

\$4.5M CAPITAL RAISING TO UNDERPIN IMMEDIATE, HIGH-IMPACT, COPPER EXPLORATION DRILLING AT THE BASIN CREEK PROJECT IN NSW

HIGHLIGHTS

- The Company has received firm commitments to raise \$4.5 million at \$0.10 per share by way of:
 - a placement to sophisticated and professional investors, to raise \$4.34 million (Tranche 1); and
 - a placement to Directors, subject to shareholder approval, to raise \$0.16 million (Tranche 2).
- The capital raising will see the Company well-funded to undertake activities at its high potential copper and gold projects in the world class Lachlan Fold Belt, NSW.
- Drilling is to commence in early October at the Basin Creek Prospect, where an extensive high-grade copper sulphide system was recently identified, 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
 - 3.1 metres at 5.50% copper from 59.4 metres down-hole in TDH13
- Upon completion of the placement, the Company will have cash on hand of ~\$5 million

Lachlan Star Limited (ASX: LSA, **Lachlan Star** or the **Company**) is pleased to announce it has received firm commitments to raise \$4.5 million (before costs) through a share placement to sophisticated and professional investors (**Placement**). Approximately 45 million shares will be issued under the Placement at an issue price of \$0.10 per share.

The proceeds of the Placement will be used to fund exploration programs across the Company's portfolio of copper and gold assets in the world-class Lachlan Fold Belt of New South Wales, including drilling next month at the Basin Creek Prospect to follow-up high-grade copper intersections identified in historical drilling.

At Basin Creek, the Company has planned up to 2,500 metres of diamond drilling to test the continuity, thickness and down plunge extents of the high-grade semi massive copper sulphide (chalcopyrite) system and broader disseminated copper rich halo. Additional exploration activities, including geophysics, are also scheduled to identify further drill targets along the prospective 1.4km corridor.

Drilling is also planned at the North Cobar Project, where drill targets have been identified based on a combination of favourable structural faults and intersections, coincident gravity-magnetic geophysical anomalies, and anomalous surface geochemistry. A program of Induced Polarisation geophysics to refine drill target positions is scheduled for November.



Additionally, work programs are also planned across the Company's other assets, including the Bauloora North Project located immediately north and contiguous to the high-profile Bauloora Epithermal Gold Project being actively explored by gold major, Newmont Corporation (ASX: NEM).

Management Comment

Lachlan Star CEO Andrew Tyrrell said: "We are very pleased with the positive response to this capital raising which puts us in a strong position to progress our planned drilling and exploration programs across our asset portfolio in the Lachlan Fold Belt.

"Drilling will kick-off shortly at the Basin Creek Prospect, where a recent review of historical exploration data defined an extensive high-grade copper sulphide system with intercepts such as 21.3m grading 4.51% copper including a high-grade shoot that assayed 4.6m at an exceptional 18.54% copper.

"This high-grade zone remains open down-plunge and along strike, and we are very much looking forward to getting drilling underway to further define the extents of this mineralised system.

"I would like to thank all investors who participated in the capital raising."

Placement Details

The Company has accepted firm commitments for a placement of fully paid ordinary shares in the Company at \$0.10 per share to raise approximately \$4.5 million (before costs). The Placement will comprise the following components:

- Tranche 1 – will raise \$4.34 million (before costs) through the issue of 43,400,000 fully paid ordinary shares at an issue price of \$0.10 per share (**Placement Shares**) to sophisticated and professional investors. All Placement Shares will be issued pursuant to the Company's placement capacity under Listing Rules 7.1 and 7.1A. Settlement of Tranche 1 is expected to occur on Tuesday, 1 October 2024, with allotment to occur on Wednesday, 2 October 2024.
- Tranche 2 – will raise \$0.16 million through the issue of 1,600,000 fully paid ordinary shares at an issue price of \$0.10 per share to Directors (and their associates). Tranche 2 is subject to obtaining shareholder approval at the Company's Annual General Meeting to be held on 27 November 2024. If approved, the Company expects the Tranche 2 shares will be settled and allotted in late November 2024.

The issue price of \$0.10 represents a:

- 31% discount to the last traded share price of \$0.145 on 20 September 2024;
- 19.8% discount to the 5-day volume weighted average share price; and
- 15.4% discount to the 15-day volume weighted average share price.

Bell Potter acted as Lead Manager to the capital raising.

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

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Competent Persons Statement

The Information in this Release that relates to Exploration Results for the Company's NSW projects is extracted from:

- "Initial field exploration programs commence at NSW gold-copper projects", released 17 April 2024;
- "Positive start to exploration in NSW and acquisition of priority ground in Cobar", released 17 June 2024; and
- "High-grade copper drill targets defined at Basin Creek – Junee Project, NSW", released 13 August 2024,

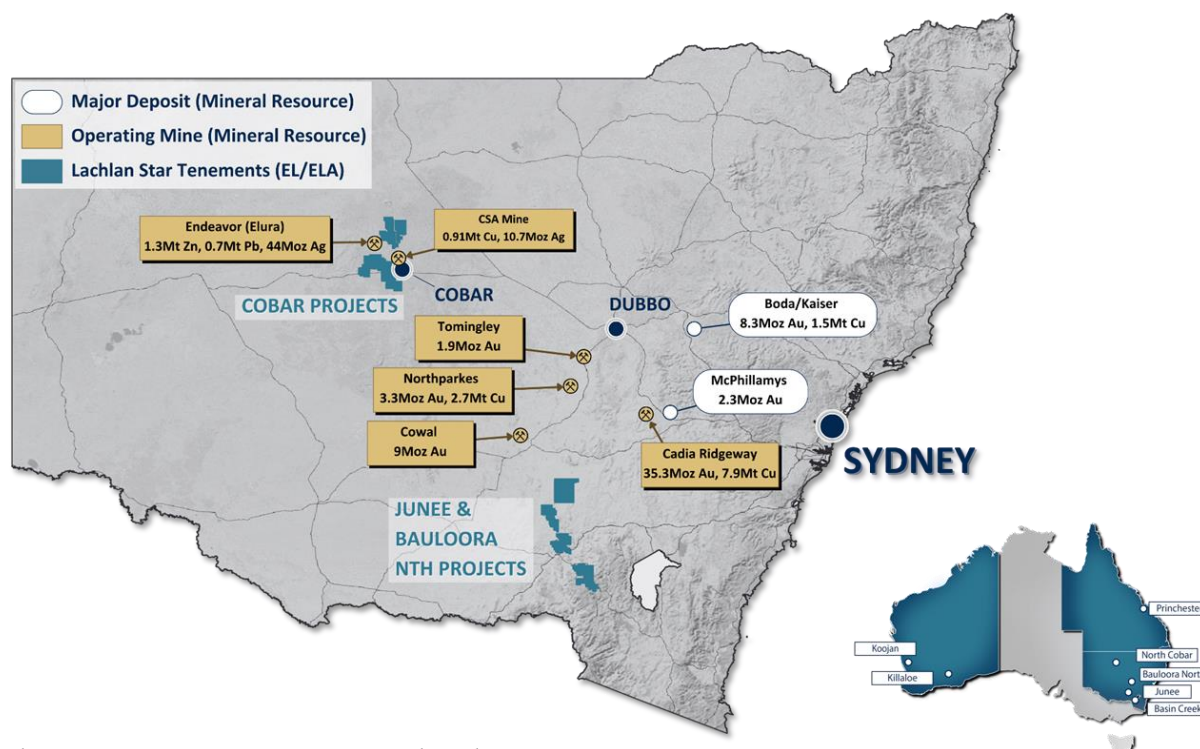
all of which are available at www.lachlanstar.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in the above original market announcements and that all material assumptions and technical parameters underpinning the estimates 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.

Forward Looking Statements

This report contains forward-looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectation, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this report. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

About Lachlan Star Limited

Lachlan Star Limited (ASX: LSA) is focused on the discovery of gold and copper resources across a portfolio of early-stage high-potential exploration projects located in central New South Wales. The Company has three priority projects situated within the highly endowed mineral Lachlan Fold Belt province of New South Wales and includes North Cobar, Bauloora North and Junee.



Mineral Resources sourced from the relevant Company public domain reports