



ANNUAL REPORT 2025

Lachlan Star Limited

ASX:LSA

CORPORATE DIRECTORY

DIRECTORS

Gary Steinepreis (Non-Executive Chairman)
Stacey Apostolou (Non-Executive Director)
Brendan Bradley (Non-Executive Director)

CHIEF EXECUTIVE OFFICER

Andrew Tyrrell

COMPANY SECRETARY

Russell Hardwick

AUDITORS

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SECURITIES EXCHANGE LISTING

Securities of Lachlan Star Limited are listed on ASX Limited.
ASX Code: LSA - ordinary shares

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REVIEW OF OPERATIONS

Lachlan Star Limited (the “Company” or “Lachlan Star”) is a focused mineral explorer pursuing world-class gold and copper discoveries within two of Australia’s most prospective provinces; the Eastern Goldfields of Western Australia (WA) and the Lachlan Fold Belt of New South Wales (NSW).

During the year, exploration efforts were directed towards three district-scale opportunities: the Killaloe, Basin Creek and North Cobar Projects. Each of these core assets offers significant upside within well-endowed mineral provinces, and the Company advanced them through integrated drilling, geophysics and geochemical programs designed to refine geological models and test discovery potential.

At Killaloe, systematic geological mapping, surface geochemical sampling, and a maiden program of targeted Reverse Circulation (RC) and reconnaissance Aircore (AC) drilling identified several shallow gold trends across the northern project area, highlighting the potential for a broader gold-mineralised system.

At North Cobar, early-stage target generation, including geological mapping, surface geochemistry, and geophysics (ground gravity and induced polarisation surveys), delineated large-scale Cobar-type copper-gold targets. These were advanced to drilling, with a first-pass RC and diamond tail program commencing in July. The program was deferred due to inclement weather and is expected to continue in H1FY26.

At Basin Creek, the maiden diamond drill program confirmed significant copper sulphide mineralisation across broad zones, validating historical copper positions. A large-scale induced polarisation survey complemented drilling, defining a compelling chargeability anomaly coincident with known mineralisation and extending northward where it remains open along strike

All exploration programs were executed with a strong commitment to safety, environmental responsibility, and community engagement. Proactive measures included early engagement with landholders and stakeholders across all projects, and a heritage clearance survey conducted in partnership with the Ngadju Traditional Owners at Killaloe. Importantly, no safety, environmental or community incidents were recorded during the year, underscoring Lachlan Star’s commitment to safe, sustainable, and culturally respectful exploration.

Lachlan Star’s strategy remains firmly focused on generating shareholder value through the discovery and delineation of economic gold and copper deposits. This is underpinned by disciplined target generation, robust geological modelling, application of advanced geophysical techniques, and systematic drilling programs across high-quality jurisdictions.

WESTERN AUSTRALIA

KILLALOE PROJECT (80-100% LACHLAN STAR)

The Killaloe Project is located 20–30 kilometres north-east of Pantoro Limited’s Norseman operations (ASX: PNR), which host a 4.7Moz gold Mineral Resource Estimate¹, within the Eastern Goldfields of Western Australia. The Project lies within a highly prospective greenstone belt interpreted as the southern extension of the Kambalda Domain, a proven gold and nickel province that hosts major gold-producing districts, including Gold Fields’ St Ives and Westgold Resources’ (ASX: WGX) Higginsville operations.

During the year, Lachlan Star completed a comprehensive review of historical exploration data, supported by new geochemical sampling programs. This work confirmed the Project’s strong potential to host high-grade gold mineralisation and re-rated several areas as immediate drill priorities. At the Duke Main Gold Zone, historical drilling defined a near-surface, supergene-enriched gold oxide system over a 300-metre strike, with notable past intercepts such as **24 metres at 2.15 g/t Au (including 4 metres at 5.60 g/t Au)**. Beyond Duke, additional high-priority targets were identified across the tenement package, including extensive historical workings, altered felsic intrusions, and multiple kilometre-scale gold-in-soil anomalies.

¹ Pantoro Limited’s Annual Mineral Resource and Ore Reserve Statement dated 26 September 2024

Surface sampling undertaken by Lachlan Star in 2025 further validated this potential. A total of 176 rock-chip and 534 soil samples were collected, returning anomalous gold values up to **13.10 g/t Au** in rock chips and **4.76 g/t Au** in soils. These results confirmed the fertility of the system and guided the design of the Company's maiden drill campaign.

Following the completion of heritage and environmental surveys, drilling commenced in the June quarter. The program comprised 12 Reverse Circulation (1,578 m) and 187 Aircore drillholes (6,383 m) across five high-priority areas. Results received post year-end confirmed multiple zones of gold mineralisation within the Duke Main Zone and along the broader Duke–Duchess corridor, highlighting the presence of significant mineralised systems with growth potential.

Duke Prospect

Drilling within the Duke Main Gold Zone has confirmed a robust, gold system containing high-grade feeder structures, with the mineralised strike now extended to approximately 425 metres (**Figure 1**).

Gold mineralisation is hosted within multiple broad zones of silica–sericite–pyrite alteration and quartz veining developed in ultramafic and basalt sequences, locally intruded by gabbro and granodiorite (**Figure 2**). Significant intercepts from Lachlan Star's maiden drilling program include:

- **9 m @ 2.11 g/t Au** from 81 m, including **2 m @ 8.60 g/t Au** from 83 m (KRC007)
- **24 m @ 0.70 g/t Au** from 8 m, including **4 m @ 1.39 g/t Au** from 28 m (KAC0039)
- **22 m @ 0.65 g/t Au** from 8 m, including **2 m @ 1.28 g/t Au** from 28 m to EOH (KAC0050)
- **10 m @ 0.70 g/t Au** from 32 m, including **2 m @ 1.50 g/t Au** from 40 m to EOH (KAC0051)

Reconnaissance AC drilling across the broader Duke area also returned encouraging results (**Figure 3**), including:

- **6 m @ 2.33 g/t Au** from 48 m to EOH, including **1 m @ 4.79 g/t Au** from 52 m (KAC0135)
- **12 m @ 0.50 g/t Au** from 8 m (KAC0001)

These results confirm that well-mineralised zones extend beyond the immediate Duke Main area, show continuity along strike, and strongly correlate with coherent elevated gold-in-soil anomalies.

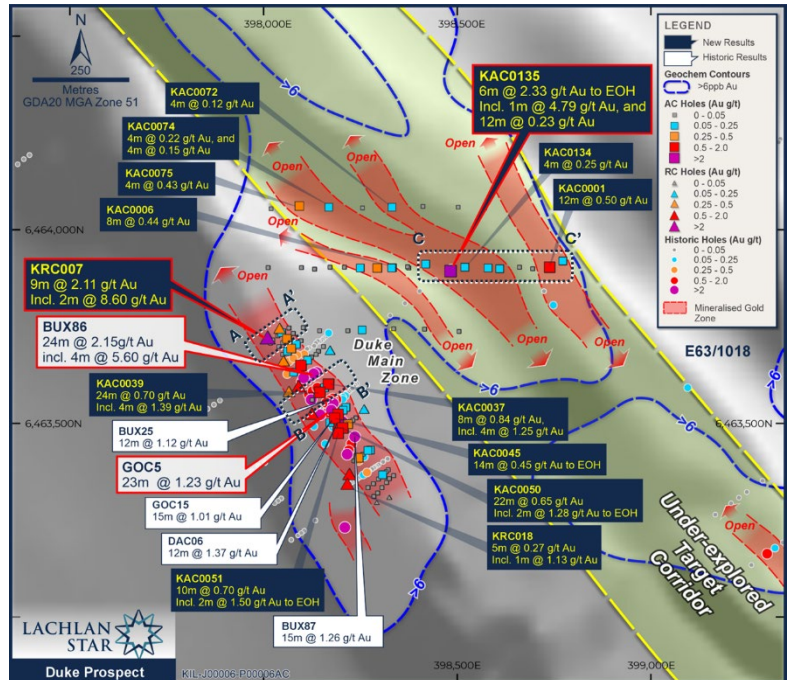


Figure 1: Plan view map of the Duke Prospect area, showing distribution of drill collars with maximum gold grade-in-hole. Historic (white) and Lachlan Star (dark blue) significant gold intersections shown¹. Lachlan Star holds 80% and Cullen Resources Ltd hold 20% interest in E63/1018.

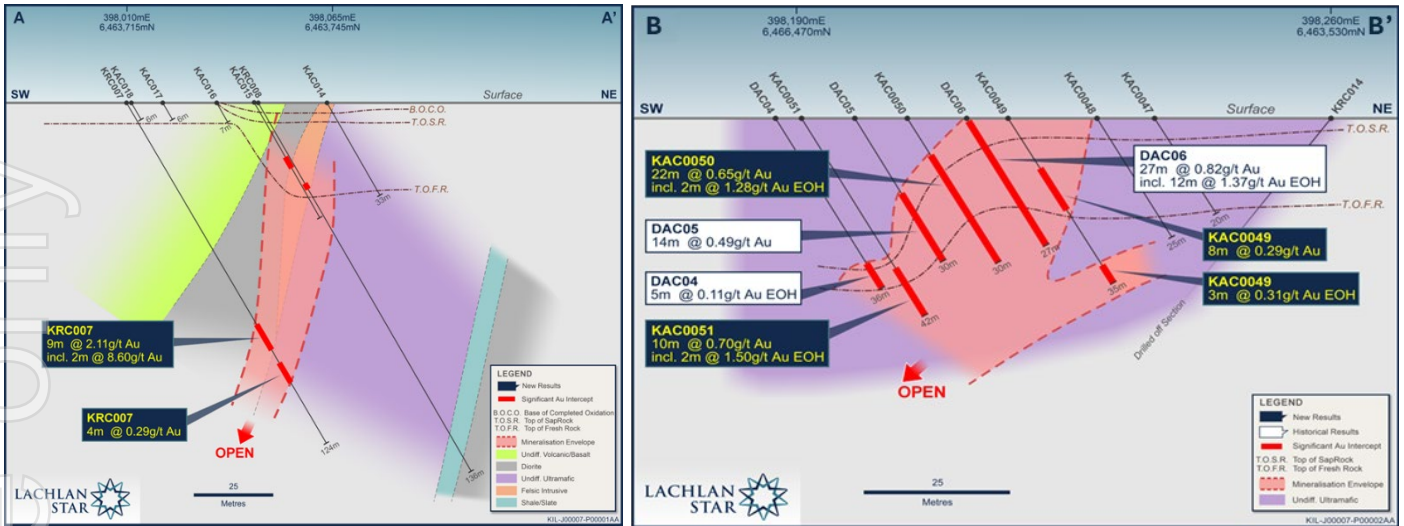


Figure 2: Schematic oblique cross sections looking northwest through the northern (left image) and central (right image) area of the Duke Main Gold Zone, with significant gold intercepts (historic – white, Lachlan Star – dark blue) highlighted.

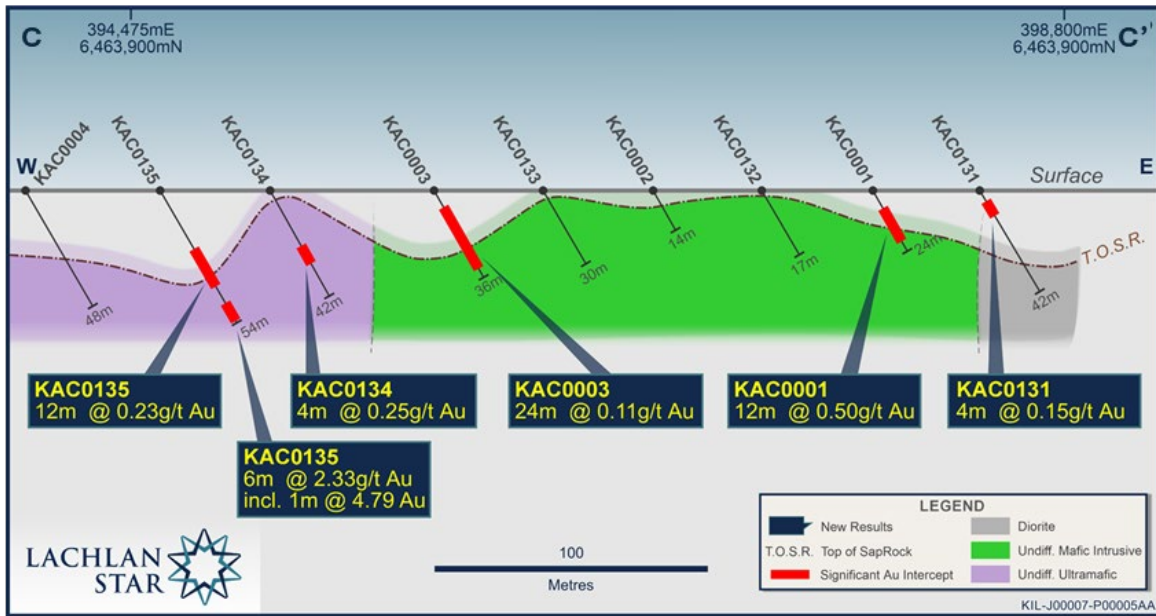


Figure 3: Schematic cross section looking north through the eastern area of the Regional Duke AC line 6,463,900mN, with significant Lachlan Star gold intercepts highlighted.

Duchess Prospect

At the Duchess Prospect, reconnaissance drilling intersected ultramafic to mafic host rocks intruded by porphyritic felsic dykes, with gold mineralisation closely associated with these intrusives (Figure 4). Alteration assemblages of silica–chlorite–pyrite and talc–carbonate–magnetite point to a large hydrothermal footprint. Encouraging initial results included:

- 17 m @ 0.52 g/t Au from 48 m, including 4 m @ 1.14 g/t Au (KAC0145)
- 12 m @ 0.29 g/t Au from 28 m (KAC0144)

This initial drilling phase at Killaloe has confirmed multiple zones of near-surface gold mineralisation within both the Duke and Duchess areas. Mineralisation remains open along strike and at depth, with several holes ending in economic grades. Planning is now underway for a follow-up program of infill RC and diamond drilling to further evaluate the scale and continuity of these systems.

In parallel, Lachlan Star expanded its regional footprint through the application for two additional exploration licences (E63/2516 and E63/2517), securing further highly prospective ground adjacent to the current Killaloe tenure.

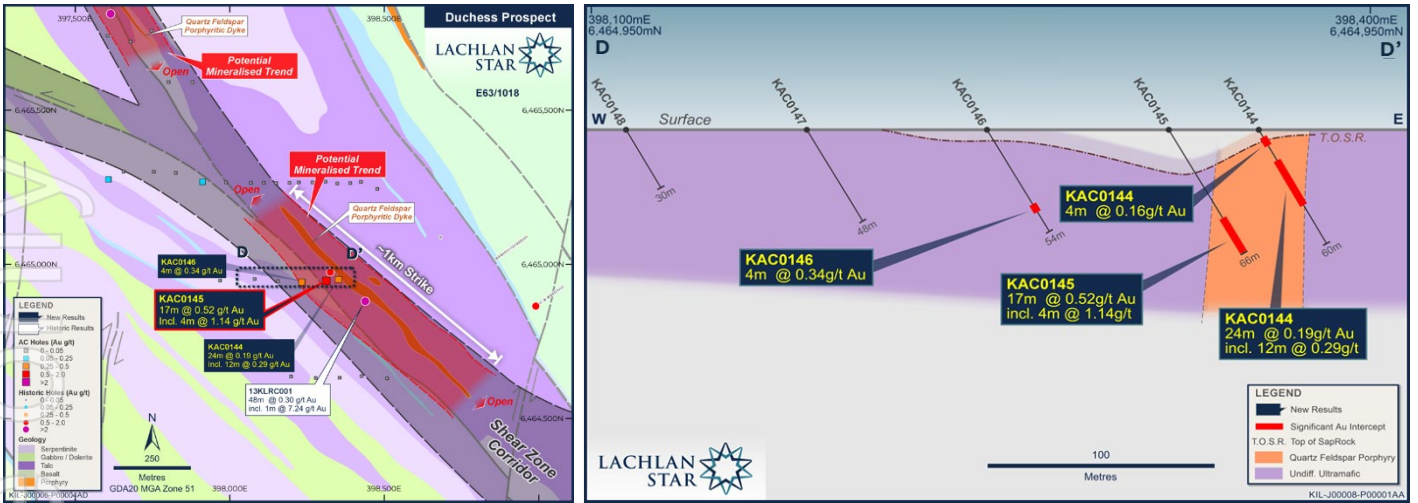


Figure 4: Plan view map (left image) of the Duchess Prospect area and schematic cross section (right image) looking north through regional AC line 6,464,950mN, showing distribution of drilling with maximum gold grade-in-hole and historic (white) and Lachlan Star (dark blue) significant gold intersections. Lachlan Star holds 80% and Cullen Resources Ltd hold 20% interest in E63/1018.

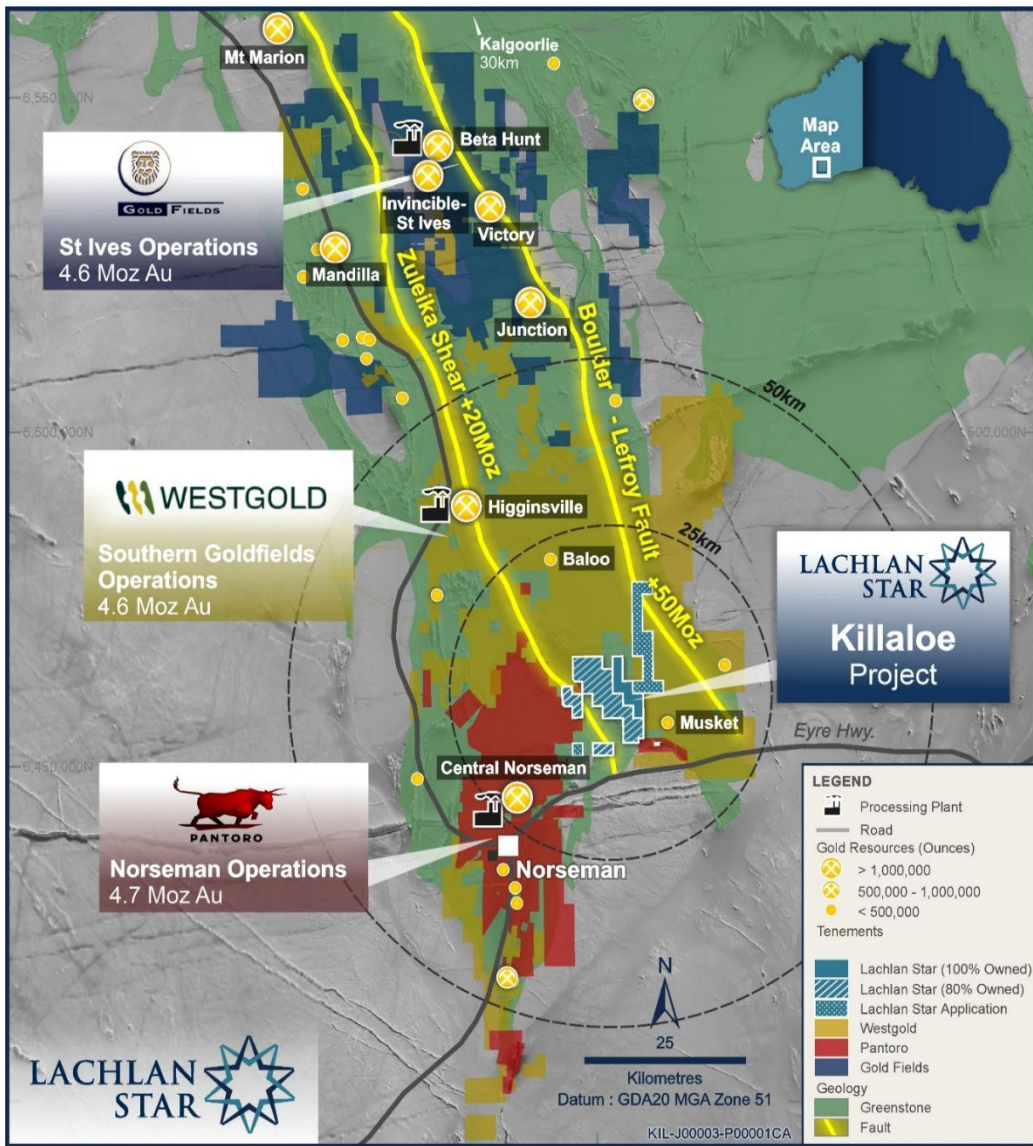


Figure 5: Location map showing Lachlan Star tenements (Granted licences E63/1018 (80%), E63/1713 (100%), M63/177 (100%) and Applications E63/2516 (100%) and E63/2517 (100%)) within the Eastern Goldfields of Western Australia. Major operations and neighbouring tenement holders also shown. Note, gold endowment presented in the figure is sourced from the relevant Company public domain reports.

KOOJAN PROJECT (50% LACHLAN STAR)

During the year, Minerals 260 Limited withdrew from the Koojan Farm-in and Joint Venture Agreement with Coobaloo Minerals Pty Ltd (Coobaloo). Coobaloo is an incorporated joint venture between Lachlan Star and an external party Wavetime Nominees Pty Ltd. Lachlan Star currently holds a 50% interest in the project and has satisfied the expenditure commitment to earn an additional 25% in Coobaloo and has the right to exercise the option to become a 75% shareholder in Coobaloo.

The Company continues to conduct an internal technical review of the data and will assess its options for the project.

NEW SOUTH WALES

NORTH COBAR PROJECT (100% LACHLAN STAR)

The North Cobar Project lies immediately north of the Cobar mining centre in central NSW (**Figure 7**) and covers the northern extensions of the metalliferous Rookery and Buckwaroon Fault systems – fundamental structures associated with major deposits in the Cobar Basin, including the CSA and Endeavor Mines. These regionally significant faults are recognised as key controls on Cobar-type mineral systems, which host copper, gold, lead, zinc and silver mineralisation.

The Project straddles the northeastern margin of the Cobar Basin and is underlain by sedimentary successions of the Siluro-Devonian Kopyje, Nurri and Amphitheatre Groups. This sequence provides a complex and favourable structural–stratigraphic environment for the deposition of mineralisation, particularly where brittle–ductile deformation and competency contrasts have created fluid-focusing traps.

Lachlan Star has advanced exploration at North Cobar through a staged, data-driven program including detailed geological mapping, surface geochemical sampling, and high-resolution ground gravity surveying. This work was supported by a \$50,000 grant under the NSW New Frontiers Exploration Program. Integration of gravity, aeromagnetics and 3D inversion modelling highlighted several discrete anomalies coincident with magnetic features, interpreted as a structurally complex corridor. These geophysical targets are further supported by spatially coherent multi-element soil anomalies.

A 36-line-kilometre pole–dipole induced polarisation (IP) survey was then completed across key prospects, outlining compelling chargeability anomalies, with values up to 20 mV/V at Percival and up to 6 mV/V at Galahad North and South (**Figure 7**). The amplitude, geometry and spatial association of these responses with gravity and magnetic features are consistent with sulphide-bearing alteration systems observed in other Cobar-type deposits.

In July 2025, Lachlan Star commenced a 4,000-metre reverse circulation drilling program to test these high-priority targets, with holes designed to intersect the cores of chargeable bodies at depths of 150–250 metres. Downhole electromagnetic (DHEM) surveying is also planned in selected holes to refine follow-up targeting. Progress was deferred by wet weather, and drilling will continue into the first half of FY26.

The underexplored nature of the North Cobar Project, combined with the systematic integration of geophysics, geochemistry and structural geology, positions it as a significant greenfields discovery opportunity. This disciplined, technically robust approach underpins the Company's strategy to generate and test targets capable of delivering a new generation of Cobar-type copper–gold discoveries.

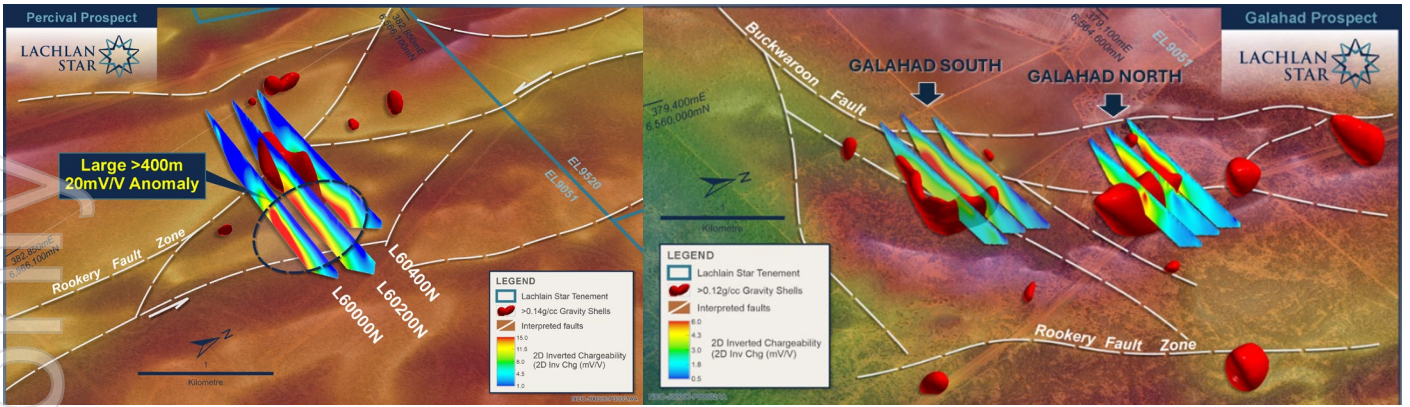


Figure 6: Percival (left image) and Galahad North and South (right image) Prospects – Isometric image (looking northwest) underlain by regional RTP magnetics and aerial photo, showing the strong IP chargeability responses which lie coincident with strong gravity anomalies on the regionally significant and mineral endowed Rookery Fault Zone, north of the nearby CSA Copper-Gold Mine.

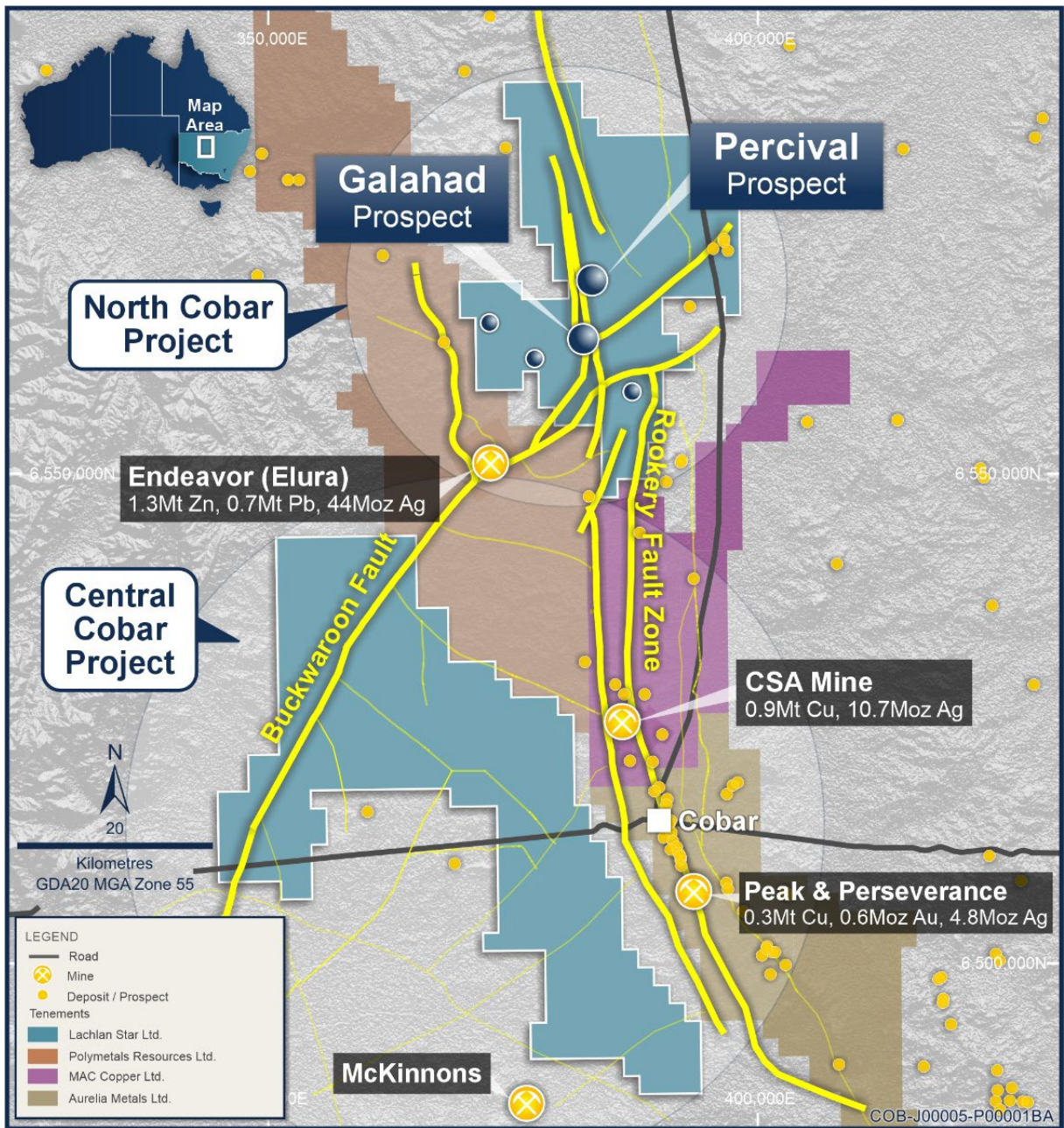


Figure 7: Location map showing Lachlan Star tenements and North Cobar Prospects, within the Cobar region of New South Wales. Major operations and neighbouring tenement holders also shown. Mineral Resources are sourced from the relevant Company public domain reports

CENTRAL COBAR PROJECT (100% LACHLAN STAR)

The Central Cobar Project comprises more than 1,000km² of prospective ground within the central-northern Cobar Basin, NSW (**Figure 8**). The Project is situated immediately west of the Cobar Mining Centre and lies within one of NSW's most metal-rich but underexplored regions.

The Company continued its comprehensive compilation and review of historical exploration across the tenement package and commenced a modern mineral systems-based targeting framework focussed on identifying key mineral system components through integration of available precompetitive datasets.

- Landholder access agreements were also progressed across key target areas for near future on-ground reconnaissance geological mapping and surface geochemical sampling.

JUNEE PROJECT - Basin Creek Prospect (100% LACHLAN STAR)

The Basin Creek Prospect, located 12 kilometres south of Tumut in central New South Wales, is a key copper exploration focus for Lachlan Star. The Prospect sits within a favourable volcanic and volcanoclastic sequence interpreted to host a modified volcanogenic massive sulphide (VMS) system. During the year, work advanced significantly through the relogging of historical core, maiden drilling, and completion of geophysics.

- Detailed review of drill core from the NSW Government Londonderry core library confirmed the presence of a coherent high-grade copper sulphide system, including historic results such as **21.3 metres at 4.51% Cu (including 4.6 metres at 18.54% Cu)**. This work informed the design of Lachlan Star's maiden six-hole, 1,252 metre diamond drilling program, which validated the geological model, confirmed continuity, and demonstrated extensions at depth. Standout results included:

- **79.2 m @ 0.5% Cu** from 12 m, including **0.8 m @ 11.8% Cu** (BCD003)
- **21 m @ 1.2% Cu** from 138 m, including **4.5 m @ 3.0% Cu** (BCD004)
- **9.1 m @ 2.7% Cu** from 191 m, including **3.5 m @ 6.6% Cu** (BCD005)

Mineralisation is characterised by disseminated and semi-massive chalcopyrite, bornite and chalcocite, hosted within strong chlorite ± magnetite alteration of massive to brecciated andesite. Silver-rich chalcocite also occurs in the upper transitional zone, reflecting a broader mineralised halo around the high-grade lenses.

In parallel, Lachlan Star completed a 13-line kilometre pole-dipole induced polarisation survey across the Basin Creek corridor. Three-dimensional inversion modelling identified a large, north-plunging chargeability anomaly that intensifies with depth and coincides with a >250 ppm copper-in-soil anomaly (**Figure 8**). This strong geophysical and geochemical correlation provides compelling evidence for a substantial undrilled extension of the system.

- With regulatory approvals in place, the next phase of drilling will test these northern extensions, step out from high-grade intercepts, and evaluate depth potential using downhole EM techniques. This work represents a high-impact opportunity to significantly expand the known copper-rich sulphide system at Basin Creek.

- The tenements of the northern Junee Project had limited review due to the focus of work at Basin Creek during the year.

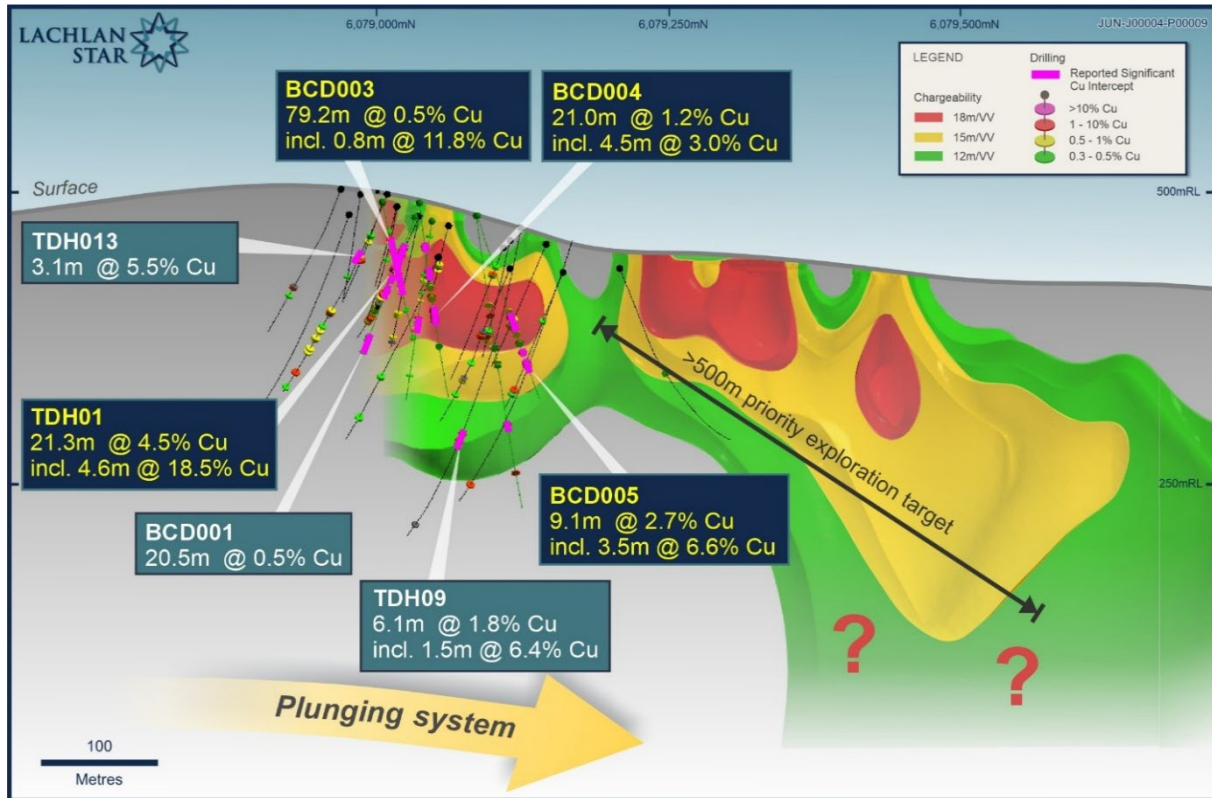


Figure 8: Long section (looking west) showing 3D inversion modelled chargeability at 610260mE highlighting the strong chargeability anomaly over the area of recent drilling, with reported significant copper intercepts.

BAULOORA NORTH PROJECT (100% LACHLAN STAR)

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

QUEENSLAND

PRINCHESTER MAGNESITE PROJECT (100% LACHLAN STAR)

The Company's mining lease licences for ML5831 and ML5832 were renewed during the period until 2033. During the reporting period no work was conducted and the Company continues to assess its options for the project.

Annual Statement of Mineral Resources and Ore Reserves

The Company does not have any Mineral Resources or Ore Reserves.

Competent Person's Statement – Exploration Results

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

- "High-Grade Gold Intersected at Killaloe Norseman WA" dated 28 July 2025;
 - "Drilling Commenced at North Cobar Copper-Gold Project, Lachlan Fold Belt, NSW" dated 10 July 2025;
 - "Significant Gold Intersected at Killaloe Project, Norseman WA" dated 19 June 2025;
 - "Maiden Drill program commences at Killaloe Gold Project, Norseman WA - amended" dated 19 May 2025;
 - "High-Potential Cobar-Type IP Targets confirmed at North Cobar Project, NSW" dated 20 March 2025;
 - "Significant Gold Results Highlight Potential of Killaloe Project, Norseman WA" dated 26 February 2025;
 - "Significant Near-Term Step-Out Copper Drill Target Defined at Basin Creek, NSW" dated 10 February 2025;
 - "Further Wide High-Grade Copper Intercepts at Basin Creek" dated 16 January 2025;
 - "High-Grade Copper Intersected Within Broad Mineralised Zones at Basin Creek, NSW" dated 12 December 2024;
 - "Drilling Intersect Semi-Massive Copper Sulphides at Basin Creek, NSW" dated 27 November 2024;
 - "High-Grade Copper Drill Targets Defined at Basin Creek – June Project, NSW" dated 15 August 2024;
 - "Positive Start to Exploration in NSW and Acquisition of Priority Ground in Cobar" dated 17 June 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 the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

OPERATING AND FINANCIAL REVIEW

Financial Performance

The consolidated entity's loss after tax for the year ended 30 June 2025 was \$3,410,636 (2024: loss of \$1,779,323) after recognising an impairment expense of \$2,318,607 (2024: \$850,000) and other expenses of \$1,007,150 (2024: \$869,610).

Financial Position

As at 30 June 2025, the Group maintained a cash position of \$1,808,723, an increase of \$194,055 from the prior year.

Exploration and evaluation expenditure capitalised was \$11,203,885 (2024: \$9,970,770) an increase of \$1,233,115. This amount is net of an impairment charge of \$2,318,607 to the carrying value of the Koojan project.

Total liabilities increased by \$505,854 compared to 30 June 2024, consistent with the Group's expanded level of activity in progress at 30 June 2025 and operational commitments.

During the year, the Company completed a two tranche share placement to raise \$4.5 million. Tranche one of the Placement comprised the issue of 43,400,000 fully paid ordinary shares to sophisticated and professional investors at an issue price of \$0.10 per share. Following shareholder approval at the Company's Annual General Meeting, a further 1,600,000 fully paid ordinary shares were issued to Directors (or their respective nominees) at an issue price of \$0.10 per share.

Annual General Meeting

At the Company's Annual General Meeting held on 28 November 2024 all resolutions were passed by way of a poll.

Forward Looking Statement

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.

DIRECTORS' REPORT

The directors present their report together with the financial report of the consolidated entity, being Lachlan Star Limited (Company or Lachlan) and its subsidiaries (consolidated entity or group), at the end of and for the year ended 30 June 2025. Lachlan Star Limited is a listed public company incorporated and domiciled in Australia.

DIRECTORS

The names and details of the Company's directors in office at any time during the financial year and up to the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Name	Gary Steinepreis
Position	Non-executive Chairman
Appointed	18 January 2018
Independence status	Not Independent
Experience	Mr Steinepreis holds a Bachelor of Commerce degree from the University of Western Australia and is a Chartered Accountant. He provides corporate, management and accounting advice to a number of companies involved in the resource, technology and manufacturing industries.
Interests in Shares and Options (at the date of this Report)	Fully paid shares – 12,388,235 Options & Rights – Nil
Special Responsibilities	None
Directorships of Other Listed Entities in the Last Three Years	CFOAM Limited Taruga Minerals Limited (resigned 22 November 2024)

Name	Brendan Bradley
Position	Non-executive Director
Appointed	25 October 2023
Independence status	Not Independent
Experience	Mr Bradley is a geologist with over 20 years of mineral exploration, mining and resource development experience in a broad range of geological settings. Prior to his appointment as Managing Director of DevEx Resources Limited in 2017, Mr Bradley was working in the Asian region in a variety of business development roles for mid-tier gold miners Kingsgate Consolidated and Dominion Mining. Mr Bradley holds a Bachelor of Applied Science with Honours and is a Member of the Australian Institute of Geoscientists.
Interests in Shares and Options (at the date of this Report)	Fully paid shares – 250,000 Options & Rights – Nil
Special Responsibilities	None
Directorships of Other Listed Entities in the Last Three Years	DexEx Resources Limited

Name	Stacey Apostolou
Position	Non-executive Director
Appointed	25 October 2023
Independence status	Not Independent
Experience	Ms Apostolou is a Finance Executive with over 30 years' experience in the Australian resources sector. Ms Apostolou has previously held a range of senior positions as CFO and Company Secretary of listed resources companies. Prior to her role at DevEx Resources Limited, she was Chief Financial Officer for EMR Capital's Golden Grove and Capricorn Copper operations prior to the listing of 29 Metals in July 2021, where she then held the role of Group Manager, Commercial and Finance. Ms Apostolou has significant experience in corporate and financial matters, holds a Bachelor of Business degree and is a member of CPA Australia.
Interests in Shares and Options (at the date of this Report)	Fully paid shares – 250,000 Options & Rights – Nil
Special Responsibilities	None
Directorships of Other Listed Entities in the Last Three Years	DexEx Resources Limited (Resigned 30 September 2024). Minerals 260 Limited

COMPANY SECRETARY

Mr Daniel Smith retired as a Director on the 29 November 2024 and also resigned as Company Secretary on 2 December 2024.

Mr Russell Hardwick was appointed as Company Secretary, effective 2 December 2024. Mr Hardwick is a CPA, with over 20 years' experience in the resources industry, is a member of the Governance Institute of Australia, and a graduate of the Institute of Company Directors.

DIRECTORS' MEETINGS

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2025, and the number of meetings attended by each Director. In addition, a number of matters were dealt with via Circular resolution signed by all Directors.

	Number eligible to attend	Number attended
G Steinepreis	6	6
B Bradley	6	5
S Apostolou	6	6
D Smith	3	2

PRINCIPAL ACTIVITIES

The Company's principal activities revolve around mineral resource exploration in Australia.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The consolidated entity's exploration and mining activities were concentrated in Australia. Environmental obligations are regulated under both State and Federal Laws. No environmental breaches have been notified to the Company by government agencies during the year ended 30 June 2025.

DIVIDENDS

No dividends were paid during the year, and the directors do not recommend payment of a dividend in respect of the reporting period (2024: Nil).

AUDIT COMMITTEE

The Board considers that the Company is not currently of a size to justify an Audit Committee. The whole board act as the audit committee.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under Section 307C of the Corporations Act 2001 is set out on page 22 and forms part of the directors' report for the financial year ended 30 June 2025.

REMUNERATION COMMITTEE

The Board considers that the Company is not currently of a size to justify a Remuneration Committee. The whole board act as the remuneration committee.

NON-AUDIT SERVICES

The auditors did not provide any non-audit services during either the period under review or the corresponding period.

EVENTS SUBSEQUENT TO REPORTING DATE

On 28 August 2025, the Company announced it had secured \$2.16 million (before costs) in commitments from existing and new sophisticated and professional investors via a placement of Shares at an issue price of \$0.05 per share. On 3 September 2025, the Company completed Tranche One of the Placement through the issue of 36,650,000 fully paid ordinary shares. Tranche two of the Placement is expected to raise a total of \$0.33 million through the issue of 6,600,000 fully paid ordinary shares including 2,600,000 shares to Directors (or their associates) and 4,000,000 shares to the Company's major shareholder, DevEx Resources Ltd. Tranche Two is subject to obtaining shareholder approval at the Company's Annual General Meeting to be held in November 2025.

No other matters or circumstances has arisen since 30 June 2025 that in the opinion of the directors has significantly affected or may significantly affect in future financial years (i) the consolidated entity's operations, or (ii) the results of those operations, or (iii) the consolidated entity's state of affairs.

INDEMNITY OF DIRECTORS AND COMPANY SECRETARY

Deeds of Access and Indemnity have been executed by the parent entity with each of the current directors and Company Secretary. The deeds require the Company to indemnify each director and the Company Secretary against any legal proceedings, to the extent permitted by law, made against, suffered, paid or incurred by the director or Company Secretary pursuant to, or arising from or in any way connected with the director or Company Secretary being an Officer of the Company or its subsidiaries.

REMUNERATION REPORT

The Remuneration Report is set out on pages 17 to 21 and forms part of this Directors' Report.

INSURANCE OF DIRECTORS AND OFFICERS

During the financial year the Company paid a premium to insure the directors and officers of the Company and its controlled entities. The policy prohibits the disclosure of the nature of the liabilities covered and the amount of the premium paid.

LIKELY DEVELOPMENTS

The Company has allocated part of its working capital budget to the identification and evaluation of new mineral resource opportunities in Australia and also, undertaking a review of a range of opportunities during the financial year.

Refer to the events subsequent to reporting date detailed below.

OPERATING AND FINANCIAL REVIEW

An operating and financial review for the year is set out on pages 3 to 11 and forms part of this Directors' Report.

SHARES UNDER OPTION

The following unissued ordinary shares of the Company under option at the date of this report are as follows:

Expiry Date	Exercise price	Balance
1 Feb 2028	7.5 cents	5,000,000
1 March 2028	7.5 cents	1,000,000

PROCEEDINGS ON BEHALF OF THE CONSOLIDATED ENTITY

No person has applied for leave to the Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

RISK MANAGEMENT

The Board of Directors review the key risks associated with conducting exploration and evaluation activities in Australia and steps to manage those risks. The key material risks faced by the Company include:

Exploration and development

The future value of the Company will depend on its ability to find and develop resources that are economically recoverable. Mineral exploration and development is a speculative undertaking that may be impeded by circumstances and factors beyond the control of the Company.

Success in this process involves, amongst other things; discovery and proving-up an economically recoverable resources or reserves, access to adequate capital throughout the project development phases, securing and maintaining title to mineral exploration projects, obtaining required development consents and approvals, access to competent management and appropriately skilled personnel and environmental risks.

The Company is entirely dependent upon its projects, which are the sole potential source of future revenue, and any adverse development affecting these projects would have a material adverse effect on the Company, its business, prospects, results of operations and financial condition.

Economic Conditions

Factors such as (but not limited to) political movements, stock market fluctuations, interest rates, inflation levels, commodity prices, industrial disruption, taxation changes and legislative or regulatory changes, may all have an adverse impact on the Company's projects, availability of commercial opportunities and the Company's share price.

Future funding risk

Continued exploration and evaluation is dependent on the Company being able to secure future funding from equity markets as required. There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Any inability to obtain sufficient financing for the Company's activities and future projects may result in the delay or cancellation of certain activities or projects, which would likely adversely affect the potential growth of the Company.

Regulatory and permitting

Delays in obtaining exploration permits or changes in regulatory requirements can hinder exploration progress and increase costs.

Land access

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. Negotiation with land owners/occupiers are generally required before a company can access land for exploration activities

REMUNERATION REPORT (AUDITED)

The information provided in this remuneration report has been audited as required by section 308 (3C) of the *Corporations Act 2001*.

The remuneration report details the remuneration for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, or any controlled entity. KMPs during or since year end were :

- Mr G Steinepreis (Chairman)
- Mr B Bradley (Non-Executive Director)
- Ms S Apostolou (Non-Executive Director)
- Mr D Smith (Non-Executive Director- resigned 29 November 2024)
- Mr A Tyrrell (Chief Executive Officer)

Principles used to determine the nature and amount of compensation

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The Board is responsible for determining and reviewing compensation arrangements for the directors and senior management. The Board assesses the appropriateness of the nature and amount of remuneration of non-executive directors and executives on a periodic basis by reference to relevant employment market conditions. The Company recognises that it operates in a competitive environment and to operate effectively it must be able to attract, motivate and retain key personnel.

The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms to market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- (i) competitiveness and reasonableness;
- (ii) acceptability to shareholders;
- (iii) performance linkage / alignment of executive compensation;
- (iv) transparency; and
- (v) capital management.

The Company has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

Alignment to shareholders' and program participants' interests:

- (i) focuses on sustained growth in shareholder wealth;
- (ii) attracts and retains high calibre executives;
- (iii) rewards capability and experience; and
- (iv) provides a clear structure for earning rewards.

Use of remuneration consultants

The Company did not engage remuneration consultants during the current or prior financial year.

Voting and comments made at the Company's Annual General Meeting

The Company received 97.54% of "yes" proxy votes on its remuneration report for the 2024 financial year, inclusive of discretionary proxy votes. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

REMUNERATION STRUCTURE

Non-executive Directors

The Board recognises the importance of attracting and retaining talented non-executive directors and aims to remunerate these directors in line with fees paid to directors of companies of a similar size and complexity in the mining and exploration industry. The Company's constitution provides that the Non-executive Directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate sum determined by a general meeting. The aggregate remuneration has been set at an amount of \$325,000 per annum.

Currently each non-executive director is entitled to receive \$36,000pa, with the Non-Executive Chairman receiving \$48,000pa. These entitlements include any statutory superannuation. The non-executive directors are not entitled to receive retirement benefits and, at the discretion of the Board, may participate in the Employee Securities Incentive Plan subject to required approval by shareholders.

Executive

As part of executive's remuneration packages, there is a performance-based component consisting of the issue of share options and/or performance rights to encourage the alignment of management and Shareholders' interests. The Company has adopted an Employee Securities Incentive Plan (Plan) to motivate and retain executives of the Company and to provide an opportunity to participate in the growth of the Company. The Plan was last approved by Shareholders at the 2023 AGM.

Under the Plan, the Company can issue either share options or performance rights, and generally, the Company believes that the issue of share options in the Company aligns the interests of executives and shareholders alike. The Board determines appropriate vesting conditions that include a premium over the prevailing share price to provide potential rewards over a period of time and to align interests with those of shareholders.

The Company has entered into an employment contract with Mr Andrew Tyrrell as the Company's Chief Executive Officer. The contract is dated 17 October 2023 and is on a continuing basis with no fixed term. The agreement specifies the duties and obligations of the Chief Executive Officer and contains normal commercial termination clauses including the provision of three months written termination notice by either party.

Link Between Performance and Executive Remuneration

A summary of the operating losses and share prices at year end for the last four years are as follows:

	2022	2023	2024	2025
Net Profit/(Loss)	(\$418,032)	(\$374,421)	(\$1,779,323)	(\$3,410,636)
Share price at year end	\$0.13	\$0.09	\$0.056	\$0.069
Earnings per share	(0.03) cents	(0.03) cents	(0.97) cents	(1.42) cents

Loans to and other transactions with key management personnel

Mr Daniel Smith (who retired as a Director on the 29 November 2024 and resigned as Company Secretary on 2 December 2024) is a director of Minerva Corporate Pty Ltd. Minerva Corporate Pty Ltd provided accounting consultancy and company secretarial services to Lachlan Star Limited. Payments to Minerva Corporate Pty Ltd during the year total \$74,500 (2024: \$122,500).

Mr Gary Steinepreis is a Director of Leisurewest Consulting Pty Ltd which provided the services of the Mr Steinepreis as Chairman of the Company. Payments to Leisurewest Consulting Pty Ltd during the year consisted of remuneration for his role as Non-executive Chairman of \$48,000 (2024: \$48,000).

Transactions with key management personnel have been entered into under terms and conditions no more favourable than those the Company would have adopted if dealing at arm's length.

Current trade and other payables include \$4,000 (2024: \$18,150) to key management personnel at reporting date in respect of outstanding fees payable to Leisurewest Consulting Pty Ltd.

The consolidated entity did not have any other loans or transactions with related parties during the current year.

Directors' and other key management personnel remuneration, Company and consolidated entity

Details of the nature and amount of each major element of the remuneration of each director of the Company and each of the named Company and consolidated entity key management personnel receiving the highest remuneration are as follows:

2025	Short term salary and fees (\$)	Share based payments - options (\$)	Post-employment (superannuation contributions) (\$)	Total (\$)	Proportion of remuneration performance related (Options) (%)
Directors					
G Steinepreis	48,000	-	-	48,000	-
D Smith ¹	20,000	-	-	20,000	-
S Apostolou	32,287	-	3,713	36,000	-
B Bradley	32,287	-	3,713	36,000	-
Other KMP					
A Tyrrell - CEO	300,000	88,748	33,375	422,123	21
Company Secretary					
D Smith ²	12,500	-	-	12,500	-
Total	445,074	88,748	40,801	574,623	-

¹ Resigned as a director 29 November 2024

² Resigned as company secretary 2 December 2024

2024	Short term salary and fees (\$)	Share based payments - options (\$)	Post-employment (superannuation contributions) (\$)	Total (\$)	Proportion of remuneration performance related (Options) (%)
Directors					
G Steinepreis	48,000	-	-	48,000	-
B Aylward ¹	16,000	-	-	16,000	-
D Smith	48,000	-	-	48,000	-
S Apostolou ²	22,232	-	2,446	24,678	-
B Bradley ²	23,124	-	1,554	24,678	-
Other KMP					
A Tyrrell - CEO	121,591	39,766	13,375	174,732	22.7
Company Secretary					
D Smith	30,000	-	-	30,000	-
Total	308,947	39,766	17,375	366,088	-

¹ Resigned 25 October 2023

² Appointed 25 October 2023

Notes

Director and other key management personnel fees are paid to the individual or their related entity.

Share options

The movement during the reporting period in the number of options in the Company held, directly, indirectly or beneficially by each key management person are as follows:

2025	Opening Balance	Received as Remuneration	Vested	Exercised/ Expired	Closing Balance	
					Vested and Exercisable	Unvested
Directors						
G Steinepreis	-	-	-	-	-	-
D Smith ¹	-	-	-	-	-	-
S Apostolou	-	-	-	-	-	-
B Bradley	-	-	-	-	-	-
Other KMP						
A Tyrrell - CEO	5,000,000	-	2,500,000	-	2,500,000	2,500,000
Total	5,000,000	-	2,500,000	-	2,500,000	5,000,000

¹ Resigned as a director 29 November 2024

2024	Opening Balance ¹	Received as Remuneration	Vested	Exercised/ Expired	Closing Balance	
					Vested and Exercisable	Unvested
Directors						
G Steinepreis	-	-	-	-	-	-
B Aylward	1,000,000	-	-	(1,000,000)	-	-
D Smith	700,000	-	-	(700,000)	-	-
S Apostolou	-	-	-	-	-	-
B Bradley	-	-	-	-	-	-
Other KMP						
A Tyrrell - CEO	-	5,000,000 ²	-	-	-	5,000,000
Total	1,700,000	5,000,000	-	(1,700,000)	-	5,000,000

No options have been granted since the end of the financial year, nor have any options held by key management personnel been exercised during or since the end of the reporting period.

Ordinary Shares

The movement during the reporting period in the number of ordinary shares in the Company held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

2025					
	Opening Balance	Net acquired / (disposed)	Granted as compensation	Net Change Other	Closing Balance
Directors					
G Steinepreis	11,638,235	750,000	-	-	12,388,235
D Smith ¹	960,000	-	-	-	960,000
S Apostolou	-	250,000	-	-	250,000
B Bradley	-	250,000	-	-	250,000
Other KMP					
A Tyrrell - CEO	100,000	888,150	-	-	988,150
Total	12,698,235	2,138,150	-	-	14,836,385

¹ Resigned as a director 29 November 2024

2024					
	Opening Balance ¹	Net acquired / (disposed)	Granted as compensation	Net Change Other	Closing Balance
Directors					
G Steinepreis	11,638,235	-	-	-	11,638,235
B Aylward	525,000	-	-	(525,000) ²	-
D Smith	960,000	-	-	-	960,000
S Apostolou	-	-	-	-	-
B Bradley	-	-	-	-	-
Other KMP					
A Tyrrell - CEO	-	100,000	-	-	100,000
Total	13,123,235	100,000	-	(525,000)	12,698,235

¹ Adjusted for 10:1 Consolidation

² Resigned 25 October 2023

No ordinary shares were granted to key management personnel during the current or prior periods.

End of Audited Remuneration Report

Signed in accordance with a resolution of the directors.



Gary Steinepreis
Perth, Western Australia
16 September 2025

To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the audit of the financial statements of Lachlan Star Limited and its controlled entities for the year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark DeLaurentis

MARK DELAURENTIS CA

Director

Dated this 16th day of September 2025
Perth, Western Australia

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	Note	30-Jun-25 \$	30-Jun-24 \$
Revenue from continuing operations			
Finance income		80,325	36,299
Expenses			
Exploration and evaluation expense		(37,097)	(35,000)
Impairment expense	7	(2,318,607)	(850,000)
Share based payment expense	19	(111,639)	(46,585)
Other expenses	5	(1,007,150)	(869,610)
Finance expense		(16,468)	(14,427)
Loss from continuing operations before income tax		(3,410,636)	(1,779,323)
Income tax expense	3	-	-
Loss from continuing operations after income tax	17(c)	(3,410,636)	(1,779,323)
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive loss for the year		(3,410,636)	(1,779,323)
Loss per share from continuing operations attributable to the ordinary equity holders of the Company:		<u>Cents</u>	<u>Cents</u>
Basic and diluted loss per share	2	(1.42)	(0.97)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION**AS AT 30 JUNE 2025**

		30-Jun-25	30-Jun-24
	Note	\$	\$
Current Assets			
Cash & cash equivalents	13(b)	1,808,723	1,614,668
Trade & other receivables	6	135,611	81,081
Total Current Assets		1,944,334	1,695,749
Non-Current Assets			
Plant and equipment		36,559	39,043
Exploration & Evaluation	7	11,203,885	9,970,770
Right-of-use assets	8	133,949	175,163
Other assets	9	207,839	183,839
Total Non-Current Assets		11,582,232	10,368,815
TOTAL ASSETS		13,526,566	12,064,564
Current Liabilities			
Trade & other payables	10	774,733	277,373
Lease liabilities	8	37,988	33,661
Provisions		42,156	-
Total Current Liabilities		854,877	311,034
Non-current Liabilities			
Lease liabilities	8	112,168	150,157
Total Non-current Liabilities		112,168	150,157
TOTAL LIABILITIES		967,045	461,191
NET ASSETS		12,559,521	11,603,373
Equity			
Issued capital	17(a)	20,888,289	16,633,144
Reserves	17(b)	645,426	932,787
Accumulated losses	17(c)	(8,974,194)	(5,962,558)
TOTAL EQUITY		12,559,521	11,603,373

The above consolidated statement of financial position should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued Capital \$	Share-based Payment Reserve \$	Options Premium Reserve \$	Accumulated Losses \$	Total \$
At 1 July 2024	9,822,599	487,202	399,000	(4,183,235)	6,525,566
Loss for the year	-	-	-	(1,779,323)	(1,779,323)
Total comprehensive loss for the year	-	-	-	(1,779,323)	(1,779,323)
Transactions with owners in their capacity as owners:					
Shares issued (net of costs) – exercise of options	-	-	-	-	-
Acquisition of shares – TRK Resources Pty Ltd (Note 7)	6,810,545	-	-	-	6,810,545
Share based payments (Note 19)	-	46,585	-	-	46,585
At 30 June 2024	16,633,144	533,787	399,000	(5,962,558)	11,603,373
Loss for the year	-	-	-	(3,410,636)	(3,410,636)
Total comprehensive loss for the year	-	-	-	(3,410,636)	(3,410,636)
Transactions with owners in their capacity as owners:					
Shares issued (net of costs)	4,255,145	-	-	-	4,255,145
Expired share options	-	-	(399,000)	399,000	-
Share based payments (Note 19)	-	111,639	-	-	111,639
At 30 June 2025	20,888,289	645,426	-	(8,974,194)	12,559,521

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

		30-Jun-25 \$	30-Jun-24 \$
	<i>Note</i>		
Cash Flows from Operating Activities			
Payments to suppliers and employees		(1,054,935)	(825,916)
Interest received		42,848	36,299
Net Cash Outflow used in Operating Activities	13	(1,012,087)	(789,617)
Cash Flow from Investing			
Exploration and evaluation expenditure		(3,015,383)	(739,297)
Payments for plant and equipment		(8,620)	(44,434)
Payments to acquire tenements		-	(30,904)
Payments to acquire other assets		(25,000)	(148,839)
Net Cash Outflow used in Investing Activities		(3,049,003)	(963,474)
Cash Flows from Financing Activities			
Proceeds from issue of share capital		4,500,000	-
Payments for share issue costs		(244,855)	-
Net Cash Inflow from Financing Activities		4,255,145	-
Net Increase/(Decrease) in Cash and Cash Equivalents		194,055	(1,753,091)
Cash and Cash Equivalents at beginning of Year		1,614,668	3,367,759
Cash and Cash Equivalents at end of Year	13	1,808,723	1,614,668

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes to the financial statements.

1. MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of Lachlan Star Limited and its subsidiaries.

(A) BASIS OF PREPARATION

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards (“AASs”) (including Australian Accounting Interpretations), as adopted by the Australian Accounting Standards Board (“AASB”), other authoritative pronouncements of the AASB, Urgent Issues Group Interpretations, and the Corporations Act 2001. Lachlan Star Limited is a for-profit entity for the purposes of preparing the financial statements. Compliance with Australian Accounting Standards ensures that the consolidated financial report of Lachlan Star Limited complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The functional and presentation currency of the Company is Australian dollars. Lachlan Star Limited is a company limited by shares, incorporated and domiciled in Australia.

BASIS OF MEASUREMENT

The financial report is prepared on a historical cost basis as modified by the revaluation of financial assets and liabilities at fair value through profit and loss.

GOING CONCERN

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

As at 30 June 2025, the Company has a working capital surplus of \$1,089,457 (2024: \$1,384,715). Subsequent to year end, the Company announced a placement to raise \$2.16 million (before costs) through the issue of 43,250,000 shares at \$0.05 per share in two tranches. Tranche one to raise \$1.83 million (before costs) was completed on 3 September 2025. Tranche two to raise \$0.33 million (before costs) is subject to shareholder approval at the Company’s Annual General Meeting in November 2025.

The Board believes that it has sufficient funding in place to meet its operating objectives. The fact that future exploration and evaluation expenditure is largely discretionary in nature and (subject to meeting certain minimum expenditure commitments), further exploration activities may be slowed or suspended as part of the management of the Company’s working capital.

USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements, are:

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(A) BASIS OF PREPARATION (CONTINUED)

(i) Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale. Factors which could impact the future recoverability include the level of proved, probable and inferred mineral resources, future technological changes which could impact the cost of mining, future legal changes and the approval of the Environmental Impact Study (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

(ii) Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using standard option valuation models that incorporate a number of assumptions and estimates that include the exercise price, the term to expiry, the vesting period, the share price at grant date and assumptions on the expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the options.

(iii) Taxation

Balances disclosed in the financial statements and the notes thereto related to taxation are based on the best estimates of the directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents the directors' best estimate, pending an assessment by the applicable taxation authorities.

(B) PRINCIPLES OF CONSOLIDATION

Subsidiaries

The consolidated financial report comprises the financial statements of the Company and its controlled entities. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. All inter-company balances and transactions between entities in the consolidated entity, including any unrealized profits or losses, have been eliminated on consolidation. Where a subsidiary enters or leaves the consolidated entity during the year, its operating results are included or excluded from the date control was obtained or until the date control ceased. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those applied by the parent entity.

(C) EARNINGS PER SHARE

The consolidated entity presents basic and diluted earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the result attributable to equity holders of the Company by the weighted number of shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all potential ordinary shares, which comprise share options granted.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(C) EARNINGS PER SHARE (CONTINUED)

Fair value of shares and share options granted as compensation is recognised as an expense with a corresponding increase in equity. Fair value is measured at grant date and recognised over the period during which the grantees become unconditionally entitled to the shares or share options. Fair value of share grants at grant date is determined by the share price at that time. The fair value of share options at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, any vesting and performance criteria, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield and the risk-free rate for the term of the option. Upon the exercise of the option, the balance of the share-based payments reserve relating to the option is transferred to contributed equity. There are no non-market conditions attached to share options granted.

(D) SHARE BASED PAYMENTS

Fair value of shares and share options granted as compensation is recognised as an expense with a corresponding increase in equity. Fair value is measured at grant date and recognised over the period during which the grantees become unconditionally entitled to the shares or share options. Fair value of share grants at grant date is determined by the share price at that time. The fair value of share options at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, any vesting and performance criteria, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield and the risk-free rate for the term of the option. Upon the exercise of the option, the balance of the share-based payments reserve relating to the option is transferred to contributed equity. There are no non-market conditions attached to share options granted.

(E) INCOME TAX

The charge for current income tax expense is based on the result for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by balance date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is recognised in the profit or loss except where it relates to items recognised directly in equity, in which case it is recognised in equity. Deferred income tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and tax losses. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the consolidated entity intends to settle its current tax assets and liabilities on a net basis.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law. The carrying amount of deferred tax assets is reviewed at each balance date and only recognised to the extent that sufficient future assessable income is considered probable.

Tax consolidation

The Company and its wholly-owned Australian resident-controlled entities have formed a tax-consolidated group and are therefore taxed as a single entity. Lachlan Star Limited is the head entity of the tax-consolidated group. In future periods the members of the group will, if required, enter into a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(F) GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST") except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. The cash flow statement discloses the GST component of investing and financing activities as operating cash flows.

(G) EMPLOYEE BENEFITS

Provision is made for the consolidated entity's liability for employee benefits and termination indemnities arising from services rendered by employees to balance date.

(H) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(I) CONTRIBUTED EQUITY

Ordinary shares are classified as equity. Incremental costs directly attributable to an equity transaction are shown as a deduction from equity, net of any recognised income tax benefit.

(J) TRADE AND OTHER PAYABLES

Trade and other payables are initially stated at fair value and subsequently measured at amortised cost. The amounts are unsecured and usually paid within 90 days of recognition.

(K) COMPARATIVE FIGURES

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

(L) NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

No new and/or revised Standards and Interpretations have been required to be adopted, and/or are applicable in the current year by/to the Group, as standards, amendments and interpretations which are effective for the financial year beginning on 1 July 2024 are not material to the Group.

(M) PARENT ENTITY FINANCIAL INFORMATION

The financial information for the parent entity, Lachlan Star Limited, disclosed in Note 14 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of Lachlan Star Limited. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

(N) SEGMENT REPORTING

The Company identifies operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The information presented in the financial report is the same information that is reviewed by the directors. The Company has currently no identifiable operating segments, other than exploration in Australia.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(O) PROVISIONS

Provisions are recognised when the consolidated entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(P) CONTINGENCIES

Contingent liabilities are defined as possible obligations resulting from past events whose existence depends on future events, obligations that are not recognised because it is not probable that they will lead to an outflow of resources, or obligations that cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the statement of financial position other than as part of a business combination, but are disclosed in the notes to the financial statements, with the exception of contingent liabilities where the probability of the liability occurring is remote.

(Q) EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation costs are capitalised as exploration and evaluation assets on a project by project basis pending determination of the technical feasibility and commercial viability of the project. The capitalised costs are presented as either tangible or intangible exploration and evaluation assets according to the nature of the assets acquired. In accordance with AASB 6, these costs are capitalised provided the rights to tenure of the area of interest is current and either:

- a) the expenditures are expected to be recouped through successful development and exploitation or sale of the area of interest; or
- b) activities in the area of interest have not, at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in or relating to, the area of interest are continuing.

When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated then any capitalised exploration and evaluation expenditure is reclassified as capitalised mine development. Prior to reclassification, capitalised exploration and evaluation expenditure is measured at cost and assessed for impairment.

When a licence is relinquished or a project abandoned, the related costs are recognised in the Statement of profit or loss and other comprehensive Income immediately.

Exploration and evaluation assets shall be assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount an impairment loss is recognised in the Statement of Comprehensive Income.

2. EARNINGS PER SHARE

	30-Jun-25	30-Jun-24
Loss attributable to ordinary shareholders	(\$3,410,636)	(\$1,779,323)
Weighted average number of ordinary shares	240,825,393	183,731,105
Basic loss per share (cents per share)	(1.42)	(0.97)

All potential ordinary shares, being options to acquire ordinary shares, are not considered dilutive in the calculation of the diluted loss per share as the exercise of the options would not increase the loss per share.

3. INCOME TAX BENEFIT

	30-Jun-25	30-Jun-24
	\$	\$
(a) Income tax expense:		
Current income tax	-	-
Deferred income tax	-	-
	-	-
(b) Reconciliation of Income tax expense to prima facie tax payable:		
Loss before income tax	(3,410,636)	(1,779,323)
Prima facie income tax at 30% (2024: 30%)	(1,023,191)	(533,797)
Non-deductible expenses	33,672	13,976
Revenue losses not recognised	1,531,287	647,364
Other deferred tax balances not recognised	(541,768)	(127,543)
Income tax expense	-	-
(c) Unrecognised deferred tax assets at 30% (2024: 30%):		
Carry forward revenue losses	3,380,780	1,865,512
Project acquisitions	221,811	-
Blackhole expenditure	11,638	41,588
Accrued expenses	30,408	6,000
Provision for annual leave	12,647	-
Superannuation payable	7,411	6,728
Right-of-use asset	45,047	55,146
Deferred tax assets not recognised	(2,390,964)	(1,327,147)
	1,318,778	647,827
(d) Deferred tax liabilities comprise:		
Exploration expenditure	(1,278,593)	(491,301)
Project acquisitions	-	(103,977)
Right-of-use asset	(40,185)	(52,549)
	(1,318,778)	(647,827)
(e) Income tax not recognised directly in equity	30-Jun-25	30-Jun-24
	\$	\$
Share issue costs	58,765	12,927
Deferred tax assets not recognised	(58,765)	(12,927)
	-	-

The tax benefits of the above deferred tax assets will only be obtained if:

- (a) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- (b) the Company continues to comply with the conditions for deductibility imposed by law; and
- (c) no changes in income tax legislation adversely affect the Company in utilising the benefits.

4. AUDITORS' REMUNERATION

	30-Jun-25	30-Jun-24
	\$	\$
Amounts received or due and receivable by Hall Chadwick WA Audit Pty Ltd for:		
An audit or review of the financial report of the entity	31,570	33,604
Total audit services provided to the Group	31,570	33,604

5. EXPENSES

	30-Jun-25	30-Jun-24
	\$	\$
Other expenses		
Accounting fees	80,343	44,500
Audit and taxation fees	43,390	33,604
Computer Software, IT Expenses	46,602	7,304
Corporate compliance and management	125,512	139,887
Director fees	129,574	157,356
Employment expenses	345,916	248,562
Insurance	37,359	28,665
Legal fees	3,110	22,809
Office rental, communications and consumables	34,689	46,137
Professional fees	1,300	33,773
Public relations, conferences and seminars	56,155	7,636
Depreciation	52,318	36,302
Other expenses	50,882	63,075
	1,007,150	869,610

6. TRADE AND OTHER RECEIVABLES

	30-Jun-25	30-Jun-24
	\$	\$
Current		
Accounts receivable	-	50,000
Interest receivable	37,477	-
GST receivable	90,988	30,917
Other receivables	7,146	164
	135,611	81,081

Trade and other receivables are non-interest-bearing and are not past due.

7. EXPLORATION AND EVALUATION

	30-Jun-25 \$	30-Jun-24 \$
Opening balance	9,970,770	3,172,994
Capitalised exploration	3,551,722	806,327
Acquisition – TRK Resources Pty Ltd	-	6,841,449
Impairment expense ¹	(2,318,607)	(850,000)
Closing balance	11,203,885	9,970,770

¹The Company carried out a review of the carrying value of its projects and as a result has recognised an impairment of \$2,318,607 against the Koojan project. During the prior year the company recognised an impairment of \$850,000 against the Killaloe project.

On 2 August 2023, the Company announced it had entered into an agreement with DevEx Resources Limited (ASX: DEV; **DevEx**) to acquire a substantial and highly prospective portfolio of copper-gold exploration tenements within the world-class Lachlan Fold Belt of New South Wales (NSW), for consideration of \$7,500,000 (which was satisfied by the issue of 75,672,720 LSA shares on 24 October 2023) (\$6,810,545) plus a 2% Net Smelter Royalty (**Transaction**) and repayment of exploration expenses totalling \$30,904 and the assumption of security deposits of \$129,000. The Transaction was completed on 25 October 2023.

The recoverability of deferred project acquisition costs is dependent upon the successful development and commercial exploitation, or alternately the sale of the areas of interest.

8. RIGHT OF USE ASSETS AND LEASE LIABILITIES

	30-Jun-25 \$	30-Jun-24 \$
Right-of-use assets		
Right-of-use assets – office leases	206,074	206,074
Accumulated depreciation	(72,125)	(30,911)
	133,949	175,163
Lease liabilities		
Current	37,988	33,661
Non-current	112,168	150,157
	150,156	183,818

9. OTHER ASSETS

	30-Jun-25 \$	30-Jun-24 \$
Non-current assets		
Mining department Bonds – Tenement	188,000	164,000
Rental bonds - Housing	19,839	19,839
	207,839	183,839

10. TRADE AND OTHER PAYABLES

	30-Jun-25 \$	30-Jun-24 \$
Current		
Trade payables – third parties	604,916	133,951
Trade payables – related parties	4,000	18,150
Accrued expenses – third parties	165,817	125,272
	774,733	277,373

Trade and other payables are non-interest-bearing liabilities stated at cost and are predominantly settled within 30 days.

The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

11. RELATED PARTY DISCLOSURES

Lachlan Star Limited is the ultimate parent entity.

TRANSACTIONS WITH OTHER RELATED PARTIES

Mr Daniel Smith (who retired as a Director on the 29 November 2024 and resigned as Company Secretary on 2 December 2024) is a director of Minerva Corporate Pty Ltd. Minerva Corporate Pty Ltd provided accounting consultancy and company secretarial services to Lachlan Star Limited. Payments to Minerva Corporate Pty Ltd during the period total \$74,500 (2024: \$122,500).

Mr Gary Steinepreis is a Director of Leisurewest Consulting Pty Ltd which provided the services of the Mr Steinepreis as Chairman of the Company. Payments to Leisurewest Consulting Pty Ltd during the period consisted of normal Non-Executive Directors remuneration of \$48,000 (2024: \$48,000).

Transactions with key management personnel have been entered into under terms and conditions no more favourable than those the Company would have adopted if dealing at arm's length.

Current trade and other payables include \$4,000 (2024: \$18,150) to key management personnel at reporting date in respect of outstanding fees.

Refer to note 20 for key management personnel compensation which is further disclosed in the remuneration report.

12. CAPITAL COMMITMENTS

In order to maintain current rights of tenure to exploration tenements, the consolidated entity undertakes exploration activities to meet expenditure requirements specified by various State governments. These amounts are subject to work programs specified by the Company from time to time.

These commitments are not provided for in the financial report and are payable as follows:

	30-Jun-25	30-Jun-24
	\$	\$
Within 1 year	1,128,333	668,333
Within 2 – 5 years	1,718,000	1,278,333
	2,846,333	1,946,666

To the extent that expenditure commitments are not met, tenement areas may be reduced and other arrangements made in negotiation with the relevant government department on renewal of tenements to defer expenditure commitments or partially exempt the Company. Where the consolidated entity decides to relinquish a tenement, the commitment will be reduced accordingly.

13. RECONCILIATION OF (LOSS) AFTER INCOME TAX TO NET CASH FLOWS USED IN OPERATING ACTIVITIES

	30-Jun-25	30-Jun-24
	\$	\$
(a) Cash flows generated used in operating activities		
Net loss after income tax	(3,410,636)	(1,779,323)
Non- Cash Items adjustment		
Share-based payments	111,639	46,585
Impairment expense	2,318,607	850,000
Depreciation	52,318	36,302
Lease Interest	16,468	14,427
Write-off E&E expenditure (bond)	30,000	-
Changes in assets and liabilities:		
(Increase) in receivables	(54,530)	(56,684)
Increase / (decrease) in payables	(75,953)	99,076
Net cash outflow from operating activities	(1,012,087)	(789,617)
(b) Reconciliation of cash and cash equivalents		
Cash at bank and at call	1,808,723	1,614,668
(c) Non-cash financing and investing activities	-	-

The consolidated entity's exposure to interest rate risk is discussed in Note 21. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above.

14. PARENT ENTITY FINANCIAL INFORMATION

The individual financial statements for the parent entity show the following aggregate amounts:

	30-Jun-25 \$	30-Jun-24 \$
Current Assets	1,858,222	1,674,943
Non-current Assets	11,018,080	10,269,351
Total Assets	12,876,302	11,944,294
Current Liabilities	162,457	190,764
Non-current liabilities	154,324	150,157
Total liabilities	316,781	340,921
Net assets	12,559,521	11,603,373
Contributed equity	20,888,289	16,633,144
Reserves	645,426	932,787
Accumulated losses	(8,974,194)	(5,962,558)
Total equity	12,559,521	11,603,373
Profit/(Loss) for the year	(3,011,635)	(1,023,636)
Total comprehensive profit/(loss) for the year	(3,011,635)	(1,023,636)

The parent entity did not have any contingent liabilities or capital commitments as at 30 June 2025 or 30 June 2024 other than disclosed in Note 18.

15. CONSOLIDATED ENTITIES

Name	Country of incorporation	2025	2024
Legal Parent			
Lachlan Star Limited	Australia		
Legal Subsidiaries			
Ord Investments Pty Ltd	Australia	100%	100%
Midland Minerals Pty Ltd	Australia	100%	100%
Coobaloo Minerals Pty Ltd	Australia	50%	50%
TRK Resources Pty Ltd	Australia	100%	100%

16. EVENTS SUBSEQUENT TO REPORTING DATE

On 28 August 2025, the Company announced it had secured \$2.162 million (before costs) in commitments from existing and new sophisticated and professional investors via a placement of Shares at an issue price of \$0.05 per share. On 3 September 2025, the Company completed Tranche One of the Placement through the issue of 36,650,000 fully paid ordinary shares. Tranche Two of the Placement is expected to raise a total of \$0.33 million through the issue of 6,600,000 fully paid ordinary shares including 2,600,000 shares to Directors (or their associates) and 4,000,000 shares to the Company's major shareholder, DevEx Resources Ltd. Tranche Two is subject to obtaining shareholder approval at the Company's Annual General Meeting to be held in November 2025

No other matters or circumstances has arisen since 30 June 2025 that in the opinion of the directors has significantly affected, or may significantly affect in future financial years (i) the consolidated entity's operations, or (ii) the results of those operations, or (iii) the consolidated entity's state of affairs.

17. CAPITAL AND RESERVES

(A) ISSUED CAPITAL

2025	30-Jun-25 Number	30-Jun-25 \$
Ordinary shares		
Balance at the beginning of the year	207,573,195	16,633,144
Placement – Shares issued 2 October 2024	43,400,000	4,340,000
Placement – Shares issued 28 November 2024	1,600,000	160,000
Share issue costs	-	(244,855)
Balance at the end of the year	252,573,195	20,888,289

2024	30-Jun-24 Number	30-Jun-24 \$
Ordinary shares		
Balance at the beginning of the year	1,319,012,709	9,822,599
Consolidation 10:1	(1,187,112,234)	-
Acquisition of shares – TRK Resources Pty Ltd	75,672,720	6,810,545
Share issue costs	-	-
Balance at the end of the year	207,573,195	16,633,144

Ordinary shares have the right to one vote per share at meetings of the Company, to receive dividends as declared and in the event of a winding-up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of, and amounts paid up on, shares held. Ordinary shares have been fully paid, have no par value, and the Company does not have a limited amount of authorised capital.

(B) OPTIONS PREMIUM RESERVE

Movements in the options premium reserve are set out in the statement of changes in equity on page 25. This reserve represents the fair value at grant of share options issued. The fair value is recognised as an expense over the vesting period. The reserve is reversed to contributed equity when shares are issued on exercise of the options or when the options are cancelled or expire.

(C) ACCUMULATED LOSSES

	30-Jun-25 \$	30-Jun-24 \$
Accumulated losses at the beginning of the financial year	(5,962,558)	(4,183,235)
Loss for the period	(3,410,636)	(1,779,323)
Expiry of options prior year	399,000	-
Accumulated losses at the end of the financial year	(8,974,194)	(5,962,558)

18. CONTINGENT ASSETS AND LIABILITIES

KOOJAN NI-PGE PROJECT – WESTERN AUSTRALIA (LSA 50-75%)

The Company has acquired an initial 50% interest in Coobaloo Minerals Pty Ltd (**Coobaloo**) and its Koojan Copper-Nickel-PGE Project (**Koojan Project**) located approximately 80km north of Chalice Gold Mines Ltd's Julimar Ni-PGE project and approximately 130km north of Perth. It has also satisfied the expenditure commitment to earn an additional 25% in Coobaloo and has the right to exercise the option to become a 75% shareholder in Coobaloo.

Pursuant to a shareholder's agreement with Coobaloo, Lachlan Star have the following obligations:

- (a) Performance Milestone: Following delineation of a JORC Indicated Resource (as defined in JORC 2012) of 50,000t of greater than 2.5% Ni Equivalent (Ni, Cu, Co) at the Koojan Project, will make a milestone payment of A\$600,000 which may be paid in cash or Ordinary Fully Paid Shares at the 14-day VWAP of Lachlan Star's Share price as traded on the ASX;
- (b) Free-Carry: Lachlan Star will free-carry the minority shareholder's 25% retained interest through to the completion of a Bankable Feasibility Study (Free Carried Period); and
- (c) Conversion of retained interest: Following completion of the Free Carried Period, the Vendor will have a one-time right to elect to convert their retained interest to a 2% NSR. If the Vendor decides not to convert their retained interest to an NSR, they shall co-fund their portion of Project expenditure or dilute using the AMPLA standard dilution clause.

KILLALOE GOLD PROJECT – WESTERN AUSTRALIA (80-100%)

On 27 January 2021, the Company and Liontown Resources Limited signed a binding term sheet for the acquisition by the Company of Liontown's Killaloe Gold Project, in the Eastern Goldfields, WA.

Under the terms of the agreement, Lachlan Star will pay Liontown a 1% NSR for all minerals produced by Lachlan Star.

There were no other contingent assets or contingent liabilities at 30 June 2025 or 30 June 2024.

19. SHARE BASED PAYMENTS

OPTIONS

The following options were granted during the prior period:

Management Options

Grant Date	1 Feb 24	1 Mar 24
Issue Date	28 Feb 24	28 Feb 24
Share Price	\$0.042	\$0.044
Exercise Price	\$0.075	\$0.075
Term (years)	4.0	4.0
Risk-free rate	3.80%	3.80%
Volatility	100%	100%
Fair value of options	\$152,618	\$37,042
Number of options	5,000,000	1,000,000
Vesting period	2,500,000 12 months 2,500,000 24 months	500,000 12 months 500,000 24 months
Expensed during the current year	\$87,555	\$24,084

The number and weighted average exercise price of share options is as follows:

2025

	Weighted average exercise price	Number of Options	Expiry date
Outstanding 1 July 2024	7.5 cents	5,000,000	1 Feb 2028
	7.5 cents	1,000,000	1 Mar 2028
Exercised/expired	-	-	
Issued during the period	-	-	
Outstanding at 30 June 2025	7.5 cents	6,000,000	

2024

	Weighted average exercise price	Number of Options	Expiry date
Outstanding 1 July	2.2 cents	17,000,000	27 Nov 2023
Consolidation 10:1		(15,300,000)	
Exercised/expired	22 cents	(1,700,000)	27 Nov 2023
Issued during the period	7.5 cents	5,000,000	1 Feb 2028
	7.5 cents	1,000,000	1 Mar 2028
Outstanding at 30 June	7.5 cents	6,000,000	

There are no other options on issue at 30 June 2025.

20. KEY MANAGEMENT PERSONNEL DISCLOSURES

KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel compensation is as follows:

	30-Jun-25 \$	30-Jun-24 \$
Short-term benefits	445,074	308,947
Share based payments - options	88,748	39,766
Post-employment - (superannuation contributions)	40,801	17,375
	574,623	366,088

Current trade and other payables of \$4,000 (2024: \$18,150) were payable to key management personnel at reporting date in respect of outstanding fees and expenses.

21. FINANCIAL RISK MANAGEMENT

The consolidated entity's activities expose it to credit risk, market risk (including interest rate risk, foreign exchange risk and price risk), and liquidity risk. This note presents qualitative and quantitative information about the consolidated entity's exposure to each of the above risks, its objectives, policies and procedures for managing risk, and the management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

The consolidated entity's overall risk management approach focuses on the unpredictability of financial markets and seeks to minimize the potential adverse effects on the financial performance of the consolidated entity. The consolidated entity does not currently use derivative financial instruments to hedge financial risk exposures and therefore it is exposed to daily movements in interest rates and exchange rates, however these risks are currently negligible. The consolidated entity uses various methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rates and ageing analysis for credit risk.

There are no formal targets set for return on capital. There were no changes to the consolidated entity's approach to capital management during the year. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

(A) CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the consolidated entity. Exposure to credit risk is considered minimal but is monitored on an ongoing basis.

Cash transactions are limited to financial institutions considered to have a suitable credit rating. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position at balance date. The carrying amount of the consolidated entity's financial assets represents the maximum credit exposure.

None of the receivables as at 30 June 2025 are past due or impaired.

The consolidated entity's maximum exposure to credit risk at the reporting date was:

	30-Jun-25 \$	30-Jun-24 \$
Carrying amount:		
Cash and cash equivalents	1,808,723	1,614,668
Trade and other receivables	135,611	81,081
	1,944,334	1,695,749

(B) MARKET RISK

(i) Cash flow and fair value interest rate risk

The significance and management of the risks to the consolidated entity is dependent on a number of factors including (i) interest rates (current and forward) and the currencies that are held; (ii) level of cash and liquid investments and borrowings; (iii) maturity dates of investments and loans; and (iv) proportion of investments and borrowings with fixed rate or floating rates.

The risk is managed by the consolidated entity maintaining an appropriate mix between fixed and floating rate investments. The consolidated entity's exposure to interest rate risk is considered minimal. The effective interest rates of financial assets and financial liabilities with interest obligations at the reporting date are as follows.

	Variable rate instruments at call	Fixed rate instruments	Weighted average interest rate	Variable rate instruments at call	Fixed rate instruments	Weighted average interest rate
	2025	2025	2025	2024	2024	2024
	\$	\$	%	\$	\$	%
Financial assets						
Cash and cash equivalents	808,723	1,000,000	3.03	1,614,668	-	1.28
Trade & other receivables	135,611	-	-	81,081	-	-
Financial liabilities						
Trade & other payables	774,733	-	-	277,373	-	-
Lease liabilities	150,156	-	-	183,818	-	-

The values above were the carrying amount of the consolidated entity's interest-bearing financial instruments at 30 June 2025 and 30 June 2024.

(ii) Price risk

There was no price risk in the current or prior period.

The consolidated entity is not exposed to equity securities price risk at 30 June 2025 or 30 June 2024.

(C) LIQUIDITY RISK

The following are the contractual maturities of consolidated financial liabilities:

	30-Jun-25	30-Jun-24
	\$	\$
Trade and other payables:		
Carrying amounts	774,733	277,373
Contractual cashflows	774,733	277,373
Payable 6 months or less	774,733	277,373
Lease liabilities:		
Carrying amounts	150,156	183,818
Contractual cashflows	150,156	183,818
Payable 6 months or less	25,435	16,040

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

(D) FAIR VALUES

The carrying amounts of consolidated financial assets and financial liabilities shown in the statement of financial position approximate their fair values. AASB 13 Fair Value Measurement requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

There were no financial assets and liabilities measured and recognised at fair value at 30 June 2025 or 30 June 2024.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Name	Type of entity	% of share	Country of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) of foreign residents
Legal Parent					
Lachlan Star Limited	Body Corporate	-	Australia	Australian	n/a
Legal Subsidiaries					
Ord Investments Pty Ltd	Body Corporate	100%	Australia	Australian	n/a
Midland Minerals Pty Ltd	Body Corporate	100%	Australia	Australian	n/a
Coobaloo Minerals Pty Ltd	Body Corporate	50%	Australia	Australian	n/a
TRK Resources Pty Ltd	Body Corporate	100%	Australia	Australian	n/a

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

DIRECTORS' DECLARATION

1. In the opinion of the directors of Lachlan Star Limited:

- (a) the financial statements and notes set out on pages 23 to 44 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
 - (ii) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- (b) subject to Note 1(a) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (c) the consolidated entity disclosure statement on page 44 is true and correct as at 30 June 2025.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the *Corporations Act 2001*.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Signed in accordance with a resolution of the directors.



Gary Steinepreis
Perth, Western Australia
16 September 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LACHLAN STAR LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Lachlan Star Limited (“the Company”) and its subsidiaries (“the Consolidated Entity”), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the director’s declaration.

In our opinion:

- a. the accompanying financial report of the Consolidated Entity is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Consolidated Entity’s financial position as at 30 June 2025 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter

Exploration and Evaluation

As disclosed in note 7 to the financial statements, as at 30 June 2025, the Group's capitalised exploration and evaluation expenditure was carried at \$11,203,885.

The recognition and recoverability of exploration and evaluation expenditure was considered a key audit matter due to:

- The significance of the balance to the Group's financial position;
- The level of judgement required in evaluating management's application of the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources* ("AASB 6"). AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to be carried as an asset; and
- The assessment of impairment of exploration and evaluation expenditure being inherently difficult.

How our audit addressed the Key Audit Matter

The following procedures were performed:

- Assessing management's determination of its areas of interest for consistency with the definition in AASB 6 *Exploration and Evaluation of Mineral Resources* ("AASB 6");
- Assessing the Group's rights to tenure for a sample of tenements;
- Testing the Group's additions to capitalised exploration costs for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Group's accounting policy and the requirements of AASB 6;
- By testing the status of the Group's tenure and planned future activities, reading board minutes and enquiries with management we assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised exploration costs:
 - The licenses for the rights to explore expiring in the near future or are not expected to be renewed;
 - Substantive expenditure for further exploration in the area of interest is not budgeted or planned;
 - Decision or intent by the Group to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and
 - Data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale.
- We assessed the appropriateness of the related disclosures in note 7 to the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the remuneration report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error, and the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Company, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark DeLaurentis
MARK DELAURENTIS CA
Director

Dated this 16th day of September 2025
Perth, Western Australia

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ADDITIONAL SHAREHOLDER INFORMATION AS AT 8 SEPTEMBER 2025

Additional information required by the ASX Limited (“ASX”) Listing Rules and not disclosed elsewhere in this report is set out below.

SUBSTANTIAL SHAREHOLDERS

The following shareholders have lodged substantial shareholder notices with ASX:

<i>Name of Shareholder</i>	Number of shares	% held
DevEx Resources Limited	77,672,720	26.16
Timothy R B Goyder	31,286,230	10.82

CLASS OF SHARES AND VOTING RIGHTS

There are 2,693 holders of 289,223,195 ordinary fully paid shares of the Company

The voting rights attaching to Ordinary Shares are governed by the Constitution. On a show of hands every person present who is a member or representative of a member shall have one vote and, on a poll, every member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each share held.

There are no voting rights attached to the options in the Company. Voting rights are only applicable to the unissued ordinary shares when options have been exercised.

There is no current on-market buy-back.

There are no securities subject to any voluntary escrow.

DISTRIBUTION OF EQUITY SECURITY HOLDERS

<i>Size of Holding</i>	Number of shareholders	Number of fully paid shares
1 to 1,000	773	102,823
1,001 to 5,000	575	1,623,553
5,001 to 10,000	349	2,786,551
10,001 to 100,000	744	25,657,677
100,001 and over	252	259,052,591
	2,693	289,223,195

The number of shareholders holding less than marketable parcels is 1,555 (based on the closing price of the Company's shares of \$0.058).

LISTING OF 20 LARGEST SHAREHOLDERS

Rank	Name	Number of shares held	% Shares Held
1	DEVEX RESOURCES LIMITED	75,672,720	26.16
2	LOTAKA PTY LTD	9,533,605	3.30
3	ALL-STATES FINANCE PTY LIMITED	7,000,000	2.42
4	TRBG INVESTMENTS PTY LTD <TRB GOYDER SUPER FUND A/C>	6,500,000	2.25
5	TRBG INVESTMENTS PTY LTD <TRB GOYDER SUPER A/C>	6,252,715	2.16
6	JAYLEAF HOLDINGS PTY LTD <THE POLLOCK INVESTMENT A/C>	5,500,000	1.90
7	WERSMAN NOMINEES PTY LTD	5,000,000	1.73
8	OAKHURST ENTERPRISES PTY LTD	4,888,235	1.69
9	WAVETIME NOMINEES PTY LTD <A & T NIXON FAMILY A/C>	4,545,500	1.57
10	CITICORP NOMINEES PTY LIMITED	4,296,473	1.49
11	LIONTOWN RESOURCES LIMITED	4,000,000	1.38
11	LOTAKA PTY LTD	4,000,000	1.38
11	TRBG INVESTMENTS PTY LTD <TRB GOYDER SUPER FUND A/C>	4,000,000	1.38
14	LEISUREWEST CONSULTING PTY LTD <LEISUREWEST A/C>	3,750,000	1.30
15	GKMI PTY LTD	3,205,843	1.11
16	BOTSIS HOLDINGS PTY LTD	3,193,095	1.10
17	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	2,828,387	0.98
18	GANDRIA CAPITAL PTY LTD <LIGHTYEAR SUPER FUND A/C>	2,530,000	0.87
19	ALBION BAY PTY LTD <DESIGN CO-ORDINATING S/F A/C>	2,200,000	0.76
20	BEN BUCKLER INVESTMENTS PTY LTD <BEN BUCKLER INVESTMENT A/C>	2,000,000	0.69
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		168,896,573	58.40
Total Remaining Holders Balance		120,326,622	41.60

UNLISTED SECURITIES

<i>Type</i>	<i>Expiry</i>	<i>Quantity</i>
Share Options exercisable at \$0.075	1/2/2028	5,000,000
Share Options exercisable at \$0.075	1/3/2028	1,000,000

Holders greater than 20% - Not applicable – Issued under Employee Incentive Scheme

PRINCIPAL REGISTERED OFFICE - AUSTRALIA

Level 2, 1292 Hay Street
West Perth WA 6005

INTEREST IN MINING AND EXPLORATION PERMITS

Tenements held directly and in application by Lachlan Star Limited or a subsidiary company.

Tenements	Held at 30 June 2025	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 (June)	100%	New South Wales
EL8767 (June)	100%	New South Wales
EL8835 (June)	100%	New South Wales
EL8851 (June)	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
EL9709 (Cobar)	100%	New South Wales
E70/5337 (Koojan)	50%	Western Australia
E70/5312 (Koojan)	50%	Western Australia
E70/5429 (Koojan)	50%	Western Australia
E70/5515 (Koojan)	50%	Western Australia
E70/5450 (Koojan)	50%	Western Australia
P70/1743 (Koojan)	Application (50%)	Western Australia
M63/177 (Killaloe)	100%	Western Australia
E63/1018 (Killaloe)	80%	Western Australia
E63/1713 (Killaloe)	100%	Western Australia
E63/2516 (Killaloe)	Application (100%)	Western Australia
E63/2517 (Killaloe)	Application (100%)	Western Australia
ML5831 (Princhester)	100%	Queensland
ML5832 (Princhester)	100%	Queensland
EL5574 (Bushranger)	Nil (Company retains a 2% NSR)	New South Wales