2024.

The Information in this report that relates to Exploration Results for the Koojan JV Project is extracted from the ASX announcements of Minerals 260 titled: "Further high-grade copper-gold intercepts expand scale of Mynt, additional targets identified at Moora", dated 4 April 2024, and the company's December 2023 quarterly activities report, dated 29 January 2024, which are available at www.minerals260.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the above original market announcements. 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 announcements.



ANNEXURE 1

Tenements held directly by Lachlan Star Limited or a subsidiary company as at 31 March 2024

Tenements	Held at end of quarter	State
EL8939 (Basin Creek)	100%	New South Wales
EL9013 (Basin Creek)	100%	New South Wales
EL9049 (Basin Creek)	100%	New South Wales
EL9461 (Basin Creek)	100%	New South Wales
EL8622 (Juneë)	100%	New South Wales
EL8767 (Juneë)	100%	New South Wales
EL8835 (Juneë)	100%	New South Wales
EL8851 (Juneë)	100%	New South Wales
EL9448 (Bauloora North)	100%	New South Wales
EL9051 (Cobar)	100%	New South Wales
EL9520 (Cobar)	100%	New South Wales
E70/5337 (Koojan)	45%	Western Australia
E70/5312 (Koojan)	45%	Western Australia
E70/5429 (Koojan)	45%	Western Australia
E70/5515 (Koojan)	45%	Western Australia
E70/5450 (Koojan)	45%	Western Australia
P70/1743 (Koojan)	45%	Western Australia
M63/177 (Killaloe)	100%	Western Australia
E63/1018 (Killaloe)	80%	Western Australia
E63/1713 (Killaloe)	100%	Western Australia
ML5831 (Princhester)	100%	Queensland
ML5832 (Princhester)	100%	Queensland
EL5574 (Bushranger)	Nil (Company retains a 2% NSR)	New South Wales

ⁱ Lachlan Star Limited ASX announcement dated 18 April 2024

ⁱⁱ Legacy Minerals Holding Limited ASX announcements dated 14 August 2023 and 21 November 2023

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Lachlan Star Limited

ABN

88 000 759 535

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(176)	(623)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	8	30
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(9)	(30)
1.9 Net cash from / (used in) operating activities	(177)	(623)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(38)	(42)
(d) exploration & evaluation	(328)	(590)
(e) investments	-	-
(f) other non-current assets	(2)	(2)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(368)	(634)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,655	3,367
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(177)	(623)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(368)	(634)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,110	2,110

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	125	78
5.2	Call deposits	1,985	2,577
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,110	2,655

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	73
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Consulting fees and directors' fees - \$48,903
Company secretarial and accounting fees - \$24,000

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Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end	[]	
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	[]	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(177)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(328)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(505)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,110
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,110
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.18
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2024

Authorised by:
Daniel Smith
Director

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.