

LACHLAN STAR LIMITED QUARTERLY ACTIVITIES REPORT

PERIOD ENDED 30 SEPTEMBER 2024

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

HIGHLIGHTS

- Drilling has commenced at the Basin Creek prospect, testing the recently recognised high-grade copper sulphide (chalcopyrite) system, with historical high-grade intercepts such as:
 - 21.3 metres at 4.51% copper from 41.14 metres down-hole in TDH01, including:
 - 9.2 metres at 1.23% copper and 4.6 metres at 18.54% copper, and
 - 3.1 metres at 5.50% copper from 59.4 metres down-hole in TDH13
- The new central Cobar Exploration Licences, totalling 1,215km², were granted. These licences are strategically located adjacent to Metals Acquisition Limited's (ASX: MAC) CSA Mine and Aurelia Metals Limited's (ASX: AMI) Peak Gold Mine in the Cobar Mining District.
- The Company announced a placement to raise \$4.5 million at \$0.10 per share with \$0.16 million subject to shareholder approval.
- The capital raising ensures the Company is well-funded to undertake activities at its high potential copper and gold projects in the world class Lachlan Fold Belt, NSW.

OPERATIONS

BASIN CREEK PROSPECT - JUNEE PROJECT (100% LSA)

At the southern Junee Project, located approximately 12 kilometres south of Tumut in central New South Wales, the Company continued to prioritise exploration activities at the **Basin Creek prospect (Figure 2)**, where high-grade copper intersections were reported in historical diamond drilling by past explorers (**Figure 1**), including:

- 21.3 metres at 4.51% copper from 41.14 metres (TDH01), including;
 - 9.2 metres at 1.23% copper and 4.6 metres at 18.54% copper
- 4.6 metres at 3.09% copper from 74.7 metres (TDH08)
- 1.5 metres at 6.40% copper from 205.7 metres (TDH09)
- 3.1 metres at 5.50% copper from 59.4 metres (TDH13)
- 3.1 metres at 2.04% copper from 94.48 metres (TDH15)

A program of relogging, geological interpretation and modelling was completed on the historic exploration data to support planned drill testing of the prospect, which has not seen a single follow-up drill hole in over 50 years.



Several favourable drill target positions have been identified and with all necessary drilling permits received, the Company has scheduled a diamond drill program of 2,100 metres to commence in October. The program aims to test and confirm the continuity and down-plunge extents of the high-grade copper sulphide (chalcopyrite) mineralisation and broader disseminated mineralised envelope.

The drill program is estimated to take approximately two months to complete

The Company has also planned additional work, including mapping, surface geochemistry and geophysics, to assess the anomalous copper surface geochemistry, up to 0.2% copper-in-soils, that extends beyond the historic drilling for up to 1.4 kilometres. This work is anticipated to generate additional drill positions along strike, with the scale and tenor of this footprint interpreted to highlight the potential of the project to host further significant high-grade copper mineralisation.

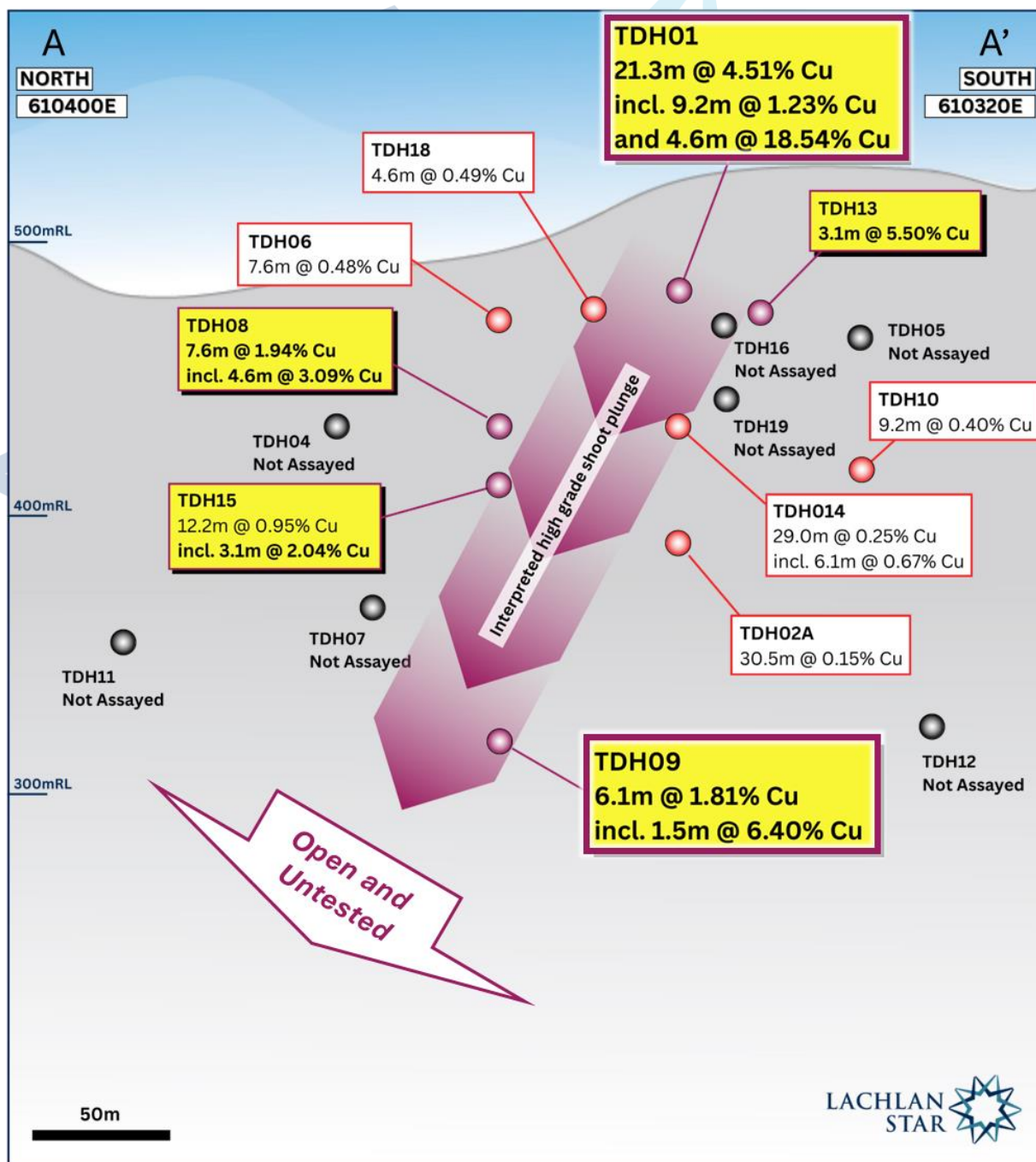


Figure 1 - Schematic A-A' long section (30 metre window looking towards 080°) of the mineralised zone at Basin Creek showing pierce points of AOG diamond holes with significant intersections highlighted and targeted high-grade plunge position for diamond drill testing.

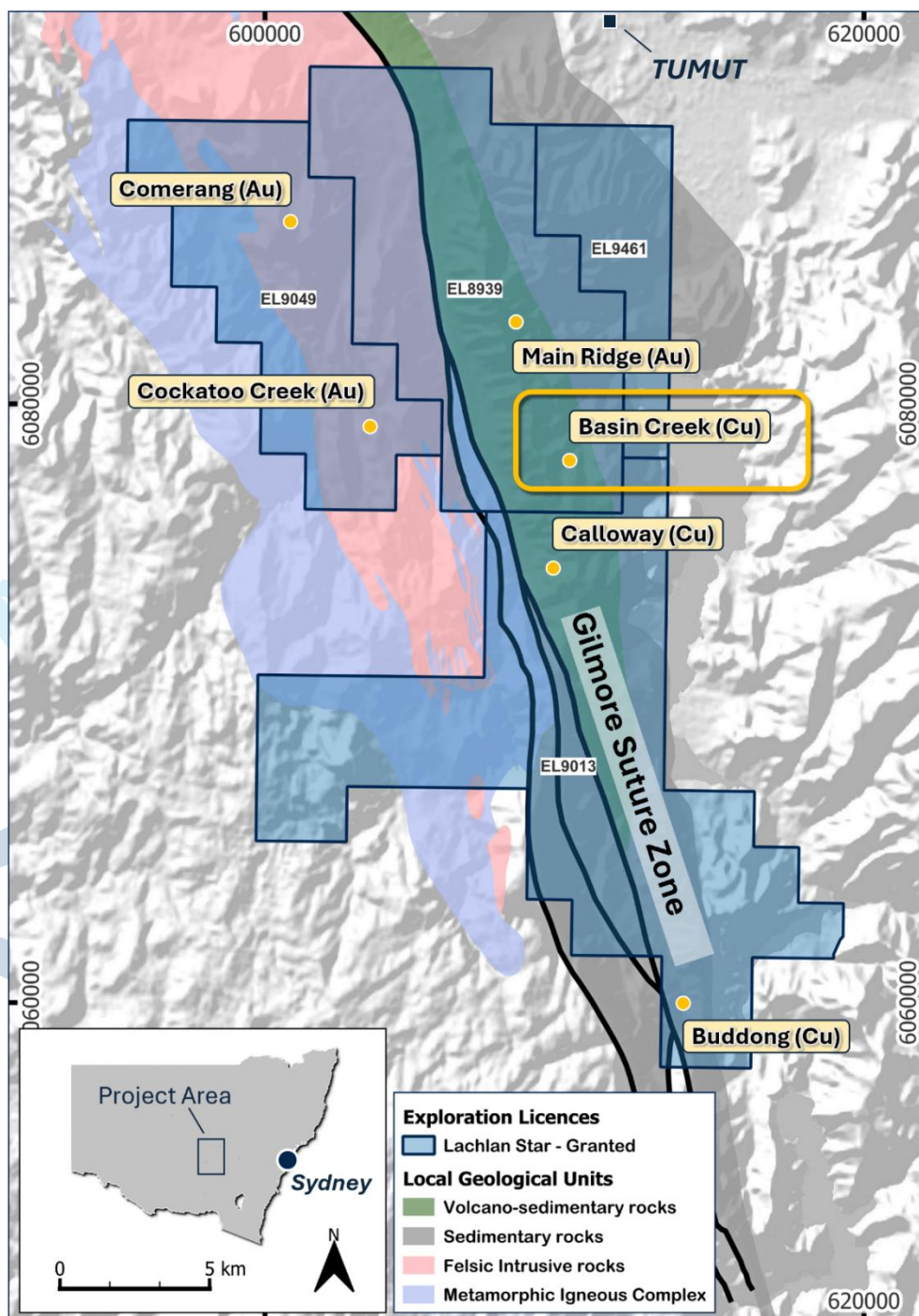


Figure 2 - Map showing location of Lachlan Star's Exploration Licences and key prospects within the southern Junee Project area including key geological features over Digital Elevation Model (DEM). Priority Basin Creek Prospect highlighted.

NORTH COBAR PROJECT (100% LSA)

The North Cobar Project lies immediately north of the Cobar mining centre in central New South Wales and straddles the northerly extensions to the Rookery and Buckwaroon Fault systems, a metalliferous fault network which is associated with several significant gold-base metal mines in the district including CSA Mine (Metals Acquisition Limited) and Endeavor (Polymetals Resources Limited, ASX: POL).

Data acquisition and interpretation completed by the Company has generated priority Cobar-style drill targets, including the Knights Tanks and Galahad prospects (Figures 3). These targets are characterised as discrete gravity anomalies coincident with magnetic features, within a complex structural corridor, and are supported by soil geochemical anomalies of gold, arsenic, antimony (Au, As, Sb) and lead, zinc, silver (Pb, Zn, Ag).



The Company has scheduled a ground-based Pole-Dipole Induced Polarisation geophysical survey over the priority targets to commence in November. This program will assist in delineating target positions for planned reverse circulation drill testing.

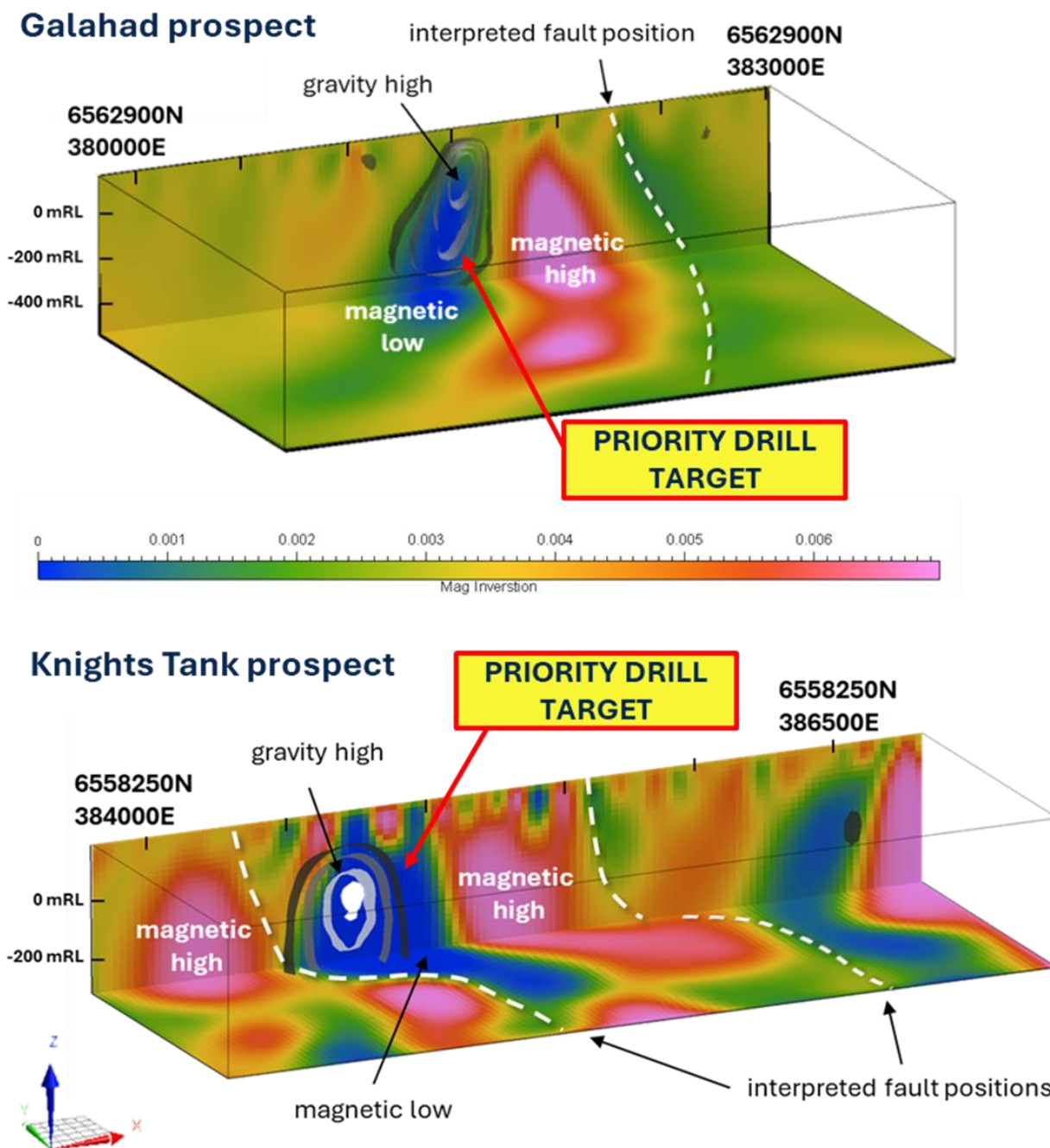


Figure 3 - Isometric geophysical block model images showing ground gravity 3D density contrast Iso-Shells (up to 0.14 g/cc) on magnetic 3D inversion ($SI \times 10^{-6}$) model. Geophysical and structural features annotated, and priority drill target areas highlighted.



CENTRAL COBAR PROJECT (100% LSA)

Four new Lachlan Star Exploration Licences (**Figure 4**) within the highly competitive and endowed Cobar region were recently granted. These licences, totalling 1,215 square kilometres, are well located within the central Cobar Basin, directly adjacent to existing mines and infrastructure (the CSA Mine and the Peak Gold Mine) and overlie favourable structures and prospective geology.

The Company also submitted an additional Exploration Licence Application (ELA6798) over the remaining available extensions of the Buckwaroon Fault system, immediately adjacent to Polymetals licences containing the Endeavor Mine (**Figure 4**).

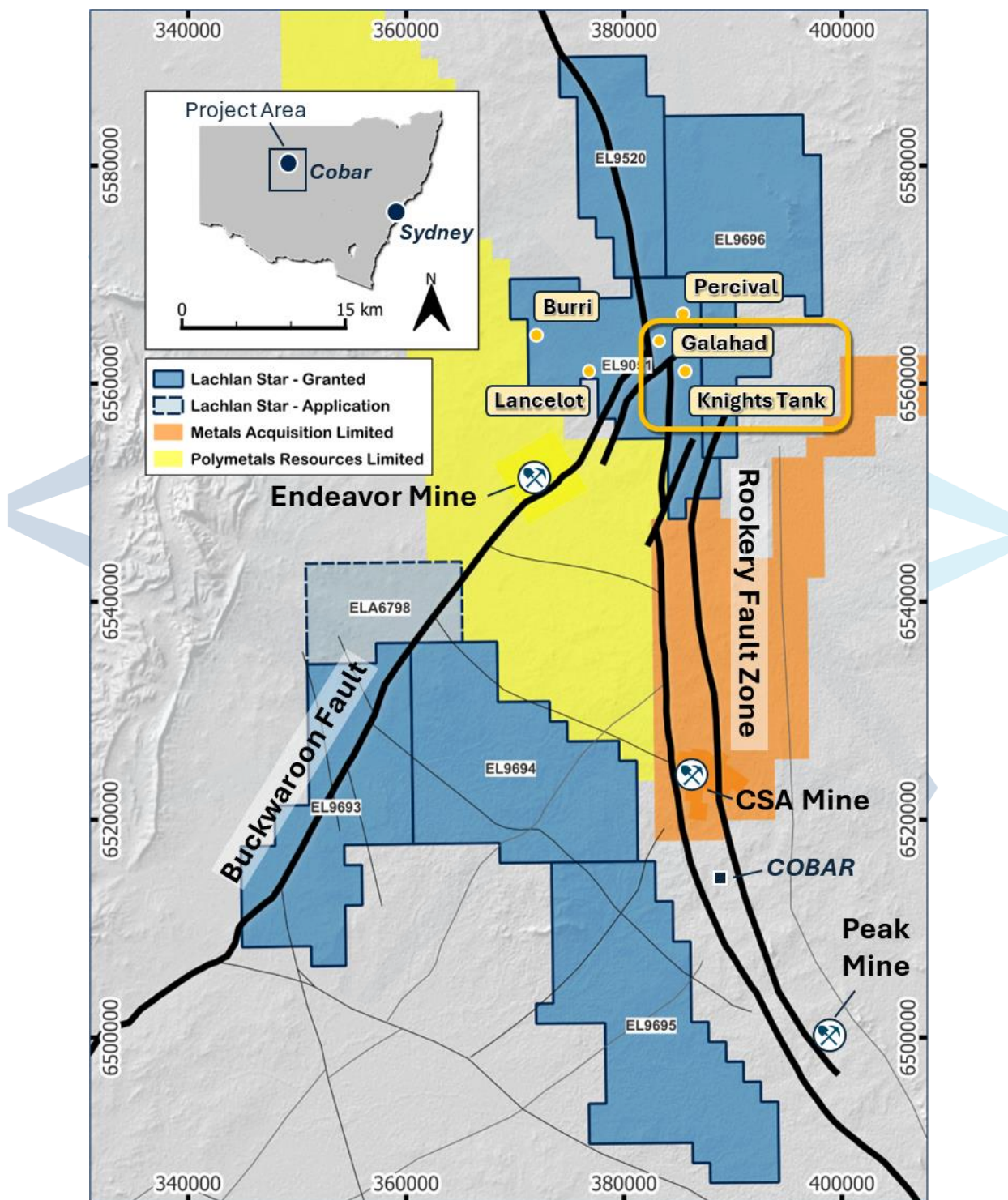


Figure 4 - Map showing location of Lachlan Star's Exploration Licences and key prospects within the Cobar Basin, central New South Wales including key geological features over Digital Elevation Model (DEM), and neighbouring tenement holders.



BAULOORA NORTH PROJECT (100% LSA)

During the reporting period no work was conducted on this project.

KOOJAN PROJECT (45% LSA)

Minerals 260 Limited advised of their intention to withdraw from the Koojan Farm-in and Joint Venture Agreement with Coobaloo Minerals Pty Ltd (Coobaloo). Coobaloo is an incorporated joint venture between Lachlan Star (75%) and Wavetime Nominees (25%).

Upon withdrawing, the 30% participating interest held by Minerals 260 will return to Lachlan Star.

The Company intends to conduct an internal technical review of the project and work completed by Minerals 260 and will assess the options available for the Project.

OTHER PROJECTS (80-100% LSA)

No significant activities were completed during the September Quarter at the Killaloe Gold-Nickel Project (LSA 80-100%) or at the Princhester Magnesite Project (LSA 100%).

TENEMENT SCHEDULE

This section is provided in compliance with ASX Listing Rule 5.3. Please refer to Annexure 1 for a listing of tenements.

Changes in Tenements held during the Quarter

Tenements	Interest at quarter start	Change in quarter	Interest at quarter end	State
EL9696 (North Cobar)	100%-application	100%-granted	100%	New South Wales
EL9693 (Cobar)	100%-application	100%-granted	100%	New South Wales
EL9694 (Cobar)	100%-application	100%-granted	100%	New South Wales
EL9695 (Cobar)	100%-application	100%-granted	100%	New South Wales
EL6798 (Cobar)	-	100%-application	100%	New South Wales

CORPORATE

Capital Raising

On 26 September 2024, the Company announced that it had received firm commitments to raise \$4.5 million through the issue of 45 million shares at \$0.10 each via a two-tranche placement. Tranche 1, consisting of 43,400,000 shares, were issued post quarter-end.

Summary of exploration Expenditure

There was \$326,000 in exploration expenditure incurred during the September 2024 Quarter.

Cash Position

The Company's cash balance at 30 September was \$1,004,000. Following receipt of the net proceeds from Tranche 1 of the placement, the Company's cash balance is ~\$5,000,000.

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 Company's New South Wales Projects is extracted from the announcement titled: "High-Grade Copper Drill Targets Defined at Basin Creek - Junee Project, NSW", dated 15 August 2024, which is available at www.lachlanstar.com.

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 announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.





ANNEXURE 1

Tenements held directly and in application by Lachlan Star Limited or a subsidiary company as at 30 September 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 (Juneey)	100%	New South Wales
EL8767 (Juneey)	100%	New South Wales
EL8835 (Juneey)	100%	New South Wales
EL8851 (Juneey)	100%	New South Wales
EL9448 (Bauloora North)	100%	New South Wales
EL9051 (North Cobar)	100%	New South Wales
EL9520 (North Cobar)	100%	New South Wales
EL9696 (North Cobar)	100%	New South Wales
EL9693 (Cobar)	100%	New South Wales
EL9694 (Cobar)	100%	New South Wales
EL9695 (Cobar)	100%	New South Wales
ELA6798 (Cobar)	100% - Application	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

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")

30 September 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 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	(332)	(332)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	4
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)	(7)	(7)
1.9 Net cash from / (used in) operating activities	(335)	(335)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(326)	(326)
(e) investments	-	-
(f) other non-current assets	(20)	(20)

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 (3 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	(346)	(346)

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	1,615	1,615
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(335)	(335)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(346)	(346)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	70	70

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 (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,004	1,004

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	40	74
5.2	Call deposits	964	1,541
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)	1,004	1,615

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	60
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>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.</i></p> <p>Consulting fees and directors' fees - \$42,000 Company secretarial and accounting fees - \$18,000</p>		

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
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)	(335)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(326)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(661)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,004
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,004
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.52
<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: Yes.	
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: On 26 September 2024, the Company announced that it had received firm commitments to raise \$4.5 million through the issue of 45 million shares at \$0.10 each via a two-tranche placement. Tranche 1, consisting of 43,400,000 shares, were issued post quarter-end.	

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: Yes. The Company successfully raised funding post quarter-end which will be used to fund its ongoing activities.

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: 21 October 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.