LACHLAN STAR LIMITED

ACN 000 759 535

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10.00am WST

DATE: 10 October 2023

PLACE: Ascent Capital
Level 1, 33 Ord Street, West Perth WA 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10.00am on 8 October 2023.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – CONSOLIDATION OF CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that:*
>
> *(a) every 10 Shares be consolidated into 1 Share;*
>
> *(b) every 10 Options be consolidated into 1 Option; and*
>
> *(c) every 10 Performance Rights be consolidated into 1 Performance Right,*
>
> *and, where this Consolidation results in a fraction of a Security being held, the Company be authorised to round that fraction down to the nearest whole number."*

2. RESOLUTION 2 – APPROVAL OF TRK RESOURCES ACQUISITION AND ISSUE OF NEW SHARES TO DEVEX RESOURCES LIMITED

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of section 611 (Item 7) of the Corporations Act and for all other purposes, approval is given for the Company to acquire TRK Resources Pty Ltd and to issue up to 756,727,200 Shares (pre-Consolidation basis) or 75,672,720 Shares (post Consolidation basis) (**New Shares**) to DevEx Resources Limited (or its nominee) (**DevEx**) in consideration for the acquisition on the terms and conditions set out in the Explanatory Statement, which will result in DevEx's voting power increasing from 0% to 36.46% in the capital of the Company."*

A voting exclusion statement applies to this Resolution. Please see below.

Expert's Report:

Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval required under section 611 Item 7 of the Corporations Act. The Independent Expert's Report comments on the fairness and reasonableness of the transactions the subject of this Resolution to the non-associated Shareholders in the Company.

The opinion of the Independent Expert is that the issue of the New Shares and the resulting increase voting power of DevEx in the Company is fair and reasonable to the non-associated Shareholders.

Dated: 8 September 2023

By order of the Board

Daniel Smith
Non-executive Director

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 2 – Approval of issue to securities to DevEx Resources Limited	No votes may be cast in favour of this Resolution by: (a) the person proposing to make the acquisition and their associates; or (b) the persons (if any) from whom the acquisition is to be made and their associates. Accordingly, the Company will disregard any votes cast on this Resolution by DevEx Resources Limited (if applicable) and any of its associates.

However, this does not apply to a vote cast in favour of the Resolution by:

(a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

  (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

  (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9226 1524.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – CONSOLIDATION OF CAPITAL

1.1 Background

Resolution 1 seeks Shareholder approval to consolidate the Company's issued capital on the basis that:

(a) every 10 Shares be consolidated into 1 Share (subject to rounding);

(b) every 10 Options be consolidated into 1 Option (subject to rounding); and

(c) Every 10 Performance Rights be consolidated into 1 Performance Right (subject to rounding).

1.2 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

1.2 Fractional entitlements

Not all security holders will hold that number of Securities which can be evenly divided by 10. Fractional entitlements will be rounded down to the nearest whole number.

1.3 Taxation

It is not considered that any taxation implications will exist for security holders arising from the Consolidation. However, security holders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, nor its advisers, accept any responsibility for the individual taxation implications arising from the Consolidation.

1.4 Holding statements

From the date two Business Days after the Effective Date (as set out in the timetable in Section 1.6 below), all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to holders of those Securities.

It is the responsibility of each security holder to check the number of Securities held prior to disposal or exercise (as the case may be).

1.5 Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table below.

	Shares	Unquoted Options[1, 2]	Unquoted Performance Rights[2]
Pre-Consolidation	1,319,012,709	17,000,000	10,000,000
Post Consolidation (Resolution 1)[2]	131,901,271	1,700,000	1,000,000
Completion of all Resolutions[3]	207,573,991	1,700,000	1,000,000

Notes:

1. The terms of these Options are set out in the table below.
2. Assumes no Options are exercised or Performance Rights vest.
3. Subject to rounding.

The effect the Consolidation will have on the terms of the Options is as set out in the tables below:

Options – pre-Consolidation

Terms	Number
Options exercisable at $0.022 by 23 November 2023	17,000,000
Total	**17,000,000**

Options – post-Consolidation

Terms	Number
Options exercisable at $0.22 by 23 November 2023	1,700,000
Total	**1,700,000**

1.6 Indicative timetable*

If Resolution 1 is passed, the Consolidation will take effect in accordance with the following timetable (as set out in Appendix 7A (paragraph 7) of the Listing Rules):

Action	Date
Company announces Consolidation.	3 August 2023
Company sends out the Notice of Meeting	8 September 2023
Shareholders pass Resolution 1 to approve the Consolidation.	10 October 2023
Company announces Effective Date of Consolidation.	10 October 2023
Effective Date of Consolidation	10 October 2023
Last day for pre-Consolidation trading.	11 October 2023
Post-Consolidation trading commences on a deferred settlement basis.	12 October 2023
Record Date.	13 October 2023
Last day for the Company to register transfers on a pre-Consolidation basis.	13 October 2023
First day for the Company to update its register and send holding statements to security holders reflecting the change in the number of Securities they hold.	16 October 2023
Last day for the Company to update its register and to send holding statements to security holders reflecting the change in the number of Securities they hold and to notify ASX that this has occurred.	20 October 2023

2. RESOLUTION 2 - APPROVAL OF TRK RESOURCES ACQUISITION AND ISSUE OF NEW SHARES TO DEVEX RESOURCES LIMITED

2.1 Background to the Acquisition and Share Issue

Lachlan Star Limited (ACN 000 759 535) (**LSA** or the **Company**) is an Australian minerals exploration company that currently holds two Western Australian Projects being the Koojan Cu-Ni-PGE (LSA 52.5%: Minerals 260 Limited (**MI6**) currently 30% (with the ability to earn up to 51%) and Wavetime Nominees Pty Ltd 17.5%) and the Killaloe Precious and Base Metal Project. The Company also holds two mining leases (currently subject to renewal) located in Queensland, which comprise the Pinchester Magnesite Project.

On 3 August 2023, the Company announced that it had entered into a share sale agreement (**Share Sale Agreement**) with DevEx Resources Limited (ACN 009 799 553) (**DevEx**)and DevEx's wholly owned subsidiary TRK Resources Pty Ltd (ACN 116 543 081) (**TRK Resources**), whereby the Company agreed to acquire all of the shares in TRK Resources.

TRK Resources holds the legal interest in 11 exploration licences in New South Wales comprising the Basin Creek Project, North Cobar Project and Junee Project.

Completion under the Share Sale Agreement is conditional on (among other things), LSA obtaining all necessary regulatory and Shareholder approvals to give effect to the transaction contemplated, including the Company obtaining Shareholder approval pursuant to Item 7 of section 611 of the Corporations Act for the issue of 75,672,720 Shares at a deemed issue price of $0.10 (on a post Consolidation basis) or 756,727,200 Shares at a deemed issue price of $0.01 (on a pre Consolidation basis) to DevEx (or its Nominee/s) (**New Shares**) in consideration for the acquisition of all of the shares in TRK Resources.

Following completion under the Share Sale Agreement, DevEx will appoint two directors to the Company's board.

A summary of the material terms of the Share Sale Agreement is set out in Schedule 1.

Importantly for Shareholders, the Company has engaged BDO Corporate Finance (WA) Pty Ltd (ACN 124 031 045) (**BDO**) as an independent expert to opine on the fairness and reasonableness of the issue of Shares to DevEx. BDO have opined that the issue of the Shares as described above is fair and reasonable to the Shareholders of the Company. Shareholders are encouraged to read the Independent Expert's Report enclosed with this Notice of Meeting to understand the reasons behind this opinion.

2.2 General

The Corporations Act includes provisions intended to prevent persons acquiring a voting power in a company above 20% without satisfying certain criteria outlined in the Corporations Act. Section 2.3 below summarises the relevant provisions of the Corporations Act and outlines the exception that permits a person to acquire a voting power greater than 20%.

Resolution 2 seeks Shareholder approval for the purpose of Item 7 of section 611 of the Corporations Act to allow the Company to complete the acquisition of TRK Resources and to issue the New Shares to DevEx (or its Nominee) under the terms of the Share Sale Agreement. The issue of the New Shares to DevEx (or its Nominee) will result in DevEx's voting power in the Company increasing from 0% at the date of this Notice up to 36.46% (assuming no Existing Options are exercised, or Performance Rights converted).

Pursuant to ASX Listing Rule 7.2 (Exception 8), Listing Rule 7.1 does not apply to an issue of securities approved for the purpose of Item 7 of section 611 of the Corporations Act. Accordingly, if Shareholders approve the issue of securities pursuant to Resolution 2, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 and the additional 10% annual capacity set out in ASX Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

2.3 Item 7 of Section 611 of the Corporations Act

(a) Section 606 of the Corporations Act – Statutory Prohibition

Pursuant to section 606(1) of the Corporations Act, a person must not acquire a relevant interest in issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person's or someone else's voting power in the company increases:

(i) from 20% or below to more than 20%; or

(ii) from a starting point that is above 20% and below 90%,

(**Prohibition**).

(b) **Voting Power**

The voting power of a person in a body corporate is determined in accordance with section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

(c) **Associates**

For the purposes of determining voting power under the Corporations Act, a person (**second person**) is an "associate" of the other person (**first person**) if:

(a) pursuant to section 12(2) of the Corporations Act the first person is a body corporate and the second person is:

(i) a body corporate the first person controls;

(ii) a body corporate that controls the first person; or

(iii) a body corporate that is controlled by an entity that controls the person;

(b) the second person has entered or proposes to enter into a relevant agreement with the first person for the purpose of controlling or influencing the composition of the company's Board or the conduct of the company's affairs; or

(c) the second person is a person with whom the first person is acting or proposes to act, in concert in relation to the company's affairs.

Associates are, therefore, determined as a matter of fact. For example where a person controls or influences the Board or the conduct of a company's business affairs, or acts in concert with a person in relation to the entity's business affairs.

(d) **Relevant Interests**

Section 608(1) of the Corporations Act provides that a person has a relevant interest in securities if they:

(i) are the holder of the securities;

(ii) have the power to exercise, or control the exercise of, a right to vote attached to the securities; or

(iii) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

In addition, section 608(3) of the Corporations Act provides that a person has a relevant interest in securities that any of the following has:

(iv) a body corporate in which the person's voting power is above 20%; or

(v) a body corporate that the person controls.

(e) **Control**

The Corporations Act defines "control" and "relevant agreement" very broadly as follows:

(i) Under section 50AA of the Corporations Act control means the capacity to determine the outcome of decisions about the financial and operating policies of the Company.

(ii) Under section 9 of the Corporations Act, a relevant agreement includes an agreement, arrangement or understanding whether written or oral, formal or informal and whether or not having legal or equitable force.

(f) **Background on DevEx**

(i) DevEx is an Australian exploration company with mining projects in Western Australia, the Northern Territory, Queensland and New South Wales.

(ii) DevEx does not currently have any shareholding in the Company and does not presently have any associates who hold any Shares in the Company. Its only interest in the Company presently is that which it may acquire through the issue of the New Shares.

(iii) Notwithstanding 2.3(f)(ii) above, the Company advises that Mr Tim Goyder, Chairman and Non-Executive Director of DevEx, holds a 16.69% interest in DevEx. Mr Goyder also indirectly holds 5,000,000 Shares in the Company, through Lotaka Pty Ltd, an entity which Mr Goyder is the sole shareholder and sole director.

(iv) No associates of DevEx currently have or will have a relevant interest in the Company, and there is no proposal to issue any Shares or other securities to any associate of DevEx under the proposal set out in this Notice of Meeting.

(g) **Agreements in relation to shares**

Section 608(8) of the Corporations Act states that if at a particular time all the following conditions are satisfied:

(i) a person has a relevant interest in issued securities;

(ii) the person (whether before or after acquiring the relevant interest);

(A) has entered or enters into an agreement with another person with respect to the securities; or

(B) has given or gives another person an enforceable right, or has been or is given an enforceable right by another person, in relation to the securities (whether the right is

enforceable presently or in the future and whether or not on the fulfilment of a condition); or

(C) has granted or grants an option to, or has been or is granted an option by, another person with respect to the securities;

(iii) the other person would have a relevant interest in the securities if the agreement were performed, the right enforced or the option exercised,

(iv) the other person is taken to already have a relevant interest in the securities.

(h) **Effect of section 608(8) on the issue of shares**

The effect of section 608(8) on the proposed Issue is as follows:

(i) DevEx will acquire a relevant interest in the New Shares when Shareholder approval to Resolution 2 is granted;

Note: Although the Share Sale Agreement was executed before Shareholder approval was granted, the acquisition of the relevant interest will not occur until Shareholder approval has been given, and in the case of the New Shares the subject of Resolution 2, until those Shares are issued to DevEx.

2.4 Reason Section 611 Approval is Required

Item 7 of section 611 of the Corporations Act provides an exception to the Prohibition, whereby a person may acquire a relevant interest in a company's voting shares with shareholder approval.

Following the issue of the New Shares, DevEx will have a relevant interest in 756,727,200 Shares (on a pre-Consolidation basis) or 75,672,720 Shares (on a post Consolidation basis) in the Company, representing 36.46% voting power in the Company. This assumes that no other Shares are issued, Existing Options are exercised, or Performance Rights are converted.

Accordingly, Resolution 2 seeks Shareholder approval for the purpose of section 611 Item 7 and all other purposes to enable the Company to issue the New Shares to DevEx.

2.5 Specific Information required by section 611 Item 7 of the Corporations Act and ASIC Regulatory Guide 74

The following information is required to be provided to Shareholders under the Corporations Act and ASIC Regulatory Guide 74 in respect of obtaining approval for Item 7 of section 611 of the Corporations Act. Shareholders are also referred to the Independent Expert's Report prepared by BDO which accompanies this Notice of Meeting.

(a) **Identity of the Acquirer and its Associates**

It is proposed that DevEx will be issued the New Shares and in accordance with the terms of the Share Sale Agreement as set out in Schedule 1.

No associates of DevEx currently have or will have a relevant interest in the Company.

(b) **Relevant Interest and Voting Power**

(i) **Relevant Interest**

The relevant interests of DevEx in voting shares in the capital of the Company (both curr and following the issue of the New Shares to DevEx) as contemplated by this Notice are set out in the table below:

Party	Capacity	Relevant interest at the date of this Notice of Meeting	Relevant Interest after the issue of the New Shares
DevEx	Direct holder of Shares	0%	36.46%

DevEx does not have any contract, arrangement or understanding relating to the controlling or influencing of the composition of the Company's Board or the conduct of the Company's affairs.

The Share Sale Agreement and the Royalty Deed are the only relevant agreements between the Company and DevEx in relation to the Company and this does not affect or relate to the control or influence of the Company's Board or the Company's affairs, except to the extent that the Share Sale Agreement permits, noting that provision is made in the Share Sale Agreement for the appointment of two directors nominated by DevEx to the Company's Board of Directors.

(ii) **Voting Power**

The voting power of DevEx (both current, and following the issue of the New Securities to DevEx as contemplated by this Notice) is set out in the table below:

Party	Voting Power as at the date of this Notice of Meeting	Voting Power after Shareholder approval of Resolution 2	Voting Power after the issue of the New Shares
DevEx	0%	0%	36.46%

Further details on the voting power of DevEx are set out in the Independent Expert's Report prepared by BDO.

(iii) **Summary of increases**

From the table above it can be seen that the maximum relevant interest that DevEx will hold after completion of the issue of the New Shares, and the maximum voting power that DevEx will hold is 36.46%. This represents a maximum increase in voting power of 36.46%.

(iv) **Assumptions**

Note that the following assumptions have been made in calculating the above:

(A) the Company has 1,319,012,709 Shares on issue (on a pre-Consolidation basis) as at the date of this Notice of Meeting;

(B) the Company does not issue any additional Shares; and

(C) no Existing Options are exercised or Performance Rights are converted.

(a) **Reasons for the proposed issue of securities**

As set out in section 2.1 of this Explanatory Statement, the reason for the issue of the issue of Shares to DevEx is to satisfy its consideration obligations under the Share Sale Agreement so that it can wholly acquire TRK Resources (being the holder of 11 exploration licences in New South Wales).

(b) **Date of proposed issue of securities**

The New Shares the subject of Resolution 2 will be issued on a date after the Meeting which is five Business Days following the satisfaction or waiver of the conditions precedent to the Share Sale Agreement.

(c) **Material terms of proposed issue of securities**

As set out in Section 2.1 of this Explanatory Statement, the purpose of the issue of the Shares to DevEx is to comply with the Company's consideration obligations under the Share Sale Agreement. The Company is proposing to issue 756,727,200 Shares at a deemed issue price of $0.01 (on a pre-Consolidation basis) or 75,672,720 Shares at a deemed issue price of $0.10 per Shares (on a post Consolidation basis) to DevEx.

(d) **DevEx's Intentions**

DevEx does not presently have any representatives on the Company's Board. However, under the Share Sale Agreement, DevEx will nominate two directors to be appointed to the Company's Board at Completion. Other than as noted above or as disclosed elsewhere in this Explanatory Statement, the Company understands that DevEx:

(i) has no present intention of making any significant changes to the business of the Company;

(ii) has no present intention to inject further capital into the Company;

(iii) has no present intention of making changes regarding the future employment of the present employees of the Company;

(iv) does not intend to redeploy any fixed assets of the Company;

(v) does not intend to transfer any property between the Company and DevEx or any of DevEx Associates;

(vi) has no intention to change the Company's existing policies in relation to financial matters or dividends; and

(vii) intends to appoint 2 directors to the Board.

These intentions are based on information concerning the Company, its business and the business environment which is known to DevEx at the date of this document.

These present intentions may change as new information becomes available, as circumstances change or in the light of all material information, facts and circumstances necessary to assess the operational, commercial, taxation and financial implications of those decisions at the relevant time.

(a) **Interests and Recommendations of Directors**

None of the current Board members have a material personal interest in the outcome of Resolution 2.

All of the Directors are of the opinion that the acquisition of TRK Resources and the issue of the New Shares to DevEx is in the best interests of Shareholders, accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolution 2. The Director's recommendations are based on the reasons outlined in section 2.6 below.

The Directors are not aware of any other information other than as set out in this Notice of Meeting that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 2.

(b) **Capital Structure**

The Company currently has 3,570 Shareholders at the date of this Notice of Meeting.

The Company has the following substantial Shareholders, holding more than 5% of the Company's Shares:

Shareholder	No. of Shares	%
Gary Steinepreis[1]	116,382,352	8.82%

Notes:
1. Comprising:

(a) 48,882,352 Shares in the capital of the Company held by Oakhurst Enterprises Pty Ltd, an entity which Gary Steinepreis has an interest;

(b) 42,500,000 Shares in the capital of the Company held LeisureWest Consulting Pty Ltd, an entity which Gary Steinepreis has an interest;

(c) 10,000,000 Shares in the capital of the Company directly held by Gary Steinepreis;

(d) 10,000,000 Shares in the capital of the Company directly held by Jacqueline Steinepreis, the spouse of Gary Steinepreis; and

(e) 5,000,000 Shares in the capital of the Company held by GC & JM Steinepreis <Gypsy Super Fund A/C>, a trust which Gary Steinepreis has an interest.

Below is a table showing the Company's current capital structure and the possible capital structure on completion of the issue of the New Shares.

	Shares	Unquoted Options	Unquoted Performance Rights
Balance at the date of this Notice	1,319,012,709	17,000,000[1]	10,000,000
Balance on issue if Resolution 1 approved by Shareholders	131,901,271	1,700,000	1,000,000
Shares to be issued under Resolution 2 (assuming Resolution 1 is approved by Shareholders)	75,672,720	Nil	Nil
Total (on a post consolidation basis)	**207,573,991**	**1,700,000**	**1,000,000**

Notes:
1. Exercisable at $0.022 each on or before 27 November 2023.

Assumptions:

- no additional Shares are issued by the Company;
- none of the Existing Options expire, or are converted, prior to the issue of the New Shares under Resolution 2; and
- None of the Performance Rights are converted, prior to the issue of the New Shares under Resolution 2

2.6 Advantages of the Issue – Resolution 2

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on proposed Resolution 2:

(a) the Issue of Shares to DevEx will enable the Company to acquire DevEx's wholly owned subsidiary TRK Resources, the holder of granted mining tenure in New South Wales;

(b) DevEx will add value to the Company's strategic goals and the Company will leverage off DevEx who will assist the Company through the appointment of two directors to the LSA Board and support with the core objective to increase Shareholder value;

(c) the issue of Shares to DevEx will complete the Company's obligations under the Share Sale Agreement and will not require renegotiation of its terms; and

(d) BDO has concluded that the Issue of the New Shares is fair and reasonable to the non-associated shareholders.

2.7 Disadvantages of the Issue – Resolution 2

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on proposed Resolution 2:

(a) the Issue of the Shares to DevEx will increase the voting power of DevEx from 0% to 36.46%, reducing the voting power of non-associated Shareholders in aggregate by the same amount; and

(b) there is no guarantee that the Company's Shares will not fall in value as a result of the Issue of the New Shares to DevEx.

2.8 Independent Expert's Report – Resolution 2

The Independent Expert's Report prepared by BDO (a copy of which is attached as Annexure A to this Explanatory Statement) assesses whether the transactions contemplated by Resolution 2 are fair and reasonable to the non-associated Shareholders of the Company.

The Independent Expert's Report concludes that the transaction contemplated by Resolution 2 is fair and reasonable to the non-associated Shareholders of the Company.

The Independent Expert notes that the advantages of the proposal raised in Resolution 2 to the Company and existing Shareholders are as follows:

(a) The proposed transaction is fair for shareholders;

(b) There is no cash element as part of the consideration;

(c) Diversification of projects and geographies; and

(d) Presence of a strategic investor on the Company's shareholder registry.

The disadvantages noted by the Independent Expert are as follows:

(a) Dilution of existing Shareholders' interest and reduced level of control over the Company;

(b) future takeover bids may be deferred; and

(c) substantial number of shares may be sold on the open market.

Shareholders are urged to carefully read the Independent Expert's Report to understand the scope of the report, the methodology of the valuation and the sources of information and assumptions made.

2.9 ASX Listing Rule 7.1

Approval under ASX Listing Rule 7.1 is not required for the issue of New Shares as approval is being obtained for the purposes of Item 7 of section 611 of the Corporations Act, which is an exception to ASX Listing Rule 7.1 Accordingly, the issue of the New Shares to DevEx will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

2.10 Pro forma balance sheet

A pro forma balance sheet of the Company and TRK Resources can be found in the Experts Report at sections 10.1.2 and 6.3 respectively.

GLOSSARY

$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Lachlan Star Limited (ACN 00759 535).

Completion means completion under the Share Sale Agreement.

Consolidation means the consolidation of the Company's securities on a 10 for 1 basis, approval of which is sought pursuant to Resolution 1.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Effective Date means the date on which the Company announces the Consolidation of the Company's capital in accordance with the indicative timetable in section 1.6.

Existing Option means an Option which has been issued by the Company prior to the date of this Notice of Meeting.

Explanatory Statement means the explanatory statement accompanying the Notice.

Independent Expert Report means the Independent Experts Report prepared by BDO which is attached to this Notice as Annexure A.

Issue means the proposed issue of New Securities to DevEx as outlined in section 2.1 of the Explanatory Statement.

Listing Rules means the Listing Rules of ASX.

Meeting means the meeting convened by the Notice.

New Share means a Share being issued by the Company pursuant to the Issue outlined in section 2.1 of the Explanatory Statement.

Notice means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Performance Right means a right to acquire a Share, subject to the satisfaction of any vesting conditions.

Prohibition is defined in clause 2.3(a) of the Explanatory Statement.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Royalty Deed means the royalty deed between TRK Resources and DevEx dated 3 August 2023.

Section means a section of the Explanatory Statement.

Securities includes a Share, a right to a Share or Option, an Option, a convertibly security, and any security that ASX decides to classify as a Security.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Share Sale Agreement is defined in section 2.1of the Explanatory Statement.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – SUMMARY OF THE SHARE SALE AGREEMENT

Agreement	Share Sale Agreement dated 3 August 2023
Parties	DevEx Resources Ltd (**Seller)**, TRK Resources Pty Ltd (**TRK**) and Lachlan Star Limited (**Buyer**)
Tenements held by TRK	EL8939, EL9013, EL9049, EL9461, EL9051, EL9520, EL8622, EL8767, EL8835, EL8851, EL9448
Consideration	In consideration for the acquisition of all of the Shares in TRK, the Buyer has agreed to issue the Seller (or its nominee): (a) 75,672,720 Buyer Shares at a deemed issue price of $0.10 per Buyer Share on a post consolidation basis; or (b) 756,727,200 Buyer Shares at a deemed issue price of $0.01 per Buyer Share on a pre- consolidation basis.
Royalty	TRK has agreed to grant to the Seller, a 2% net smelter royalty to be paid in accordance with and subject to the terms and conditions in the royalty agreement.
Conditions	The Buyer and the Seller are only obliged to complete the sale if the following conditions are satisfied or waived by the party/parties as being entitled to the benefit of that condition under the SSA: (a) (**Good Standing of Tenements**) - All Tenements held by TRK being in Good Standing. (b) (**Shareholder approval**) – The Buyer receiving approval from its shareholders pursuant to section 611 item 7 of the Corporations Act, to the issue of the LSA Shares. (c) (**Regulatory Approval**) - The Parties obtaining all necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, Corporations Act or any other law to allow the Parties to lawfully complete the matters set out in this Agreement. (d) (**ASX Confirmation**) – The Buyer receiving confirmation from ASX that it will not apply ASX Listing Rule 11.1.3 in respect of the matters set out in this Agreement, and ASX not changing that confirmation. (e) (**Third Party Approvals**) - The Parties obtaining all third-party approvals and consents, including the consent of the Minister responsible for the Mining Act (if required), necessary to lawfully complete the matters set out in this Agreement. (f) (**Deeds of Assignment and Assumption**) – The Seller, the Buyer and, if necessary, under the Third-Party Agreements, the relevant third party, executing a deed of assignment and assumption in relation to each Third Party Agreement, (g) (**Royalty Agreement**): The execution by the Seller and TRK (or its nominee) of the Royalty Agreement.
Sale and Purchase	Subject to clause 2(a) with effect from Completion, the Seller agrees to sell, and the Buyer agrees to buy the Sale Shares, together will all rights accruing, or attaching to the Sale Shares, free from any Encumbrances, in consideration for the payment of the Consideration to the Seller, and otherwise on and subject to the terms of this Agreement. At Completion, TRK will be sold on a cash free debt free basis (with the exception of the Security Deposit, which will continue to be held by the Department), and otherwise on and subject to the terms of this Agreement. The 'Security Deposit' means $129,000 deposited on behalf of TRK with the NSW Department of Planning and Environment – resources & Energy and held as security against TRK's obligations in respect of the Tenements

Completion	Completion to take place on the Completion Date. The 'Completion Date' means that date which is 5 Business days following the satisfaction or waiver of the Conditions, or such other date as agreed in writing by the parties.
Board Representation	Subject to Completion and the Seller holding a Relevant Interest in Buyer Shares, the Seller will nominate: (a) Two directors to the LSA Board including any person to replace those directors from time to time if the specified interest represents not less than 20% of the Buyer Shares on issue; or (b) One director to the LSA Board including any person to replace that director from time to time if the Specified Interest represents not less than 10% (but less than 20%) of the Buyer Shares on issue.
Tenement Outgoings	In the event that any payments are payable by TRK in relation to the Tenements for the current Tenement Year, it is acknowledged and agreed that the Seller pays all the proportion of that payment attributable up to and including the period prior to Completion and the Buyer pays the proportion attributable after Completion.
Dispute Resolution	The Agreement is subject to dispute resolution processes and where permitted, a dispute may be determined by an expert.

ANNEXURE A – INDEPENDENT EXPERT'S REPORT

LACHLAN STAR LIMITED
Independent Expert's Report

25 August 2023

Financial Services Guide

25 August 2023

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 (‘**we**’ or ‘**us**’ or ‘**ours**’ as appropriate) has been engaged by Lachlan Star Limited (‘**Lachlan Star**’ or ‘**the Company**’) to provide an independent expert’s report on the proposal to acquire the entire issued capital of TRK Resources Pty Ltd (‘**TRK Resources**’ or ‘**TRK**’) (‘**Proposed Acquisition**’). You are being provided with a copy of our report because you are a shareholder of Lachlan Star and this Financial Services Guide (‘**FSG**’) is included in the event you are also classified under the Corporations Act 2001 (‘**the Act**’) as a retail client.

Our report and this FSG accompanies the Notice of Meeting required to be provided to you by Lachlan Star to assist you in deciding on whether or not to approve the proposal.

Financial Services Guide
This FSG is designed to help retail clients make a decision as to their use of our general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

This FSG includes information about:

- Who we are and how we can be contacted;
- The services we are authorised to provide under our Australian Financial Services Licence No. 316158;
- Remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- Any relevant associations or relationships we have; and
- Our internal and external complaints handling procedures and how you may access them.

Information about us
We are a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our report is provided by BDO Corporate Finance (WA) Pty Ltd and not by BDO or its related entities. BDO and its related entities provide professional services primarily in the areas of audit, tax, consulting, mergers and acquisition, and financial advisory services.

We and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business and the directors of BDO Corporate Finance (WA) Pty Ltd may receive a share in the profits of related entities that provide these services.

Financial services we are licensed to provide
We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients, and deal in securities for wholesale clients. The authorisation relevant to this report is general financial product advice.

When we provide this financial service we are engaged to provide an expert report in connection with the financial product of another person. Our reports explain who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

General Financial Product Advice
We only provide general financial product advice, not personal financial product advice. Our report does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. If you have any questions, or don’t fully understand our report you should seek professional financial advice.

Fees, commissions and other benefits that we may receive
We charge fees for providing reports, including this report. These fees are negotiated and agreed with the person who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee payable to BDO Corporate Finance (WA) Pty Ltd for this engagement is approximately $30,000.

Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report and our directors do not hold any shares in Lachlan Star.

Remuneration or other benefits received by our employees
All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report. We have received a fee from Lachlan Star for our professional services in providing this report. That fee is not linked in any way with our opinion as expressed in this report.

Referrals
We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Complaints resolution
Internal complaints resolution process
As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. We are also committed to meeting your needs and maintaining a high level of client satisfaction. If you are unsatisfied with a service we have provided you, we have avenues available to you for the investigation and resolution of any complaint you may have.

To make a formal complaint, please use the Complaints Form. For more on this, including the Complaints Form and contact details, see the BDO Complaints Policy available on our website.

When we receive a complaint we will record the complaint, acknowledge receipt of the complaint in writing within 1 business day or, if the timeline cannot be met, then as soon as practicable and investigate the issues raised. As soon as practical, and not more than 30 days after receiving the complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme
We are a member of the Australian Financial Complaints Authority (AFCA) which is an External Dispute Resolution Scheme. Our AFCA Membership Number is 12561. Where you are unsatisfied with the resolution reached through our Internal Dispute Resolution process, you may escalate this complaint to AFCA using the below contact details:

Mail:	GPO Box 3, Melbourne, VIC 3001
Free call:	1800 931 678
Website:	www.afca.org.au
Email:	info@afca.org.au
Interpreter Service:	131 450

TABLE OF CONTENTS

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9 Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

25 August 2023

The Directors
Lachlan Star Limited
1/33 Ord Street
WEST PERTH WA 6005

Dear Directors

INDEPENDENT EXPERT'S REPORT

1. Introduction

On 3 August 2023, Lachlan Star Limited ('**Lachlan Star**' or '**the Company**') announced that it had entered into a share sale agreement to acquire the entire issued capital of TRK Resources Pty Ltd ('**TRK**') from DevEx Resources Limited ('**DevEx**') ('**Proposed Acquisition**'). TRK is a wholly owned subsidiary of DevEx that holds interests in several mining tenements at Junee, Basin Creek, and Cobar, located within the Australian State of New South Wales ('**NSW**').

The consideration for the Proposed Acquisition is in the form of Lachlan Star shares ('**Consideration Shares**') being either:

- 75,672,720 fully paid ordinary shares in Lachlan Star issued to DevEx on a post-consolidation basis; or
- 756,727,200 fully paid ordinary shares in Lachlan Star issued to DevEx on a pre-consolidation basis.

At completion of the Proposed Acquisition, Lachlan Star will also transfer a cash payment of $129,000 to DevEx, as reimbursement for a security deposit made by TRK. This security deposit has been deposited with the NSW Department of Planning and Environment – Resources & Energy, held in respect of obligations in relation to tenements under the control of TRK. As part of the Proposed Acquisition, Lachlan Star will also grant DevEx a 2% net smelter royalty ('**NSR**') over any future mineral production from the acquired tenements.

At completion of the Proposed Acquisition, DevEx will also appoint two new directors to the Board of Lachlan Star.

If the Proposed Acquisition is approved, DevEx's interest in Lachlan Star would increase from nil to 36.46% on an undiluted basis. As the Proposed Acquisition results in DevEx's interest in Lachlan Star increasing above 20%, approval from the non-associated shareholders of Lachlan Star ('**Shareholders**') is required.

All currencies are quoted in Australian Dollars unless stated otherwise.

2. Summary and Opinion

2.1 Requirement for the report

The directors of Lachlan Star have requested that BDO Corporate Finance (WA) Pty Ltd ('**BDO**') prepare an independent expert's report ('**our Report**') to express an opinion as to whether or not the Proposed Acquisition is fair and reasonable to the non-associated shareholders of Lachlan Star.

Our Report is prepared pursuant to section 611 of the Corporations Act 2001 Cth ('**Corporations Act**' or '**the Act**') and is to be included in the Notice of Meeting for Lachlan Star in order to assist the Shareholders in their decision whether to approve the Proposed Acquisition.

2.2 Approach

Our Report has been prepared having regard to Australian Securities and Investments Commission ('**ASIC**') Regulatory Guide 74 'Acquisitions Approved by Members' ('**RG 74**'), Regulatory Guide 111 'Content of Expert's Reports' ('**RG 111**') and Regulatory Guide 112 'Independence of Experts' ('**RG 112**').

In arriving at our opinion, we have assessed the terms of the Proposed Acquisition as outlined in the body of this report. We have considered:

- How the value of a Lachlan Star share prior to the Proposed Acquisition on a controlling interest basis compares to the value of a Lachlan Star share following the Proposed Acquisition on a minority basis;
- Other factors which we consider to be relevant to the Shareholders in their assessment of the Proposed Acquisition; and
- The position of Shareholders should the Proposed Acquisition not proceed.

2.3 Opinion

We have considered the terms of the Proposed Acquisition as outlined in the body of this report and have concluded that, in the absence of an alternative offer, the Proposed Acquisition is fair and reasonable to Shareholders.

2.4 Fairness

In Section 12 we determined that the value of a Lachlan Star share prior to the Proposed Acquisition (on a controlling interest basis) compares to the value of a Lachlan Star share following the Proposed Acquisition (on a minority interest basis), as detailed below.

	Ref	Low $	Mid $	High $
Value of a Lachlan Star share prior to the Proposed Acquisition (controlling basis)	10.1	0.0037	0.0048	0.0060
Value of a Lachlan Star share following the Proposed Acquisition (minority interest basis)	11.1	0.0044	0.0075	0.0109

Source: BDO analysis

The above valuation ranges are graphically presented below:

Source: BDO Analysis

We note that the value of a Lachlan Star share following the Proposed Acquisition (on a minority interest basis) is greater than the value of a Lachlan Star share prior to the Proposed Acquisition (on a controlling interest basis). The above pricing indicates that, in the absence of any other relevant information, and an alternate offer, the Proposed Acquisition is fair for Shareholders.

2.5 Reasonableness

We have considered the analysis in section 13 of this report, in terms of both

- advantages and disadvantages of the Proposed Acquisition; and
- other considerations, including the position of Shareholders if the Proposed Acquisition does not proceed and the consequences of not approving the Transaction.

In our opinion, the position of Shareholders if the Proposed Acquisition is approved is more advantageous than the position if the Proposed Acquisition is not approved. Accordingly, in the absence of any other relevant information and/or an alternate proposal we believe that the Proposed Acquisition is reasonable for Shareholders.

The respective advantages and disadvantages considered are summarised below:

ADVANTAGES AND DISADVANTAGES			
Section	**Advantages**	**Section**	**Disadvantages**
13.4	The Proposed Acquisition is fair for Shareholders	13.5	Dilution of existing shareholders' interests and reduced level of control over the Company
13.4	No cash element as part of the consideration	13.5	Future takeover bids may be deterred
13.4	Diversification of projects and geographies	13.5	Substantial number of shares may be sold on the open market
13.4	Presence of a strategic investor on Lachlan Star's shareholder registry		

Other key matters we have considered include:

Section	Description
13.1	Alternative Proposal
13.2	Practical Level of Control
13.3	Consequences of not Approving the Proposed Acquisition

3. Scope of the Report

3.1 Purpose of the Report

Section 606 of the Corporations Act ('**Section 606**') expressly prohibits the acquisition of further shares by a party if the party acquiring the interest does so through a transaction and because of the transaction, that party (or someone else's voting power in the company) increases from 20% or below to more than 20%.

Section 611 of the Corporations Act ('**Section 611**') provides exceptions to the Section 606 prohibition and item 7 Section 611 ('**item 7 s611**') permits such an acquisition if the shareholders of Lachlan Star have agreed to the acquisition. This agreement must be by resolution passed at a general meeting at which no votes are cast in favour of the resolution by the party to the acquisition or any party who is associated with the acquiring party.

Item 7 Section 611 states that shareholders of the company must be given all information that is material to the decision on how to vote at the meeting.

RG 74 states that to satisfy the obligation to provide all material information on how to vote on the item 7 resolution Lachlan Star can commission an Independent Expert's Report.

The directors of Lachlan Star have commissioned this Independent Expert's Report to satisfy this obligation.

3.2 Regulatory guidance

Neither the Listing Rules nor the Corporations Act defines the meaning of 'fair and reasonable'. In determining whether the Proposed Acquisition is fair and reasonable, we have had regard to the views expressed by ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider to assist security holders to make informed decisions about transactions.

This regulatory guide suggests that where the transaction is a control transaction, the expert should focus on the substance of the control transaction rather than the legal mechanism used to effect it. RG 111 suggests that where a transaction is a control transaction, it should be analysed on a basis consistent with a takeover bid.

In our opinion, the Proposed Acquisition is a control transaction as defined by RG 111 and we have therefore assessed the Proposed Acquisition as a control transaction to consider whether, in our opinion, it is fair and reasonable to Shareholders.

3.3 Adopted basis of evaluation

RG 111 states that a transaction is fair if the value of the offer price or consideration is equal to or greater than the value of the securities subject of the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. When considering the value of the securities subject of the offer in a control transaction it is inappropriate for the expert to apply a discount on the basis that the shares being acquired represent a minority or portfolio interest as such the expert should consider this value inclusive of a control premium. Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid.

Having regard to the above, BDO has completed this comparison in two parts:

- A comparison between the value of a Lachlan Star share prior to the Proposed Acquisition on a controlling interest basis and the value of a Lachlan Star share following the Proposed Acquisition on a minority interest basis (fairness – see Section 12 'Is the Proposed Acquisition Fair?'); and
- An investigation into other significant factors to which Shareholders might give consideration, prior to approving the resolution, after reference to the value derived above (reasonableness – see Section 13 'Is the Proposed Acquisition Reasonable?').

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' ('**APES 225**').

A Valuation Engagement is defined by APES 225 as follows:

'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.'

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

4. Outline of the Proposed Acquisition

Proposed Acquisition

On 3 August 2023, Lachlan Star announced that it had entered into a share sale agreement ('**Share Sale Agreement**') with DevEx and DevEx's wholly owned subsidiary TRK, whereby Lachlan Star would acquire all the issued shares in TRK, for a consideration of shares in Lachlan Star and a 2% NSR. TRK holds the legal interest in 11 exploration licences in NSW comprising the Basin Creek Project, North Cobar Project and Junee Project.

The consideration under the Share Sale Agreement is comprised as follows:

1. Within five business days following the satisfaction of the conditions precedent to completion, the issue of either:
    a) 75,672,720 Consideration Shares, issued to DevEx, on a post-consolidation basis; or
    b) 756,727,200 Consideration Shares, issued to DevEx, on a pre-consolidation basis; and
2. Lachlan Star will also grant DevEx a 2% NSR over any future mineral production from the acquired tenements.

At completion of the Proposed Acquisition, Lachlan Star will also transfer a cash payment of $129,000 to DevEx, as reimbursement for a security deposit made by TRK.

DevEx will also appoint two new directors to the Board of Lachlan Star.

Conditions Precedent

The Proposed Acquisition is conditional upon the following conditions which must be either satisfied or waived by the party/parties as being entitled to the benefit of that condition under the Share Sale Agreement:

a) All tenements held by TRK being in good standing.

b) Lachlan Star receiving approval from its shareholders pursuant to section 611 item 7 of the Corporations Act, to the issue of the Consideration Shares.

c) Obtaining all necessary regulatory approvals including those in accordance with the ASX Listing Rules and Corporations Act.

d) Lachlan Star receiving confirmation from ASX that it will not apply ASX Listing Rule 11.1.3 in respect of the matters set out in the Share Sale Agreement, and ASX not changing that confirmation.

e) Lachlan Star and DevEx obtaining all third-party approvals and consents, including the consent of the Minister responsible for the Mining Act.

f) DevEx, Lachlan Star and, if necessary, under the any third-party agreements, the relevant third party, executing a deed of assignment and assumption in relation to each third-party agreement.

Further details of the Proposed Acquisition are set out in the Notice of Meeting.

Consolidation of Capital

Lachlan Star is also seeking approval to undertake a consolidation of share capital, whereby, the issued capital is to be consolidated on a 10 for 1 basis. The consolidation will also apply to Lachlan Star's performance rights and options on issue. We understand the Company, subject to shareholder approval,

will proceed with a consolidation of its capital irrespective of whether the transaction is approved by Shareholders.

Following completion of the Proposed Acquisition, DevEx's interest in Lachlan Star would increase from 0% to 36.46% on an unconsolidated and undiluted basis. This is summarised in the table below.

Capital structure	DevEx	Shareholders	Total
Lachlan Star shares on issue prior to the Proposed Acquisition	**-**	**1,319,012,709**	**1,319,012,709**
% holdings prior to the Proposed Acquisition	*-*	*100.00%*	*100.00%*
Issue of Consideration Shares	756,727,200	-	756,727,200
Lachlan Star shares on issue following the Proposed Acquisition	**756,727,200**	**1,319,012,709**	**2,075,739,909**
% holdings following the Proposed Acquisition	*36.46%*	*63.54%*	*100.00%*

Note: Number of shares in the above table are quoted on a pre-consolidation basis

5. Profile of Lachlan Star

5.1 Overview

Lachlan Star is an Australian-based mineral exploration company with projects in Western Australia ('**WA**') and Queensland ('**QLD**'). Lachlan Star is listed on the Australian Securities Exchange ('**ASX**') and is headquartered in Perth, Australia. The current directors and company secretary of Lachlan Star are:

- Mr Gary Steinepreis – Non-Executive Chairman;
- Mr Bernard Aylward – Non-Executive Director; and
- Mr Daniel Smith – Non-Executive Director and Company Secretary.

5.2 Projects

An overview of Lachlan Star's current projects is set out below:

5.2.1. 45% Interest in the Koojan Ni-PGE Project ('Koojan Project')

The Koojan Project is a joint venture between Lachlan Star, Minerals 260 Limited ('**Minerals 260**'), and Wavetime Nominees Pty Ltd ('**Wavetime Nominees**') (collectively '**Koojan JV Parties**'). Wavetime Nominees is a private company, whilst Minerals 260 is an ASX-listed exploration company that demerged from Liontown Resources Limited. The Koojan JV Parties have interest in the Koojan Project through interests in Coobaloo Minerals Pty Ltd ('**Coobaloo Minerals**').

Covering a contiguous area of 600 km^2, the Koojan Project, is located approximately 150km north-east of Perth in the New Norcia region of WA. The Koojan Project is located specifically within the Western Gneiss Terrain of the Archaean Yilgarn Craton of WA's south-west. Exploration permits include:

- E70/5312;
- E70/5337;
- E70/5429;
- E70/5450;
- E70/5515; and
- P70/1743.

Minerals 260 currently has a 30% interest in the Koojan Project, with Lachlan Star holding a 45% interest and Wavetime Nominees holding the remaining 25%. There is a farm-in agreement between Lachlan Star and Minerals 260, under which Minerals 260 can earn up to 51% equity in the Koojan Project by spending $4 million on exploration within five years. The farm-in agreement provides Minerals 260 the right to withdraw, subject to a minimum expenditure commitment by Minerals 260 of $500,000, which has been spent and Minerals 260 has incurred further expenditure of $1,000,000 with Lachlan Star also contributing $250,000.

Upon Minerals 260 earning the maximum interest, the following interests in the Koojan Project applies:

- Minerals 260 – 51%;
- Lachlan Star – 24%; and
- Wavetime Nominees – 25%.

The exploration program for the Koojan Project is currently prioritising the Mallory and Bourbana Prospects. The Bourbana Prospect is a broad and multi-peaked gold anomaly, whilst the Mallory Prospect contains multiple elements including gold, copper and platinum-group elements (**'PGE'** or **'PGEs'**). PGEs consist of platinum, palladium, rhodium, ruthenium, osmium, and iridium – usually existing with other mineral deposits containing nickel, copper, cobalt, and gold. Detailed aeromagnetic and gravity surveys over the Koojan Project in combination with reconnaissance drilling and geochemical sampling will provide data for optimised drill testing of existing and new targets.

The Koojan Project is located within a farming district with extensive seasonal cropping (wheat, barley and canola) and grazing that will impact geological exploration at times.

5.2.2. Varying Interests in the Killaloe Gold Project ('Killaloe Project')

The Killaloe Project is located in southeast WA, approximately 600-km east of Perth and 35-km northeast of Norseman, an historic gold mining town. The project consists of two largely contiguous exploration licences (E63/1018 and E63/1017) and separately, the Buldania mining licence (M63/177). The three licences cover a combined area of 94km^2 and Lachlan Star's interests in the mining licences of the Killaloe Project are as follows:

- 100% interest in the E63/1017 exploration licence;
- 100% interest in the Buldania mining licence;
- 80% interest in the E63/1018 exploration licence, with Cullen Resources Limited holding 20%.

The maiden drilling program consisted of eight reverse circulation drill holes totalling 962m, with three of those drill holes dedicated to the Buldania workings. The maiden drilling program was announced on 29 October 2021, with an initial plan to achieve 1,200m of drilling. However, the program was concluded at 962m due to limitations in drill rig availability. As per the Company's March 2023 Quarterly Activities Statement, Lachlan Star is currently reviewing exploration data ahead of the follow-up drilling programs, which were anticipated upon the conclusion of the maiden drilling program.

Despite thick bush coverage and adverse weather events, the land at Killaloe is considered fairly accessible, having no other land users.

5.2.3. 100% Interest in the Princhester Magnesite Project ('Princhester Project')

The Princhester Project is located 85km northwest of Rockhampton in QLD, within the northern New England Orogen and Marlborough Province. Lachlan Star has a 100% interest in the project, which covers two mining leases, ML5831 and ML5832. The Company has lodged renewal applications for the mining leases, recognising the project a genuine exploration target with a history of detailed exploration and metallurgical evaluation. Lachlan Star notes the New England Orogen to be a significant mineral province in eastern Australia that extends from Port Macquarie in NSW to Mackay in QLD. The New England Orogen mineralisation includes gold mineralisation (Mount Morgan, Gympie) and other mineral deposits.

5.3 Recent Corporate Events

On 21 February 2022, Lachlan Star announced that it had entered into a binding term sheet with Green Critical Minerals Pty Ltd (**'GCM'**), an Australian-based mineral exploration and development company, in relation to the sale of the Company's 100% interest in the Princhester Project. Subsequently however, it

was announced on 21July 2022 that the sale was terminated following a mutual agreement between the Company and GCM.

5.4 Historical Statement of Financial Position

Statement of Financial Position	Reviewed as at 31-Dec-22 $	Audited as at 30-June-22 $	Audited as at 30-June-21 $
CURRENT ASSETS			
Cash and cash equivalents	4,035,438	4,327,708	4,681,035
Trade and other receivables	64,353	39,783	146,802
TOTAL CURRENT ASSETS	**4,099,790**	**4,367,491**	**4,827,837**
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	3,039,540	2,634,875	2,312,640
TOTAL NON-CURRENT ASSETS	**3,039,540**	**2,634,875**	**2,312,640**
TOTAL ASSETS	**7,139,330**	**7,002,366**	**7,140,477**
CURRENT LIABILITIES			
Trade and other payables	432,261	102,379	59,958
TOTAL CURRENT LIABILITIES	**432,261**	**102,379**	**59,958**
TOTAL LIABILITIES	**432,261**	**102,379**	**59,958**
NET ASSETS	**6,707,069**	**6,899,987**	**7,080,519**
EQUITY			
Contributed equity	9,822,599	9,822,599	9,585,099
Reserves	886,202	886,202	886,202
Accumulated losses	(4,001,732)	(3,808,814)	(3,390,782)
TOTAL EQUITY	**6,707,069**	**6,899,987**	**7,080,519**

Source: Lachlan Star's reviewed financial statements for the half-year ended 31 December 2022 and audited financial statements for the years ended 30 June 2022 and 30 June 2021

Commentary on Historical Statements of Financial Position

- Cash and cash equivalents decreased from $4.33 million at 30 June 2022 to $4.04 million at 31 December 2022, driven by ongoing exploration expenditure and payments to suppliers and employees.
- The Company has elected to capitalise exploration an evaluative expenditure on its balance sheet. This is in contrast to TRK and its parent entity, DevEx, which elects to expense all exploration and evaluation expenditure.
- Trade and other payables increased over the half year ended 31 December 2022 from $102,379 as at 30 June 2022 to $432,261 as at 31 December 2022. This was primarily driven by reimbursements to Minerals 260 related to joint venture costs on the Koojan Project.

5.5 Historical Statement of Comprehensive Income

Statement of Profit or Loss and Other Comprehensive Income	Reviewed for the half year ended 31-Dec-22 $	Audited for the year ended 30-Jun-22 $	Audited for the year ended 30-Jun-21 $
Revenue from continuing operations			
Finance income	14,495	909	634
Expenses			
Corporate compliance and management	(147,372)	(287,701)	(243,093)
Other expenses	(60,020)	(131,135)	(159,053)
Finance expense	(21)	(105)	(94)
Share based payment expense	-	-	(440,104)
Loss from continuing operations before income tax	**(192,918)**	**(418,032)**	**(841,710)**
Income tax expense	-	-	-
Loss from continuing operations after income tax	**(192,918)**	**(418,032)**	**(841,710)**
Other comprehensive loss for the year, net of tax	**-**	**-**	**-**
Total comprehensive loss for the year	**(192,918)**	**(418,032)**	**(841,710)**

Source: Lachlan Star's reviewed financial statements for the half-year ended 31 December 2022 and audited financial statements for the years ended 30 June 2022 and 30 June 2021

Commentary on Historical Statements of Comprehensive Income

- Finance income increased to $14,495 for the half year ended 31 December 2022 from $909 for the year ended 30 June 2022. Finance income comprises interest earned on the Company's cash balance.
- For the half year ended 31 December 2022, other expenses of $60,020 comprised of the following:

Other expenses	Reviewed for the half year ended 31-Dec-22 $
Accounting and audit fees	29,597
Insurance	9,488
Office rental, communications and consumables	19,862
Other expenses	1,073
Total other expenses	**60,020**

- In the year ended 30 June 2021, the Company recorded a share based payment expense of $440,104. This was a renumeration expense for Directors in the Company that compromised of $167,202 in options and $272,902 in performance rights. During the 2021 financial year, Lachlan Star's positive share price performance resulted in the recognition of these expenses.

5.6 Capital Structure

The share structure of Lachlan Star as at 21 August 2023 is outlined below. We note the information in this section is provided on a pre-consolidation basis:

Shareholding	Number
Total ordinary shares on issue	1,319,012,709
Top 20 shareholders	407,074,418
Top 20 shareholders - % of shares on issue	30.86%

Source: Share registry information provided by Lachlan Star

The range of shares held in Lachlan Star as 21 August 2023 is as follows:

Range of Shares Held	No. of Ordinary Shareholders	No. of Ordinary Shares	Percentage of Issued Shares (%)
1 - 1,000	1,067	187,297	0.01%
1,001 - 5,000	153	377,068	0.03%
5,001 - 10,000	67	550,118	0.04%
10,001 - 100,000	1,137	53,979,996	4.09%
100,001 - and over	1,146	1,263,918,230	95.82%
TOTAL	**3,570**	**1,319,012,709**	**100.00%**

Source: Share registry information provided by Lachlan Star

The ordinary shares held by the most significant shareholders as at 21 July 2023 are detailed below:

Name	No. of Ordinary Shares	Percentage of Issued Shares (%)
Oakhurst Enterprises Pty Ltd, LeisureWest Consulting Pty Ltd and Gary Steinepreis	116,382,352	8.82%
Subtotal	**116,382,352**	**8.82%**
Others	1,202,630,357	91.18%
Total ordinary shares on Issue	**1,319,012,709**	**100.00%**

Source: Share registry information provided by Lachlan Star

The options and performance rights on issue as at 21 July 2023 are outlined below:

Description	No. of Options/Rights	Exercise price ($)	Expiry Date
Unlisted Options	17,000,000	0.022	27-Nov-23
Performance Rights that vest upon the Company's share price achieving a 20-day Volume Weighted Average Price of 2.5 cents per share or greater	10,000,000	Nil	8-Apr-24
Total number of options and performance rights	**27,000,000**		
Cash raised if options are exercised	**$374,000**		

Source: Share registry information provided by Lachlan Star

6. Profile of TRK

6.1 Overview

TRK is a wholly owned subsidiary of DevEx. Both DevEx and TRK are focused on mineral exploration within Australia. DevEx is listed on the ASX and is headquartered in Perth, WA. The current directors and company secretary of DevEx are:

- Mr Tim Goyder – Chairman;
- Mr Brendan Bradley – Managing Director;
- Ms Stacey Apostolou – Executive Director;
- Mr Bryn Jones – Non-Executive Director;
- Mr Richard Hacker – Non-Executive Director; and
- Ms Kym Verheyen – Company Secretary.

6.2 Projects

DevEx has mineral exploration assets based in WA, NSW, QLD and the Northern Territory (**'NT'**). Projects held by DevEx's wholly owned subsidiary TRK are located in NSW and comprise 11 exploration licences which can be delineated into the following three projects:

- the Basin Creek Project (**'Basin Creek'**);
- the North Cobar Project (**'Cobar'**), and
- the Junee Copper-Gold Project (**'Junee'**).

6.2.1. Basin Creek

Basin Creek is situated within the Lachlan Fold Belt region in NSW, which hosts several of Australia's largest copper-gold mines. Through exploration activities conducted by TRK and historical data, TRK has identified a 4 km long gold system at the Main Ridge Gold Prospect, located within Basin Creek. There has been no recent drilling activity undertaken by TRK.

6.2.2. Cobar

Cobar consists of the North Cobar mineral exploration licences covering the Rookery and Endeavor Fault systems, a metalliferous fault network hosting gold-base metal mines in the Cobar Region. TRK is planning to undertake ground geophysical surveys to identify Cobar-type copper gold targets.

6.2.3. Junee

Junee consists of mineral exploration licences within the Macquarie Arc of the Lachlan Fold Belt in NSW. The Macquarie Arc is deemed as a Tier-1 porphyry copper-gold district. TRK has completed air-core, reverse circulation, and diamond drilling programs to evaluate a 2km long copper-gold anomaly at the Nangus Road prospect. TRK has identified large-scale, shallow gold intercepts within this anomaly.

Further information on the Projects can be found in VRM's report in Appendix 3.

6.3 Historical Statement of Financial Position

Statement of Financial Position	Unaudited as at 30-Jun-23 $	Unaudited as at 30-June-22 $	Unaudited as at 30-June-21 $
CURRENT ASSETS			
Trade and other receivables	2,107	-	-
TOTAL CURRENT ASSETS	**2,107**	**-**	**-**
NON-CURRENT ASSETS			
Restricted cash	129,000	143,000	254,000
TOTAL NON-CURRENT ASSETS	**129,000**	**143,000**	**254,000**
TOTAL ASSETS	**131,107**	**143,000**	**254,000**
CURRENT LIABILITIES			
Trade and other payables	39,321	79,320	47,624
TOTAL CURRENT LIABILITIES	**39,321**	**79,320**	**47,624**
NON-CURRENT LIABILITIES			
Intercompany loans - DevEx Resources Ltd	10,895,919	9,174,196	5,868,958
TOTAL NON-CURRENT LIABILITIES	**10,895,919**	**9,174,196**	**5,868,958**
TOTAL LIABILITIES	**10,935,240**	**9,253,516**	**5,916,582**
NET ASSETS	**(10,804,133)**	**(9,110,516)**	**(5,662,582)**
EQUITY			
Issued capital	1,000	1,000	1,000
Accumulated losses	(10,805,133)	(9,111,516)	(5,663,582)
TOTAL EQUITY	**(10,804,133)**	**(9,110,516)**	**(5,662,582)**

Source: TRK's unaudited financial management accounts as provided by DevEx

We have not undertaken a review of TRK's unaudited accounts in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

Commentary on Historical Statements of Financial Position

- The restricted cash of $129,000 as at 30 June 2023 relates to NSW Government security deposits in support of TRK's projects.
- TRK's long-term borrowings is an intercompany loan from its parent company DevEx, which has been used to fund exploration activities. This loan will be forgiven prior to completion of the Proposed Acquisition.

6.4 Historical Statement of Comprehensive Income

Statement of Profit or Loss and Other Comprehensive Income	Unaudited for the year ended 30-June-23	Unaudited for the year ended 30-June-22	Unaudited for the year ended 30-June-21
	$	$	$
Corporate administration expenditure	(290)	(276)	(273)
Exploration and evaluation expenditure	(1,627,175)	(3,343,058)	(3,220,097)
Business development	(66,152)	(104,601)	(60,478)
Loss before income tax	**(1,693,617)**	**(3,447,934)**	**(3,280,848)**
Income tax benefit	-	-	-
Loss for the year from continuing operations	**(1,693,617)**	**(3,447,934)**	**(3,280,848)**
Other comprehensive income	**-**	**-**	**-**
Total comprehensive loss for the year, net of tax	**(1,693,617)**	**(3,447,934)**	**(3,280,848)**

Source: TRK's unaudited financial management accounts as provided by DevEx

We have not undertaken a review of TRK's unaudited accounts in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

Commentary on Historical Statements of Comprehensive Income

- TRK's primary expenses are from its exploration and evaluation activities relating to its NSW projects. Unlike Lachlan Star, TRK chooses to immediately expense all exploration and evaluation costs as they are incurred through its income statement. The $1.63 million recorded for the year ended 30 June 2023 is primarily attributed to the costs of drilling, project expenses, consultant costs and labour costs.

7. Economic analysis

Lachlan Star and TRK are primarily exposed to the risks and opportunities of the Australian market through their operations and listing on the ASX (for Lachlan Star). As such, we have presented an analysis on the Australian economy, to the extent that it relates to considerations for our assessment.

7.1 Australia

In its August 2023 Monetary Policy Decision, the Reserve Bank of Australia ('**RBA**') made the decision to leave the cash rate target unchanged at 4.10%. Since May 2022, the RBA has increased the interest rates by four percentage points, with the intention of easing inflationary pressures and returning inflation to its target rate within a reasonable timeframe. The decision in August to hold the interest rate for the second consecutive meeting was aimed to provide some additional time for the RBA to assess the impact of interest rate rises to date on key macroeconomic indicators.

Inflation reached 7.8% over the 2022 calendar year, the highest year-end inflation figure since 1990, and significantly higher than the RBA's inflation target of 2-3%. The RBA stated in its July statement that the decline in the monthly consumer price index ('**CPI**') indicator for May 2023 suggested that inflation has since passed its peak in Australia. However, the RBA considers that inflation is still too high at its current rate of 6.0% and predicts that it will remain at this level for some time before returning to the target range. Exploration and mining companies are not immune to the effects of inflation, with rising drilling and corporate costs impacting the level of capital required to fund exploration programs.

According to the RBA, growth in the Australian economy has also slowed. Currently, the combination of heightened interest rates and cost-of-living pressures has led to a substantial deceleration in household spending. As a result, equity market conditions, particularly for retail investors have dampened with the decline in discretionary income.

Among major economies around the world, the rebound from the COVID-19 pandemic waned throughout 2022, which contributed to a slowdown in the global economy. Like many advanced economies, high inflation and energy prices have weighed on demand in Australia. In addition, it is anticipated in 2023-24 that Gross Domestic Product ('**GDP**') growth in Australia's key trading partners will remain substantially below historical norms. However, downside risks to growth in the major global economies have lessened in recent months, supported by China's reversal of its COVID-19 measures in December 2022, which has stabilised the supply chain recovery trajectory.

The recent banking system crisis in the United States and Switzerland has resulted in volatility in financial markets and a reassessment of the outlook for global interest rates. These problems are also expected to influence tighter financial conditions, forming an additional headwind for the global economy. However, the RBA considers the Australian banking system to be strong, well capitalised and highly liquid. It is, therefore, well placed to provide the credit that the economy needs, albeit at higher interest rates compared to the rates during the pandemic. This may form part of the consideration for Lachlan Star and TRK in assessing potential future funding for their operations.

Conditions in the labour market have eased, although remain very tight. Firms report that labour shortages have lessened, yet job vacancies and advertisements are still at very high levels. The unemployment rate at 3.5% remains close to a 50 year low, consequently, wage growth is stated to be increasing in response to the tight labour market and high inflation. The current labour market is a key consideration for Lachlan Star and TRK in their ability to conduct exploration operations. A tight labour market may make it more difficult for companies to source skilled labour and advance exploration.

Outlook

Economic growth in Australia is forecast to be hampered by rising interest rates, higher living costs and declining real wealth. As a result, the forecast declining trajectory of inflation in Australia remains uncertain and the high inflation environment is expected to continue weighing on real household incomes for the short term. The composition of inflation in Australia is also likely to shift, with higher inflation expected in more persistent and non-discretionary items, such as rent, in the coming years. However, despite inflationary concerns, aggregate household incomes have been sustained by solid labour demand, which has underpinned the health of household balance sheets. Although the balance of risks has improved in recent months, the pathway forward remains uncertain, with upside and downside scenarios equally plausible.

Source: www.rba.gov.au Statement by Phillip Lowe, Governor: Monetary Policy Decision dated 1 August 2023 and prior periods, www.rba.gov.au Statement on Monetary Policy August 2023 and prior periods, and BDO analysis.

8. Industry analysis

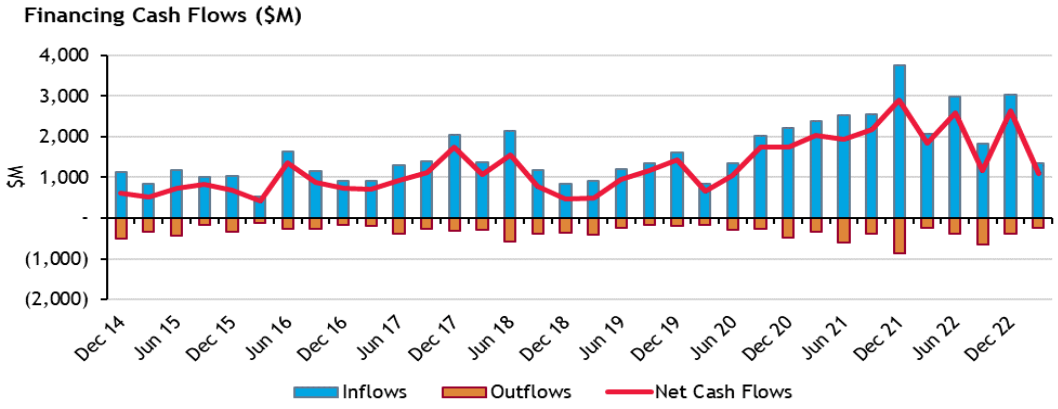
Lachlan Star and TRK are exposed to the risks and opportunities affecting the gold and copper industries with operations focused on the development and exploration of both metals.

As such, we have presented an overview of the relevant industry segments on the basis that these form part of the considerations for our overall assessment. We have presented an analysis of the exploration sector on the ASX, as well as gold and copper industries.

8.1 Exploration sector

BDO reports on the financial health and cash positions of ASX-listed exploration companies based on the quarterly Appendix 5B reports lodged with the ASX. ASX-listed mining and oil and gas exploration companies are required to lodge an Appendix 5B report each quarter, outlining the company's cash flows, their financing facilities available and management's expectation of future funding requirements. BDO's report for the March quarter of 2023 suggests that volatile financial markets have constrained the ability of the sector to raise funds, which in turn, has resulted in subdued operations and investment.

Financing cash inflows for the March 2023 quarter declined 55%, reaching $1.35 billion, while the average financing inflows per company dipped by 53% when compared to the two-year average. Notably, the proportion of companies raising over $1 million decreased as smaller-scale fund raises became more prominent. The observed trends indicate a distinct decline in the capacity to secure funding, which BDO attributes to growing stringency of prevailing market conditions.



Source: BDO Explorer Quarterly Cash Update: March 2023

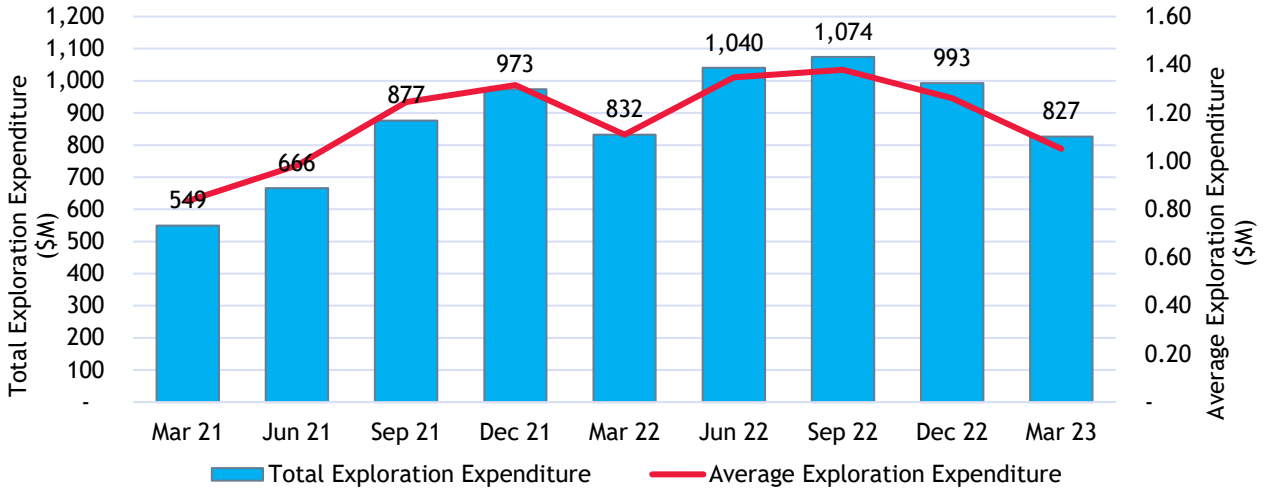
In the March 2023 quarter, 34 companies (which we have termed 'Fund Finders') raised capital exceeding $10 million, down from 51 in the previous quarter. The Fund Finders still underpinned the financing inflows for the March 2023 quarter, contributing 69% of the total funds raised by the sector, marginally down from the 76% in the December 2022 quarter. Within these fund raisings, gold explorers raised the most funds over the March 2023 quarter as persistent inflation, geopolitical uncertainty and market volatility continued to drive demand. Lithium and graphite explorers sourced the second and third most funds, respectively, as part of their application in the lithium-ion batteries and the EV supply chain.

Explorers' cash positions showed resilience despite the upward inflationary pressure, with the average cash balance declining from $11.1 million in the December 2022 quarter to $10.2 million at the end of the March 2023 quarter. The overall cash position still remained strong when compared to historical levels, with 81% of exploration companies reporting a cash balance of over $1 million as at 31 March 2023, which

is still significantly above the historical averages since the commencement of BDO's analysis in the June 2013 quarter.

Total exploration expenditure declined for the second consecutive quarter, receding from the record $1 billion spend in the June and September quarters of 2022. The March 2023 quarter's $827 million exploration spend represented a 17% decrease from the December 2022 quarter, with explorers seeking to manage their expenses more efficiently considering the rise in exploration costs and potentially subdued access to future funding. The average exploration spend per company reached a new low of $1.05 million since June 2021, but the range between $1.05 million and $1.38 million over the past year, remained high relative to historical levels.

Total Exploration Expenditure - Last Two Years ($M)



Source: BDO Explorer Quarterly Cash Update: March 2023

The top ten exploration spending companies comprised four lithium companies, three oil and gas companies, two gold companies and one nickel-copper company. Gold and oil and gas typically account for the largest portion of the top 10 exploration spends, however, this quarter, we have also observed growth in exploration spending for lithium that has likely been driven by the sustained demand for renewable energy sources to meet future requirements.

The results from the March 2023 quarter show that despite the noticeable industry wide slowdown due to deteriorating global macroeconomic conditions, including inflation and wavering commodity prices, the sector has shown resilience and adaptability. Gold has remained a popular safe haven investment, whilst Government incentives supporting critical minerals explorers and the anticipated growth in the electric vehicle industry has seen sustained investor interest towards battery metals. The Australian gold mining sector remains in a favourable position given the current economic circumstances and its continuing ability to attract funding.

Source: BDO Explorer Quarterly Cash Update: March 2023 and prior releases.

8.2 Gold

Gold is a soft malleable metal which is highly desirable due to its rarity, permanence, and unique mineral properties. Gold has been used in jewellery and as a form of currency for thousands of years, however more recently, there has been increasing demand for its use in the manufacture of electronics, dentistry, medicine, and aerospace technology.

In addition to its practical applications, gold also serves as an international store of monetary value. Gold is widely regarded as a monetary asset as it is considered less volatile than world currencies and therefore provides a safe haven investment during periods of economic uncertainty.

The nature of the ore deposit determines the mining and mineral processing techniques applied. Gold contained in oxide ore deposits are typically of low grade and are simple to extract and readily amenable by cyanidation. Consequently, highly disseminated gold can be contained within sulphide minerals which require mining, crushing, grounding and to be followed by gravity separation to recover the gold, subject to flotation to concentrate the sulphide mineral fraction containing the gold. Inherently, the costs associated with the treatment of oxide ore are significantly less than of sulphide ores.

Once mined, gold continues to exist indefinitely and is often melted down and recycled to produce alternative or replacement products. Consequently, demand for gold is supported by both gold ore mining and gold recycling. A summary of the recent historical supply of gold is provided in the table below:

Gold supply (tonnes)	2017	2018	2019	2020	2021	2022
Mine production	3,576	3,656	3,596	3,482	3,589	3,649
Net producer hedging	(26)	(12)	6	(39)	(7)	(11)
Recycled gold	1,112	1,132	1,276	1,293	1,136	1,141
Total supply	**4,662**	**4,776**	**4,878**	**4,736**	**4,718**	**4,779**

Source: World Gold Council 2022 Statistics, 31 March 2023

The World Gold Council expects gold to remain supported with potential upside for the latter half of 2023. Increased financial uncertainty from weakening global economic conditions should see gold experience stronger demand on the back of a weaker US dollar and rangebound bond yields. However, the risk of tighter monetary policy or an economic soft landing could result in gold divestment.

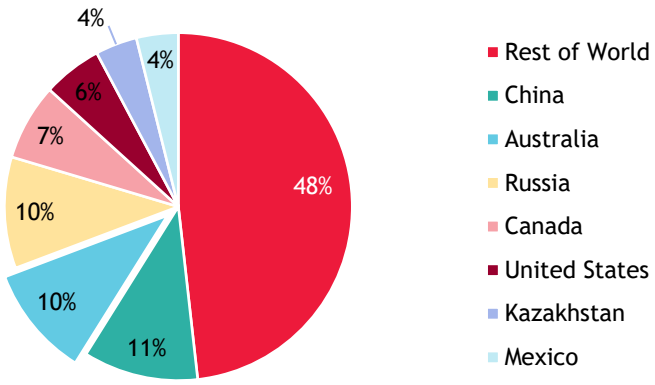
Gold ore mining is a capital intensive and high-cost process, which becomes increasingly difficult and more expensive as the quality of ore reserves diminish. The industry also incurs many indirect costs related to exploration, royalties, overheads, marketing and native title law. Typically, many of these costs are fixed in the short term as a result of industry operators' inability to significantly alter cost structures once a mine commences production.

The gold industry is geographically diverse as China, Australia and Russia lead global gold production. According to the USGS, total estimated global gold ore mined for 2022 was approximately 3,100 metric tonnes. The chart below illustrates the estimated global gold production by country for 2022.

Gold production and reserves

The USGS estimates that overall global gold production in 2022 remained relatively unchanged from 2021 as production decreases in Papua New Guinea and the United States were more than offset by production increases in Colombia, Indonesia and Burkina Faso.

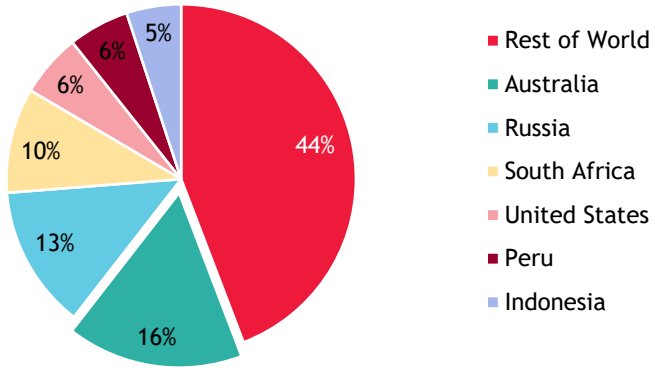
Gold Production by Country 2022



Source: U.S. Geological Survey, January 2023

Despite China leading global gold production in 2022, Australia, Russia and South Africa hold the largest known gold reserves globally. As depicted below, the USGS estimates that collectively, these three countries account for approximately 39% of global gold reserves.

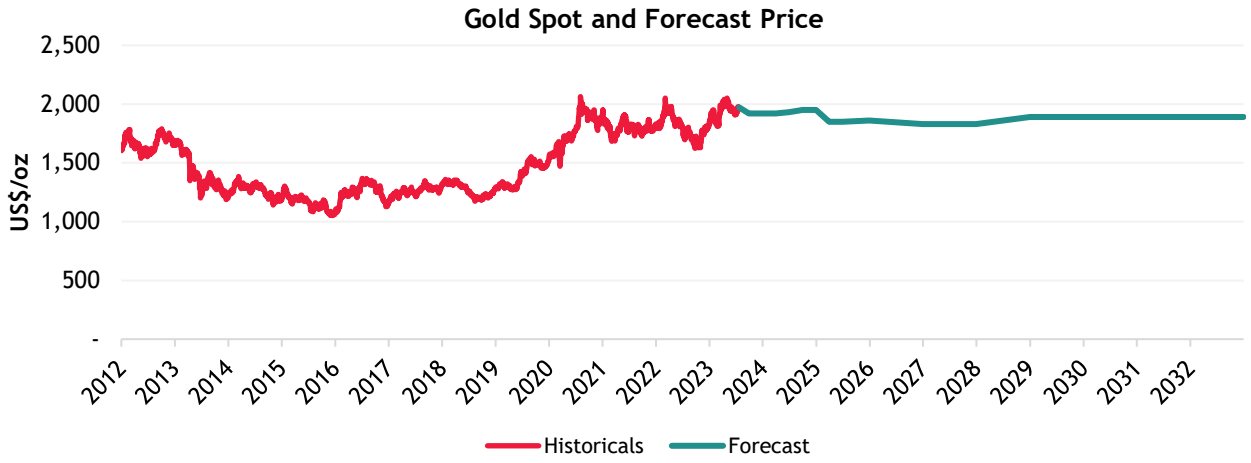
Gold Reserves by Country 2022



Source: U.S. Geological Survey, January 2023

According to the 2023 USGS, Australia's gold reserves amount to 8,400 tonnes, representing over 16% of global reserves and the largest held by any one country. IBISWorld estimates domestic industry revenue will fall by an annualised 2.7% over the five-year period through to 2027-28, to approximately $19.8 billion. This is largely expected to be the result of a forecast decline in domestic gold prices, a stronger Australian dollar and a higher interest rate environment that is estimated to persist.

Gold prices



Source: Bloomberg and Consensus Economics Survey dated 14 August 2023.

The figure above illustrates the historical fluctuations in the gold spot prices from January 2012 to July 2023 and the consensus economics forecast for gold prices for the remainder of 2023 through to 2033.

The start of 2013 saw the price of gold enter a declining trend, falling from the US$1,700 level to approach US$1,100 over the subsequent few years. The downturn represented the beginning of a correction in the gold price, which had almost tripled in the two-year period prior to the European crisis in 2011. Over the period from 2014 through to 2019, the gold price fluctuated primarily between US$1,100 and US$1,400.

Gold prices fluctuated significantly throughout 2020. Demand for gold increased in response to the uncertainty created by the global spread of COVID-19, as investors prioritised safe haven assets. In late March 2020, the increasing demand for gold was interrupted by a panic selloff as investors began to realise their profits amidst the growing uncertainty caused by the crisis. Gold spot prices fell to a yearly low of US$1,471, before rallying in late July and early August to exceed US$2,000. The COVID-19 crisis was the primary driver of the gold price, as central banks injected trillions of dollars into financial markets and investors prioritised safe haven assets. Additionally, the prevailing low interest rate environment across 2020 increased access to capital, which further spurred investment in gold.

Through to early January 2021, the price of gold increased as a result of further fallout from the US Election, climbing back over US$1,900 after remaining in the US$1,800s through most of December 2020. For the rest of 2021, the price of gold traded between US$1,600 and US$1,900 as demand fluctuated throughout the year. Rising US treasury yields initially threatened gold's appeal as an inflation hedge by increasing the opportunity cost of holding the precious metal. However, concerns regarding the spread of the Delta variant increased gold's safe haven appeal, and subsequently, the price of gold climbed back above the US$1,800 mark in early July 2021. This was quickly reversed in the following months as the US Federal Reserve signalled policy tightening sooner than anticipated which drove US treasury yields and a stronger US dollar. Towards the end of the year, gold prices significantly strengthened following the US Federal Reserve's announcement to reduce purchases of Government bonds and the release of US inflation data which revealed an annualised inflation rate of 6.2%, its highest level since 1990.

The invasion of Ukraine by Russia in February 2022 saw gold prices climb above US$1,900 and peak at US$2,039 during March, in response to several economic sanctions on Russia and the release of US inflation

data which indicated an annualised inflation rate of 8.5%. In May 2022, the price of gold weakened to US$1,800 following the US Federal Reserve's aggressive monetary tightening to control rising inflation. The gold price continued to decline until September 2022, before it staged a recovery driven by a combination of slowing US inflation, depreciation of the US dollar, and increased gold demand by central banks for reserve diversification.

The first quarter of 2023 witnessed several financial institutions, such as the Credit Suisse Group AG and the Silicon Valley Bank, face severe liquidity and investor confidence issues which were supportive factors for the price of gold. Early April 2023 saw gold prices surpass US$2,000 as investors speculated a nearing of the end of interest rate tightening in the US. The latter half of May 2023 saw gold prices pull back below US$2,000 where they have stayed during June 2023 finishing the month at approximately US$1,950. The increased viability of gold as a hedge against current inflation and emerging market central banks continuing to purchase gold to diversify from the US dollar and US bonds have also contributed to the price hike. Gold continues to be a safe haven asset relied upon during times of volatility.

Consensus Economics forecasts the price of gold to exhibit a declining trend over the period to the end of 2026, from which point it is expected to stabilise over the longer term and remain high in comparison to historical levels. According to Consensus Economics, the medium term forecast gold price from 2025 to 2027 is expected to range between US$1,860/oz and US$1,830/oz, with the long term (2028-2032) nominal forecast at approximately US$1,890/oz.

Source: Bloomberg, Consensus Economics, IBISWorld, World Gold Council and Reuters

8.3 Copper

Copper is a soft, malleable, ductile metal used primarily for its electrical and thermal conductive properties and its resistance to corrosion. It is highly versatile and has a variety of applications in construction, electronics, communications, and transportation.

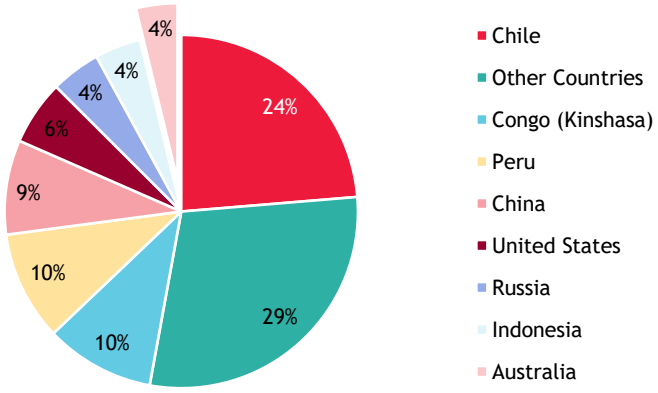
Copper occurs naturally in the Earth's crust in a variety of forms such as sulphide deposits, carbonate deposits and silicate deposits. Open pit mining is widely utilised in most copper producing countries although in Australia, approximately 93% of output is extracted through underground mining. Copper is often found in conjunction with gold, lead, cobalt or zinc, and a number of industry operators mine these metals and ores as well.

Copper concentrate is derived from an oxide through beneficiation processes and is then converted to copper products through smelting and refining. Copper's recycling rate is substantial since the metal is 100 percent recyclable and retains all of its beneficial properties following the recycling process.

Copper production and reserves

Most of the world's copper supply is sourced from Central and South America, specifically, Chile and Peru. Chile is the leading copper producer, with an estimated 5.20Mt of copper mined throughout 2022, equating to approximately 24% of the world copper production, down slightly from 29% in 2021. Congo, Peru and China are also significant producers, as per the chart below. Data from the International Copper Study Group ('**ICGS**') shows global copper production grew by approximately 3.2% in the first eleven months of 2022.

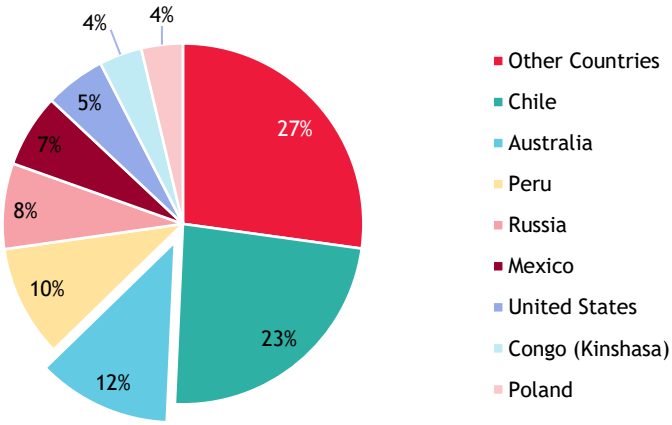
Global Copper Production 2022



Source: U.S. Geological Survey, January 2023

Chile also has the largest copper reserves globally, with Australia's reserves following closely as the second largest, according to the USGS. As depicted in the chart below, Chile, Australia and Peru are estimated to collectively account for just over 40% of global reserves of copper.

Global Copper Reserves 2022

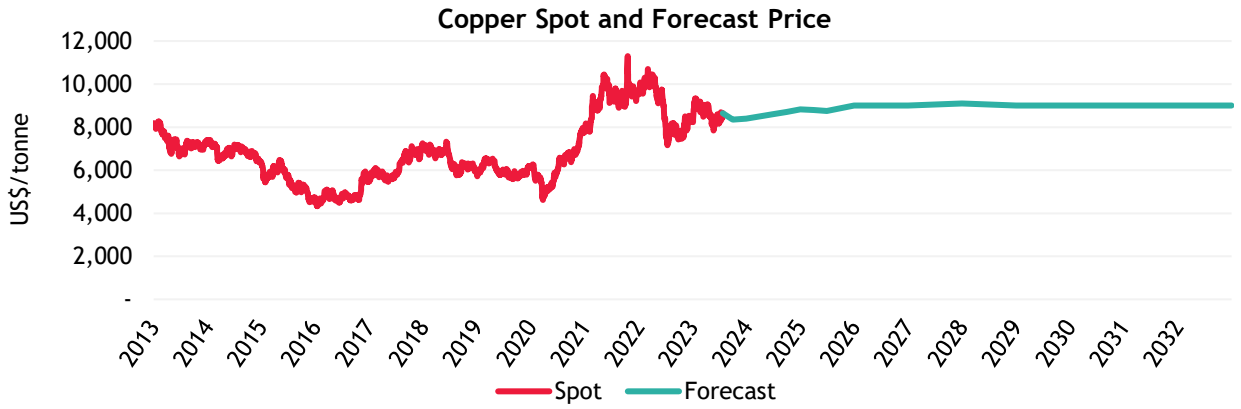


Source: U.S. Geological Survey, January 2023

Copper prices

The US$ price for copper is quoted on the LME A key driver of the copper price relates to stock levels held in the LME warehouses, being large global copper depositories. Like zinc, copper prices are driven heavily by Chinese demand and mine production. The global balance between demand for and supply of copper, along with speculative influences, determines the price.

The figure below illustrates the historical fluctuations in the copper spot prices from January 2012 to July 2023 as well as the Consensus Economics forecasts for copper prices from the remainder of 2023 to 2033.



Source: Bloomberg and Consensus Economics Survey dated 14 August 2023.

Between 2013 and 2017, the copper price steadily declined, before increasing in mid-February 2017, relating to a strike action at the world's largest copper mine Escondida, located in Chile. The average copper price traded around US$7,000/t for most of 2018 but then traded lower around US$6,000/t for most of 2019.

Global uncertainty and low confidence resulting from the emergence of the COVID-19 pandemic was a major influence in the decline in copper prices throughout the first quarter of 2020, with prices dropping to a 4-year low of US$4,625/t on 23 March 2020. The subsequent decline in global production stemming from global lockdown regulations in April and May 2020, coupled with an improvement in copper demand from China, caused prices to spike over the remainder of that year. Chinese government stimulus measures further increased Chinese demand, with the industry experiencing supply constraints and an excess of demand, which pushed the price to exceed US$10,000/t in May and June 2021. The price stumbled in late June following outbreaks of the Delta-variant of COVID and was US$9,800/t towards the end of July 2021. Prices remained stable until late October 2021, where copper hit a five-month high of over US$11,000/t, quickly declining back to around US$10,000/t. The price averaged around US$9,600/t for the remainder of 2021.

In the first quarter of 2022, copper prices remained relatively stable, averaging just under US$10,000/t. In late April 2022, prices began to fall sharply, averaging approximately $9,500/t in the second quarter, primarily attributable to concerns about supply disruptions stemming from Russia's invasion of Ukraine. In July 2022, prices reached a yearly low of US$7,160/t and remained volatile for the remainder of the third quarter, averaging US$7,700/t. This volatility mainly stemmed from competing supply and demand factors. Throughout the second half of the year demand for copper was capped by the war in Ukraine, global inflation, disrupted industrial activity and a stronger US dollar. Prices increased in the fourth quarter of 2022, reaching US$8,500/t in December as a result of supply disruptions in Latin America.

From January 2023 through July 2023, copper prices averaged US$8,709/t, and exhibited an increase on the back of the fourth quarter of 2022, primarily due to the expected demand increase associated with China's economic reopening, which coincided with a year to date high of US$9,330/t in January 2023. However, prices have since declined due to a decrease in industrial activity and uncertainty stemming from global inflationary pressures.

According to Consensus Economics, the medium term forecast copper price from 2025 to 2027 is expected to range between US$9,100/t and US$9,000/t, with the long term (2028-2032) nominal forecast at approximately US$9,000/t.

Source: Bloomberg, Consensus Economics, IBISWorld and S&P Global.

9. Valuation approach adopted

There are a number of methodologies which can be used to value a business or the shares in a company. The principal methodologies which can be used are as follows:

- Capitalisation of future maintainable earnings ('**FME**')
- Discounted cash flow ('**DCF**')
- Quoted market price basis ('**QMP**')
- Net asset value ('**NAV**')
- Market based assessment (such as a Resource Multiple)

A summary of each of these methodologies is outlined in Appendix 2.

Different methodologies are appropriate in valuing particular companies, based on the individual circumstances of that company and available information. It is possible for a combination of different methodologies to be used together to determine an overall value where separate assets and liabilities are valued using different methodologies. When such a combination of methodologies is used, it is referred to as a 'sum-of-parts' ('**Sum-of-Parts**') valuation.

The approach using the Sum-of-Parts involves separately valuing each asset and liability of the company. The value of each asset may be determined using different methods as described above.

In our assessment of the value of a Lachlan Star share prior to the Proposed Acquisition, we have chosen to employ the following methodologies:

- Sum-of-Parts as our primary methodology, which estimates the market value of a company by assessing the realisable value of its identifiable assets and liabilities. The value of each asset and liability may be determined using different methods and the component parts are then aggregated using the NAV methodology. The value derived from this methodology reflects a control value; and
- QMP as our secondary methodology to value a Lachlan Star share prior to the Proposed Acquisition, as this represents the value that a Shareholder may receive for a share if it were sold on market. The value derived from this methodology reflects a minority interest value and as such we have applied a control premium to this value.

In our assessment of the value of a Lachlan Star share following the Proposed Acquisition, we have chosen to employ the Sum-of-Parts as our primary valuation methodology. As discussed previously this methodology reflects a controlling interest hence we have applied a minority interest discount to this.

We have employed the Sum-of-Parts method in estimating the fair market value of Lachlan Star both prior to and following the Proposed Acquisition by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration to the:

- Value of Lachlan Star's and TRK's mineral assets and exploration properties, as valued by independent technical specialist, Valuation and Resources Management Pty Ltd ('**VRM**'). Further details of the valuation methodologies employed by VRM can be found in their report contained in its Independent Technical Assessment and Valuation Report ('**ITAVR**') contained in Appendix 3; and
- Value of Lachlan Star's and TRK's other assets and liabilities using the NAV approach.

We have chosen these valuation methodologies for the following reasons:

- We have adopted the Sum-of-Parts approach as our primary valuation method. We consider that the core value of Lachlan Star and TRK lies in the value of their respective mineral assets (which are currently not producing assets and they are not generating any cash flows). Consequently, we consider that the Sum-of-Parts approach to be the most appropriate methodology. We have commissioned VRM to provide an independent market valuation of the Lachlan Star's and TRK's mineral assets, which is incorporated in our Sum-of-Parts;
- The FME methodology is most commonly applicable to profitable businesses with steady growth histories and forecasts. Lachlan Star's and TRK's mineral assets do not currently generate any income, nor are there any historical profits that could be used to represent future earnings. Furthermore, the FME methodology is not considered appropriate for valuing finite life assets such as mining assets, therefore, we do not consider the application of the FME approach to be appropriate;
- Lachlan Star and TRK have no foreseeable future net cash inflows on which we would have sufficient reasonable grounds to rely, in accordance with Regulatory Guide 170 'Prospective Financial Information' (**'RG 170'**) and Information Sheet 214: Mining and Resources: Forward-looking Statements (**'IS 214'**), therefore we do not consider the application of the DCF approach to be appropriate; and
- The QMP basis is a relevant methodology to consider because Lachlan Star's shares are listed on the ASX, therefore reflecting the value that a Shareholder will receive for a share sold on market. This means that there is a regulated and observable market where Lachlan Star's shares can be traded. However, in order for the QMP to be considered appropriate, the Company's shares should be liquid and the market should be fully informed on the Company's activities.

Technical Expert

In performing our valuation of Lachlan Star's and TRK's mineral assets, we have relied on the ITAVR prepared by VRM, which includes an assessment of the market value of Lachlan Star's and TRK's mineral assets.

We instructed VRM to provide an independent market valuation of Lachlan Star's and TRK's mineral assets. VRM considered a number of different valuation methods when valuing these assets. VRM's ITAVR has been prepared in accordance with the Australasian Code for Public Reporting of Technical Assessments and Valuation of Mineral Assets (2015 Edition) (**'VALMIN Code'**) and the JORC Code.

We are satisfied with the valuation methodologies adopted by VRM, which we believe are in accordance with industry practices and are compliant with the requirements of the VALMIN Code. The specific valuation methodologies used by VRM are referred to in the respective sections of our Report and in further detail in the ITAVR attached in Appendix 3.

10. Valuation of Lachlan Star prior to the Proposed Acquisition

10.1 Sum of Parts

We have employed the Sum-of-Parts methodology in estimating the fair market value of a Lachlan Star share on a control basis prior to the Proposed Acquisition, by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration of the following:

- Value of Lachlan Star's mineral assets; and
- Value of Lachlan Star's other assets and liabilities.

Our Sum-of-Parts valuation is set out in the table below:

Valuation of Lachlan Star prior to the Proposed Acquisition	Ref	Low	Mid	High
		$	$	$
Value of Lachlan Star's mineral assets	10.1.1	1,500,000	3,000,000	4,500,000
Value of Lachlan Star's other assets and liabilities	10.1.2	3,351,591	3,351,591	3,351,591
Total value of Lachlan Star (control)		**4,851,591**	**6,351,591**	**7,851,591**
Number of shares outstanding	10.1.3	1,319,012,709	1,319,012,709	1,319,012,709
Value per share ($) (control)		**0.0037**	**0.0048**	**0.0060**

We have assessed the value of a Lachlan Star share prior to the Proposed Acquisition (on a controlling interest basis) to be in the range of $0.0037 to $0.0060 with a midpoint value of $0.0048.

In addition, as part of our valuation, we have considered the options that Lachlan Star currently has on issue. Based on our assessed value of a Lachlan Star share prior to the Proposed Transaction, the options are out-of-the-money and accordingly, we have not adjusted the values above for dilution.

10.1.1. Valuation of Lachlan Star's mineral assets

In performing our valuation of Lachlan Star's mineral assets, we have relied on the ITAVR prepared by VRM which includes an assessment of the market value of the Koojan Project, the Killaloe Project, and the Princhester Project.

We instructed VRM to provide an independent market valuation of the mineral assets held by Lachlan Star. VRM considered a number of different valuation methods when valuing the mineral assets of Lachlan Star. VRM applied the Kilburn approach as the primary valuation methodology.

The range of values for Lachlan Star's mineral assets as determined by VRM is set out below:

Lachlan Star's Mineral Assets	Low Value $m	Mid Value $m	High Value $m
Koojan Project	0.67	1.38	2.09
Killaloe Project	0.61	1.26	1.90
Princhester Project	0.20	0.37	0.55
Total (rounded)	**1.50**	**3.00**	**4.50**

Source: ITAVR prepared by VRM

The table above indicates a range of values between $1.5 million and $4.5 million, with a midpoint value of $3.0 million. For further information on VRM's approach and conclusions, refer to the VRM ITAVR, which is included as Appendix 3 of our Report.

10.1.2. Valuation of Lachlan Star's other assets and liabilities

The other assets and liabilities of Lachlan Star represent the assets and liabilities that have not been specifically addressed elsewhere in our Sum-of-Parts valuation. From our discussions with Lachlan Star and analysis of the other assets and liabilities, outlined in the table below, we do not consider there to be a material difference between book value and fair value, unless an adjustment has been noted below.

The value of Lachlan Star's assets on a going concern basis is reflected in our valuation below:

Other assets and liabilities of Lachlan Star	Note	Reviewed as at 31-Dec-22 $	Adjusted $
CURRENT ASSETS			
Cash and cash equivalents	a	4,035,438	3,366,986
Trade and other receivables	b	64,353	-
TOTAL CURRENT ASSETS		**4,099,790**	**3,366,986**
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	c	3,039,540	-
TOTAL NON-CURRENT ASSETS		**3,039,540**	**-**
TOTAL ASSETS		**7,139,330**	**3,366,986**
CURRENT LIABILITIES			
Trade and other payables	d	432,261	15,395
TOTAL CURRENT LIABILITIES		**432,261**	**15,395**
TOTAL LIABILITIES		**432,261**	**15,395**
NET ASSETS		**6,707,069**	**3,351,591**

Source: Lachlan Star's reviewed financial statements for the half year ended 31 December 2022, management accounts as at 30 June 2023 and BDO analysis

We have been provided with Lachlan Star's unaudited management accounts at 30 June 2023. We have not undertaken a review of Lachlan Star's unaudited accounts in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

We consider that the above assets and liabilities represent their fair market values apart from the adjustments detailed below and that there has not been any other significant change in the net assets of Lachlan Star since 30 June 2023. Where the above balances differ materially from the reviewed position at 31 December 2022 we have obtained supporting documentation to validate the adjusted values used, which provides reasonable grounds for reliance on the unaudited financial information.

The following adjustments were made to the net assets of Lachlan Star as at 31 December 2022 in arriving at our valuation.

Note a): Cash and cash equivalents

We have adjusted cash to reflect cash on hand at 30 June 2023, per the Company's Appendix 5B announced on the ASX on 31 July 2023 (for which we have also sighted bank statements as support).

Note b): Trade and other receivables

We have adjusted the trade and other receivables to reflect the changes in prepayments and mining bonds post 31 December 2022, as per the Company's management accounts.

Note c): Exploration and evaluation expenditure

We have adjusted the book value of exploration and evaluation expenditure of $3.04 million at 31 December 2022 to nil, as it is accounted for in the valuation of Lachlan Star's mineral assets, which have been valued separately in Section 10.1.1.

Note d): Trade and other payables

We have adjusted the trade and other payables to reflect the payment of the invoice from Minerals 260 for the Koojan Project and the changes in accrued expenses post 31 December 2022, as per the Company's management accounts.

10.1.3. Number of shares outstanding

As detailed in Section 5.6, the number of Lachlan Star shares on issue as at the date of our Report is 1,319,012,709.

10.2 Quoted Market Prices for Lachlan Star's Securities

To provide a comparison to the valuation of Lachlan Star in Section **Error! Reference source not found.**, we have also assessed the quoted market price for a Lachlan Star share.

The quoted market value of a company's shares is reflective of a minority interest. A minority interest is an interest in a company that is not significant enough for the holder to have an individual influence in the operations and value of that company.

RG 111.43 suggests that when considering the value of a company's shares for the purposes of approval under Item 7 of s611 the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due to the advantages they will receive should they obtain 100% control of another company. These advantages include the following:

- control over decision making and strategic direction;
- access to underlying cash flows;
- control over dividend policies; and
- access to potential tax losses.

Whilst DevEx will not be obtaining 100% of Lachlan Star, RG 111 states that the expert should calculate the value of a target's shares as if 100% control were being obtained. The expert can then consider an acquirer's practical level of control when considering reasonableness. Reasonableness has been considered in Section 13.

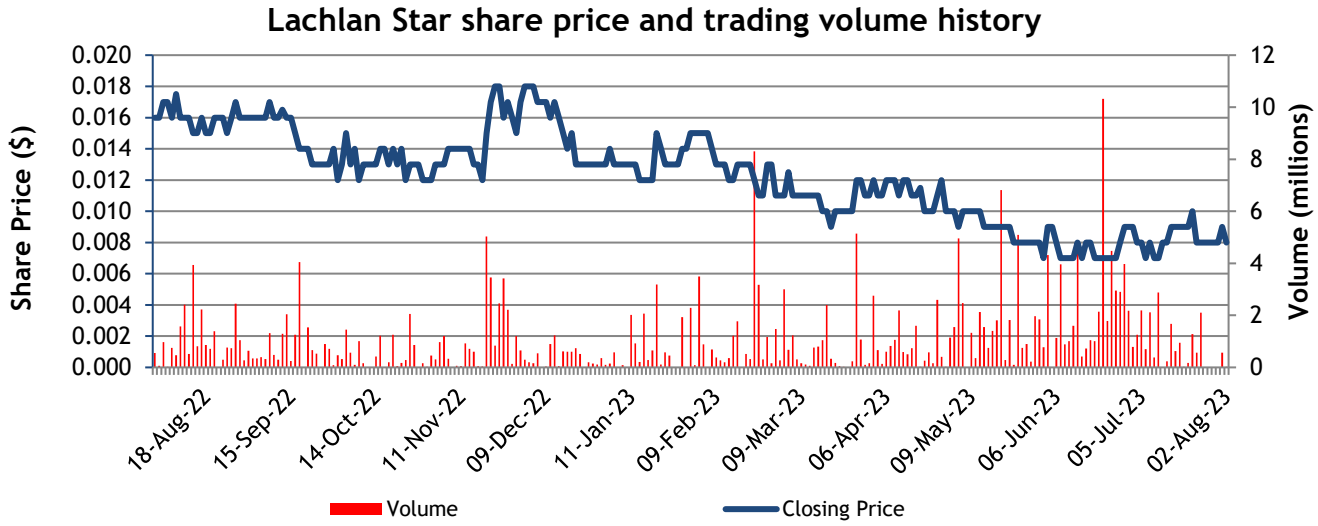
Therefore, our calculation of the quoted market price of a Lachlan Star share including a premium for control has been prepared in two parts. The first part is to calculate the quoted market price on a

minority interest basis. The second part is to add a premium for control to the minority interest value to arrive at a quoted market price value that includes a premium for control.

Minority interest value

Our analysis of the quoted market price of a Lachlan Star share is based on the pricing prior to the announcement of the Proposed Acquisition. This is because the value of a Lachlan Star share after the announcement may include the effects of any change in value as a result of the Proposed Acquisition. However, we have considered the value of a Lachlan Star share following the announcement when we have considered reasonableness in Section 13.

Information on the Proposed Acquisition was announced to the market on 3 August 2023. Therefore, the following chart provides a summary of the share price movement over the 12 months to 2 August 2023 which was the last trading day prior to the announcement.



Source: Bloomberg

The daily price of Lachlan Star shares from 2 August 2022 to 2 August 2023 has ranged from a low of $0.007 on various dates in June 2023 and July 2023, to a high of $0.018 on various dates in November 2022 and December 2022. The day of the largest share volume traded over the assessed period was 22 June 2023, when 10,317,200 shares were traded. No announcements were made on, or close to, this date by Lachlan Star.

During this period a number of announcements were made to the market. The key announcements are set out below:

Date	Announcement	Closing Share Price Following Announcement			Closing Share Price Three Days After Announcement		
		$	(movement)		$	(movement)	
31/07/2023	Quarterly Activities/Appendix 5B Cash Flow Report	0.0080	▸	0.0%	0.0080	▸	0.0%
28/04/2023	Quarterly Activities/Appendix 5B Cash Flow Report	0.0120	▲	9.1%	0.0100	▼	16.7%

Date	Announcement	Closing Share Price Following Announcement			Closing Share Price Three Days After Announcement		
		$	(movement)		$	(movement)	
15/03/2023	Half Year Accounts	0.0110	▸	0.0%	0.0090	▾	18.2%
06/03/2023	MI6: Follow-up drilling commences at Mynt Cu-Au prospect	0.013	▲	13.6%	0.011	▾	12.0%
27/02/2023	MI6: Significant new Cu-Au intercepts from Mynt prospect	0.013	▲	18.2%	0.011	▾	15.4%
03/02/2023	MI6: Second phase of drilling to commence at Mynt Prospect	0.015	▸	0.0%	0.014	▾	6.7%
27/01/2023	Quarterly Activities/Appendix 5B Cash Flow Report	0.013	▸	0.l0%	0.015	▲	15.4%
20/12/2022	MI6: Minerals 260 earns initial 30% equity in Koojan JV	0.013	▾	13.3%	0.013	▸	0.0%
21/11/2022	MI6: Major drilling campaign underway at Moora and Koojan	0.015	▲	25.0%	0.018	▲	20.0%
31/10/2022	Quarterly Activities/Appendix 5B Cash Flow Report	0.012	▾	7.7%	0.013	▲	8.3%
25/10/2022	Notice of Annual General Meeting/Proxy Form	0.012	▾	14.3%	0.013	▲	8.3%
28/09/2022	Annual Report to shareholders	0.013	▸	0.0%	0.012	▾	7.7%

Source: Bloomberg, ASX and BDO analysis

On 21 November 2022, Minerals 260 announced that a major drilling program had commenced at the Koojan Project. On the date of the announcement, Lachlan Star's share price increased 25% to close at $0.015, before increasing by a further 20% over the subsequent three-day trading period to close at $0.018.

On 27 February 2023, Minerals 260 announced significant new copper-gold intercepts at its Moora Project, which is located adjacent to Lachlan Star's Koojan Project. On the date of the announcement, Lachlan Star's share price increased 18.2% to close at $0.013, before decreasing 15.4% over the subsequent three day trading period to close at $0.011.

On 6 March 2023, Minerals 260 announced it had commenced follow up drilling at its Moora Project, which was initially intended to await drill results, but was commenced early given the mineralisation prospect of the project. On the date of the announcement, Lachlan Star's share price increased 13.6% to close at $0.0125, before decreasing 12% over the subsequent three-day trading period to close at $0.011

To provide further analysis of the market prices for a Lachlan Star share, we have also considered the weighted average market price for 10, 30, 60 and 90 day periods to 2 August 2023.

Share Price per unit	02-Aug-23	10 Days	30 Days	60 Days	90 Days
Closing price	$0.008				
Volume weighted average price (VWAP)		$0.009	$0.008	$0.008	$0.009

Source: Bloomberg, BDO analysis

The above weighted average prices are prior to the date of the announcement of the proposed acquisition, to avoid the influence of any increase in price of Lachlan Star shares that has occurred since the Proposed Acquisition was announced.

An analysis of the volume of trading in Lachlan Star shares for the twelve months to 2 August 2023 is set out below:

Trading days	Share price low	Share price high	Cumulative volume traded	As a % of Issued capital
1 Day	$0.008	$0.008	21,500	0.00%
10 Days	$0.008	$0.010	4,714,150	0.36%
30 Days	$0.006	$0.010	47,128,265	3.57%
60 Days	$0.006	$0.011	98,721,812	7.48%
90 Days	$0.006	$0.012	132,606,592	10.05%
180 Days	$0.006	$0.019	213,429,798	16.18%
1 Year	$0.006	$0.019	267,885,661	20.31%

Source: Bloomberg, BDO analysis

This table indicates that Lachlan Star's shares display a low level of liquidity, with 20.31% of the Company's current issued capital being traded in a twelve-month period. RG 111.86 states that for the quoted market price methodology to be an appropriate methodology there needs to be a 'liquid and active' market in the shares and allowing for the fact that the quoted price may not reflect their value should 100% of the securities not be available for sale. We consider the following characteristics to be representative of a liquid and active market:

- Regular trading in a company's securities;
- Approximately 1% of a company's securities are traded on a weekly basis;
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company; and
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'liquid and active', however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant.

In the case of Lachlan Star, we consider the shares to display a low level of liquidity, on the basis that less than 1% of securities have been traded weekly on average, with 20.31% of Lachlan Star's current issued capital being traded over a twelve-month period, and 16.18% of Lachlan Star's current issued capital being traded over a 180-day period, prior to the announcement of the Proposed Acquisition. Across the twelve-month period assessed, there were 21 trading days where there were no trading in the Company's shares.

Our assessment is that a range of values for Lachlan Star shares based on market pricing, after disregarding post announcement pricing, is between $0.007 and $0.009.

Control Premium

We have reviewed the control premiums on completed transactions, paid by acquirers of ASX-listed gold companies, ASX-listed mining companies and all ASX-listed companies. In assessing the appropriate sample of transactions from which to determine an appropriate control premium, we have excluded transactions where an acquirer obtained a controlling interest (20% and above) at a discount (i.e. less than a 0% premium) and at a premium in excess of 100%. We have summarised our findings below:

ASX-listed gold companies

Year	Number of Transactions	Average Deal Value ($m)	Average Control Premium (%)
2023	2	61.06	23.76
2022	5	3,172.00	22.66
2021	4	1,520.23	35.98

Year	Number of Transactions	Average Deal Value ($m)	Average Control Premium (%)
2020	1	2,748.78	10.10
2019	2	392.93	38.49
2018	2	31.26	21.77
2017	2	13.74	41.04
2016	4	23.31	47.88
2015	3	48.26	57.90
2014	8	123.27	47.06
2013	1	9.35	55.14

Source: Bloomberg and BDO analysis

ASX-listed general mining companies

Year	Number of Transactions	Average Deal Value ($m)	Average Control Premium (%)
2023	7	168.51	29.83
2022	9	1929.92	22.67
2021	6	1235.14	29.89
2020	5	592.04	35.90
2019	9	182.08	41.27
2018	6	68.30	28.27
2017	4	9.28	39.86
2016	10	72.56	50.15
2015	6	318.69	58.37
2014	13	79.54	41.48
2013	5	51.90	44.42

Source: Bloomberg and BDO analysis

All ASX-listed companies

Year	Number of Transactions	Average Deal Value ($m)	Average Control Premium (%)
2023	15	393.35	28.95
2022	39	3,199.03	23.39
2021	29	1,348.05	34.75
2020	16	367.97	40.43
2019	29	4,165.55	32.83
2018	26	1,571.79	30.07
2017	24	1,168.71	36.75
2016	28	490.46	38.53
2015	28	948.39	33.53
2014	36	485.46	37.39
2013	13	102.15	40.95

Source: Bloomberg and BDO analysis

The mean and median of the entire data sets comprising control transactions from 2013 onwards for ASX-listed gold companies, ASX-listed mining companies and all ASX-listed companies are set out below:

Entire Data Set Metrics	ASX-listed Gold Companies		ASX-listed Mining Companies		All ASX-Listed Companies	
	Deal Value ($m)	Control Premium (%)	Deal Value ($m)	Control Premium (%)	Deal Value ($m)	Control Premium (%)
Mean	815.37	38.66	442.12	38.57	1493.56	33.62
Median	42.65	39.55	45.86	33.01	121.70	29.51

Source: Bloomberg and BDO analysis

In arriving at an appropriate control premium to apply we note that observed control premiums can vary due to the:

- Nature and magnitude of non-operating assets;
- Nature and magnitude of discretionary expenses;
- Perceived quality of existing management;
- Nature and magnitude of business opportunities not currently being exploited;
- Ability to integrate the acquiree into the acquirer's business;
- Level of pre-announcement speculation of the transaction;
- Level of liquidity in the trade of the acquiree's securities.

When performing our control premium analysis, we considered completed transactions where the acquirer held a controlling interest, defined at 20% or above, pre-transaction or proceeded to hold a controlling interest post-transaction in the target company.

We have removed transactions for which the announced premium was in excess of 100%. We have removed these transactions because we consider it likely that the acquirer in these transactions would be paying for special value and/or synergies in excess of the standard premium for control. Whereas the purpose of this analysis is to assess the premium that is likely to be paid for control, not specific strategic value to the acquirer.

The table above indicates that the long-term average control premium by acquirers of ASX-listed gold companies, ASX-listed mining companies and all ASX-listed companies is approximately 38.66%, 38.57% and 33.62% respectively. However, the transactions for ASX-listed mining companies and all ASX-listed companies contained outliers that positively skews the data.

In a population where the data is skewed, the median often represents a superior measure of central tendency compared to the mean. We note that the median announced control premium over the assessed period was approximately 39.55% for ASX-listed gold companies, 33.01% for ASX-listed mining companies and 29.51% for all ASX-listed companies.

While we acknowledge that historically, the control premiums paid for ASX-listed gold companies are higher, we consider an appropriate control premium to be on the lower end of the spectrum. This is reflective of the degree of risk faced by Lachlan Star's business as a small, exploration company. For companies of higher risk, an acquirer would not be willing to pay a control premium in line with the historical average. Based on the above, we would consider an appropriate premium for control to be between 25% and 35%, with a preferred midpoint of 30%.

Quoted market price including control premium

Applying a control premium to Lachlan Star's quoted market share price results in the following quoted market price value including a premium for control:

	Low $	Mid $	High $
Quoted market price value	0.0070	0.0075	0.0080
Control premium	25%	30%	35%
Quoted market price valuation including a premium for control	**0.0088**	**0.0098**	**0.0108**

Source: BDO analysis

Therefore, our valuation of a Lachlan Star share based on the quoted market price method and including a premium for control is between $0.0088 and $0.0098, with a midpoint value of $0.0108.

10.3 Assessment of the value of a Lachlan Star share prior to the Proposed Acquisition

The results of the valuations performed are summarised in the table below:

	Low $	Mid $	High $
Sum-of-Parts (Section 10.1)	0.0037	0.0048	0.0060
QMP (Section 10.2)	0.0088	0.0098	0.0108

Source: BDO analysis

We consider the Sum-of-Parts approach to be the most appropriate methodology to value Lachlan Star as the core value lies within the Company's mineral assets, which have been independently valued by VRM, an independent technical specialist in accordance with VALMIN.

We note that the value of Lachlan Star derived under the QMP approach is higher than that derived under the Sum-of-Parts valuation for the following reasons.

- It is not uncommon for the market price of companies that have exploration and development assets to differ from a valuation prepared by an independent technical specialist for the purposes of an Independent Expert's Report. This is because investors are not necessarily guided by the principles of principles of VALMIN and ASIC's Regulatory Guides in forming their valuations, allowing the market price to reflect the potential upside or downside expectations associated with the exploration assets should market conditions change;
- We have instructed VRM to prepare its Independent Technical Assessment and Valuation Report in compliance with the VALMIN Code and other industry guidelines, whilst also adhering to guidance provided by ASIC's Regulatory Guides. Market participants are not governed by these industry codes and therefore may be basing their valuations on different technical and economic assumptions; and
- Our QMP assessment was performed over a period when Lachlan Star's shares displayed a low level of liquidity, therefore, as guided by RG111, the Company's share price is a less reliable measure of value and may not reflect the underlying value of the Company.

Based on the results above we consider the value of a Lachlan Star share to be between $0.0037 and $0.0060 with a midpoint value of $0.0048.

11. Valuation of Lachlan Star following the Proposed Acquisition

11.1 Sum-of-Parts valuation of Lachlan Star following the Proposed Acquisition

We have employed the Sum-of-Parts methodology in estimating the fair market value of a Lachlan Star share on a minority basis following the Proposed Acquisition, by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration of the following:

- Value of Lachlan Star prior to the Proposed Acquisition;
- Value of TRK's mineral assets;
- Value of TRK's other assets and liabilities; and
- The cash payment made by Lachlan Star to reimburse DevEx for the Security Deposit.

Our Sum-of-Parts valuation is set out in the table below:

Valuation of Lachlan Star following the Proposed Acquisition	Ref	Low	Mid	High
		$	$	$
Value of Lachlan Star prior to the Proposed Acquisition	10.1	4,851,591	6,351,591	7,851,591
Value of TRK's mineral assets	11.1.1	7,600,000	14,100,000	20,500,000
Value of TRK's other assets and liabilities	11.1.2	91,786	91,786	91,786
Cash Payment to Reimburse TRK	11.1.3	(129,000)	(129,000)	(129,000)
Total value of Lachlan Star following the Proposed Acquisition		**12,414,377**	**20,414,377**	**28,314,377**
Number of shares outstanding	11.1.4	2,075,739,909	2,075,739,909	2,075,739,909
Value per share ($) (control)		**0.0060**	**0.0098**	**0.0136**
Minority discount	11.1.5	26%	23%	20%
Value per share ($) (minority)		**0.0044**	**0.0075**	**0.0109**

Source: BDO analysis

The table above indicates that the value of a Lachlan Star share on a minority basis is between $0.0044 and $0.0109, with a midpoint value of $0.0075.

In addition, as part of our valuation, we have considered the options that Lachlan Star currently has on issue. Based on our assessed value of a Lachlan Star share following the Proposed Transaction, the options are out-of-the-money and accordingly, we have not adjusted the values above for dilution.

11.1.1 Valuation of TRK's mineral assets

In performing our valuation of TRK's mineral assets, we have relied on the ITAVR prepared by VRM which includes an assessment of the market value of the Basin Creek, Junee and Cobar.

We instructed VRM to provide an independent market valuation of the mineral assets held by TRK. VRM considered a number of different valuation methods when valuing the mineral assets of TRK. VRM applied the Kilburn approach as the primary valuation methodology.

The range of values for Lachlan Star's mineral assets as determined by VRM is set out below:

TRK's Mineral Assets	Low Value $m	Mid Value $m	High Value $m
Basin Creek	0.64	1.48	2.32
Junee	6.48	11.50	16.53
Cobar	0.43	1.07	1.70
Total (rounded)	**7.60**	**14.10**	**20.50**

Source: ITAVR prepared by VRM

The table above indicates a range of values between $7.6 million and $20.5 million, with midpoint value of $14.1 million. For further information on VRM's approach and conclusions, refer to the VRM ITAVR, which is included as Appendix 3 of our Report.

We also note that as part of the Proposed Acquisition, Lachlan Star will grant DevEx a 2% NSR over any future mineral production from the acquired tenements. As the projects are early stage, VRM considers the NSR to be of negligible value and as such has not assigned any value to it.

11.1.2 Valuation of TRK's other assets and liabilities

The other assets and liabilities of TRK represent the assets and liabilities that have not been specifically addressed elsewhere in our Sum-of-Parts valuation. From our discussions with TRK and analysis of the other assets and liabilities, outlined in the table below, we do not consider there to be a material difference between book value and fair value, unless an adjustment has been noted below.

The table below represents a summary of the assets and liabilities identified:

Other assets and liabilities of TRK	Note	Unaudited as at 30-Jun-23 $	Adjusted $
CURRENT ASSETS			
Trade and other receivables		2,107	2,107
TOTAL CURRENT ASSETS		**2,107**	**2,107**
NON-CURRENT ASSETS			
Restricted cash		129,000	129,000
TOTAL NON-CURRENT ASSETS		**129,000**	**129,000**
TOTAL ASSETS		**131,107**	**131,107**
CURRENT LIABILITIES			
Trade and other payables		39,321	39,321
TOTAL CURRENT LIABILITIES		**39,321**	**39,321**
NON-CURRENT Liabilities			
Intercompany loans - DevEx Resources Ltd	a	10,895,919	-
TOTAL NON-CURRENT LIABILITIES		**10,895,919**	**-**
TOTAL LIABILITIES		**10,935,240**	**39,321**
NET ASSETS		**(10,804,133)**	**91,786**

Source: TRK's unaudited management accounts as at 30 June 2023 and BDO analysis

We have been provided with TRK's unaudited management accounts at 30 June 2023. We have not undertaken a review of TRK's unaudited accounts in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

We consider that the above assets and liabilities represent their fair market values apart from the adjustment detailed below and that there has not been any other significant change in the net assets of TRK since 30 June 2023. Where the above balances differ materially from the unaudited position at 30 June 2023 we have obtained supporting documentation to validate the adjusted values used, which provides reasonable grounds for reliance on the unaudited financial information.

We have noted the following in arriving at our valuation of the net assets of TRK as at 30 June 2023:

Note a): Intercompany Loans - DevEx Resources Ltd

TRK's intercompany loan from its parent company DevEx of $10.90 million as at 30 June 2023 has been adjusted to nil, as this loan will be forgiven prior to completion of the Proposed Acquisition.

11.1.3 Cash payment to DevEx to reimburse TRK

Prior to the Proposed Acquisition, TRK holds a restricted cash balance of $129,000 in relation to NSW Government security deposits held in support of the TRK tenements. At the completion of the Proposed Acquisition, Lachlan Star will transfer a cash payment of $129,000 to DevEx, as reimbursement for the security deposit made by TRK (and the deposit will remain with TRK). We have adjusted the value of Lachlan Star following the Proposed Acquisition to be net of this reimbursement.

11.1.4 Number of shares outstanding

As set out in Section 4, the number of shares on issue following the Proposed Acquisition, on a pre-consolidation basis is 2,075,739,909.

A breakdown is set out below:

	No.
Lachlan Star shares on issue prior to the Proposed Acquisition (see Section 5.6)	1,319,012,709
Consideration Shares	756,727,200
Lachlan Star shares on issue following the Proposed Acquisition (pre-consolidation)	**2,075,739,909**

Source: BDO analysis

11.1.5 Minority discount

As outlined in Section 3.3 of our Report, in assessing fairness we have compared the value of a Lachlan Star share prior to the Proposed Acquisition on a control basis to the value of a Lachlan Star share following the Proposed Acquisition on a minority interest basis, as we are required to do under RG 111.

A minority discount is based on the inverse of the control premium and is calculated using the formula 1-(1/(1+control premium)). Based on our analysis in Section 10.2, we consider an appropriate control premium to be in the range of 25% to 35%. This assessed control premium range gives rise to a rounded minority discount in the range of 20% to 26%, with a rounded midpoint of 23%.

12. Is the Proposed Acquisition fair?

The value of a Lachlan Star share prior to the Proposed Acquisition and on a controlling interest basis is compared to the value of a Lachlan Star share following the Proposed Acquisition and on a minority interest basis below:

	Ref	Low $	Mid $	High $
Value of a Lachlan Star share prior to the Proposed Acquisition (controlling basis)	10.3	0.0037	0.0048	0.0060
Value of a Lachlan Star share following the Proposed Acquisition (minority interest basis)	11.1	0.0044	0.0075	0.0109

We note that the value of a Lachlan Star following the Proposed Acquisition (on a minority interest basis) is greater than the value of a Lachlan Star share prior to the Proposed Acquisition (on a controlling interest basis). The above pricing indicates that, in the absence of any other relevant information, and an alternate offer, the Proposed Acquisition is fair for Shareholders.

13. Is the Proposed Acquisition reasonable?

13.1 Alternative Proposal

We are unaware of any alternative proposal that might offer the Shareholders of Lachlan Star a premium over the value resulting from the Proposed Acquisition.

13.2 Practical Level of Control

If the Proposed Acquisition is approved, DevEx will hold an interest of approximately 36.46% in Lachlan Star (on an undiluted basis). In addition to this, Lachlan Star will have two Board members nominated by DevEx.

When shareholders are required to approve an issue that relates to a company there are two types of approval levels. These are general resolutions and special resolutions. A general resolution requires 50% of shares to be voted in favour to approve a matter and a special resolution required 75% of shares on issue to be voted in favour to approve a matter. If the Proposed Acquisition is approved, DevEx's interest in Lachlan Star will not be sufficient for DevEx to pass special nor general resolutions. However DevEx will be able to block special resolutions and would also become Lachlan Star's largest shareholder.

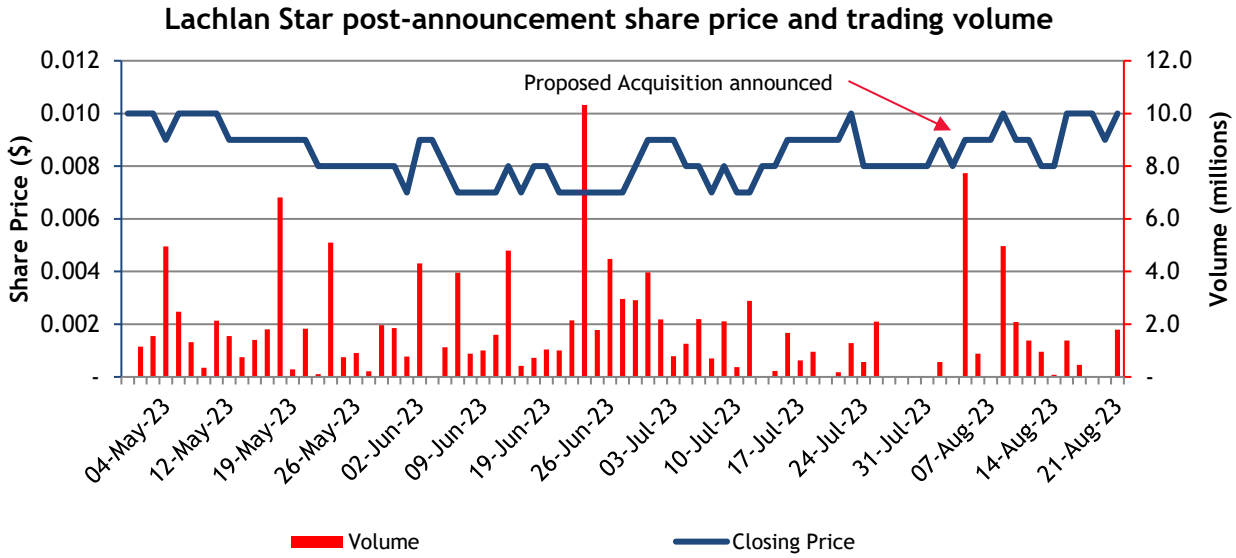
Lachlan Star's Board currently comprises three directors being Gary Steinepreis, Bernard Aylward, and Daniel Smith. Following the Proposed Acquisition, Bernard Aylward will resign as a director, whilst DevEx will nominate two additional directors. This means that DevEx-nominated directors will make up 50% of the Board of Lachlan Star following the Proposed Acquisition.

DevEx's control of Lachlan Star following the Proposed Acquisition will be significant when compared to all other shareholders. DevEx will be able to influence the operations of the Company by their substantial shareholding interest in the Company and their influence over the Board. Despite this, in our opinion, while DevEx will be able to influence the activities of Lachlan Star, it will not be able to exercise a similar level of control as if it held 100% of Lachlan Star. As such, DevEx should not be expected to pay a similar premium for control as if it were acquiring 100% of Lachlan Star.

13.3 Consequences of not Approving the Proposed Acquisition

Potential impact on share price

We have analysed movements in Lachlan Star's share price since the Proposed Acquisition was announced. A graph of Lachlan Star's share price and trading volume leading up to and following the announcement of the Proposed Acquisition is set out below.



Source: Bloomberg

The closing price of a Lachlan Star share from 1 May 2023 to 21 August 2023 ranged from a low of $0.007 on various dates in June and July 2023 to a high of $0.010 on various dates in May, July and August 2023. The Proposed Acquisition was announced on 3 August 2023. On the date that the Scheme was announced, the share price closed at $0.009, up from a closing price of $0.008 on the previous trading day. On that day, 7,735,045 shares were traded, representing approximately 0.59% of Lachlan Star's current issued capital. We note that over the following three trading days, the price of a Lachlan Star share increased further to $0.010.

Given the above analysis it is possible that if the Proposed Acquisition is not approved then Lachlan Star's share price may decline. In the event that the Proposed Acquisition is not approved Lachlan Star will continue to progress exploration on its current assets.

13.4 Advantages of Approving the Proposed Acquisition

We have considered the following advantages when assessing whether the Proposed Acquisition is reasonable.

Advantage	Description
The Proposed Acquisition is fair for Shareholders	As set out in Section 12, the Proposed Acquisition is fair. RG111.12 states than an offer is reasonable if it is fair.
No cash element as part of the consideration	The Proposed Acquisition does not deplete the funds of Lachlan Star as the consideration payable by the Company is in the form of ordinary shares in Lachlan Star and the grant of a 2% NSR, with no cash element. This preserves Lachlan Star's existing cash balance so that it can be utilised on developing its expanded portfolio of mineral assets following the Proposed Acquisition. Further, the use of Consideration Shares instead of cash avoids the need for Lachlan Star to raise debt to fund the Proposed Acquisition, allowing the Company to maintain its current debt-free financial position.

Advantage	Description
Diversification of projects and geographies	The Proposed Acquisition provides Lachlan Star with three additional projects with copper-gold prospects. The tenements owned by TRK also provide a degree of geographical diversification, as Lachlan Star will expand its portfolio of mineral assets to NSW, which is in addition to the Company's tenements in WA and QLD. A more diversified portfolio of assets may reduce the overall risk of Lachlan Star.
Presence of a strategic investor on Lachlan Star's shareholder registry	Upon completion of the Proposed Acquisition, DevEx will hold an interest of approximately 36.46% in Lachlan Star. The presence of a larger mining company as a substantial shareholder may provide the market and other potential investors with additional confidence in the post-acquisition Lachlan Star. This could help the Company to source the funding it would require to develop its enlarged portfolio of mineral assets. Besides the added experience of the two DevEx directors that would be appointed to the Lachlan Star Board, investors may also ascribe value to the fact that, the board of DevEx is chaired by Mr Tim Goyder. Mr Goyder is an experienced mining executive with a track record of successful investments and roles including as the current Chairman of Liontown Resources Limited and the former Chairman of Chalice Mining Limited.

13.5 Disadvantages of Approving the Proposed Acquisition

If the Proposed Acquisition is approved, in our opinion, the potential disadvantages to Shareholders include those listed in the table below:

Disadvantage	Description
Dilution of existing shareholders' interests and reduced level of control over the Company	The issue of the Consideration Shares pursuant to the Proposed Acquisition will be dilutive to current Shareholders. DevEx will hold an interest of up to approximately 36.46% in the Company (on an undiluted basis) following the Proposed Acquisition, which, as discussed in Section 13.2, will restrict the remaining Shareholders' ability to make decisions requiring special resolutions without the approval of DevEx. DevEx's interest will also provide it with significant influence over ordinary resolutions.
Future takeover bids may be deterred	The existence of a large shareholding which can block special resolutions may be a deterrent to potential future takeover bids, therefore reducing the likelihood of Shareholders receiving a takeover premium in the future.
Substantial number of shares may be sold on the open market	We note that the Consideration Shares issued to DevEx are not subject to any escrow arrangements. This means that DevEx is not restricted from dealing with its shares in Lachlan Star following the Proposed Acquisition and theoretically could sell them in the open market immediately or shortly after the Proposed Acquisition. Should this occur, it could place downward

Disadvantage	Description
	pressure on the trading price of Lachlan Star's shares if the increased supply outweighs the demand for it.

14. Conclusion

We have considered the terms of the Proposed Acquisition as outlined in the body of this report and have concluded that the Proposed Acquisition is fair and reasonable to the Shareholders of Lachlan Star.

15. Sources of information

This report has been based on the following information:

- Draft Notice of Meeting and Explanatory Statement on or about the date of this report;
- Audited financial statements of Lachlan Star for the financial years ended 30 June 2022, 30 June 2021 and reviewed financial statements for Lachlan Star for the half-year ended 31 December 2022;
- Unaudited management accounts of Lachlan Star for the year ended 30 June 2023;
- Unaudited management accounts of TRK, provided by DevEx, for the financial years ended 30 June 2023, 30 June 2022 and 30 June 2021;
- Independent Valuation Report of Lachlan Star's and TRK's mineral assets dated 25 August 2023 performed by Valuation and Resource Management Pty Ltd;
- Share Sale Agreement between Lachlan Star, TRK and DevEx;
- Share registry information of Lachlan Star;
- Bloomberg;
- S&P Capital IQ;
- Consensus Economics;
- Information in the public domain; and
- Discussions with Directors and Management of Lachlan Star and TRK.

16. Independence

BDO Corporate Finance (WA) Pty Ltd is entitled to receive a fee of $30,000 (excluding GST and reimbursement of out of pocket expenses). The fee is not contingent on the conclusion, content or future use of this Report. Except for this fee, BDO Corporate Finance (WA) Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

BDO Corporate Finance (WA) Pty Ltd has been indemnified by Lachlan Star in respect of any claim arising from BDO Corporate Finance (WA) Pty Ltd's reliance on information provided by the Company, including the non provision of material information, in relation to the preparation of this report.

Prior to accepting this engagement BDO Corporate Finance (WA) Pty Ltd has considered its independence with respect to Lachlan Star and TRK and any of their respective associates with reference to ASIC

Regulatory Guide 112 'Independence of Experts'. In BDO Corporate Finance (WA) Pty Ltd's opinion it is independent of Lachlan Star and TRK and their respective associates.

Neither the two signatories to this report nor BDO Corporate Finance (WA) Pty Ltd, have had within the past two years any professional relationship with Lachlan Star, or their associates, other than in connection with the preparation of this report.

A draft of this report was provided to Lachlan Star and its advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this report as a result of this review.

BDO is the brand name for the BDO International network and for each of the BDO Member firms.

BDO (Australia) Ltd, an Australian company limited by guarantee, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of Independent Member Firms. BDO in Australia, is a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International).

17. Qualifications

BDO Corporate Finance (WA) Pty Ltd has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO Corporate Finance (WA) Pty Ltd holds an Australian Financial Services Licence issued by the Australian Securities and Investments Commission for giving expert reports pursuant to the Listing rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Sherif Andrawes and Adam Myers of BDO Corporate Finance (WA) Pty Ltd. They have significant experience in the preparation of independent expert reports, valuations and mergers and acquisitions advice across a wide range of industries in Australia and were supported by other BDO staff.

Sherif Andrawes is a Fellow of the Institute of Chartered Accountants in England & Wales and a Fellow of Chartered Accountants Australia & New Zealand. He has over 35 years' experience working in the audit and corporate finance fields with BDO and its predecessor firms in London and Perth. He has been responsible for over 500 public company independent expert's reports under the Corporations Act or ASX Listing Rules and is a CA BV Specialist. These experts' reports cover a wide range of industries in Australia with a focus on companies in the natural resources sector. Sherif Andrawes is the Corporate Finance Practice Group Leader of BDO in Western Australia, the Global Head of Natural Resources for BDO and a former Chairman of BDO in Western Australia.

Adam Myers is a member of Chartered Accountants Australia & New Zealand and the Joint Ore Reserves Committee. Adam's career spans over 25 years in the audit and corporate finance areas. Adam is a CA BV Specialist and has considerable experience in the preparation of independent expert reports and valuations in general for companies in a wide number of industry sectors.

18. Disclaimers and consents

This report has been prepared at the request of Lachlan Star for inclusion in the Notice of Meeting which will be sent to all Lachlan Star Shareholders. Lachlan Star engaged BDO Corporate Finance (WA) Pty Ltd to prepare an independent expert's report to consider the Proposed Acquisition of TRK.

BDO Corporate Finance (WA) Pty Ltd hereby consents to this report accompanying the above Notice of Meeting. Apart from such use, neither the whole nor any part of this report, nor any reference thereto may be included in or with, or attached to any document, circular resolution, statement or letter without the prior written consent of BDO Corporate Finance (WA) Pty Ltd.

BDO Corporate Finance (WA) Pty Ltd takes no responsibility for the contents of the Notice of Meeting other than this report.

We have no reason to believe that any of the information or explanations supplied to us are false or that material information has been withheld. It is not the role of BDO Corporate Finance (WA) Pty Ltd acting as an independent expert to perform any due diligence procedures on behalf of the Company. The Directors of the Company are responsible for conducting appropriate due diligence in relation to Lachlan Star. BDO Corporate Finance (WA) Pty Ltd provides no warranty as to the adequacy, effectiveness or completeness of the due diligence process.

The opinion of BDO Corporate Finance (WA) Pty Ltd is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time.

With respect to taxation implications it is recommended that individual Shareholders obtain their own taxation advice, in respect of the Proposed Acquisition tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the Shareholders of Lachlan Star, or any other party.

BDO Corporate Finance (WA) Pty Ltd has also considered and relied upon independent valuations for mineral assets held by Lachlan Star and TRK.

The valuer engaged for the mineral asset valuation, VRM, possess the appropriate qualifications and experience in the industry to make such assessments. The approaches adopted and assumptions made in arriving at their valuation is appropriate for this report. We have received consent from the valuer for the use of their valuation report in the preparation of this report and to append a copy of their report to this report.

The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO Corporate Finance (WA) Pty Ltd is required to provide a supplementary report if we become aware of a significant change affecting the information in this report arising between the date of this report and prior to the date of the meeting or during the offer period.

Yours faithfully

BDO CORPORATE FINANCE (WA) PTY LTD

Sherif Andrawes
Director

Adam Myers
Director

Appendix 1 – Glossary of Terms

Reference	Definition
The Act	The Corporations Act 2001 Cth
APES 225	Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services'
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Basin Creek	Basin Creek Gold Project
BDO	BDO Corporate Finance (WA) Pty Ltd
Cobar	North Cobar Gold Project
Consideration Shares	Shares in Lachlan Star issued as consideration for the Proposed Acquisition
Coobaloo Minerals	Coobaloo Minerals Pty Ltd
CPI	Consumer Price Index
DCF	Discounted Future Cash Flows
DevEx	DevEx Resources Limited
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
FME	Future Maintainable Earnings
FSG	Financial Services Guide
GCM	Critical Minerals Pty Ltd
GDP	Gross Domestic Product
ICGS	International Copper Study Group
IS 214	Mining and Resources: Forward-looking Statements
ITAVR	VRM's Independent Technical Assessment and Valuation Report
Item 7 Section 611	Item 7 Section 611 of the Corporations Act

Reference	Definition
Junee	Junee Copper-Gold Project
Killaloe Project	Killaloe Gold Project
Koojan JV Parties	Joint venture between Lachlan Star, Minerals 260, and Wavetime Nominees on the Koojan Project
Koojan Project	Koojan Ni-PGE Project
Lachlan Star	Lachlan Star Limited
Minerals 260	Minerals 260 Limited
NAV	Net Asset Value
NSR	Net Smelter Royalty granted by Lachlan Star to DevEx over any future mineral production from the acquired tenements.
NSW	New South Wales
NT	Northern Territory
our Report	This Independent Expert's Report prepared by BDO
PGE	Platinum-group elements
Princhester Project	Princhester Magnesite Project
Proposed Acquisition	The proposal of Lachlan Star acquiring the entire issued capital of TRK from DevEx
QLD	Queensland
QMP	Quoted market price
RBA	Reserve Bank of Australia
RG 111	Content of expert reports (March 2011)
RG 112	Independence of experts (March 2011)
RG 170	Prospective Financial Information
RG 74	Acquisitions Approved by Members
Section 606	Section 606 of the Corporations Act
Section 611	Section 611 of the Corporations Act

Reference	Definition
Share Sale Agreement	Agreement between Lachlan Star and DevEx, whereby, Lachlan Star will acquire the entire issued capital of TRK from DevEx
Shareholders	Shareholders of Lachlan Star not associated with the Proposed Acquisition
Sum-of-Parts	Sum-of-parts valuation
ITAVR	Technical Specialist Report prepared by VRM on Lachlan Star's and TRK's mineral assets
TRK Resources	TRK Resources Pty Ltd
VALMIN Code	Australasian Code for Public Reporting of Technical Assessments and Valuation of Mineral Assets (2015 Edition)
VRM	Valuation and Resources Management Pty Ltd
WA	Western Australia
Wavetime Nominees	Wavetime Nominees Pty Ltd

Appendix 2 – Valuation Methodologies

Methodologies commonly used for valuing assets and businesses are as follows:

1 *Net asset value ('NAV')*

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate. The net assets on a going concern method estimates the market values of the net assets of an entity but does not take into account any realisation costs.

Net assets on a going concern basis are usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall Net assets on a going concern basis. This is particularly so for exploration and mining companies where investments are in finite life producing assets or prospective exploration areas.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when an entity is not making an adequate return on its assets, a significant proportion of the entity's assets are liquid or for asset holding companies.

2 *Quoted Market Price Basis ('QMP')*

A valuation approach that can be used in conjunction with (or as a replacement for) other valuation methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX, through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a liquid and active market in that security.

3 *Capitalisation of future maintainable earnings ('FME')*

This method places a value on the business by estimating the likely FME, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax ('**EBIT**') or earnings before interest, tax, depreciation and amortisation ('**EBITDA**'). The capitalisation rate or 'earnings multiple' is adjusted to reflect which base is being used for FME.

4 *Discounted future cash flows ('DCF')*

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present value at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

Considerable judgement is required to estimate the future cash flows which must be able to be reliably estimated for a sufficiently long period to make this valuation methodology appropriate.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start up phase, or experience irregular cash flows.

5 *Market Based Assessment*

The market based approach seeks to arrive at a value for a business by reference to comparable transactions involving the sale of similar businesses. This is based on the premise that companies with similar characteristics, such as operating in similar industries, command similar values. In performing this analysis it is important to acknowledge the differences between the comparable companies being analysed and the company that is being valued and then to reflect these differences in the valuation.

Appendix 3 – VRM's Independent Technical Assessment and Valuation Report

TECHNICAL ASSESSMENT AND VALUATION REPORT FOR LACHLAN STAR RESOURCES

Presented To:

BDO Corporate Finance (WA) Pty Ltd

Date Issued:

August 25, 2023

Document Reference	Lachlan Star ITAR Rev3
Distribution	Lachlan Star Limited Valuation and Resource Management Pty Ltd
Principal Author	Louis Bucci B AppSc Hons (Geology) PhD (Economic Geology) M AIG M AICD  Date: 25 August 2023
VRM Approval	Paul Dunbar BSc Hons (Geology) MSc (Minex) M AusIMM M AIG  Date: 25 August 2023
Valuation Date	11 July 2023

Executive Summary

BDO Corporate Finance (WA) Pty Ltd (BDO commissioned, on behalf of Lachlan Star Resources ("Lachlan"), Valuation and Resource Management Pty Ltd (VRM) to prepare an Independent Technical Assessment and Valuation Report (ITAR or Report) on the Mineral Assets of Lachlan and TRK Resources Pty Ltd (TRK; a subsidiary of DevEx Resources; DevEx) (ASX: DEV) in relation to their proposed acquisition ("Proposed Transaction"). The Report is for inclusion in an Independent Expert's Report ("IER") being prepared by BDO.

This report was prepared as a public document, in the format of a Specialist Report and in accordance with the guidelines of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – the 2015 VALMIN Code (VALMIN) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (JORC).

This Report is a technical review and valuation of twenty-two (22) tenements across New South Wales, Western Australia, and Queensland. The Projects are all at the exploration stage with no JORC 2012 Mineral Resource or Ore Reserve estimates within any of the Projects. As such, any potential production-based royalties that may be associated with the Mineral Assets are not considered in the valuation ranges presented.

Project Summaries

Basin Creek and Junee Projects

The Basin Creek and Junee Projects comprise nine (9) tenements totalling ~1,500km^2 in the Lachlan Fold Belt (LFB) of south eastern New South Wales, Australia. The tenements overlie prospective volcanic and intrusive rocks of the Macquarie Arc, an accreted geological terrain host to numerous economic mineral deposits, the most significant of which are the porphyry copper-gold deposits of the Northparkes complex. Given the protracted geological evolution of the Macquarie Arc, it remains prospective for multiple mineralization styles related to magmatic-hydrothermal systems, with precious (Au-Ag) and base metals (Cu, Pb, Zn) key commodities relevant for exploration targeting.

At Basin Creek, the tenements have been historically explored with a focus on volcanogenic massive sulphide (VMS) Cu-Pb-Zn systems. However, more recent geological research in the area has identified the likely extension of similar volcanic rocks to that at Northparkes and Cadia into the Basin Creek tenements. On this basis, more recent exploration via surface sampling and drilling has targeted intrusion-related Au, low sulphidation Au-Cu and porphyry Cu-Au mineralisation styles; results to date have confirmed the renewed exploration model, with alteration features consistent with intrusion-related Au and/or low sulphidation Au-Cu identified within EL8939, EL9013 and EL9461, and porphyry Cu-Au mineralization markers confirmed within EL9049.

At the Junee Projects, recent geochronology work has confirmed the lithostratigraphy is of Ordovician age and broadly contemporaneous with the Northparkes and Cadia Cu-Au intrusions. On this basis, recent exploration by DevEx has adopted a porphyry Cu-Au exploration model, and propylitic alteration associated with monzonite has been mapped within tenements and intersected in drilling (e.g., EL8622 and EL8835), often coincident with anomalous Au-Cu values. At EL's 8767, 8851 and 9448, less work has been completed, although geophysical features (magnetics and radiometrics) correlate well with anomalous Au-Cu-Ba and K

in preliminary soil sampling results, indicating the potential for epithermal mineralization. In addition, EL9448 is positioned directly within the northern extension of the low sulphidation Au-Ag-(Zn-Pb-Cu) vein system currently being developed by the Newmont-Legacy Joint Venture and exhibits the same geophysical response.

North Cobar Project

Still at an early stage of assessment, the Project covers the Cobar Basin, with two (2) tenements located adjacent to the Endeavor (Elura) Mine, and covering the northern extension of the Rookery fault that hosts major polymetallic mines to the south (e.g. CSA Cu-Pb-Zn-Ag Mine and Great Cobar – New Cobar – The Peak – Perseverance Au-Cu). Historic drilling in the area has returned anomalous intrusion-related minerals (Sn-W-Cu), with the current exploration model targeting coincident gravity and magnetic anomalies as potential structures to host intrusion-related precious metal systems.

Koojan Cu-Ni-PGE Project

The Project comprises five (5) Exploration Licences and one (1) Prospecting License Application over approximately 600km^2 in the prospective Jimperding Metamorphic belt ~80km north of the recent Julimar Ni-PGE-Cu discovery in Western Australia. Limited rock chip sampling and field based XRF has returned anomalous results for copper (up to 2.78% Cu), Nickel (up to 0.18% Ni), Cobalt (up to 1,740ppm Co), as well as anomalous values for zinc, lead, and PGE. Preliminary auger soil sampling has defined a large 1.4 x 1km PGE (Pd+Pt)-Au anomaly (Mallory Prospect) and a 1 x 2km gold anomaly (Bourbana Prospect), with preparation underway to commence a detailed drilling program. Both Au- and sulphide-rich (Ni-Cu-PGE) Julimar systems are being targeted.

Killaloe Gold Project

The Project comprises two (2) Exploration Licences and a single Mining Licence (ML) for a total area of ~94km^2 located ~20km north of Norseman in Western Australia. Broadly located between the Zuleika Shear and Lefroy fault, the area has seen Au-focussed exploration for many decades, with extensive Au workings located within the ML. Preliminary drilling in the ML returned multi-meter intersections greater than 3g/t Au within zones of quartz veining and sulphides similar to that of the Central Norseman Gold Mine district.

Princhester

The Project comprises two (2) granted Mining Leases with drill-ready magnesite mineralization targets as identified by previous explorers.

Conclusions

Based on the technical review and the analysis undertaken by VRM the market value of the mineral assets of TRK / DevEx and Lachlan has been determined in accordance with the guidelines of the VALMIN Code, including using two separate valuation methods. The results are presented in Table 1, and are based on the beneficial interests of TRK / DevEX and Lachlan prior to the Proposed Transaction. VRM has applied appropriate rounding to the valuation in line with the variability associated with valuations of this nature.

Table 1: Valuation results for the Mineral Assets reviewed in this ITAR.

Tenements	Valuation Method	Low	Mid	Upper
TRK / DevEx Mineral Assets				
Basin Creek Project	Primary	0.6	1.5	2.3
	Supporting	4.6	5.0	5.3
Junee Project	Primary	6.5	11.5	16.5
	Supporting	10.4	12.1	13.9
Cobar Project	Primary	0.4	1.1	1.7
	Supporting	0.2	0.2	0.2
Total TRK / DevEx Projects	Primary	7.6	14.1	20.5
	Supporting	15.1	17.3	19.4
Lachlan Star Mineral Assets				
Koojan Cu-Ni-PGE Project	Primary	0.7	1.4	2.1
	Supporting	1.0	1.2	1.3
Killaloe Au Project	Primary	0.6	1.3	1.9
	Supporting	0.6	0.7	0.8
Princhester Project	Primary	0.2	0.4	0.6
	Supporting	N/A	N/A	N/A
Total Lachlan Projects	Primary	1.5	3.0	4.5
	Supporting	1.8	2.1	2.4
VRM Preferred Valuation Range All TRK / DevEx & Lachlan tenements		9.0	17.1	25.1

Contents

List of Figures

List of Tables

1. Introduction

BDO Corporate Finance (WA) Pty Ltd (BDO) commissioned Valuation and Resource Management Pty Ltd (VRM), on behalf of Lachlan Star Limited (Lachlan) and DevEx Resources Limited (DevEx), to prepare an Independent Technical Assessment and Valuation Report (ITAR or Report) on the Mineral Assets owned by Lachlan and TRK Resources Pty Ltd (TRK; a subsidiary of DevEx) in relation to the proposed acquisition of the TRK assets ("Proposed Transaction") by Lachlan. The Report is for inclusion in an Independent Expert's Report ("IER") being prepared by BDO.

1.1. Compliance with the JORC and VALMIN Codes and ASIC Regulatory Guides

This report is prepared considering the guidelines and principles of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – the 2015 VALMIN Code (VALMIN) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (JORC). Both industry codes are mandatory for all members of the Australasian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). These codes are also requirements for public reports under Australian Securities and Investments Commission (ASIC) rules and guidelines and the listing rules of the Australian Securities Exchange (ASX).

This Report is a Public Report as described in the VALMIN Code (clause 5) and the JORC Code (clause 9). It is based on, and fairly reflects, the information and supporting documentation provided by Lachlan and DevEx as referenced in this Report and additional publicly available information.

This ITAR contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from either government departments or the ASX. The authors of these previous reports have not consented to the statements' use in this report and these statements are included in accordance with ASIC Corporations (Consent to Statements) Instrument 2016/72.

1.2. Scope of Work

VRM's primary obligation in preparing mineral asset reports is to independently describe mineral projects in compliance with the JORC and VALMIN Codes. These require that the Public Report contains all the relevant information at the date of disclosure, which investors and their professional advisors would reasonably require in making a reasoned and balanced judgement regarding the project.

VRM has compiled the ITAR based upon the principle of reviewing and interrogating both the work of DevEx and independent specialists who have contributed to the technical information available for the projects. This report is a summary of the work conducted to July 2023 and is based on information supplied to VRM by Lachlan and its advisors as well as information that is in the public domain, to the extent required by the JORC and VALMIN Codes.

Much of this report is based on information provided by Lachlan along with publicly available data, including ASX releases and public data from various companies currently or previously working existing and nearby tenements. VRM has made all reasonable endeavours to confirm the accuracy, validity and completeness

of the technical data that forms the basis of this report. In VRM's opinion the information that has been provided is reasonable under both the JORC and VALMIN codes and conforms with the Reasonable Grounds Requirements of the Corporations Act 2001 and the ASIC Information Sheet 214 (INFO214).

The opinions and statements in this report are given in good faith and under the belief that they are accurate and not false nor misleading.

1.3. Statement of Independence

VRM was engaged to undertake an ITAR on the mineral assets of TRK / DevEx which is subject to the Proposed Transaction. This work has been conducted in accordance with the JORC and VALMIN Codes. It also complies with ASIC Regulatory Guideline 111 – Content of Expert Reports (RG111) and ASIC Regulatory Guidelines 112 Independence of Experts (RG112).

Dr Louis Bucci and Mr Paul Dunbar and VRM have had no prior association with TRK / DevEx, Lachlan, their individual employees, or any interest in the securities of either company, which could be regarded as affecting the ability to give an independent, objective, and unbiased opinion. Prior to undertaking this Report VRM was engaged by Lachlan to undertake technical due diligence regarding the TRK tenements. This work was purely of a technical review nature VRM was not involved in and had no part with structuring the transaction between DevEx and Lachlan which VRM understands was agreed prior to VRM's due diligence work. VRM will be paid a fee for this work on standard commercial rates for professional services. The fee associated with this Repot is not contingent on the results of this review and is estimated at approximately $32,000 (ex GST). The previous due diligence work attracted a fee of $15,000 (ex GST).

1.4. Competent Persons Declaration and Qualifications

This Report was prepared by Dr Louis Bucci and Mr Paul Dunbar.

The information in this Report that relates to the Technical Assessment of Mineral Assets and the mineral asset valuation reflects information compiled and conclusions derived by Dr Louis Bucci, PhD, BAppSc (Hons), a Competent Person who is a member of the AIG. Dr Bucci is an associate of VRM and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code.

The Technical Assessment sections of this report have been peer-reviewed by Mr Paul Dunbar, BSc (Hons), MSc, a Competent Person who is a member of the AusIMM and the AIG. Additionally, Mr Dunbar contributed and supervised the valuation sections of the report. Mr Dunbar is a Director of VRM and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code and a Specialist under the 2015 VALMIN Code. Mr Dunbar consents to the inclusion in the Report of the matters based on the information in the form and context in which it appears.

1.5. Reliance on Experts

The authors of this Report are not qualified to provide extensive commentary on the legal aspects of the tenure of the mineral properties or the compliance with the legislative environment and permitting. VRM has relied on the information publicly available and the following:

- Information and/or reports obtained from Lachlan.
- Various ASX releases, including from previous owners and neighbouring companies; and
- Publicly available information, including maps, datasets, and technical publications of the geology of NSW and previous exploration works in the areas being reviewed.

This Report contains references or statements made by other parties sourced from the following:

- Academic and technical papers and abstracts in publicly available journals.
- ASX Releases by various Companies; and
- Published and unpublished Annual Technical reports for the tenements reviewed.

The authors of these reports have not consented to the use of their statements in this report. These statements are issued in accordance with ASIC Regulatory Guide 55 and ASIC Corporations (Consents to Statements) Instrument 2016/72.

1.6. Sources of Information

All information and conclusions within this Report are based on information made available to VRM to assist with this Memo by Lachlan and other relevant publicly available data to 31 July 2023. Reference has been made to sources of information, published and unpublished, including government reports and reports prepared by previous parties to the areas. VRM has, as far as possible and making all reasonable enquiries, attempted to confirm the authenticity and completeness of the technical data used in the preparation of this report and to ensure that it had access to all relevant technical information. VRM has relied on the information contained within the reports, articles and databases provided by Lachlan as detailed in the reference list. In addition, much of the technical information provided by Lachlan is also available in ASX releases by previous owners; it is referenced as such in the report below.

A draft of this report, with the valuations redacted, has been provided to Lachlan to identify and address any factual errors or omissions prior to finalisation of the report.

1.7. Site Visits

A site visit was completed by Dr Louis Bucci of VRM with DevEx Exploration Manager Daniel Greene in July 2023. The Basin Creek and Junee Project areas were visited to review recent exploration works and to validate described mineralization as reported by DevEx. Specifically, the Main Ridge (EL8939; Basin Creek) and Nangus Road (EL8622; Junee) areas were visited.

Within tenement EL8939, VRM traversed along the ridge line that was drilled by the Company in their 2020-21 drilling campaign. Drill pad locations and evidence of the structural fabrics, lithologies and alteration being targeted by DevEx were observed (Figure 1). Evidence for deformed volcaniclastic units with cross-cutting

Figure 1: Structural fabrics and mineralization styles observed at EL8939 - Basin Creek Project.

(Top Left: Alternating and variably altered and sheared intercalated rhyolite and tuff. Top Right: vein sets cross-cutting weakly argillic altered volcaniclastic units. Bottom Left: quartz stockwork veining with minor breccia in silicified volcaniclastic. Bottom Right: quartz veining in silicified volcaniclastic).

quartz veins were noted, as was quartz stockwork veining and silicified volcanic rocks, supporting the Company's interpretation of the potential mineralization styles throughout in the district (see Section 3.1.2).

Within tenement EL8622, VRM inspected outcrops of the highly prospective monzonite, recently interpreted as being contemporaneous with the Northparkes and Cadia Cu-Au intrusions (see Section 4.1). Both fresh and altered occurrences of the monzonite were observed by VRM.

Extensive propylitic alteration as veins and wall rock replacement were observed at the Nangus Road prospect (Figure 2), as well as limonite replacement after sulphide. Some minor malachite staining (copper carbonate hydroxide; $Cu_2CO_3(OH)_2$), a common replacement mineral of primary copper sulphide, was also observed (Figure 2). The occurrence of propylitic alteration and its spatial association with an interpreted causative monzonite is an excellent exploration vector that can be used by explorers to focus into the most prospective part of a (Au-Cu rich) magmatic-hydrothermal system (see Garwin et al., 2005 and references therein).

Despite the exploration works completed to date, the aerial extent of the mineralizing systems at the areas inspected by VRM remain unconstrained, and remain highly prospective for the mineralization styles outlined in Section 3.1.2.

Figure 2: Mineralization styles identified at EL8622 - Junee Project.

(Top Left: quartz vein with pervasive propylitic (epidote) alteration with minor limonite. Top Right: quartz stockwork vein in silicified sedimentary unit. Bottom Left: quartz stock veining cutting silicified monzonite. Bottom Right: quartz veining in silicified monzonite with malachite staining).

2. Mineral Assets

The TRK/DevEx and Lachlan mineral tenements under consideration are detailed in Table 2, where the Tenement ID and Project description (where relevant) denotes the section below where it is discussed on a location and geological framework basis in the Report. The list of tenements has been provided by DevEx and Lachlan, and their distribution is presented in the relevant Project area sections, and broadly in Table 2.

2.1. Mineral Tenure

According to the Company, the tenements listed in Table 2 are current and in good order as of July 2023. To the best of VRM's knowledge, they remain in good standing with all statutory filings, reports and documentation including renewals supplied to the various government departments.

The authors of this Memo are not qualified to provide extensive commentary on the legal aspects of the mineral properties or the compliance with the relevant laws governing mining. As VRM and the authors of this Memo are not experts in mining law, no warranty or guarantee, be it expressed or implied, is made by VRM with respect to the completeness or accuracy of the legal aspects regarding the security of the tenure.

Table 2 details three tenements that have expired however VRM understands that extension of term applications have been submitted with the respective government departments for renewal of the tenure and believes that these applications will progress through the regulated assessment process with an extension of term for these three tenements assumed in this report.

Table 2: Tenements constituting the Mineral Assets reviewed in this Report.

Tenement ID	Project	Holder	Area#	Status	Grant Date	Expiry Date	Security	Current Covenant/ Commitment
EL8939	Basin Creek	TRK Resources	37	Granted	4/02/2020	4/02/2027	$5,000	$300,000
EL9013	Basin Creek	TRK Resources	54	Granted	18/09/2020	18/09/2023	$5,000	$50,000
EL9049	Basin Creek	TRK Resources	24	Granted	15/02/2021	15/02/2024	$5,000	$30,000
EL9461	Basin Creek	TRK Resources	11	Granted	14/09/2022	14/09/2025	$10,000	$45,000
EL8622	Junee	TRK Resources	100	Granted	17/07/2017	17/07/2027	$69,000	$500,000
EL8767	Junee - Cooba Nth	TRK Resources	31	Granted	27/06/2018	27/06/2026	$5,000	$60,000
EL8835	Junee - Bangus	TRK Resources	5	Granted	18/04/2019	18/04/2028	$5,000	$100,000
EL8851	Junee - Redbank	TRK Resources	70	Granted	23/04/2019	23/04/2028	$5,000	$300,000
EL9448	Junee - Bauloora Nth	TRK Resources	168	Granted	8/08/2022	8/08/2025	$5,000	$120,000
EL9051	Cobar	TRK Resources	78	Granted	15/02/2021	15/02/2024	$10,000	$400,000
EL9520	Cobar	TRK Resources	50	Granted	7/02/2023	7/02/2029	$5,000	$20,000
E70/5312	Koojan Cu-Ni-PGE	Coobaloo Minerals	40#	Granted	9/06/2020	8/06/2025		$40,000
E70/5337	Koojan CU-NI-PGE	Coobaloo Minerals	40#	Granted	20/04/2020	28/04/2025		$40,000
E70/5429	Koojan CU-NI-PGE	Coobaloo Minerals	6#	Granted	16/07/2020	15/07/2025		$20,000
P70/1743	Koojan CU-NI-PGE	Coobaloo Minerals	171^	Application	TBC	TBC		$ -
E70/5450	Koojan CU-NI-PGE	Coobaloo Minerals	7#	Granted	21/01/2021	20/01/2026		$20,000
E70/5515	Koojan CU-NI-PGE	Emu Resources	56#	Granted	3/03/2021	2/03/2026		$30,000
EL63/1018	Killaloe Gold	Cullen Exploration Lachlan Star	26#	Undergoing Renewal	9/07/2007	8/07/2023		$78,000
EL63/1713	Killaloe Gold	Lachlan Star	7#	Granted	25/02/2015	24/02/2025		$70,000
M63/177	Killaloe Gold	Lachlan Star	17.425^	Granted	25/05/1988	1/06/2030		$10,000

Tenement ID	Project	Holder	Area#	Status	Grant Date	Expiry Date	Security	Current Covenant/ Commitment
ML5831	Princhester Magnesite	Lachlan Star	14.4^	Undergoing Renewal	26/02/1981	28/02/2023		$ -
ML5832	Princhester Magnesite	Lachlan Star	34.09^	Undergoing Renewal	26/02/1981	28/02/2023		$ -

Notes:

Area in "units" as defined by the Mining Act 1992

Area as blocks

^ Area as Ha

Coobaloo Minerals - Coobaloo Minerals Pty Ltd,
Emu Resources - Emu Resources Pty Ltd
Cullen Exploration - Cullen Exploration Pty Ltd
TRK Resources - TRK Resources Pty Ltd

3. Basin Creek Projects

3.1. Geological Setting and Mineralization

3.1.1. Geology

Basin Creek comprises a group of four (4) tenements totalling ~380km2 in the Lachlan Fold Belt (LFB) proximal to the towns of Tumut and Adelong (Figure 3). The geological and mineralization setting is similar across all Basin Creek (and Junee Project) tenements, with the exception of some local variations of parts of the overall lithostratigraphic sequences. Regionally, the tenements are interpreted to overlie the Junee-Naromine Volcanic Belt (JNVB), including portions of the Junawarra Volcanic Belt (JVB).

The JNVB is the westernmost volcanic belt of the Macquarie Arc, an intra-oceanic island arc that is most widely exposed in the NSW section of the Lachlan Fold Belt. The Arc is an accreted terrain which formed during oceanic crust collision with the Proto-Pacific margin of Gondwanaland during the Benambran Orogeny (Kreuzer et al. 2015). It is host to numerous economic mineral deposits, the most significant of which are the porphyry copper-gold deposits of the Northparkes complex.

The tenements broadly incorporate Ordovician to Silurian volcano-sedimentary sequences, with most tenements transected by the highly prospective regional Gilmore Suture (Fault Zone) or subsidiary and related structures (Figure 4). This broad fault system hosts significant gold deposits to the north, including Marsden, Gidginbung and Mount Adrah (White, 2012).

Locally, exposed prospective lithostratigraphic units include variably altered sedimentary units (siltstones, coarser-grained silicified sedimentary units, cherts, minor jasper, and rarely magnetite-hematite jasper), with mafic to intermediate volcanic and intrusive rocks - dominantly andesitic and monzonitic, with less common diorite, syenite, basalt, trachyte, trachyandesite.

Recent geochemical and geochronological research by the Geological Survey of New South Wales (GSNSW) (see Gilmore *et al.*, 2017 and references therein) identified high-potassium monzonitic intrusions within the Junawarra Volcanics, with trace element signatures typical of subduction-zone magmatism. The whole rock chemical signature of these intrusions is favourable for Copper-Gold ore-metal associations and is similar to that of mineralised calc-alkaline intrusions of the Macquarie Arc. In addition, recent U–Pb zircon dating indicates these magmas were emplaced during a specific accretion phase of the Macquarie Arc, contemporaneous with mineralised intrusions at Cadia and Goonumbla.

These geochemical and geochronological signatures greatly upgrade the prospectivity potential of the JVB, with whole rock samples from several least altered intrusive rocks at Basin Creek indicating that the monzonites are high potassium and hydrous. Some altered felsic porphyry (with fine quartz stockworks) are noted in drilling, further indicating the interaction between intrusive rocks, and locally identified magmatic-hydrothermal activity at the tenement scale.

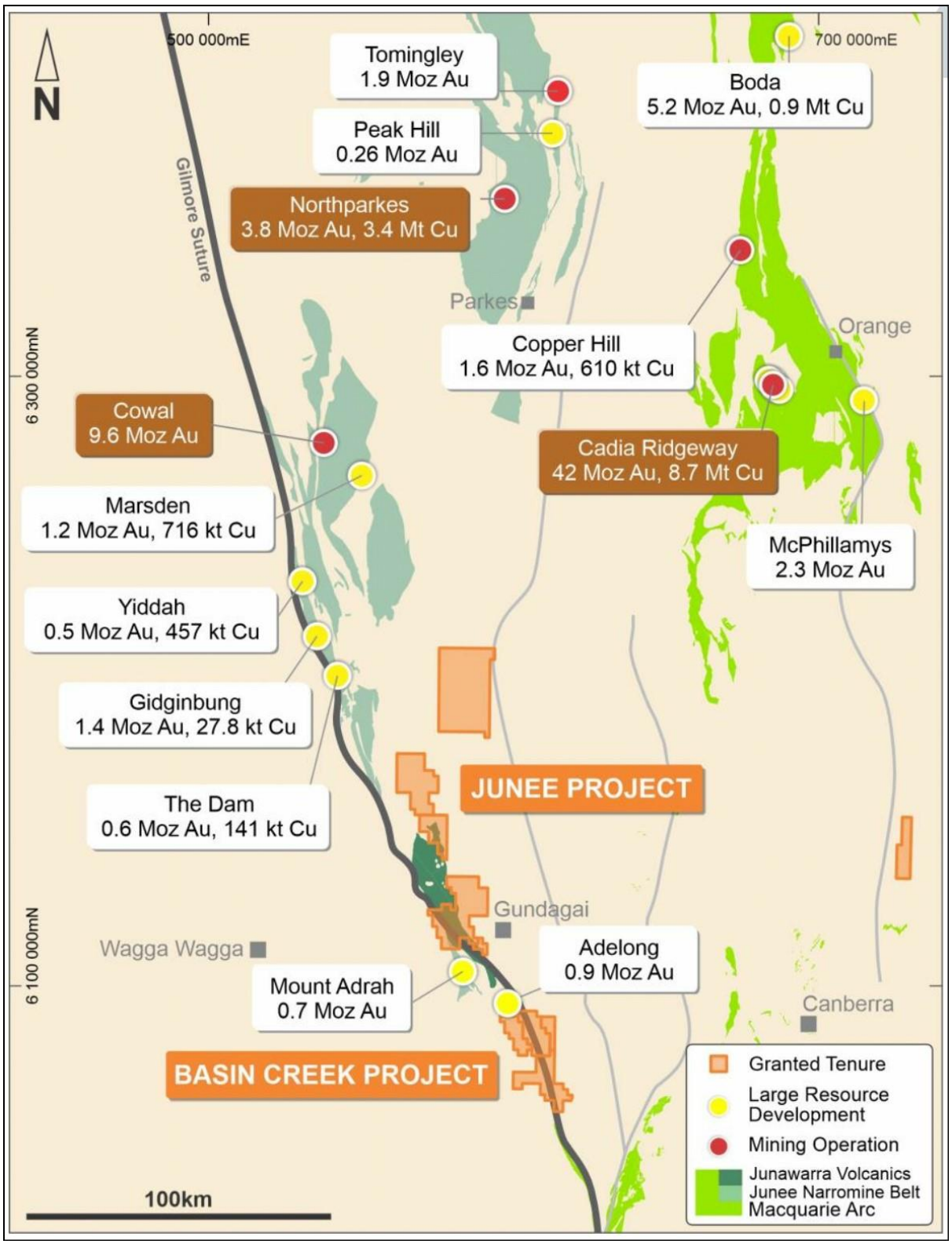


Figure 3: Location of the Basin Creek and Junee Projects in NSW.

(Source: DevEx 2023).

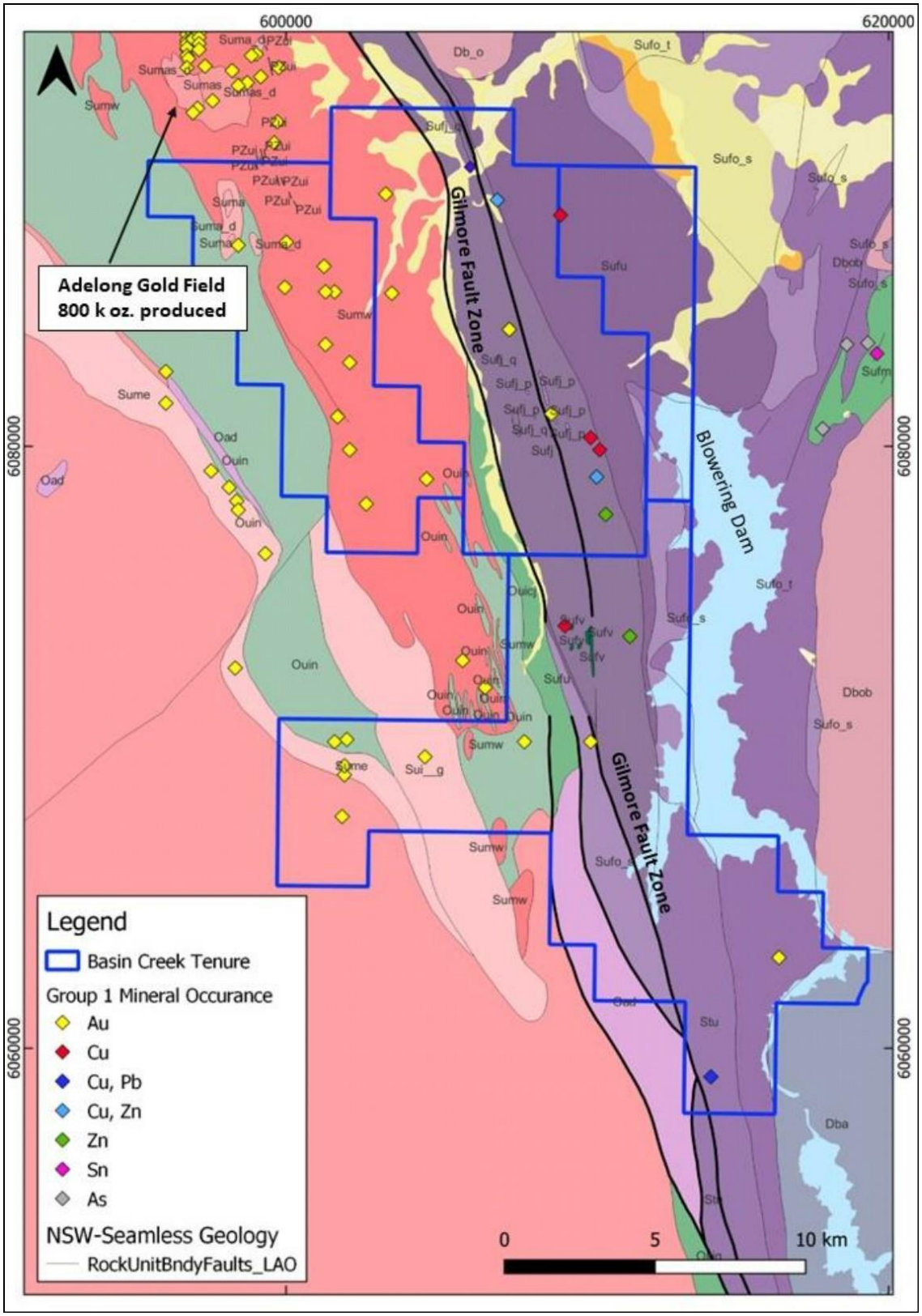


Figure 4: Geological setting of the Basin Creek Projects.

(Source: DevEx, 2022).

3.1.2. Relevant Exploration Models

Given the protracted geological evolution of the Macquarie Arc, numerous mineralization styles remain prospective to explore for (Figure 5). Relevant mineralization models include:

- Orogenic lode gold deposits (OLG): See Groves *et al.*, (1998). District-relevant example includes McPhillamy's.
- Intrusion Related Gold Systems (IRGS) and related sub-variants (e.g., skarn): See detailed review by Hart (2007). District-relevant Examples include Mount Adrah / Hobbs.
- Porphyry-epithermal systems: See Cooke *et al.*, (2007). District-relevant examples in include Gidginbung, Lake Cowal, North Parkes; and
- Volcanogenic-Associated Massive Sulphide (locally referred to a VAMS; Cu-Pb-Zn) deposits are known but poorly understood within the Tumut Trough: See Downes (2019). Examples include descriptions for Basin Creek No 1.

In VRM's opinion, the Basin Creek tenements are prospective for all of the aforementioned mineralization styles.

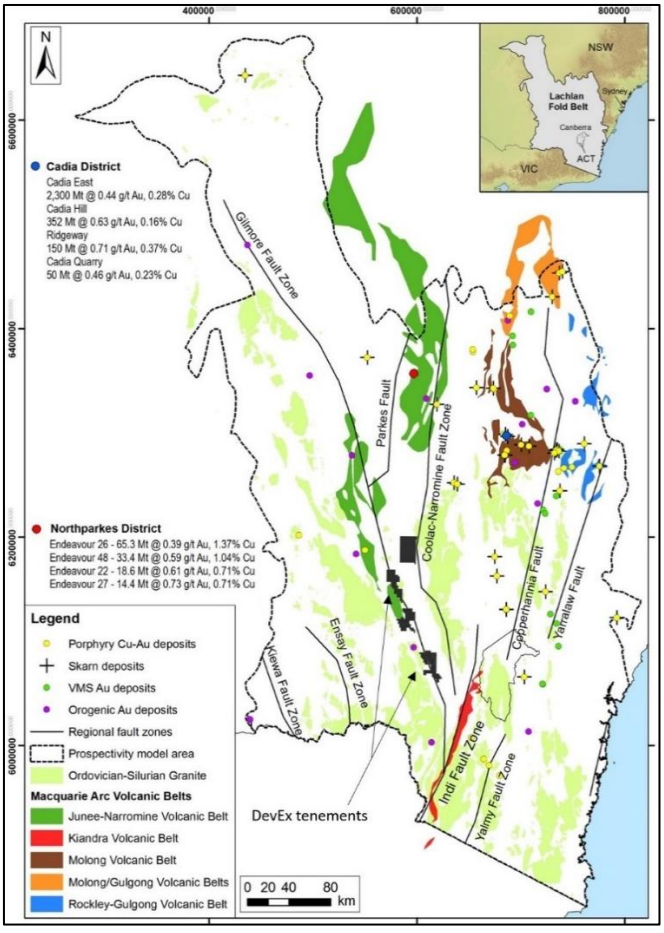


Figure 5: Lachlan Fold Belt and Macquarie Arc volcanic belts showing regional fault zones and locations of IRGS-skarn, porphyry-epithermal, and VMS mineralization.

(Source: Miller *et al.*, 2014).

3.2. Exploration Licence EL8939

3.2.1. Exploration History

The tenement has been explored since the late 1960's (Figure 6), with the following key exploration results noted:

- 1969-1982: Initially explored under a series of joint ventures between A.O.G Minerals Pty Limited (AOG), Australian Anglo American Ltd (AAA), North Broken Hill and Jododex Australia Pty Ltd for base metal/VHMS deposits.
    - At the Basin Creek No1 prospect (in the south of the EL), twenty-seven (27) vertical drillholes (max 30.48m depth) were initially completed on 5-10m centres, on three fences 60m apart. The best intersection was 1.52m @ 1.7% Cu from 9m in TRD021.
    - Nineteen inclined core holes were subsequently drilled, testing from 50 to 200m vertical depth. The best intersections were:
        - 4.57m @ 18.60% Cu from 57.91m in DDH1
        - 4.57m @ 3.09% Cu from 74.68m in DDH 8
        - 1.52m @ 6.40% Cu from 205.75m in DDH9
        - 4.57m @ 5.54% Cu from 59.38m in DDH 13
        - 3.04m @ 3.00% Cu from 67.67m in DDH17
- 1985-1987: Billiton/Shell Company of Australia Limited (Shell) explored the Main Ridge Prospect for gold, identifying extensive potassic (including adularia) and argillic alteration over the entire length of the prospect. In 1986, Shell drilled eight shallow scout AirTrack holes designed to test limited parts of the 4km strike length where gold was encountered from their previous rock chip sampling.
    - Although broad spaced, relatively shallow and reconnaissance by design, drilling intersected anomalous gold mineralisation on several traverses including the northernmost traverse, encountering 33m @ 0.5g/t Au (including 6m @ 1.4g/t Au) from 19 metres within an altered felsic porphyry with fine quartz stockworks.
- 2014-2019: Comet Resources Ltd completed airborne geophysical surveys and modelling, regional rock chip sampling and detailed geochemical sampling over the Main Ridge Prospect. They also completed VNIR and SWIR spectral scans on samples as well as collected 8-line km of Deep Ground Penetrating Radar covering Main Ridge. This work identified a gold target for drilling at Main Ridge North, however drilling was not completed due to a lack of funding. Preliminary review of the spectral data shows a central kaolinite zone with muscovite dominant mineralogy, surrounded by phengite alteration.

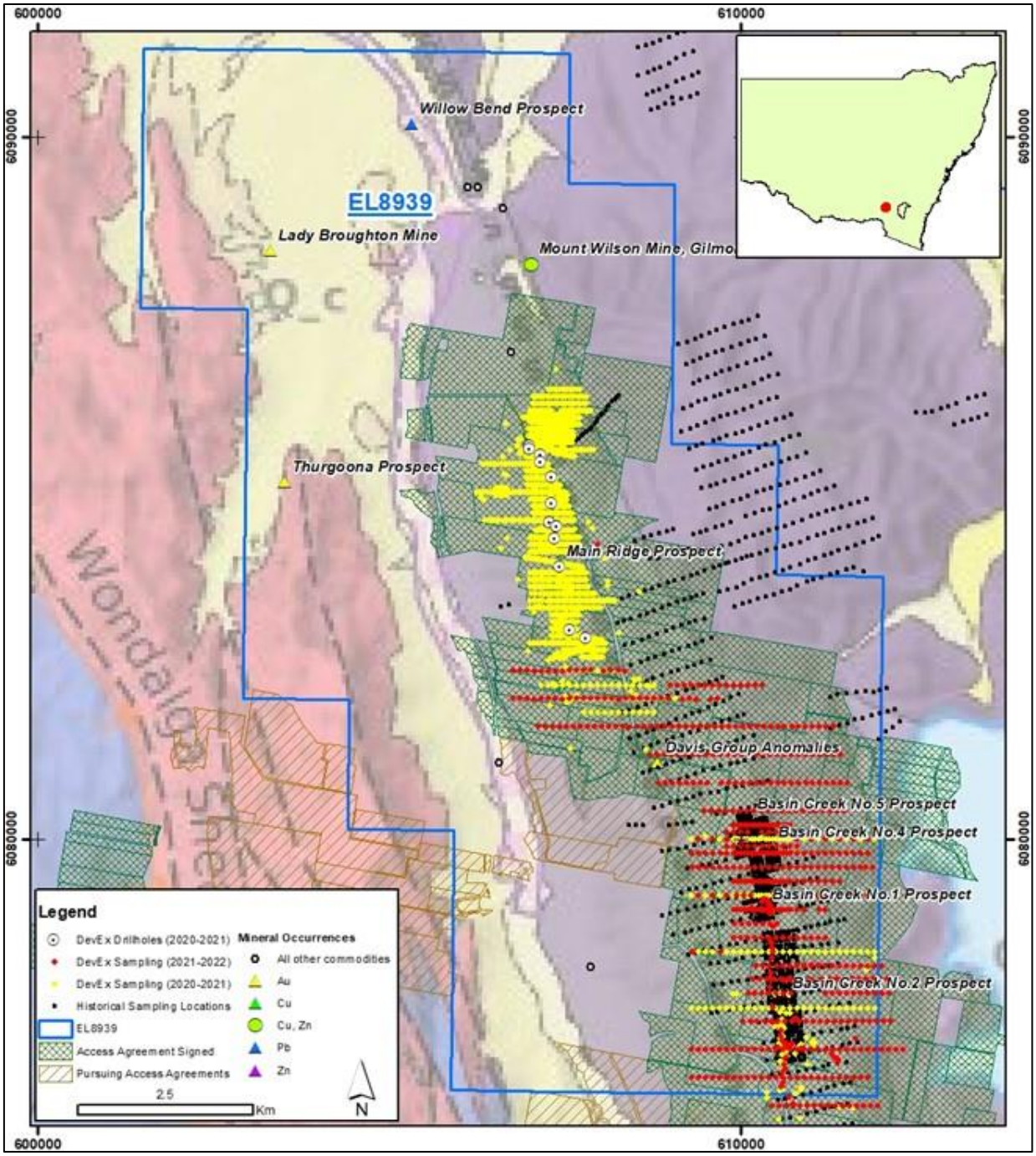


Figure 6: Distribution of historic exploration results within EL8939.

(Source: DevEx 2022)

3.2.2. Exploration by DevEx

DevEx Resources completed soil, rock chip sampling and field mapping over the southern extents of the Main Ridge Prospect, and over the Davis Group anomalies and Basin Creek Prospects (Figure 7). This work collected 786 surface samples, including 628 soil samples, 149 rock chip samples, 4 outcrop and 5 float samples.

Results included highly Au-anomalous surface samples at Main Ridge, which support historic drilling results, and remain unexplained (Figure 7). In addition, highly anomalous Pb in soils and rock chips are also associated with Au-As at Main Ridge. A strong Cu-Pb association and anomalism is focussed largely at Basin Creek N#1, supporting historic workers assertion of potential VAMS system, albeit remaining largely untested.

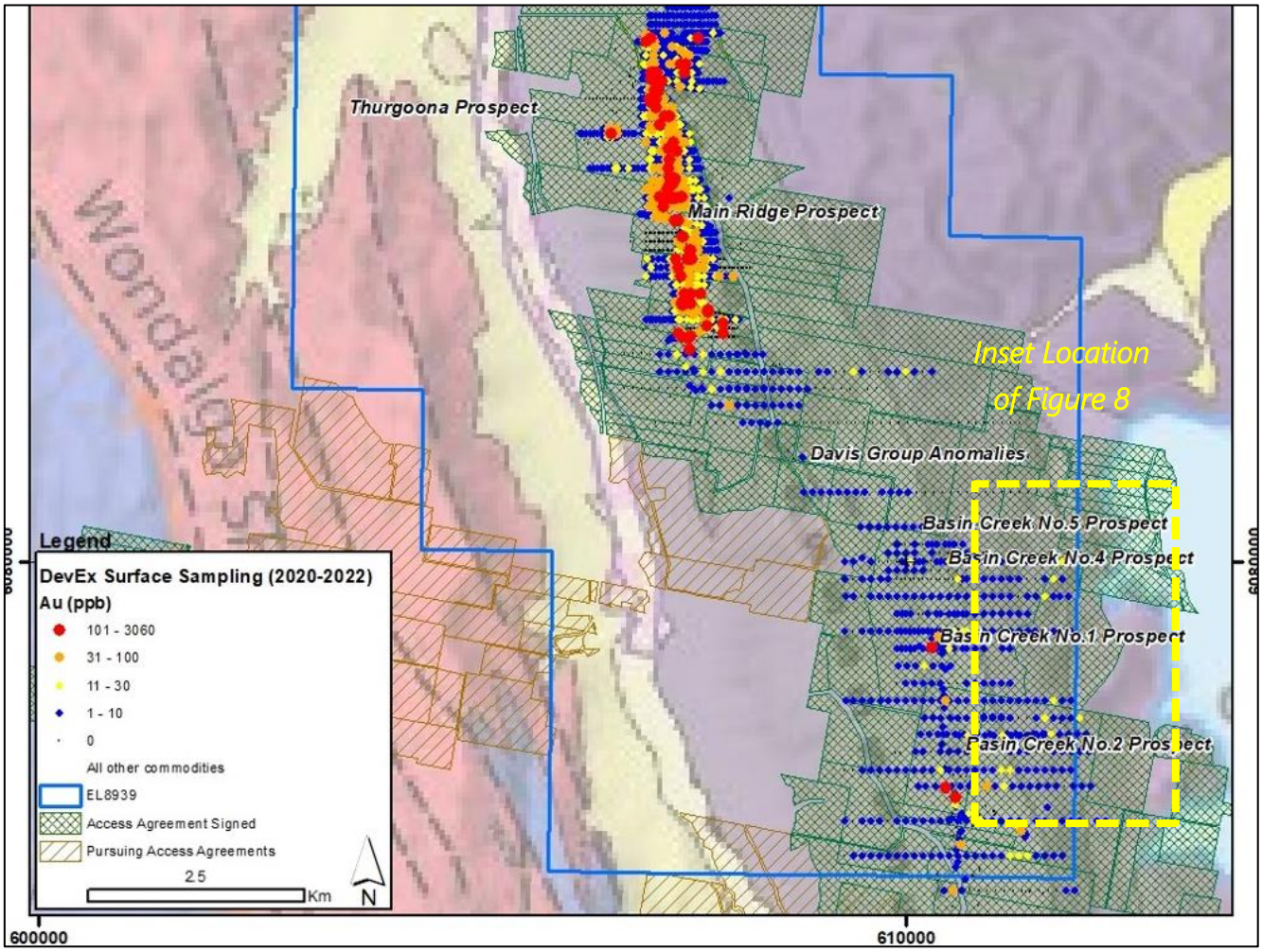


Figure 7: Distribution of Au anomalous surface samples collected by DevEX (soils and rock chip) within EL8939.

(Yellow dotted box inset is location of Figure 8)

(Source: DevEx 2022)

3.2.3. Exploration Potential

VRM consider EL8939 prospective for various sub-types of the IRGS mineralization model, with the metal associations suggesting a broad magmatic-hydrothermal system. In addition, given the geological setting, there is potential for low-sulphidation epithermal mineralization, as the Au-Pb-Cu association is noted at Mineral Hill to the north, with an interpreted link between the Parkers Hill polymetallic Cu-Pb-Zn-Ag ores and intrusion-related low sulphidation alteration and Au-Cu mineralisation in the same volcanic rock sequence regionally.

3.3. Exploration Licence EL9461

Recently granted (14 September 2022), the tenement has been acquired by DevEx due to an open Au, and subsequently Cu-Zn, soil anomaly in EL8939 that is trending into that area (Figure 8). High resolution geophysical datasets are absent over this tenement area, which remains at the earliest stage of exploration with no systematic sampling to date. The Company are targeting intrusion-related Au and low-sulphidation epithermal mineralization akin to their targets in EL8939.

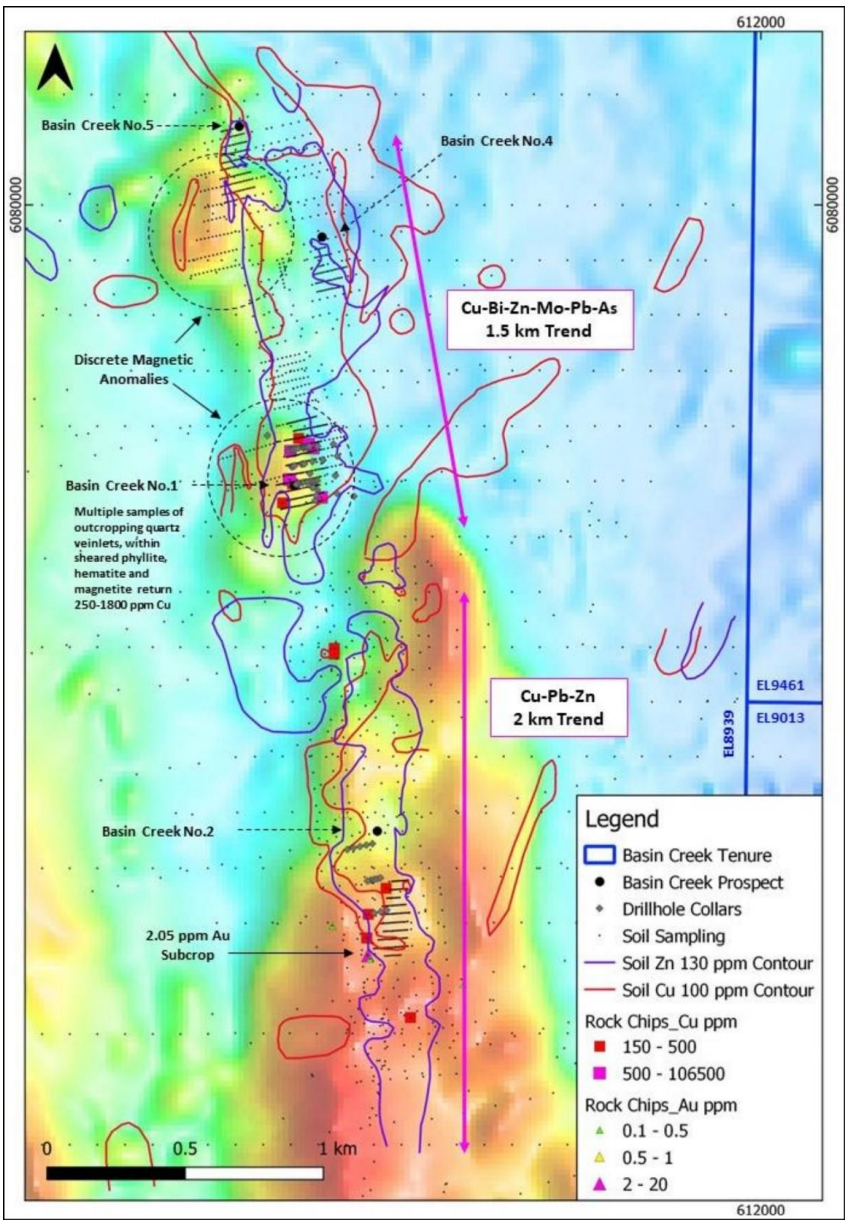


Figure 8: Distribution of Cu and Zn soil anomalies in the SE portion of EL8939 that trends into the newly acquired tenement EL9461.

(See Figure 7 for inset location)

(Source: DevEx 2023)

3.4. Exploration Licence EL9013

3.4.1. Exploration History

Similar to EL8939, EL9013 has been explored since the late 1960's (Figure 9), with the following key exploration results noted:

- 1969 to 1982: A.O.G Minerals Pty Limited (AOG), Australian Anglo American Ltd (AAA), North Broken Hill and Jododex Australia Pty Ltd for base metal/VHMS deposits.
    - Extensive soil and stream sediment sampling for copper, lead, and zinc. Rarely analysed for gold.
    - At the Pine Plantation No 1 Prospect, work identified a 200ft x 200ft (~61m x 61m) zone of hydrothermally altered tuffs, phyllite and jasper with >800 Pb and >1000ppm Zn. 13 percussion holes (for 320m total) were completed with numerous intersections of ~0.3-0.6%
- In 1980-1981: Jododex completed follow up grid sampling. This work returned values up to 270ppm Cu at Browns Creek No 1, an area of 240x70m (open to NW) of >200ppm Zn and up to 1600ppm Ni at the Sandy Creek No 1 Prospect, and a 250m zone of >200ppm Cu and 240m zone of >200ppm Zn at the Pine Plantation No 2 Prospect.
- 1984-1989: Billiton/Shell Company of Australia Limited (Shell) completed stream sediment sampling to identify 4 anomalous Au +/- Pb, Zn, Sb & As zones within the southeast of EL 9013.
- 1991 to 1995: North Limited/Geopeko field work included mapping, BLEG and rock chip sampling, petrography, and drilling. Completed three (3) inclined percussion holes for 317mwith significant intersections including 12m @ 0.25ppm Au from 64m in WDRP2, 8m @ 0.44ppm Au from 106m in WDRP2 and 6m @ 0.42ppm Au from surface in WDRP3.

3.4.2. Exploration by DevEx

Work by DevEx has included field reconnaissance, geological mapping, rock chip sampling and soil sampling. In total, 330 soil samples and 79 rock chip samples were collected, with anomalism for gold (Figure 10)and copper (Figure 11) noted.

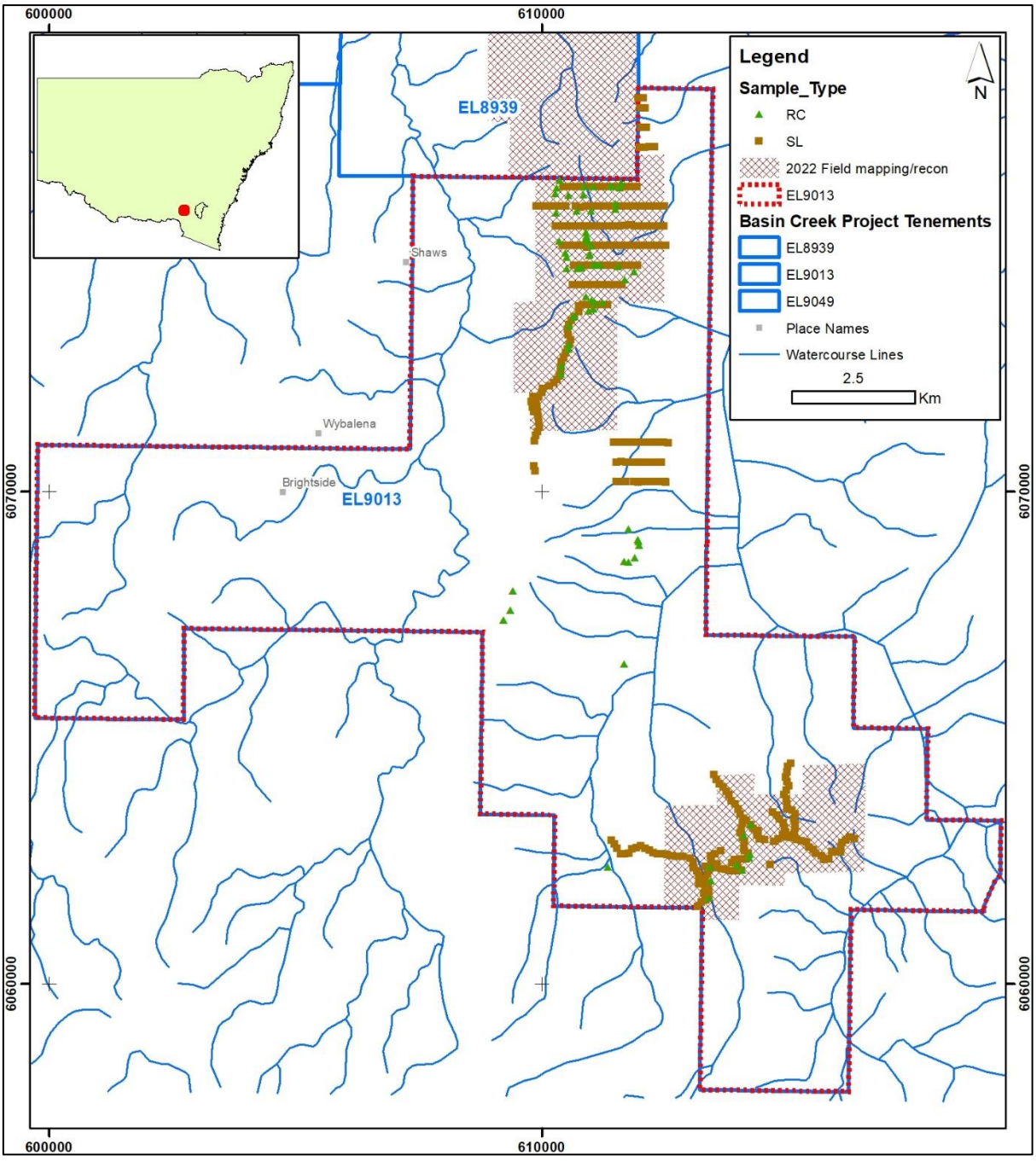


Figure 9: Distribution of historic exploration methods within EL9013.

(Source: DevEx 2022)

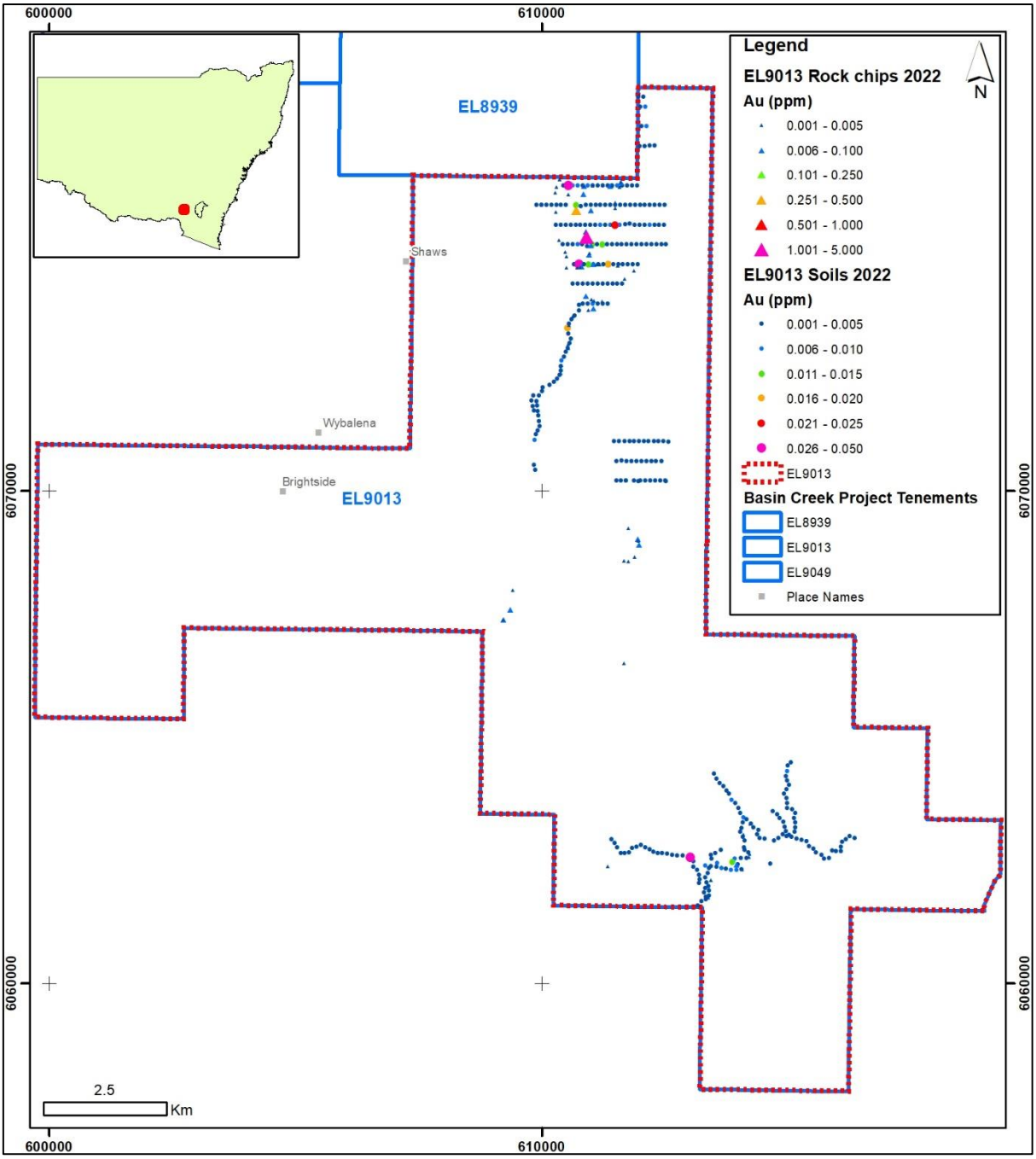


Figure 10: surface sampling results for gold in EL9013.

(soil samples shown as circles, rock chip as triangles; Source: DevEx 2022)

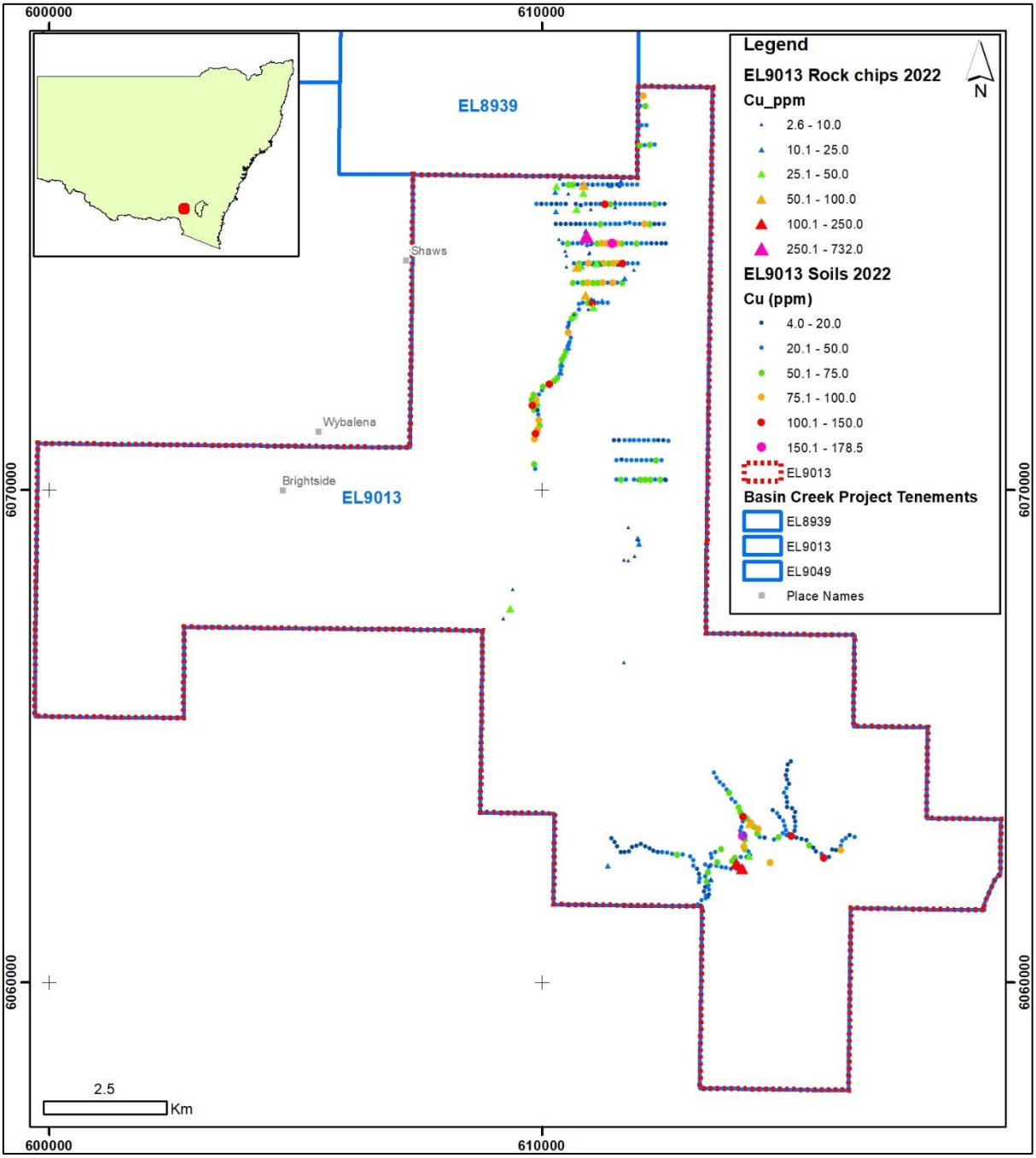


Figure 11: surface sampling results for copper in EL9013.

(soil samples shown as circles, rock chip as triangles; Source: DevEx 2022)

3.4.3. Exploration Potential

The area has only been sporadically explored for gold, copper and mainly Volcanic Hosted Massive Sulphide (VHMS) mineralisation since the 1970's. This work was largely focussed on the northern and southeastern areas of EL9013 only, with some Au-Cu anomalism that was not further tested. The new GSNSW data has implications for more intrusion-related mineralization styles as opposed to the largely VHMS-based exploration models historically. This represents an opportunity to test the area based on the recently updated knowledge of the immediate geological setting.

3.5. Exploration Licence EL9049

3.5.1. Exploration History

The main exploration focus in the region from the early 1960s until the early 1980s was for Cu-Zn-Pb VMS style mineralisation. As such, analysis for gold was rarely included in geochemical sampling campaigns.

- 1985: Amad NL completed stream geochemical sampling and pan concentrates, as well as sampling and mapping at the Coomerang prospects and the Poor Man's gold mine (Figure 12). Results included:
    - Coomerang #1: NW-trending, 400m length, 20-75m wide, numerous shafts and adits with quartz veins within a granite hosted shear zone. Best rock chip result of 1.4g/t gold.
    - Coomerang #2: 500m north of Coomerang #1 in the same shear zone. More mafic composition host rocks. Best result rock chip result of 0.4g/t gold.
    - Coomerang #3: Narrow shear - possibly continuation of Poor Man's mine.
    - Poor Man's gold mine: Pits over 60m trending NNW - 1m wide - 0.1-0.3g/t gold.
- 1987: Billiton/Shell rock chip sampling at Cockatoo Creek returned up to 28.0g/t gold. At Thurgoona, sampling from 2 pits returned best result of 0.5g/t gold. Wilson's Creek rock chips returned 20.7g/t, 5.6g/t and 5.5g/t gold. Regional rock chip sampling during the same period returned 5.9g/t gold from Coomerang East. Ground magnetics identified a trend of the host shear zone (Cockatoo Creek Shear).
- 1987: Billiton/Shell undertook an RC drilling program (14 holes, 324m), with the best results being 2m at 7.6g/t gold and 5m at 2.6g/t gold. Follow-up diamond drilling (6 holes, 368m) was undertaken at Cockatoo Creek in 1988 by Billiton/Shell with the best result 4m at 1.9g/t gold.
- In 1988: Alkane Exploration sampled the Coomerang West Shear. The best results were 20.0g/t gold at Poor Man's workings and 2.9g/t gold at Coomerang #3 prospect.
- 2002 – 2006: Golden Cross Operations re-sampled gold workings and reinterpreted the geology from previous mapping and airborne geophysics. Results included.
    - 0.4g/t gold at Cockatoo Creek.
    - 0.3g/t to 2.6g/t gold at Watson's Workings.
    - 1.5g/t and 1.28g/t gold at Avenall prospect; and
    - 1.4g/t gold at Coomerang East Shear.

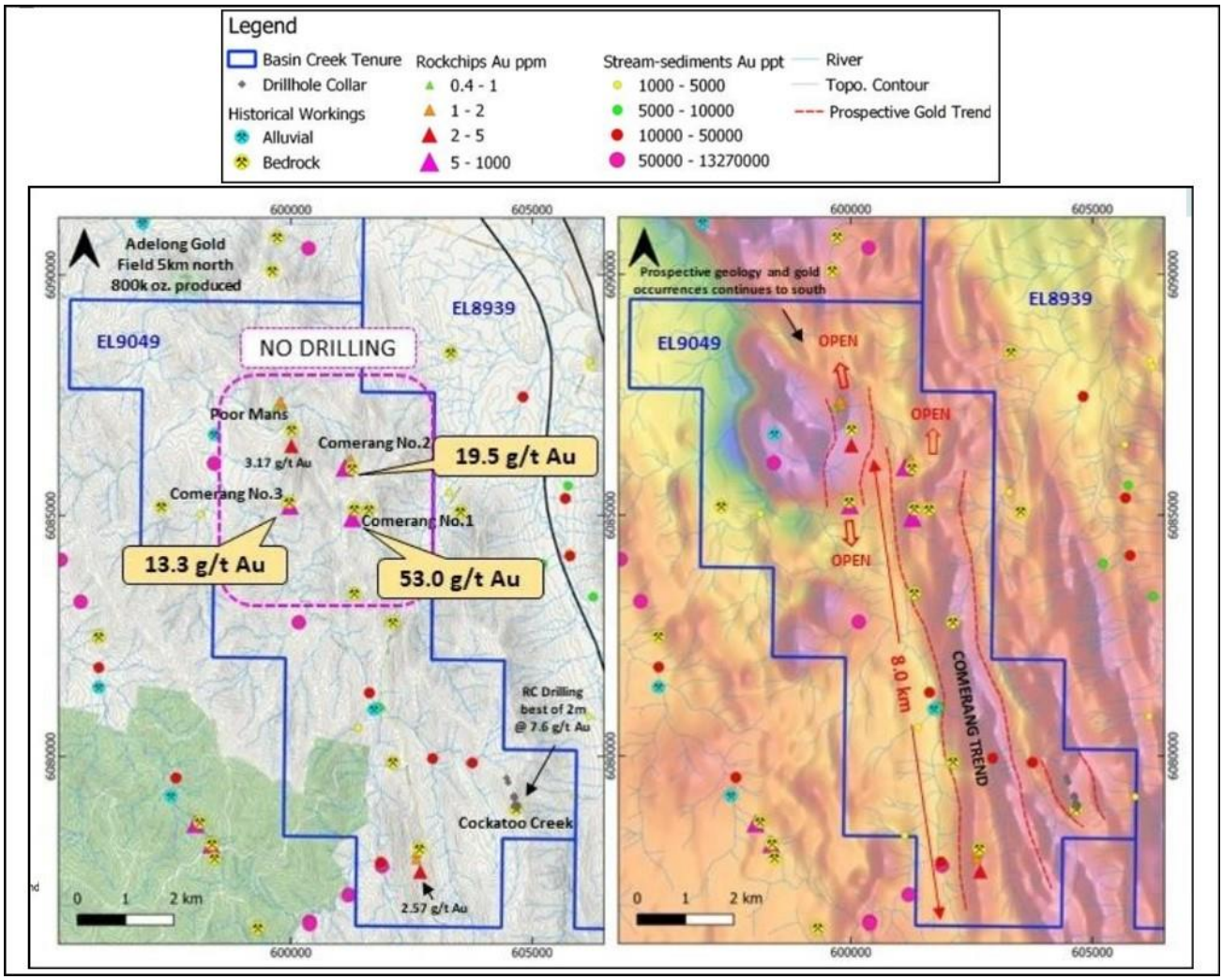


Figure 12: Occurrences and grab sample locations from historic waste dumps within EL9049.

3.5.2. Exploration by DevEx

Limited grab sampling of historic mine dumps, documentation of occurrences, and regional reconnaissance mapping (Figure 13).

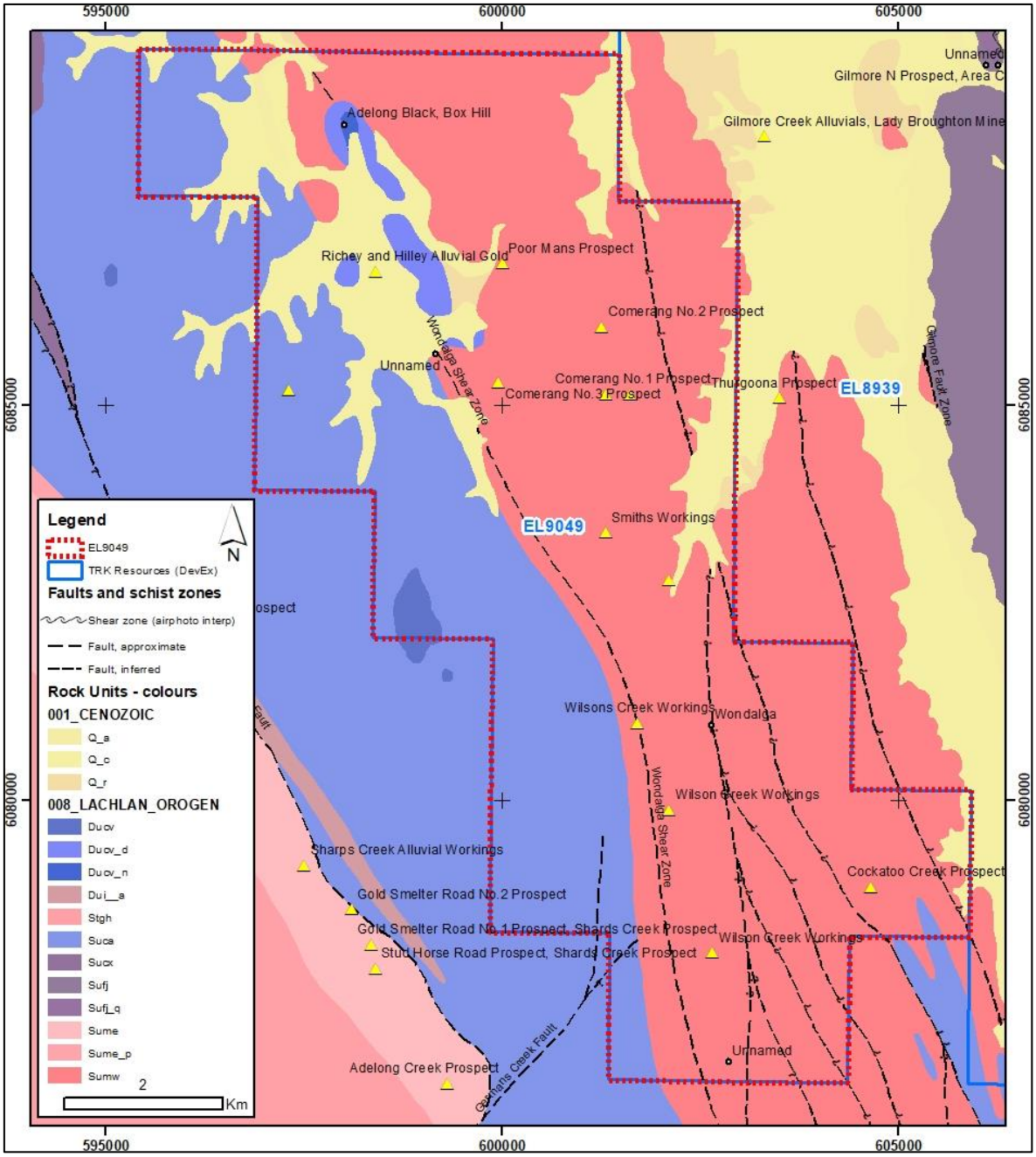


Figure 13: DevEx geological interpretation and location of occurrences within EL9049.

3.5.3. Exploration Potential

The area is considered a predominantly Au-Cu target area, gold mineralisation reportedly associated with a large potassic alteration zone suggesting epithermal and porphyry mineralisation affinities. The area includes numerous historic occurrences (up to 17), with most occurrences proximal to structures within Silurian intrusive rocks (i.e., a favourable geology). The EL is located directly along strike of the historic mine (Adelong; 0.8Moz) in the same lithostratigraphy and should be considered for similar styles of mineralization.

4. Junee Projects

4.1. Geological Setting and Mineralization

The geological and mineralization setting is the same to that described for the Basin Creek Projects, and the Reader is referred to Section 3.1. Of significance is the recently identified Cooba Monzonite by the GSNSW which indicates the stratigraphy is of Ordovician age (age 438.2 +/- 2 Ma), and contemporaneous with Northparkes and Cadia Cu-Au intrusions. As such, the various mineralisation styles presented in Section 3.1.2 remain prospective targets within the Junee Projects.

4.2. Exploration Licence EL8622 (Junee)

4.2.1. Exploration History

Previous exploration in the area has been completed by numerous explorers, including Clancy Exploration (2007 to 2012), Cyprus Amax / Michelago Resources from 1997-1998, North Ltd in 1996 and a Geopeko / Lachlan Resources JV during the 1980s and early 1990s. Table 3 outlines a summary of work conducted by previous explorers that falls within the bounds of EL8622.

Historic drilling has intersected deformed silica-chlorite-calcite-pyrite altered dioritic intrusion to the NW of Billabong Creek, with hole 4760RP2 intersecting 2m @ 1450ppm Cu, 0.04ppm Au, 80ppm Mo and 0.04ppm Au within a broader intercept of 6m @ 962ppm Cu from 86m in monzonite with minor disseminated chalcopyrite. This area includes visible copper mineralisation with grades up to 2% at surface. A magnetic anomaly at Riversdale (>5km in length) is interpreted as a potential causative monzonite.

4.2.2. Exploration by DevEx

DevEx commenced exploration activities in 2018, with extensive surface sampling (soils and rock chip), followed by drilling commencing in 2020 with an initial diamond hole testing a geophysical target at Riversdale, then subsequent drilling campaigns in 2021 and 2022, including Aircore (AC), Reverse Circulation (RC) and diamond drilling (DD). Distribution of this work is presented in Figure 14.

Based on early preliminary mapping and sampling the Company has identified numerous prospects, including (Figure 15):

- Billabong Creek: an area displaying coincident magnetic/gravity low flanked by a magnetic high with anomalous Au, Zn and Pb in drilling.
- Riversdale North: a WSW-ENE trending topographic high with NNW-SSE trending stratigraphy and cross cutting magnetite alteration.
- Riversdale (West and East): a 5km long elongate magnetic feature adjacent to magnetic low with anomalous Cu near surface and in drilling; and
- Nangus Road: a coherent north-south oriented gold zone which extends for over 1 kilometre.

Table 3: Historic exploration in the area overlapping and proximal to EL8622.

Year	Company & Exploration Activity
1970	Central Pacific Minerals 193 RAB drilling
1980	Jododex Australia Pty Ltd; Soil sampling, mapping
1981	Jododex Australia Pty Ltd; Soil sampling, outcrop sampling
	BHP Minerals 1381 Airborne EM survey
1982	Getty Oil Development 1797 Stream sediment survey, outcrop sampling, RAB drilling
1985	Peko Walsend/Lachlan Resources; RAB drilling, outcrop sampling, ground magnetic survey
1986	Peko Walsend/Lachlan Resources; RAB drilling, outcrop sampling, soil sampling
1987	Peko Walsend/Lachlan Resources; BLEG Stream sediment sampling
1988	Peko Walsend/Lachlan Resources; Rock chip sampling
1991	Peko Walsend/Lachlan Resources; RAB drilling, rock chip sampling
1996	North Ltd; RC/AC drilling
1998	Cyprus Amax/Michelago Resources; Soil sampling, RAB drilling
2001	Golden Cross Operations Pty Ltd geochemical sampling and outcrop mapping
2007 - 2012	Clancy Exploration Limited – Ground Gravity, Airborne Magnetics, Surface Geochemistry
2013	Mount Adrah Gold Limited – surface geochemistry

With a focus on the aforementioned prospects, DevEx has completed the following exploration works:

- 411 soil and 30 rock chip samples.
- 229 AC holes for 13,487m mainly over the Nangus Road prospect.
- 15 RC holes for 2,714m over Nangus Road and Riversdale North Prospects.
- 6 DD holes for ~2,387m across the Nangus Road, Billabong Creek, Riversdale, and Riversdale North Prospects.
- Petrography of drill core samples; and
- Dipole Dipole Induced Polarisation (DDIP) and gradient array induced polarisation (GAIP) survey surveys and modelling.

Significant results and their locations are presented in Table 4, and maximum gold and copper results at Nangus Road in Figure 16.

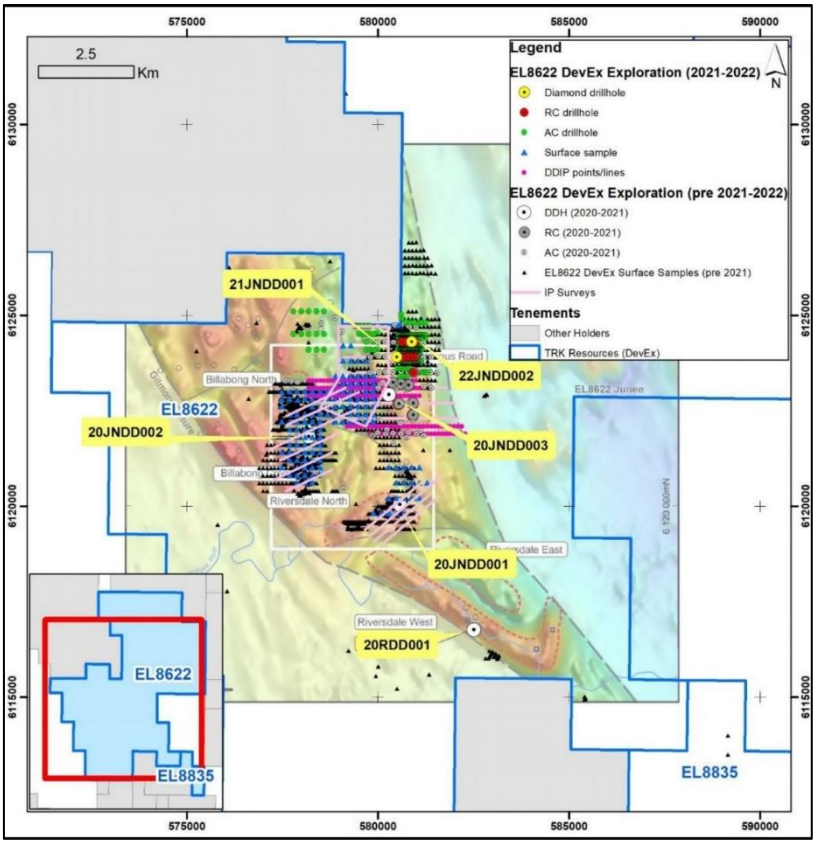


Figure 14: Location and type of exploration completed by DevEx within EL8622 (Junee).

(Source: DevEx 2023)

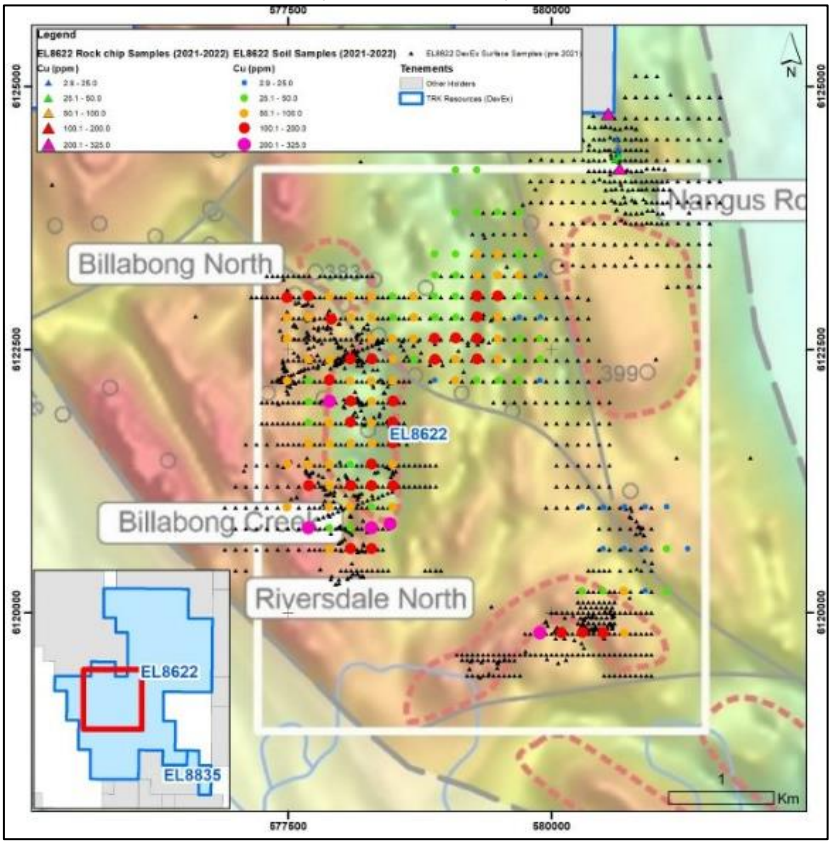


Figure 15: Soil sampling results completed by DevEx within EL8622 (Junee).

(Source: DevEx 2022)

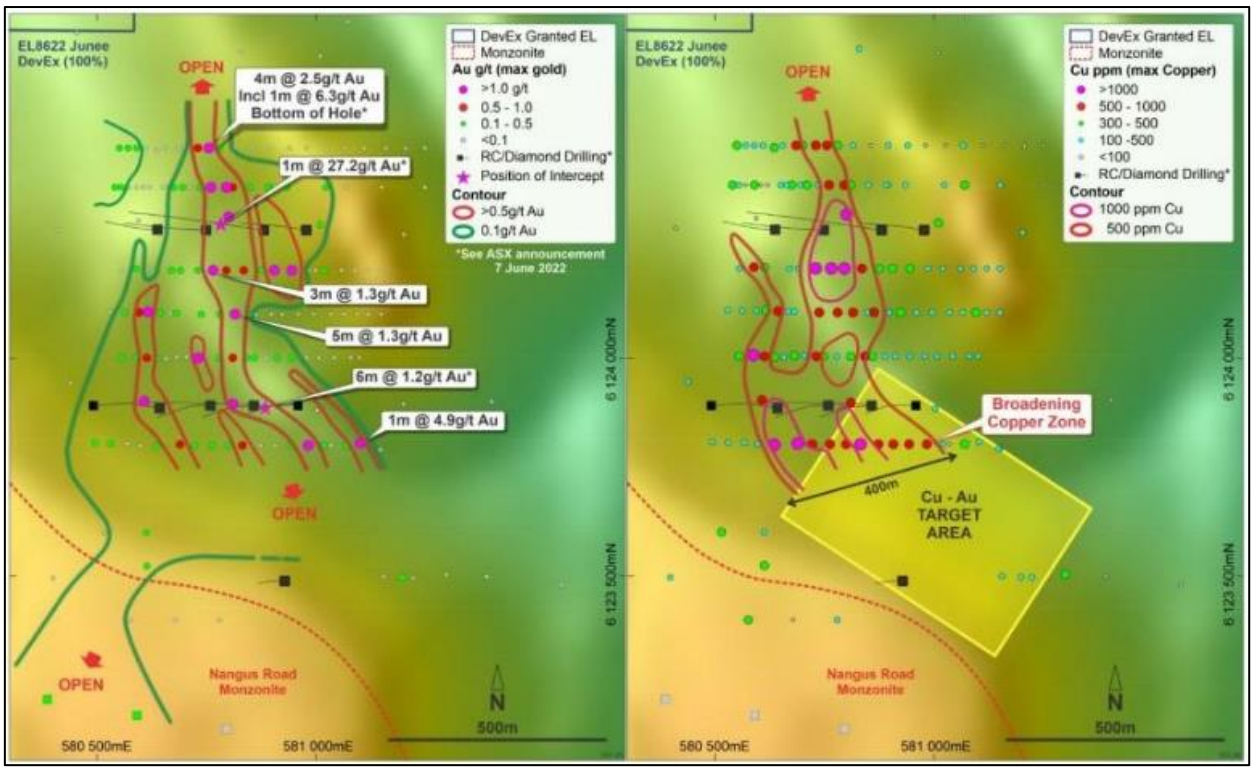


Figure 16: Results of 2021-2022 drilling campaigns at Nangus Road prospect within EL8622 (Junee).

(Source: DevEx 2023)

Table 4: Significant drilling by DevEx within EL8622

Hole ID	Hole Type	Depth (m)	East (mE)	North (mE)	RL (m)	Az	Dip	Intercept
22JNAC008	AC	81	580945	6124200	258	270	-60	2m @ 1.0 g/t Au from 53m
22JNAC009	AC	57	580905	6124200	260	270	-60	3m @ 1.0 g/t Au from 40m
22JNAC011	AC	78	580835	6124200	263	270	-60	1m @ 0.9 g/t Au from 26m
22JNAC013	AC	69	580765	6124200	267	270	-60	**3m @ 1.3 g/t Au from 4m** 1m @ 0.6 g/t Au from 36m
22JNAC021	AC	18	580810	6124390	259	270	-60	2m @ 0.6 g/t Au from 13m
22JNAC022	AC	63	580795	6124390	260	270	-60	1m @ 0.9 g/t Au from 40m 1m @ 2.4 g/t Au from 55m
22JNAC023	AC	51	580760	6124390	261	270	-60	2m @ 0.9 g/t Au from 12m
22JNAC042	AC	54	580730	6124480	256	270	-60	1m @ 0.8 g/t Au from 6m
22JNAC062	AC	60	580815	6124100	266	270	-60	**5m @ 1.3 g/t Au from 6m** incl. 1m @ 1.6 g/t Au incl. 1m @ 4.7 g/t Au
22JNAC075	AC	62	580810	6124000	270	270	-60	1m @ 0.9 g/t Au from 36m
22JNAC078	AC	81	580731	6124000	270	270	-60	1m @ 1.5 g/t Au from 58m
22JNAC081	AC	64	581102	6123805	252	270	-60	**1m @ 4.9 g/t Au from 42m**
22JNAC085	AC	80	580983	6123800	253	270	-60	2m @ 1.1 g/t Au from 40m
22JNAC089	AC	76	580832	6123800	255	270	-60	1m @ 0.5 g/t Au from 68m
22JNAC141	AC	70	580689	6123802	253	270	-60	1m @ 0.6 g/t Au from 37m
22JNAC150	AC	44	580613	6124000	258	270	-60	1m @ 0.6 g/t Au from 24m 1m @ 0.8 g/t Au from 30m
22JNAC157	AC	41	580616	6124105	263	270	-60	1m @ 1.2 g/t Au from 35m
22JNAC158	AC	63	580595	6124104	261	270	-60	1m @ 0.7g/t Au from 43m 1m @ 0.5 g/t Au from 59m
22JNDD001*	DD	453	580493	6123900	246	90	-60	2m @ 1.0 g/t Au from 346m 18m @ 0.2 g/t Au from 402m incl 1m @ 1 g/t Au from 403m
22JNDD002	DD	442	580882	6124300	259	270	-60	**1m @ 27.2 g/t Au from 142m** 3m @ 0.5 g/t Au from 155m
22JNRC001*	RC	214	580959	6123900	259	270	-60	6m @ 1.2 g/t Au from 188m incl 2m @ 2.5 g/t Au from 190m
22JNRC002	RC	208	580861	6123900	263	270	-60	2m @ 0.7 g/t Au from 76m 6m @ 0.8 g/t Au from 112m incl. 2m @ 2.0 g/t Au
22JNRC005	RC	304	580979	6124301	256	270	-60	NSI
22JNRC006	RC	270	580747	6124303	265	270	-60	4m @ 0.51 g/t Au from 172m
22JNRC008	RC	132	580644	6123894	256	270	-60	NSI

Aircore intercepts calculated using 0.5g/t Au cut-off with maximum internal dilution of 3m that averages >0.5g/t Au.
(Sources: Lachlan Star 2022)

4.2.3. Exploration Potential

Previous explorers have mapped alteration within the tenement which is characteristic of typical porphyry Cu-Au system at multiple locations (e.g., Billabong Creek and Riversdale prospects). This includes broad propylitic alteration associated with monzonite, quartz monzonite and diorite intrusive rocks. Geophysical data in concert with surface geochemical sampling has returned anomalous gold and copper results, with geophysics indicating adjacent IP chargeability high and magnetic low signatures. These further indicate the potential for buried intrusive rocks proximal to mineralization.

4.3. Exploration Licence EL8835 (Bangus)

4.3.1. Exploration History

Located at the SE corner of EL8622, the tenement represents the interpreted extension of the geology to the NW, with only very limited historical surface sampling by previous explorers. This work commenced in the early 1970's and ceased in the mid-1980's, and was limited to soil, streams and rock chip sampling, with coarse magnetics data collected (Table 9).

Table 5: Summary of work by previous explorers in EL8835

Year	Company	Target	Exploration Activity
1974	AOG Minerals	VMS	Stream sediment sampling (57 samples). Analysed for Cu, Pb, Zn - no significant results
1981	Jododex	VMS	Mapping (1:10k), Soil and rock chip sampling. Minor Cu in association with Mn in cherts in adjacent licence to west. 100ppm Cu in soils trend in west of 8835
1985	Lachlan Resources	Epithermal, VMS	Aeromagnetic survey, Rock chip sampling (2), Sample returned 0.14g/t Au, 339ppm Cu

4.3.2. Exploration by DevEx

Due to Covid restrictions, only reconnaissance work has been completed by DevEx. Magnetic data indicates that the tenement may be positioned between the Gilmore Suture and the Bethungra Fault, with the geology between these two structures interpreted as the southern extension of the Junawarra Volcanics which outcrop throughout EL8622 (Figure 17). Regolith mapping indicates this wedge of the Junawarra Volcanics to be predominantly masked by Cenozoic sediments. A sample from historic mapping returned anomalous gold at 0.14g/t with elevated copper at 339ppm (Table 6), and a >50ppm Cu in soil anomaly which has yet to be followed up by the Company (Figure 18).

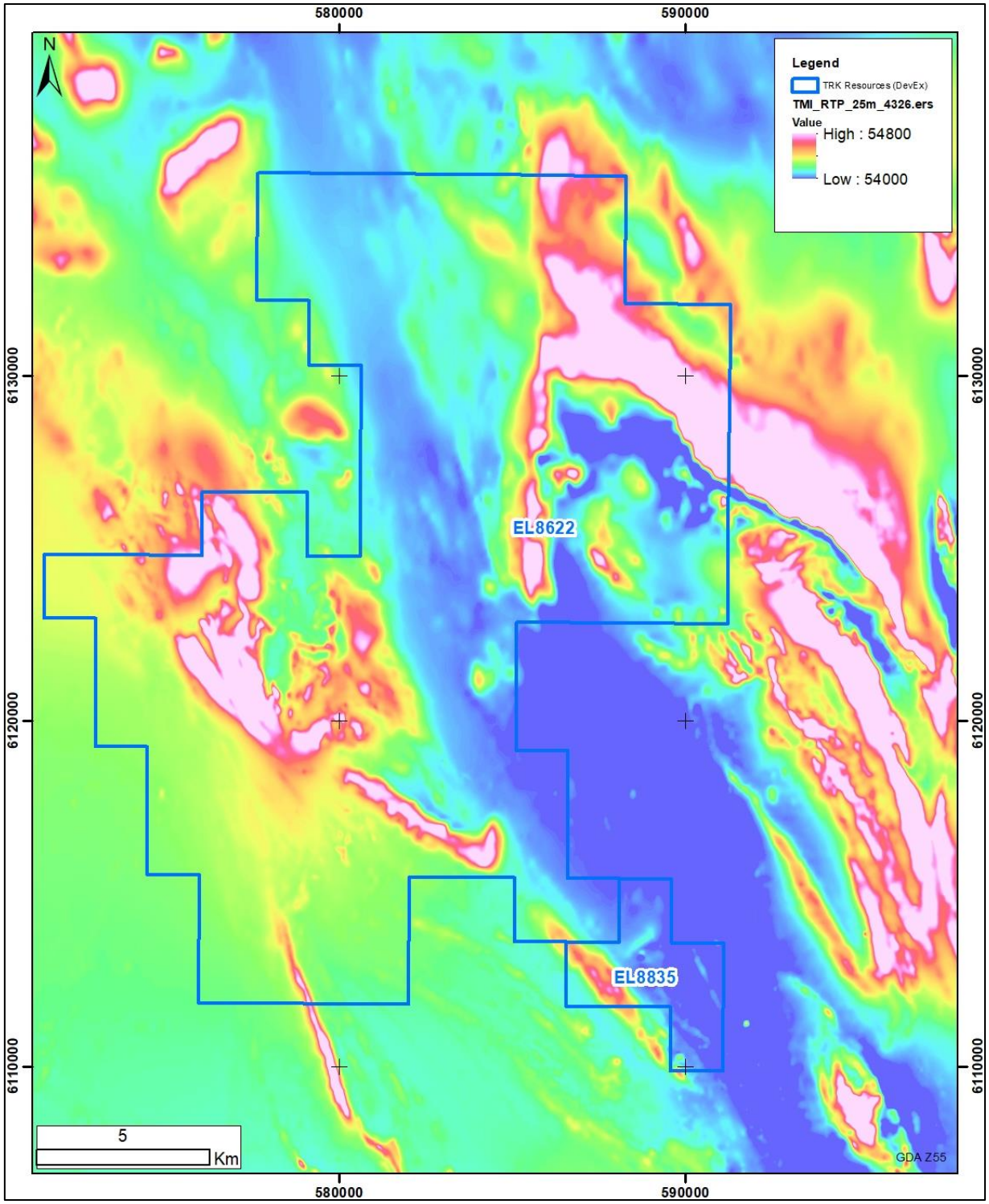


Figure 17: NSW Minview TMI RTP dataset within EL8622 (Junee) and EL8835.

(Source: DevEx 2023)

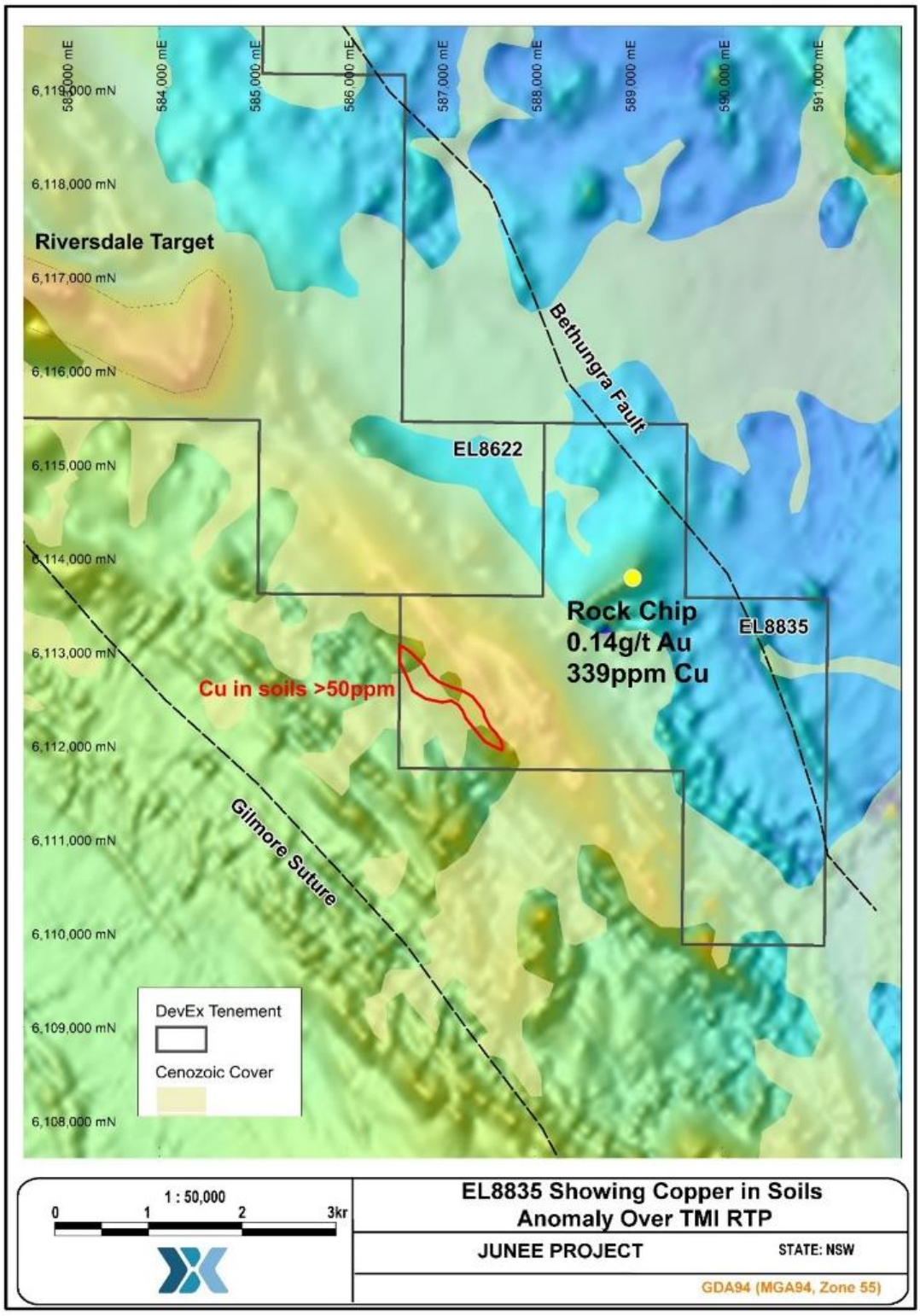


Figure 18: Cu soil sampling results within EL8835 (Bangus).

(Source: DevEx 2022)

4.3.3. Exploration Potential

The tenement is at a very early stage of assessment due to COVID restrictions, but correct geological units are inferred with geophysics indicating potentially buried causative intrusions. Anomalous Cu in soils and preliminary rock chips are positive. VRM consider the tenement to be prospective for IRGS mineralization and potentially porphyry Cu-Au systems.

4.4. Exploration Licence EL8767 (Cooba North)

4.4.1. Exploration History

The area has been variably explored since the mid 1970's, with exploration models ranging from volcanic massive sulphide through to epithermal-porphyry precious metals in more recent times. A summary of exploration activities and companies is presented in Table 6.

Table 6: Historic exploration work summary for EL8767

Year	Company	Exploration Activity
1976-77	BHP	EL957 Covers the N half of EL8767. Mapping (outside 8767),
1980	BHP	trial surface resistivity, examining potential for AEM survey,
1981	Teck	concluded unsuitable.
1986	Geopeko	Airborne mag & EM at 250m line spacing, 50m height.
1984-93	Geopeko & Lachlan Resources	EL covered eastern half of EL 8767. No fieldwork.
1990-91	Maymill Pty Ltd	Covers NW corner of 8767. Detailed mapping & rock-chip sampling. A'borne mag survey at 250m
1996-2001	Michelago Resources	line spacing, 80m height, E-W lines. 1551m RAB drilling, only 1 hole within EL8767.
2007-09	Tasman Goldfields	Covers S half of 8767. Mapping, rock sampling, drilling (outside EL8767). A few stream sediment samples taken in 1988, (assayed for Au only) fall within EL8767.
2011-15	Carpentaria Exploration	Held for 6 months, no fieldwork.

4.4.2. Exploration by DevEx

DevEx has collected 301 soil samples, restricted to areas with current access permission. Samples were collected at approximately 50m east-west spacing, on approximately 400m north-south spaced lines over an untested magnetic anomaly (Figure 19). Results include coincident multi-element anomalism for Au-Cu (Figure 19), Mo, Ni, Pb and Zn (Figure 20), with mapped latite, an extrusive equivalent of monzonite, also noted.

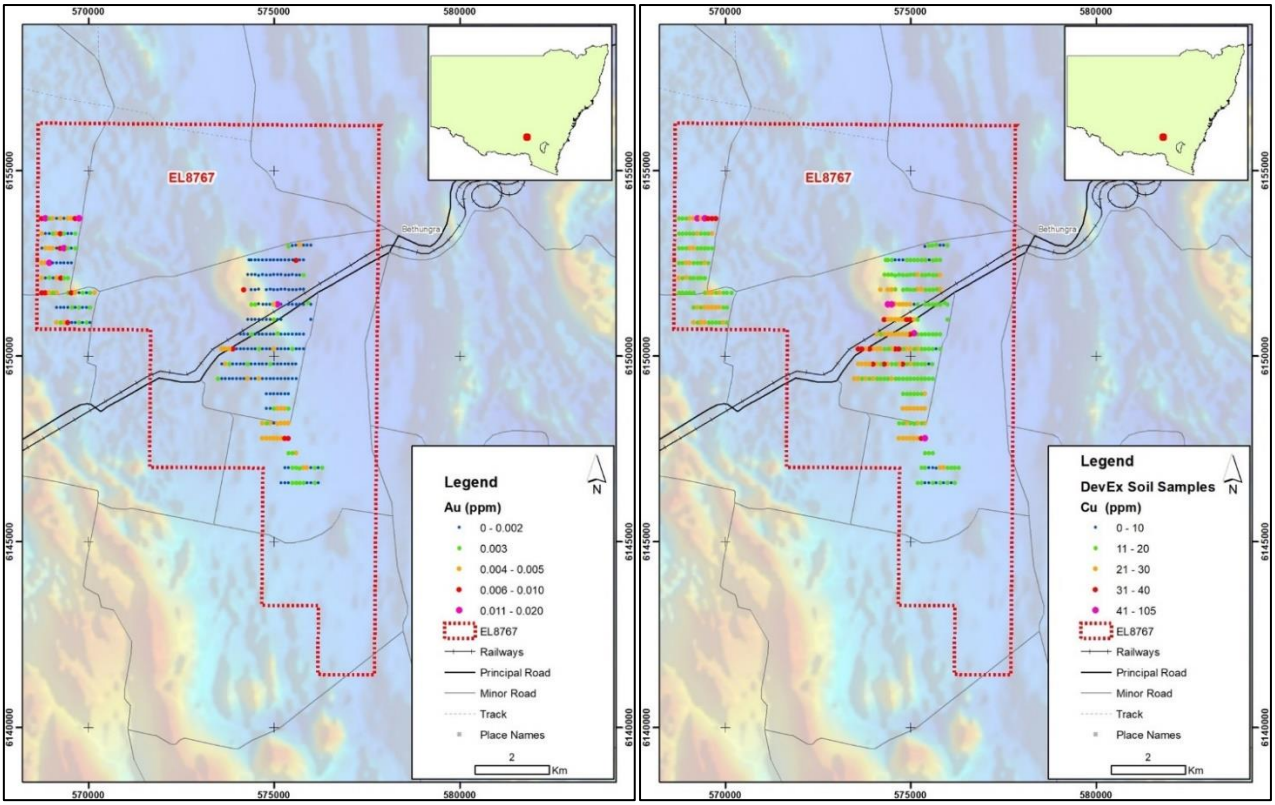


Figure 19: Au and Cu soil sampling results within EL8767 (Cooba North).

(Source: DevEx 2022)

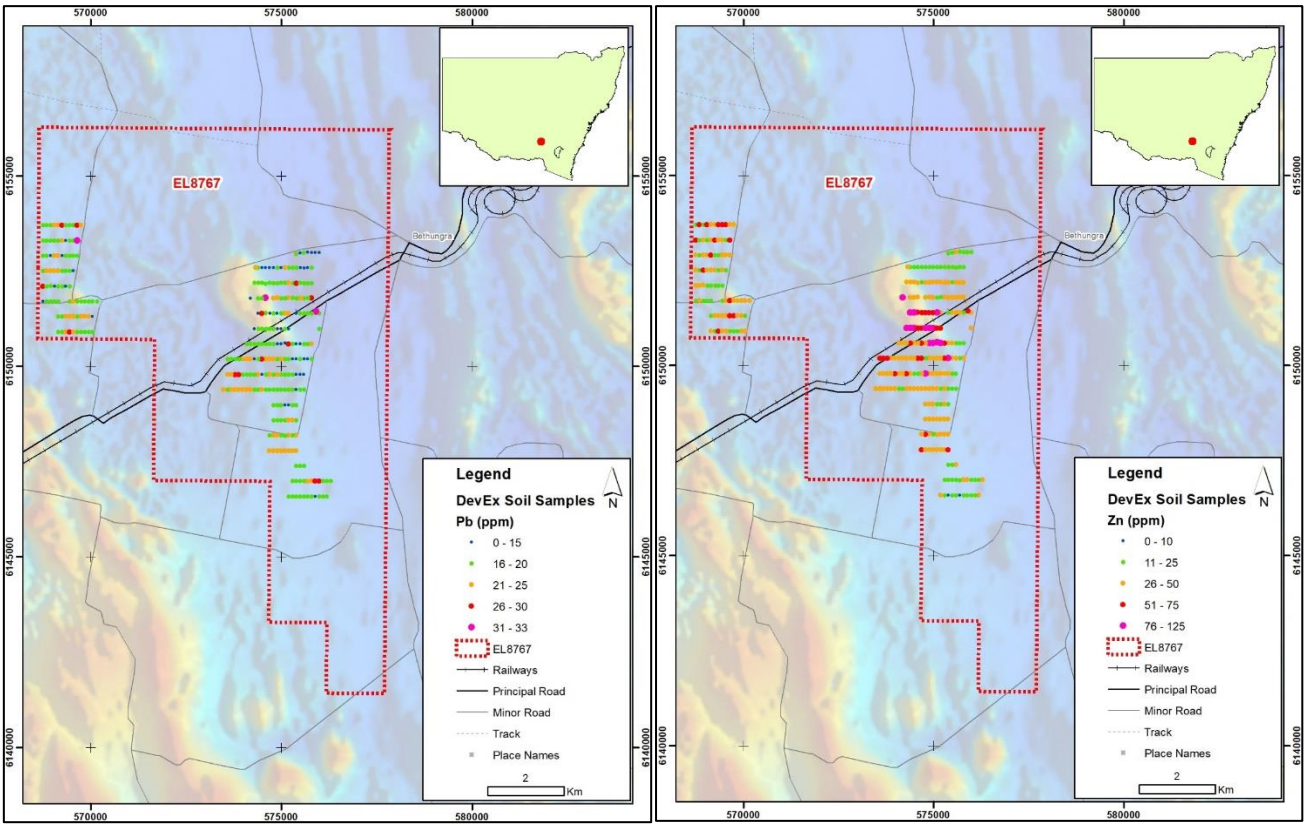


Figure 20: Pb and Zn soil sampling results within EL8767 (Cooba North).

(Source: DevEx 2022)

4.4.3. Exploration Potential

Work by GSNSW indicates that monzonitic intrusions in the area are high-potassium with trace element signatures typical of subduction-zone magmatism. This is similar to those of mineralised calc-alkaline intrusions of the Macquarie Arc, and similar volcanic rocks are contemporaneous with the mineralised intrusions at Cadia and Goonumbla (Northparkes). The strong preliminary soil sample results and magnetics indicates good potential for a multi-element magmatic-hydrothermal system.

4.5. Exploration Licence EL8851 (Redbank)

4.5.1. Exploration History

Previous exploration in the region has been focused on VMS, orogenic gold, epithermal gold, and more recently porphyry copper-gold mineralisation styles. Considerable work has been completed, with exploration focused on established prospects in the north and west of the lease (i.e. Merri Hill and the Dirnaseer A and Dirnaseer C prospects; Figure 21). Other prospects that have received some exploration work are Gossan, Mindarie, Amaroo, and Colebrook Hill. Historic work has included mapping, stream and rock chip sampling, soil sampling, ground geophysics and some drilling, with some Ni-Cr and/or Au anomalism identified.

Surface sampling within the lease has been completed by Alkane Exploration (1980), followed by Meridian Minerals/Teck (1981), Newmont (1990) and then Carpentaria Exploration (2008-2013). Drilling has been completed by Alkane Exploration (1981), Getty Oil Development Company (1983), BP Minerals (1986), CRA Exploration (1986), Little River Goldfields (1988), Gold Mines of Australia (1993-1994), Helix Resources (1994), Paragon Gold/Gold Mines of Australia (1995) and Carpentaria Exploration (2008).

A summary of the exploration works is presented in Table 7.

4.5.2. Exploration by DevEx

DevEx have completed historical work reviews and target identification, however land access agreements have taken longer than anticipated due to several factors (i.e., COVID19 and significantly above average rainfall through 2022 limiting access). The Company have commenced a soil sampling program in the central southern portion of the tenement, testing a regional K-Th-U radiometric anomaly, with results indicating coincident Au-As-Ba-K anomalism in soils (Figure 22).

4.5.3. Exploration Potential

Previous explorers have defined numerous prospect areas, indicating mineralization styles ranging from ultramafic associated vein style mineralisation (i.e., Merri Hill), pyroxenite rich ultramafic with disseminated Ni and Cr mineralisation (i.e., Dirnaseer A and Dirnaseer C prospects), and gossanous quartz and weakly auriferous calcsilicates (Gossan, Mindarie, Amaroo, and Colebrook Hill). Early RAB drilling of magnetic lows has further intersected basic intrusive rocks with a degree of propylitic alteration (chlorite, carbonate, and epidote), with epithermal mineralisation also a possible target.

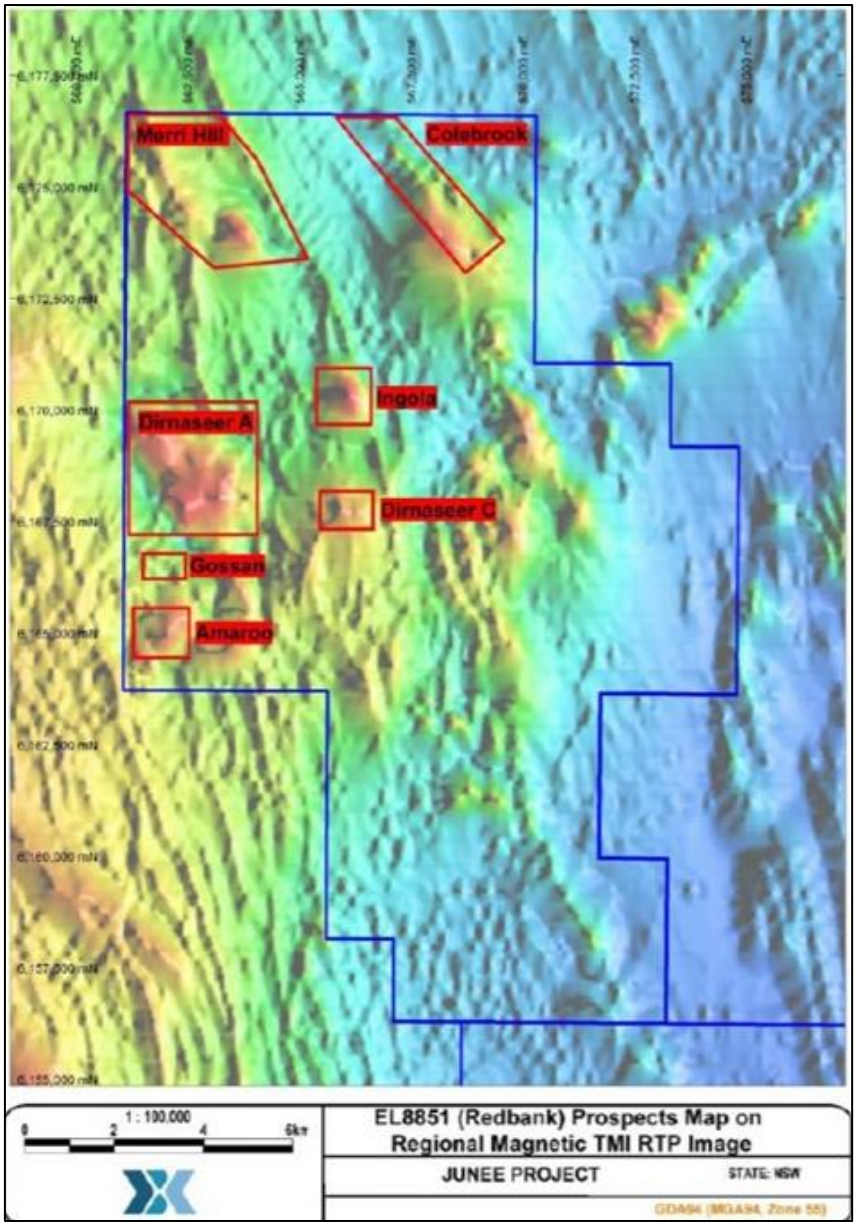


Figure 21: Cu soil sampling results within EL8851 (Redbank).

(Source: DevEx 2022)

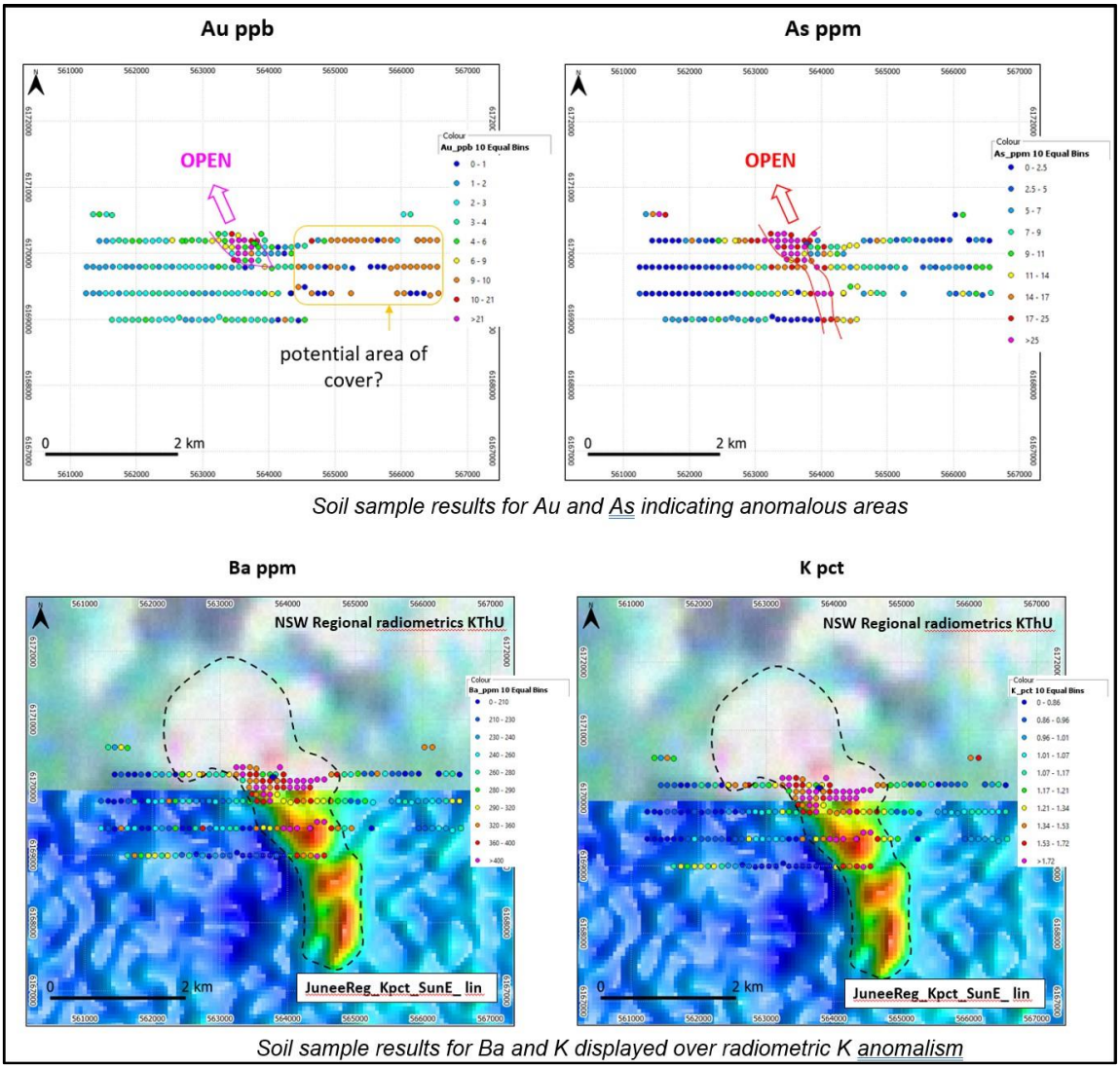


Figure 22 Location of EL8851 K-Th-U target and co-incident Au-As soil sampling results

(Source DevEx 2022)

Table 7: Historic exploration work summary for EL8851

Year	Prospect	Company	Target / Type of Work	Details	Comment
1976	SE Corner	BHP	VMS / Resistivity survey		Ineffective
1980-82	Stow's Mine, Pirate King Mine, Ironclad	Alkane	Stream seds, Soils, mapping, Diamond drilling	Various grids, 2 holes for 239m. 270/-60	High of 0.16g/t Au, low base metals. Hg found to be effective pathfinder but no anomalous metals. Strong As anomaly and elevated Zn on east side Zn up to 450ppm, Cu up to 170ppm. Weathered gossan intersected at 94.2m in DDH SM-1 but low Au and Ag
1983	Stow's Mine	Getty's Oil	Soils, mapping, Ground mag, IP, Percussion drilling	3 holes for 260m	6 lines at two areas at 100m spacing and 50m dipoles. Disappointing results. Interpreted historic AU production from supergene zone in serpentinite
1984	Merri Hill, Dirnaseer A	CRA	Au-Pt / Aeromagnetics	150m flying height, 1.5km line spacing	
1985	Dirnaseer A	CRA	Au-Pt / RAB / RC drilling	8 holes for 183m. 10 holes for 319m	Failed to hit target depths. Intersected anorthosite in all holes but no significant mineralisation. Tested mag highs specifically.
1986	Colebrook Hill	CRA	Intrusive related Au / Stream seds, Rock chip sampling, Percussion drilling, RAB drilling	Cyanide leach analysis. 16 holes for 288m. 5 holes for 104m	All samples anomalous. Up to 8.2g/t Au but mostly disappointing. Many lithologies intersected.
1988	Pirate King Mine	Little River Resources	Intrusive related Au / RC drilling	3 holes for 286m	Drilled beneath old workings, no significant alteration or mineralisation.
1986-87	Gossan, Mindarie, Amaroo	Geopeko	Vein hosted Au	1:25k mapping. 7 holes for 287m. 7 holes for 190m. 25 holes for 883.5m	Anomalous Au in gossan float up to 2.6g/t Au at Gossan. Strongly chloritised and propylitically altered mafic intrusives but no significant results. Extensive limestone and diorite but no explanation for Au in gossan float. Some holes hit anomalous Ba in association with Zn.
1993-96	Colebrook Hill, Merri Hill	Gold Mines of Australia	Intrusive related Au / Soils, mapping, ground magnetics, rock chips	16.4 L-kms mag, 567 soils, 182 rock chip samples. 1:10k mapping, 100+ rock chips	Peak of 1.33g/t Au in soils associated with mag highs. No significant results in rock chips

Year	Prospect	Company	Target / Type of Work	Details	Comment
	(workings around Stow's)		Intrusive related Au / Aircore drilling	6 holes for 183m	up to 32m@0.71g/t Au (SMR-6), 22m@0.33%Ni (SMR-9), 10m@1.33% Ni (SMR-10)
			Intrusive related Au / RC blade (RAB) drilling	30 holes for 1695m	up to 24m@0.51%Ni (SMRB-18)
			Intrusive related Au / RC percussion drilling	10 holes for 776m	up to 40m@0.79g/t Au (SMRC-17)
			Intrusive related Au / Aircore drilling	18 holes for 942.5m	Testing further Ni mineralisation on margin of ultramafic. Up to 12m@1.1% Ni and 7m@0.81% Cr (SMRA-64) but ultimately disappointing
			Intrusive related Au / RC percussion drilling	2 holes for 123.5m	Testing mag high as possible extension of workings - no significant results
			Intrusive related Au / RC drilling	1 hole for 210m	Testing for Ni at depth, up to 52m@0.18% Ni
			Intrusive related Au / Diamond drilling	1 hole for 150m	Testing stockwork zone for Au, up to 3m@0.26g/t Au
1994	Regional	Helix Resources	Au-Pt-Ni-Cr / Rock chips, mapping	79 samples	Up to 0.16g/t Au in float near Dirnaseer C
1994	Dirnaseer C	Helix Resources	Au-Pt-Ni-Cr / Ground magnetics	8.3-line kms on 50m spaced lines	Defined intense 250x125m anomaly
1994	Dirnaseer C	Helix Resources	Au-Pt-Ni-Cr / RC drilling	3 holes for 200m	up to 0.4% Ni and 0.2% Cr
1995	Dirnaseer C	Helix Resources	Au-Pt-Ni-Cr / RC drilling	5 holes for 297m	Modest results and small size of intrusion led to conclusion of little potential economic significance
1997	Regional	Michelago Resources	Epithermal / Aeromagnetics	398-line kms at 100m line spacing	
2009	Merri Hill (workings around Stow's)	Meridian Minerals	Porphyry/epithermal / Rock chips	3 samples	No significant results

4.6. Exploration Licence EL9448 (Bauloora Nth)

4.6.1. Exploration History

Exploration efforts in the region have been largely restricted to the areas south of the tenement, namely within the Newmont-Legacy Minerals Joint Venture. In that region, extensive low sulphidation epithermal mineralization has been identified in outcrop and drilling, within a broadly NNW striking trend (see LGM ASX Announcements on 20 July and 10 May 2023 and CP statement therein). The mineralized trend identified within the Newmont-Legacy Minerals Joint Venture tenement continues into the southern portions of EL9448 (Figure 23), and is yet to be tested by DevEx.

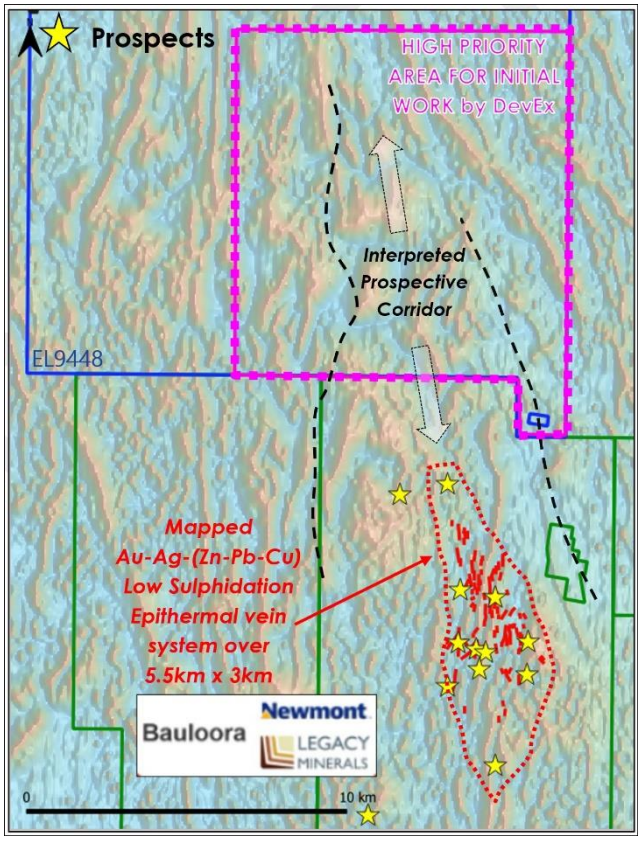


Figure 23 Location of EL9448 target and the adjacent epithermal prospects on the Newmont Legacy JV tenement.

(Source DevEx 2022 Presentation)

4.6.2. Exploration by DevEx

The Company are finalising submissions for land access to implement a regional aircore programme. As such, work to date has been restricted to data review.

4.6.3. Exploration Potential

The tenement reflects a similar regional geophysical response to the Newmont-Legacy Joint Venture Project, albeit undercover. It is considered prospective for low sulphidation epithermal Au mineralization.

5. North Cobar Project

5.1. Geological Setting and Mineralization

The North Cobar Project is comprised of two (2) granted Exploration Licences (EL9051 and EL 9520) located approximately 50km NNW of Cobar and 750 km NW of Sydney, N.S.W., Australia (Figure 24). The tenements cover the Cobar Basin, located in the central province of the Palaeozoic Lachlan Fold Belt. The area is recognised as the richest polymetallic mining district of the Palaeozoic age in Australia (see David, 2008).

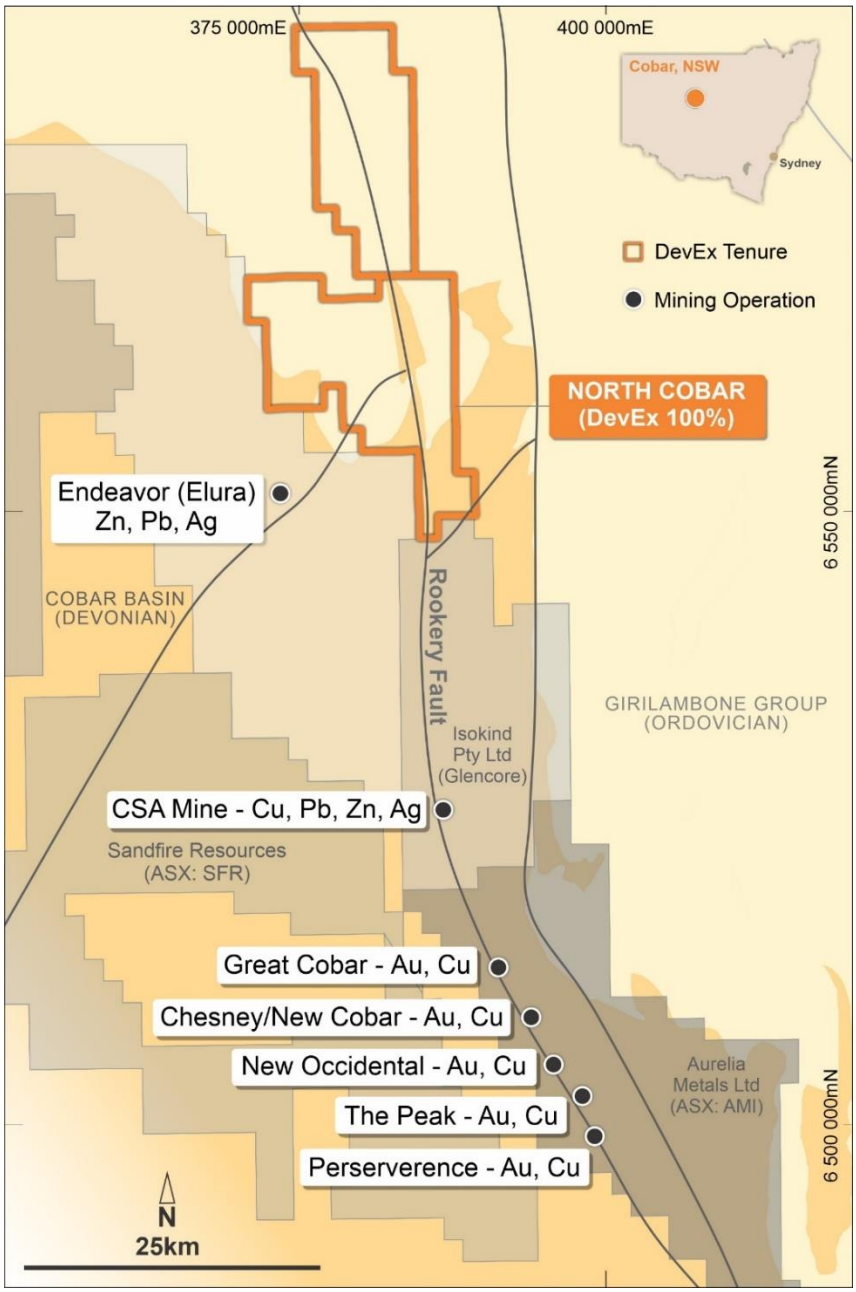


Figure 24 Location of the North Cobar tenements and known deposits.

(Source DevEx 2022 Presentation; EL9520 is the northern most tenement)

Geological models for the area vary, with the tenements located adjacent to the Endeavor (Elura) Mine, which is hosted within Early Devonian sedimentary sequence, which transition from a shallow-water shelf facies into a deep-water turbidite facies. Common host rocks to mineralization in the area include open platform reef limestone, back-reef calcareous mudstone, open platform clastic sediments and distal turbiditic mudstone and siltstone, interbedded with fine-grained sandstone (CSA siltstone). Structurally, the Project area is interpreted to be positioned proximal to the margin of the Cobar Basin, where partial inversion of the basinal sequence has resulted in structural complexity and the development of regional-scale faults (David, 2008). These include the north–northwest trending Elura-Endeavor growth-fault system, north–northeast transform–transfer Buckwaroon Fault, and the broadly north-trending Rookery Fault. The latter transects the tenements, and is recognised as a metalliferous fault network which hosts several significant gold-base metal mines in the Cobar Region (Figure 24).

5.1.1. Exploration History

The area has seen limited exploration since the 1980's, largely targeting intrusion-related and orogenic lode gold models. In EL9520, AMAX completed 246 shallow augur holes, although the data is deemed unreliable due to conjecture on the holes actual location. Samples were tested for a suite of elements, with the best geochemical anomaly (Sn values over 30 ppm) supported by several rock chip samples with grades up to 105 ppm Sn, 50 ppm W and 2900 ppm F (Pienmunne, 2014). A hole drilled by Straits Resources in 1996 near this area intersected sedimentary rocks intruded by small porphyries and veins with 250 m of tin-tungsten alteration including best assays of 2.5% Sn, 1.42% W, 0.1% Cu, and 0.2g/t Au (MacRae, 2013). This anomalism remains open at depth, with the drilling suggesting the potential for enhanced tin-tungsten mineralisation, and a source of the anomalism in the AMAX auger holes.

Strait's work was followed up by Thompson Resources in 2013 exploring for orogenic gold, Cobar-type base and precious metal, and granite related tin deposits. The Company flew a Versatile Time-Domain Electromagnetic (VTEM) survey in the central portion of the tenement, which indicates thick conductive overburden in the area, and the possibility that an extension of the Wilgaroon Granite to the north, underlies the area. Historic gravity and magnetics data further demonstrate coincidence of these geophysical signatures representing targets for intrusion-related precious metal systems (Figure 25).

5.1.2. Exploration by DevEx

The tenements have only recently been acquired, with work to date restricted to review of previous exploration results.

5.1.3. Exploration Potential

The area remains prospective for Cobar-style polymetallic mineralization, and intrusion-relate precious metals. Although at an early stage of assessment, the Company will be targeting a series of magnetic and gravity targets which are spatially associated with the Rookery fault that transects both EL9051 and EL 9520.

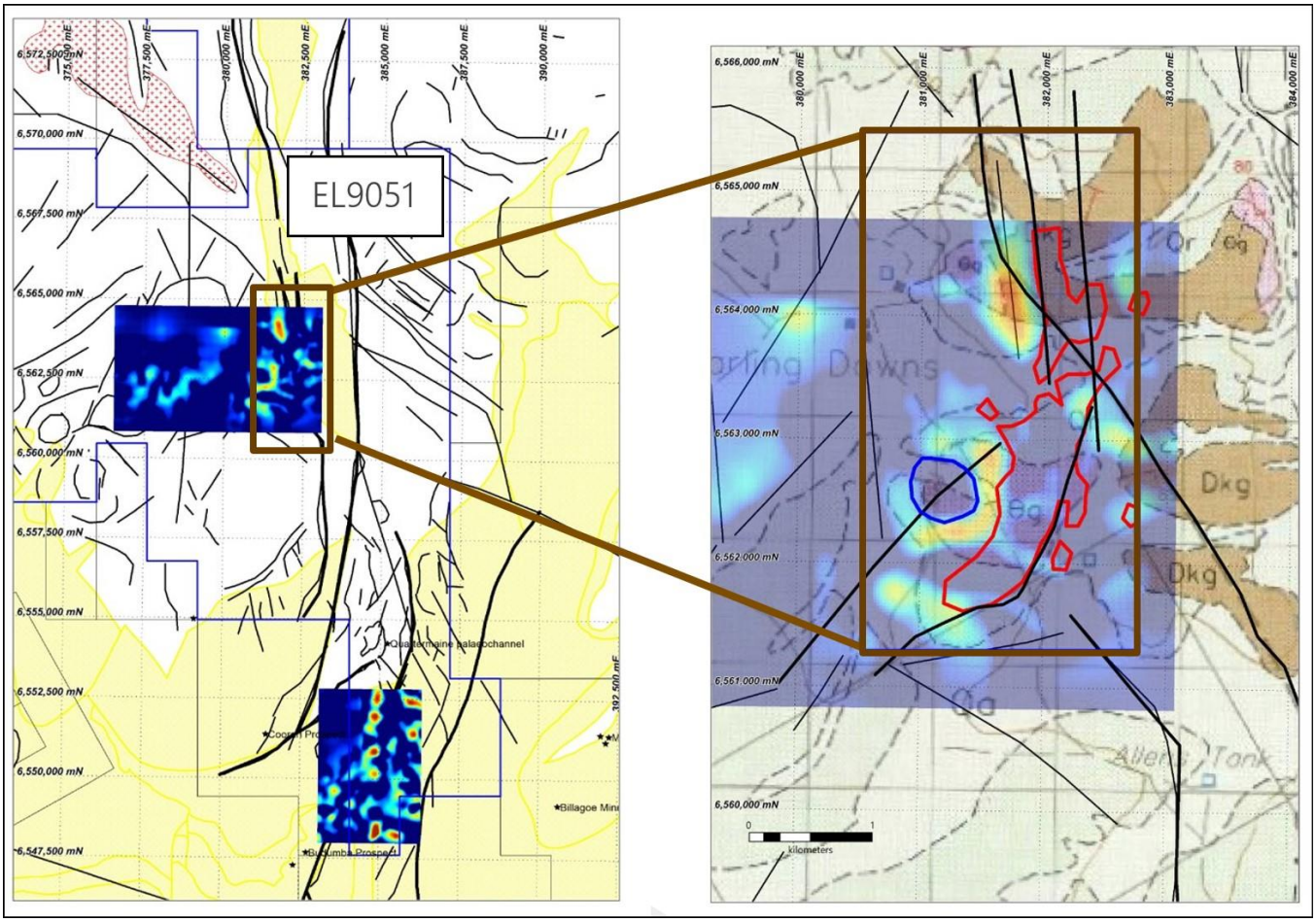


Figure 25 Location of coincident gravity and magnetic highs gravity in zones of structural complexity in the North Cobar tenements.

(Source DevEx 2022 Presentation; Left images show heat maps of gravity high. Magnetic high anomaly outline in red; Adjacent magnetic low anomaly outline in blue)

6. Koojan Cu-Ni-PGE Project

6.1. Geological Setting and Mineralization

The Koojan Project is located in the New Norcia region of Western Australia, approximately 150km north of Perth, with the central part of the tenement package ~10km west of the town of Moora (Figure 26). The Project is comprised of five (5) Exploration Licences (E70/5312, 5337, 5429, 5450 and 5515) and one (1) Prospecting License Application (P70/1743) over approximately 600km^2 (Table 2). The Project is a Joint Venture (JV) between Lachlan Star (45%) through its majority ownership of Coobaloo Minerals Pty Ltd, 30% by Minerals 260 (ASX:MI6) and 25% Wavetime Nominees. Minerals 260 further have an option to earn up to 51% of the Project (see ASX announcement 10 August, 2021[1] and 22 December 2022)

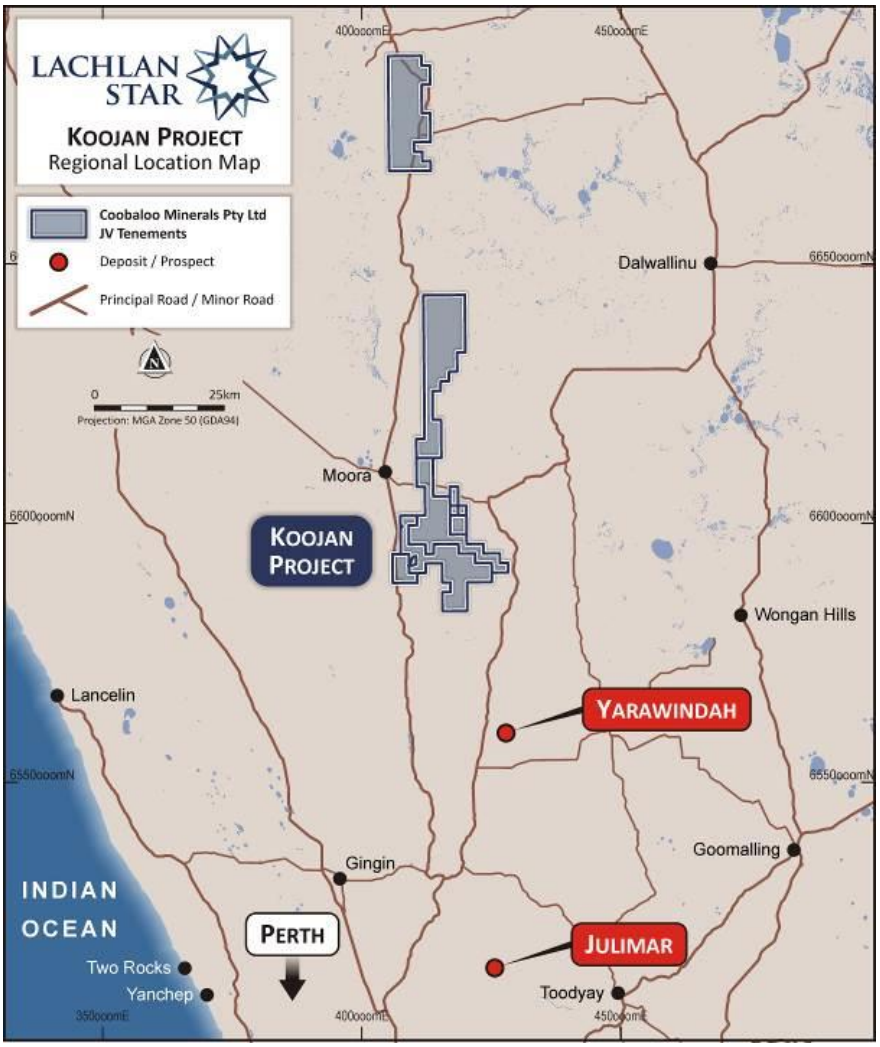


Figure 26 Location of the Koojan Cu-Ni-PGE tenements.

(Source Lachlan Star, 2023)

[1] Minerals 260 Limited (MI6) can acquire 51% equity in the Koojan Project by spending a total of $4 million on exploration within 5 years, with a minimum expenditure commitment of $500,000 before having the right to withdraw. Upon MI6 earning 51% in the Koojan JV Project, the parties respective interests will be MI6 (51%), Lachlan Star (24%), Wavetime Nominees (25%).

The Project is located ~80km north of the recent Julimar Ni-PGE-Cu discovery by Chalice Gold Mines Ltd, within the Western Gneiss Terrain of the Archaean Yilgarn Craton of south-west Western Australia. The geological setting and is broadly similar to Julimar, with prospective mafic/ultramafic bodies of the Jimperding Metamorphic belt present. This sequence of prospective rocks is up to 70km wide and bounded to the west by the Darling Fault, and to the east by Yilgarn craton units.

Within the project area, the geology consists of laterite duricrust overlying weathered bedrock, with localised areas of outcropping dolerite units and granitic/gneissic units. Initial site inspections by Lachlan on the geological setting and zones of anomalous mineralisation identified areas of anomalous copper, nickel, cobalt, and PGE mineralisation associated with mafic intrusive rocks. Limited rock chip sampling and field based XRF has returned anomalous results for copper (up to 2.78% Cu), Nickel (up to 0.18% Ni), Cobalt (up to 1,740ppm Co), as well as anomalous values for zinc, lead, and PGE. Although not considered an insurmountable issue, the Project is located within a farming district with extensive seasonal cropping (wheat, barley, canola etc) and grazing, that has potential to variably impact on geological exploration.

6.1.1. Exploration History

The area has seen no systematic exploration prior to work by Liontown (ASX: LTR) and Minerals 260 (ASX:MI6) in 2021.

6.1.2. Exploration by Lachlan / Liontown

The area has recently been explored by LTR, who undertook a geochemical program with 2,124 samples, largely collected using shallow (<1m) auger sampling (1,995 samples) with soils collected in less accessible areas. Sample spacing varied from 200x50m up to 400x400m (see ASX Announcement 6 May 2021 and CP statement therein). The survey defined the Mallory PGE-Gold Anomaly; a 1.4 x 1km area with PGE values of up to 160ppb (0.16g/t) associated with elevated gold (up to 12ppb), copper (up to 270ppm) and nickel (up to 242ppm) (see ASX Announcement 6 May 2021 and CP statement therein; Figure 27).

In addition to PGE, the Bourbana prospect in the central part of the tenement package has been identified through auger sampling. The Bourbana gold anomaly is an irregular shaped feature with multiple plus 50ppb Au peaks (see ASX Announcement 14 July 2021 and CP statement therein; Figure 28). Shallow lateritic cover overlies the bedrock geology, with the anomaly coincident with linear reginal magnetic highs, suggestive of the presence of iron-rich mafic units.

6.1.3. Exploration Potential

The area is prospective for magmatic sulphide mineralisation of a Julimar-style, with the area covering units of the Jimperding Metamorphics which host sulphide-rich (Ni-Cu-PGE) massive sulphide at Gonneville to the south.

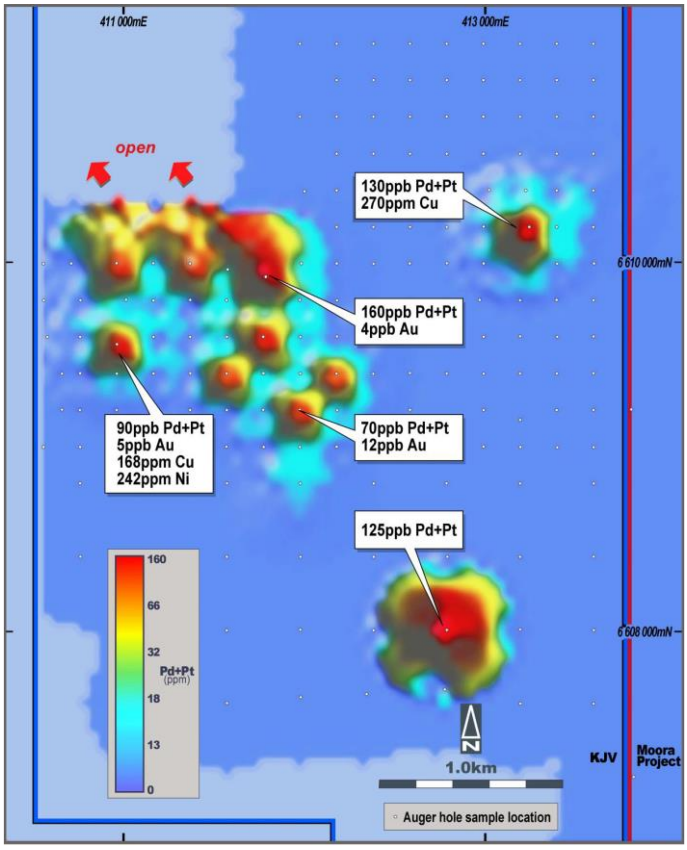


Figure 27 Mallory Prospect PGE (Pd+Pt) auger geochemistry.

(Source Liontown, ASX Announcement 6 May 2021)

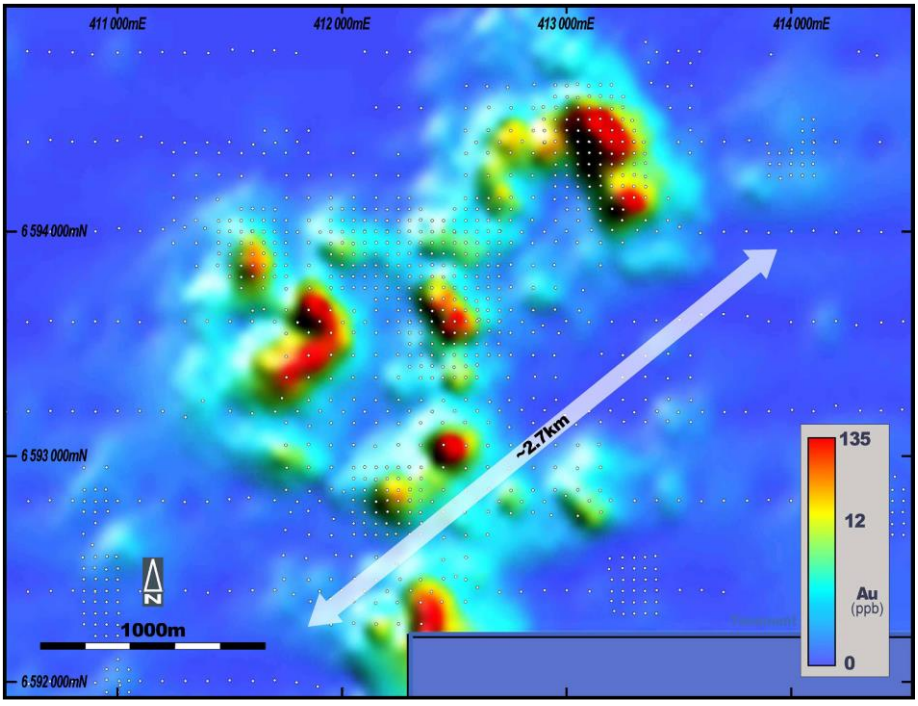


Figure 28 Bourbana Prospect gold auger geochemistry.

(Source Liontown, ASX Announcement 14 July 2021)

7. Killaloe Gold Project

7.1. Geological Setting and Mineralization

The Killaloe Project is located in southeast Western Australia ~600km east of Perth and 35km northeast of the historic gold mining town of Norseman (Figure 29). The Project comprises two (2) Exploration Licences (EL63/1018 and EL63/1017) and a single Mining Licence (M63/177; Table 2). Collectively, the tenements cover a total area of ~94km^2. EL 63/1018 is subject to an agreement with Cullen Exploration Pty Ltd who own 20% of this tenement. Archaean greenstones characterise the tenement package, which is broadly located between the Zuleika Shear to the west, and the Lefroy fault to the east.

Locally, the area is dominated by meta-basalt and at least two (2) identified ultramafic units, with variably intercalated volcanoclastic metasedimentary units. Minor felsic lithologies including granodiorite occur towards the eastern boundary of the tenement, with the overall lithostratigraphic sequence trending broadly northwest.

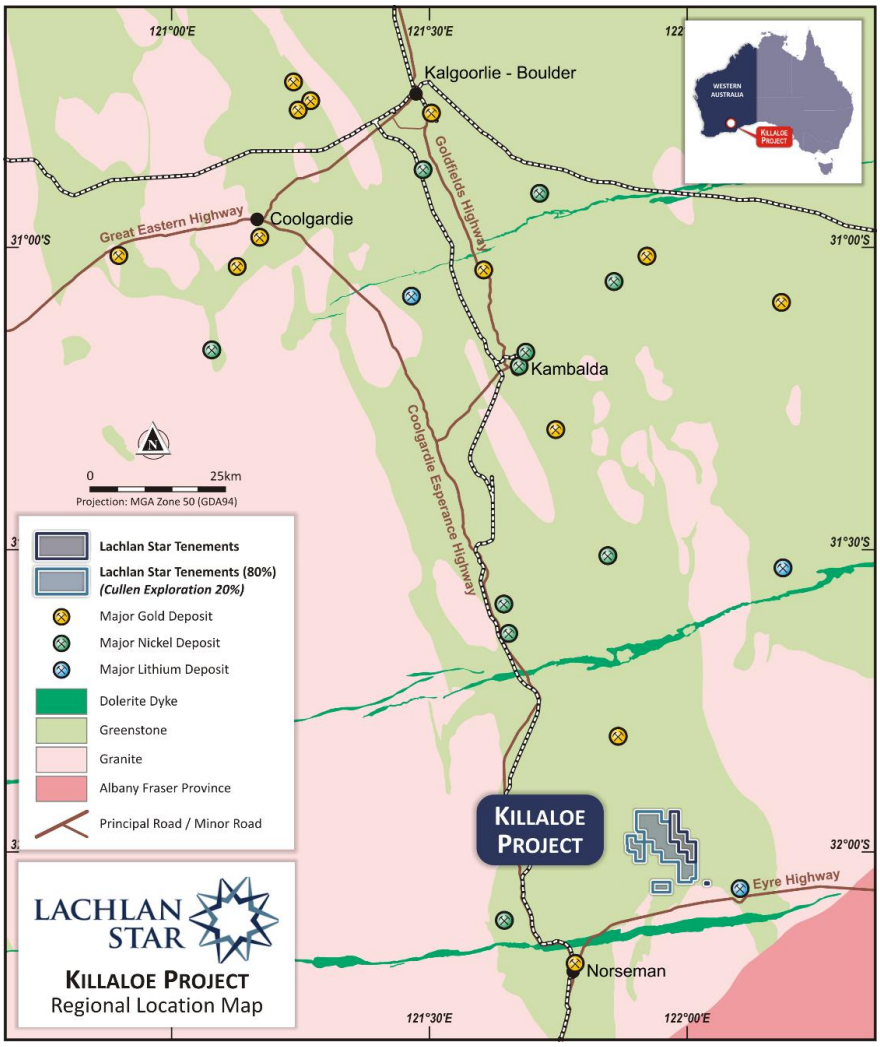


Figure 29 Killaloe Gold Project tenements and regional geological setting.

(Source Lachlan Star, ASX Announcement 27 January 2021)

7.1.1. Exploration History

There has been extensive previous exploration by multiple companies since the early 1960s targeting gold and nickel mineralisation in the area after gold was discovered in 1897 (see WAMEX 114770 and references therein). Although reported production was minor there are numerous workings which extend over a 2.5km long and 200-300m wide zone, trending 310°-315°. Within this zone, mineralisation is associated with narrow quartz veins within 305° trending, -75° southwest-dipping shear zones developed in high-Mg basalt and interpreted as splays off the 325° trending Structural Zone associated with the Zuleika and Lefroy fault zones.

Historic exploration has identified a number of gold and base metal targets and prospects, the location of which are presented in Figure 30.

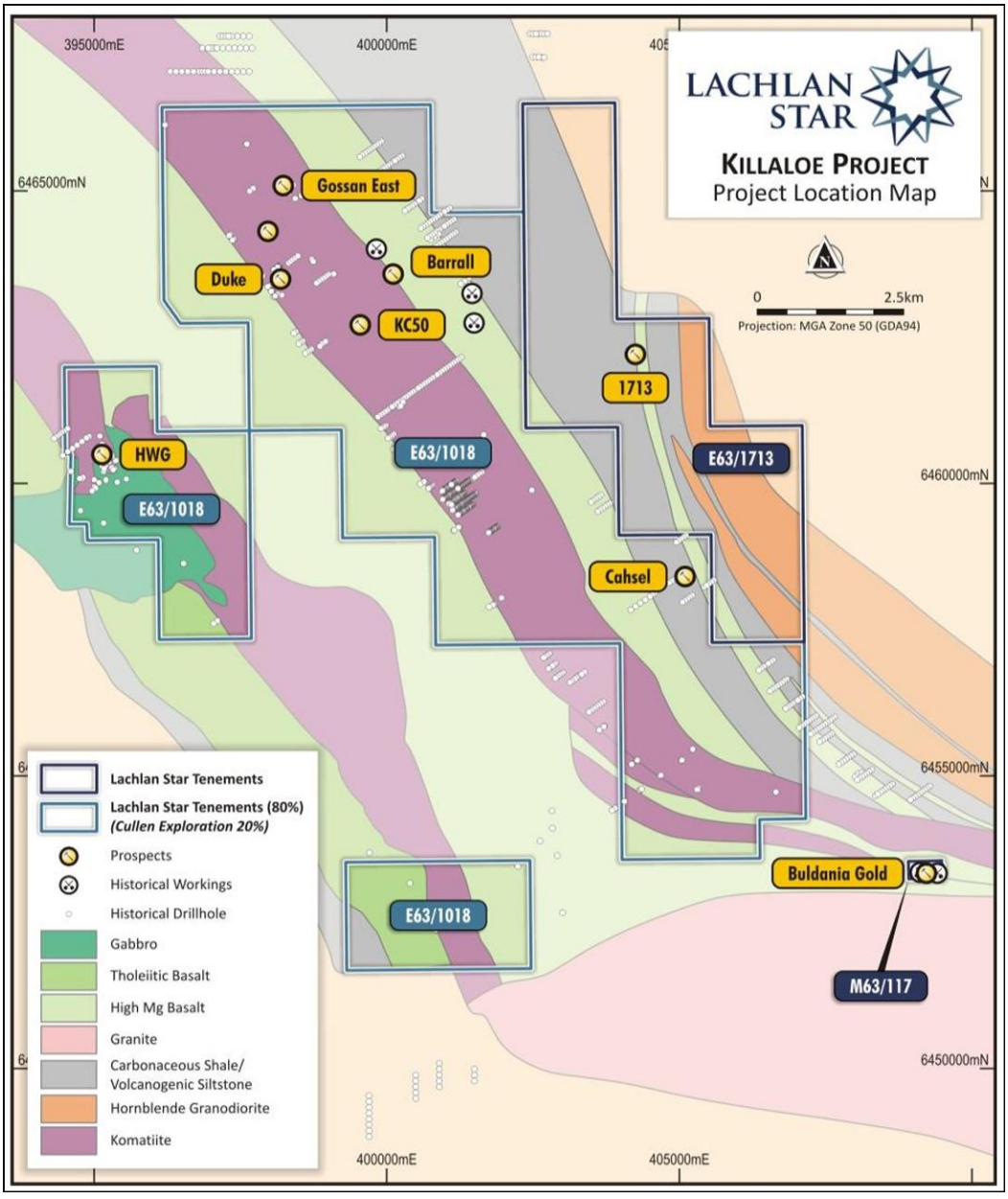


Figure 30 Killaloe Gold prospects and local geological setting.

(Source Lachlan Star, ASX Announcement 27 January 2021)

A detailed account of historic exploration is outlined in WAMEX 67316 and references therein, and are briefly outlined here:

- Barrall Prospect – A 4km long gold target defined by the alignment of nugget patches and coincident As-Cu-Te anomalism; and
- 1713 Prospect – A 800m long coincident gold/arsenic anomaly that remains open along strike.

A number of additional targets have been partially tested by previous explorers with better intersections including:

- Duke Prospect: 28m @ 2.1g/t Au.
- Gossan East Prospect: 48m @ 0.3g/t Au; and
- Cashel Prospect: 2m @ 6g/t Au.

At the Buldania Prospect within tenement M63/177, multiple historic workings and historic drilling (pre-1983) recorded significant gold intersections including:

- 11m @ 1.7g/t Au from 18m.
- 7.6m @ 2.4g/t Au from 90m; and
- 6m @ 4.7g/t Au from 210.6m.

Location of the historic workings at Buldania are shown in Figure 31.

7.1.2. Exploration by Lachlan

Work to date initially included reconnaissance site visit and grab sampling, and review of previous exploration results. The field reconnaissance included review of historic ultramafic lithologies and gold-silver workings within tenement E63/1018. Handheld XRF analysis indicated anomalous nickel and associated elements, and one selected sample dispatched for laboratory analysis returned 0.14% nickel (see Lachlan website).

In April 2022, the Company announced results of an eight (8) hole RC drill program within E63/1018 (five holes; 600m) and M63/177 (three holes; 362m), completed in 2021 (see ASX Announcement 29 April 2022 and CP statement therein).

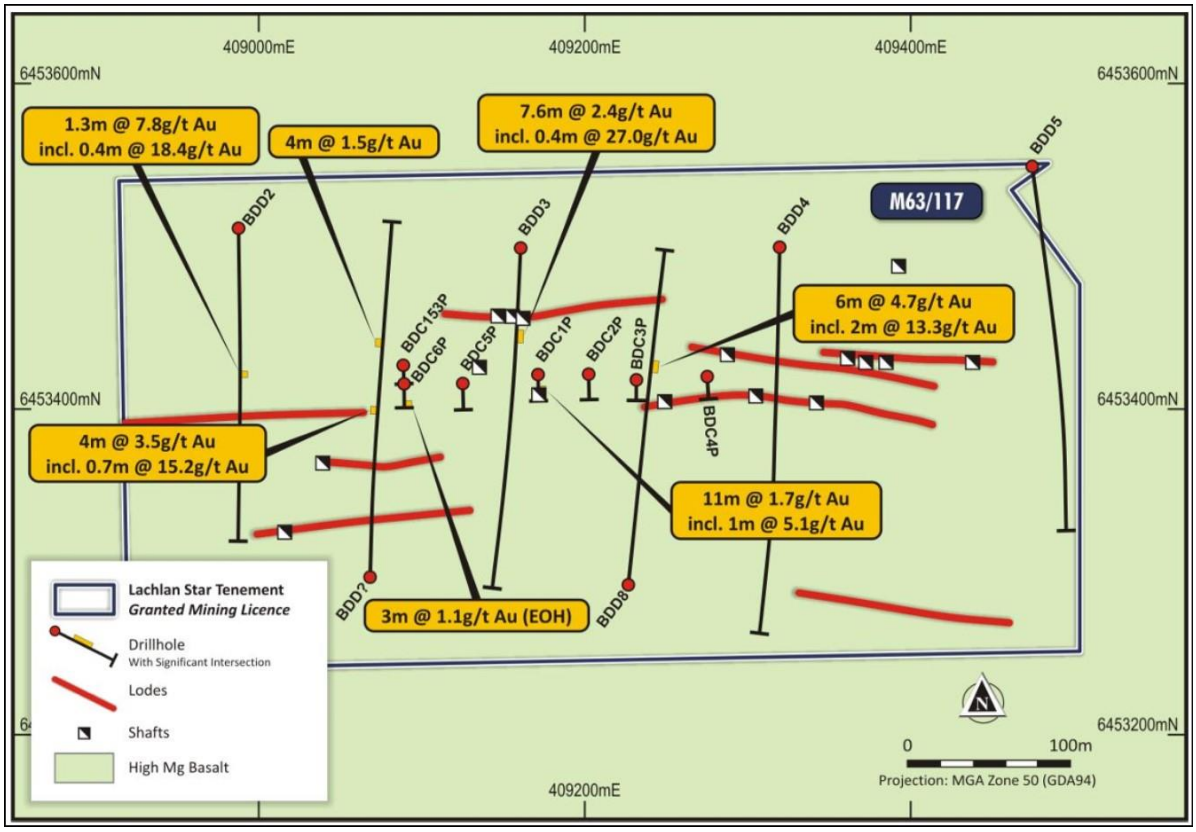


Figure 31 Historical workings and location of drilling 2021.

(Source Lachlan Star, ASX Announcement 27 January 2021)

Drilling with tenement E63/1018 did not intersect anomalous gold mineralisation, however geological review indicates alteration and veining. The M63/177 drilling (Figure 32) targeted multiple gold trends defined by the historic Buldania workings, with the following highlights:

- Gold intersections including:
    - 6m at 3.74g/t gold from 54m in drillhole LSK007; and
    - 9m at 1.38g/t gold from 75m & 3m at 3.03g/t gold from 90m in drillhole LSK008
- Drilling intersected multiple mineralised zones defined by quartz veining, sulphide mineralisation and rare coarse gold noted in panned samples.

7.1.3. Exploration Potential

The area remains prospective mainly for gold mineralization of an orogenic lode gold style, with immediate exploration focus warranted on the historic workings and determination of the structural setting for gold-bearing shear veins as reported in these workings by previous explorers.

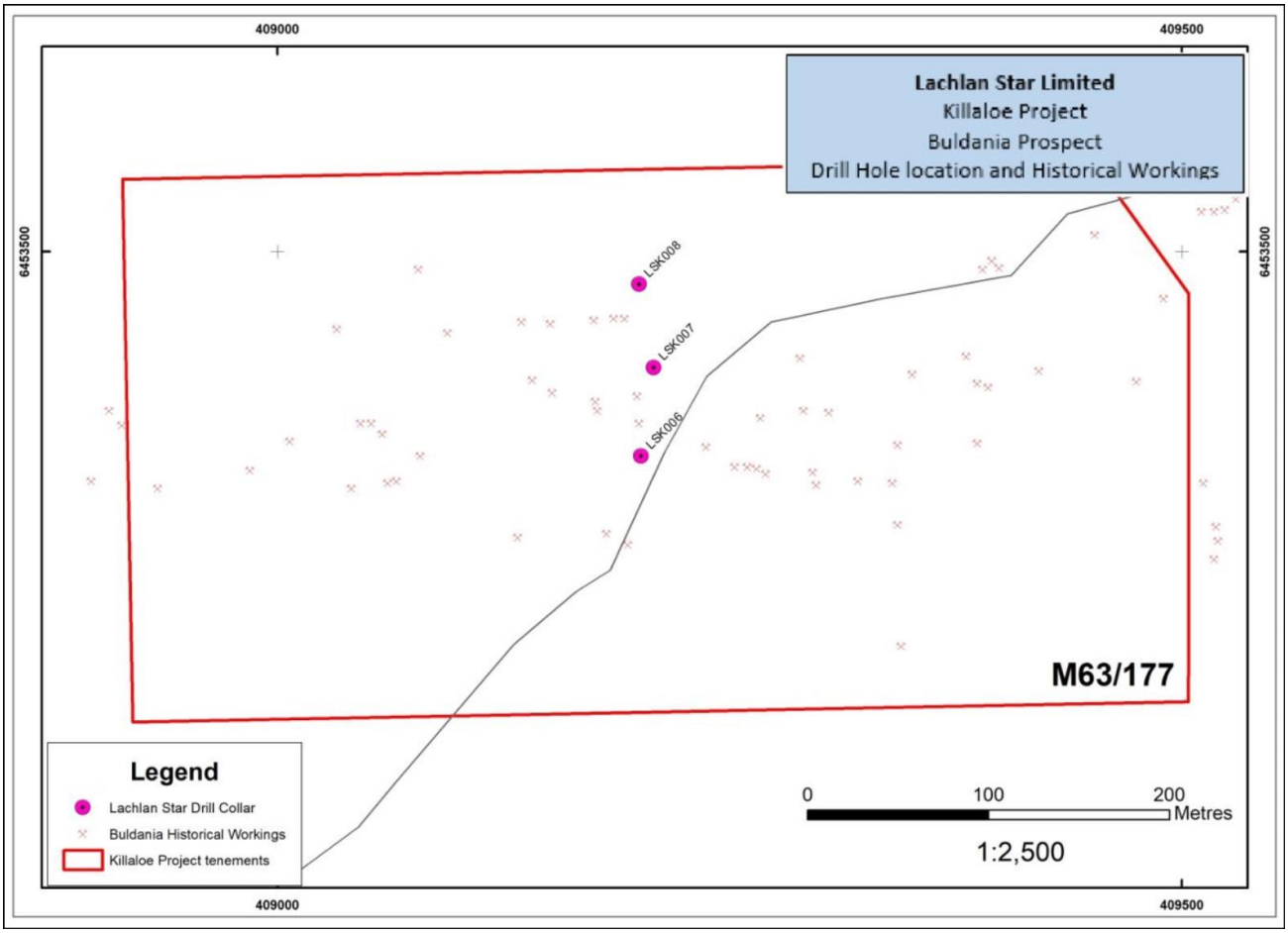


Figure 32 Historical workings and location of drilling 2021.

(Source Lachlan Star, 2023)

8. Princhester Magnesite Project

The Princhester Magnesite Project comprises two (2) granted Mining Leases (ML5831 and ML5832) located ~85km north west of Rockhampton, Queensland (Figure 33). The ML's combine for a total area of 50 hectares and are currently subject to renewal. The Project is proximal to the Bruce Highway, with the ML's approximately 2km of the Princhester station railway line.

Magnesite ($MgCO_3$) is a common ore mineral for magnesium, with multiple uses, the two main ones being: 1. source material to generate products for the lining of steel industry furnaces and cement kilns; and 2. a catalyst for food supplement generation in agribusiness, and as a component for fillers in paints, paper and plastics. Raw magnesite is also used for surface coatings, landscaping, ceramics and as a fire retardant.

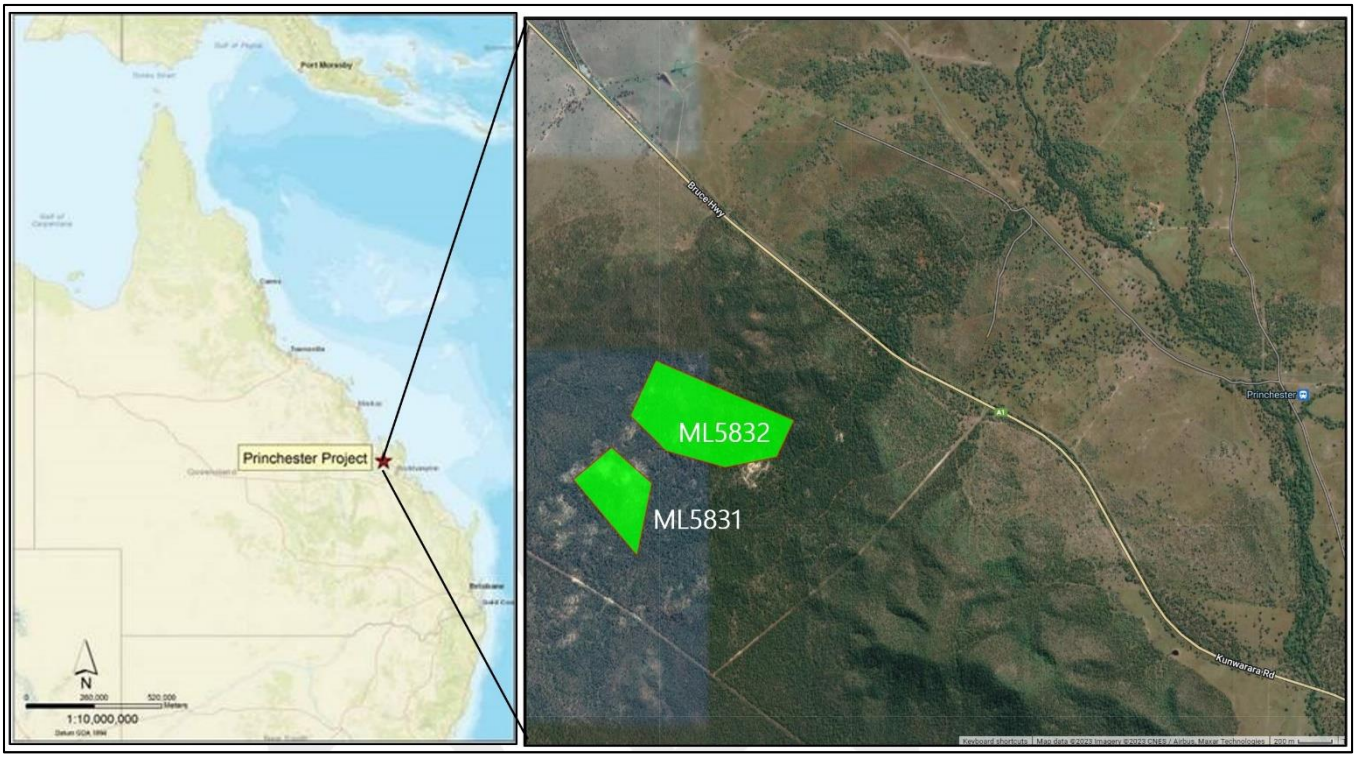


Figure 33 Location of the Princhester Magnesite Project.

(Source Lachlan Star)

8.1. Geology and Exploration History

The Princhester Magnesite Project is situated in the northern New England Orogen, and within the Marlborough Province which is characterised by ultramafic rocks that form an extensive flat-lying thrust sheet of early Paleozoic Ocean floor and upper mantle (harzburgite) material. At the western margin of the Province, the Yarrol Fault System is marked by serpentinite lenses, which at Princhester, form steeply dissected ridges. These serpentinite units and associated rocks are deeply weathered and overlain in part by laterite, with identified magnesite mineralisation (magnesite-quartz and magnesia silicates) associated with serpentinite (Lachlan Star, 2019).

Information on the exploration history is limited. Commencing in the 1980's, the area was originally held by local prospectors, and limited contract mining was undertaken. In 1984, a series of 91 air track drilling holes for 1,030m was completed, on a 20m grid over a selected area of identified shallow mineralisation. At least four excavations (pits and slots) were developed into magnesite mineralisation in an attempt to correlate mineralisation with drill intersections, although no correlation was established (Lachlan Star, 2019). A subsequent 95 vertical drill hole program on 100m centres across the entire mineralised area was completed with four areas of consistent magnesite delineated (see Lachlan Star 2019 and CP Statement therein; Figure 34).

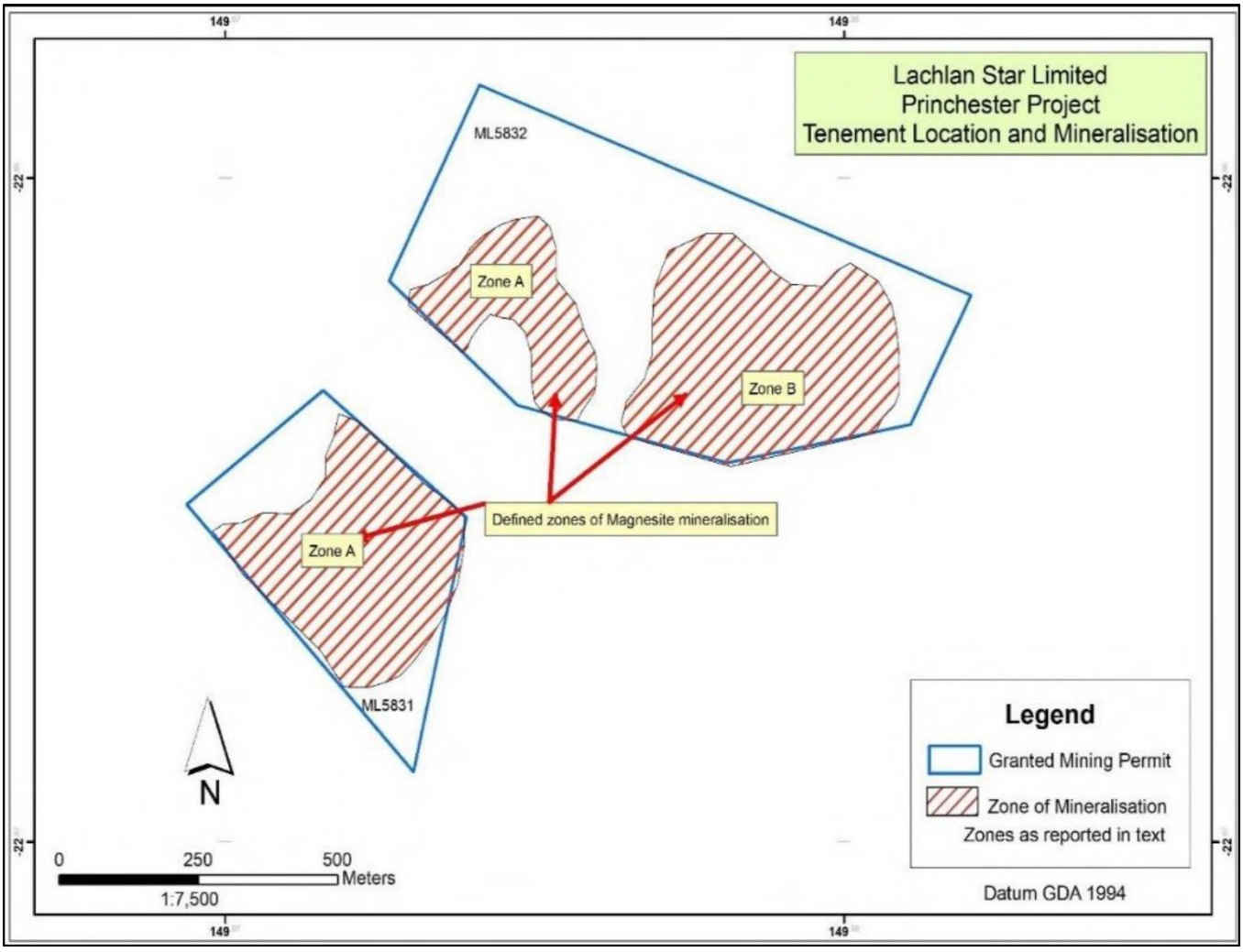


Figure 34 Location of the identified mineralized zones at Princhester Magnesite Project.

(Source Lachlan Star, 2019)

8.2. Exploration Potential

The Project represents a drill-ready magnesite mineralization target with the potential to expediently collect data to assess the quantum of magnesite within the ML's.

9. Valuation Approach

The VALMIN Code outlines various valuation approaches that are applicable for Properties at various stages of the development pipeline. These include valuations based on market-based transactions, income or costs as shown in Table 8 and provides a guide as to the most applicable valuation techniques for different assets.

Table 8: VALMIN Code 2015 valuation approaches suitable for mineral properties.

Valuation Approaches suitable for mineral properties				
Valuation Approach	**Exploration Projects**	**Pre-development Projects**	**Development Projects**	**Production Projects**
Market	Yes	Yes	Yes	Yes
Income	No	In some cases	Yes	Yes
Cost	Yes	In some cases	No	No

No Mineral Resource estimates (JORC, 2012) are reported for the tenements under review, and it is uncertain if further exploration will result in the estimation of a Mineral Resource. In VRM's opinion, the Projects are early-stage exploration projects, and should be valued using a Geoscientific or Kilburn approach, with a Prospectivity Enhancement Multiplier (PEM) valuation as a secondary approach. Given the Projects are all at the early exploration stage, any potential production-based royalties that may be associated with the Mineral Assets are not considered to be material by VRM and have not been included in the valuation ranges presented. This is commonly the case for valuation of Mineral Assets at this stage of assessment.

The tenements constituting the mineral assets have been valued using a top-down approach via these two (2) separate valuation methods, which, when undertaken by ranking each tenement separately using various independent criteria that determine the value of early-stage exploration projects, result in a range of market valuations for each tenement. The Princhester Project was only valued using a Geoscientific method as no expenditure for the past five years was provided by the company.

9.1. Previous Valuations

VRM is not aware of any previous valuations of the Projects.

9.2. Valuation Subject to Change

The valuation of any mineral Property is subject to several critical inputs most of these change over time. The valuation date of this Report is 11 July 2023 and considers information up to 31 July 2023. This valuation is subject to change due to updates in the geological understanding, climatic variability that may impact on any development assumptions, the ability and timing of available funding to advance the properties, the current and future metal prices, exchange rates, political, social, environmental aspects of a possible development, a multitude of input costs including but not limited to fuel and energy prices, steel prices, labour rates and supply and demand dynamics for critical aspects of the potential development like mining equipment.

While VRM has undertaken a review of several key technical aspects that could impact the valuation there are numerous factors that are beyond the control of VRM. As at the date of this Report, in VRM's opinion there have been no significant changes in the underlying inputs or circumstances that would make a material impact on the outcomes or findings of this Report.

9.3. General Assumptions

The Mineral Assets under consideration in this report are valued using appropriate methodologies as described Table 8 and in the following sections. The valuation is based on several specific assumptions detailed above, including the following general assumptions.

- That all information provided to VRM is accurate and can be relied upon.
- The valuations only relate to the Mineral Assets located within the tenement controlled by the respective Companies, and not the Company itself nor its shares or market value.
- That the mineral rights, tenement security and statutory obligations were fairly stated to VRM and that the mineral licence will remain active.
- That all other regulatory approvals for exploration and mining are either active or will be obtained in the required and expected timeframe.
- That the owners of the mineral assets can obtain the required funding to continue exploration activities; and
- All currency in this report are Australian Dollars or AUS, unless otherwise noted.

9.4. Exploration Asset Valuation

To generate a value of an early-stage exploration Property or the exploration potential away from a mineral deposit it is important to value all the separate parts of the mineral assets under consideration. In the case of the advanced Properties the most significant value drivers for the overall Property are the declared Mineral Resources or Ore Reserves, while for earlier stage Properties a significant contributor to the Property's value is the exploration potential. There are several ways to determine the potential of pre-resource Properties, these being:

- A Geoscientific (Kilburn) Valuation.
- Comparable transactions (purchase) based on the Properties' area or historic "Resources".
- Joint Venture terms based on the Properties' area; and
- A Prospectivity Enhancement Multiplier (PEM).

The methodology to determine the Comparable transactions based on a projects area is undertaken using the same methodology as that described for the Comparable transactions' valuation for advanced projects

section; however transactional value is applied to the project's area rather than the Mineral Resources or Ore Reserves.

The Joint Venture terms valuation is similar to the comparable transactions based on the project area, other than a discount to the Joint Venture terms is applied to account for the time value of money (an appropriate discount rate is applied) and a discount to the earn-in expenditure to account for the chance that the Joint Venture earn-in expenditure is not completed in the agreed timeframe.

VRM considers a Geoscientific or Kilburn valuation as a robust valuation method. The area based comparable transaction multiples can also be useful in valuations but are strongly related to the projects tenement area so can be conservative for small areas and overstated for large areas. It is the view of VRM that the least transparent and most variable valuation method is a PEM valuation as this depends on an assessment of the effectiveness of the expenditure.

9.5. Geoscientific (Kilburn) Valuation

One valuation technique that is widely used to determine the value of a project that is at an early exploration stage without any Mineral Resources or Ore Reserve estimates was developed and is described in an article published in the CIM bulletin by Kilburn (1990). This method is widely termed the geoscientific method where a series of factors within a project are assessed for their potential.

While this technique is somewhat subjective and open to interpretation it is a method that when applied correctly by a suitably experienced specialist enables an accurate estimate of the value of the project. There are five critical aspects that need to be considered when using a Kilburn or Geoscientific valuation, these are the base acquisition cost, which put simply is the cost to acquire and continue to retain the tenements being valued. The other aspects are the proximity to both adjacent to and along strike of a major deposit (Off Property Factors), the occurrence of a mineral system on the tenement (On Property Factors), the success of previous exploration within the tenement (Anomaly Factors) and the geological prospectivity of the geological terrain covered by the mineral claims or tenements (Geological Factors). In early-stage projects often the anomaly factors and geological factors have limited information.

While this valuation method is robust and transparent it can generate a very wide range in valuations, especially when the ranking criteria are assigned to a large tenement. This method was initially developed in Canada where the mineral claims are generally small therefore reducing the potential errors associated with spreading both favourable and unfavourable ranking criteria to be spread over a large tenement. Therefore, VRM either values each tenement or breaks down a larger tenement into areas of higher and lower prospectivity. Table 9 documents the ranking criteria that were used in conjunction with the base acquisition cost (BAC) for the one project tenement to determine the technical valuation of the project.

VRM determines the BAC based on the holding cost of maintaining the tenement for the next year. That cost is determined by the minimum exploration commitment required on the tenement.

Tenements in NSW do not require a specific regulated exploration expenditure commitment however the tenement holder is required to provide an estimate or covenant of the proposed activities. As required DevEx has provided estimates for this expenditure however VRM understands if that the expenditure estimate can be revised by submitting and application to adjust the covenant. Therefore, VRM has assigned a BAC for the tenements that is based on the mandated exploration commitment for a similar age, type, and size tenement in Western Australia. VRM considers if the covenant were used then there is a risk that if the higher BAC were used then the Geoscientific valuation could generate an artificially elevated value for the tenements.

The technical valuation derived from the Kilburn ranking factors are frequently adjusted to reflect the geopolitical risks associated with the location of the project and the current market conditions toward a specific commodity or geological terrain. These adjustments can either increase or decrease the technical value to derive the fair market valuation. Using the ranking criteria from Table 9 along with the base acquisition costs tabulated in the appendices an overall technical valuation is determined.

Table 9: Ranking criteria are used to determine the geoscientific technical valuation.

Geoscientific Ranking Criteria				
Rating	**Off-property factor**	**On-property factor**	**Anomaly factor**	**Geological factor**
0.1				Generally unfavourable geological setting
0.5			Extensive previous exploration with poor results	Poor geological setting
0.9			Poor results to date	Generally unfavourable geological setting, under cover
1.0	No known mineralization in district	No known mineralization within	No targets defined	Generally favourable geological setting
1.5	Mineralization identified	Mineralization identified	Target identified; initial indications positive	
2.0	Resource targets identified	Exploration targets identified		Favourable geological setting
2.5			Significant intersections – not correlated on section	
3.0	Along strike or adjacent to known mineralization	Mine or abundant workings with significant previous production		Mineralised zones exposed in prospective host rocks
3.5			Several significant ore grade intersections that can be correlated	
4.0	Along strike from a major mine(s)	Major mine with significant historical production		
5.0	Along strike from world class mine			

The total technical valuation was discounted to derive a total market valuation by making a locational adjustment. A nominal 2% discount was applied to the technical valuation for all projects due to the locational risks with the projects including environmental approvals, heritage agreements and approvals, landholder access agreements and potential regulatory delays in advancing the projects.

For early-stage Projects (where there are no Mineral Resources estimated), VRM considers the Geoscientific (Kilburn) Valuation method to be the most robust and is commonly the primary valuation method used.

9.6. Comparable Market Based Transactions

A comparable transactional valuation is a simple and easily understood valuation method which is broadly based on the real estate approach to valuation. It can be applied to a transaction based on the contained metal for projects with Mineral Resource or Ore Reserves estimates reported. Advantages of this type of valuation method include that it is easily understood and applied, especially where the resources or tenement area is comparable, and the resource or exploration work is reported according to an industry standard (like the JORC Code or NI43-101).

As such, this valuation method is typically the primary valuation method for exploration or advanced (pre-development) projects with defined Mineral Resource estimates. More advanced projects, with Ore Reserves estimates would generally be valued using an income approach due to the modifying factors for a mining operation being better defined. The preference is to limit the transactions and resource multiples to completed transactions from the past two to three years in either the same geopolitical region or same geological terrain.

Although similar projects that have no defined resources can also be considered, the comparison would be based on the somewhat more subjective interpretation of the geological prospectivity potential, rather than contained Mineral Resources. Some view this valuation method not as robust for projects where the resources are either historic in nature, reported according to a more relaxed standard, or are using a cut-off grade that reflects a commodity price that is not justified by the current market fundamentals or where there are no resources identified. If the projects being valued are in the same or a comparable jurisdiction, then it removes the requirement for a geopolitical adjustment. Finally, if the transaction being used is recent then it should reflect the current market conditions.

VRM has decided that the lack of Mineral Resources (JORC, 2012) on any tenement justifies omitting consideration of the comparable transaction valuation method in this review.

9.7. Prospectivity Enhancement Multiplier (PEM) Valuation

As outlined in Table 8 and in the VALMIN Code, a cost - based or appraised value method is an appropriate valuation technique for early-stage exploration Properties. Under this method, the previous exploration expenditure is assessed as either improving or decreasing the potential of the Property.

The prospectivity enhancement multiplier (PEM) involves a factor which is directly related to the success of the exploration expenditure to advance the Property. There are several alternate PEM factors that can be used depending on the specific Property and commodity being evaluated. Onley, (1994) included several guidelines for the use and selection of appropriate PEM criteria. The PEM ranking criteria used in this report are outlined in Table 10. VRM considers the PEM valuation method as a secondary valuation method and no higher PEM ranges are used once a JORC 2012 Mineral Resource has been estimated. In the opinion of

the author, it is preferable to use Resource multiples for comparable transactions once a JORC 2012 Mineral Resource has been estimated.

Table 10 Prospectivity Enhancement Multiplier (PEM) ranking criteria.

PEM Ranking Criteria	
Range	**Criteria**
0.2 – 0.5	Exploration downgrade the potential
0.5 – 1	Exploration has maintained the potential
1.0 - 1.3	Exploration has slightly increased the potential
1.3 – 1.5	Exploration has considerably increased the potential
1.5 – 2.0	Limited Preliminary Drilling intersected interesting mineralised intersections
2.0 – 2.5	Detailed Drilling has defined targets with potential economic interest
2.5 – 3.0	A Mineral Resource has been estimated at an Inferred category

10. Risks and Opportunities

As with all mineral assets there are several risks and opportunities associated with the projects and any valuation.

Some non-geological or mining related technical risks and opportunities that are common to most projects include the risks associated with security of tenure, native title claims, environmental approvals, social, geopolitical, and regulatory approval risks. These risks have been accounted for in the valuation.

As with all exploration projects, a key technical risk is that further exploration will not result in identifying a body of mineralisation sufficiently large or high enough grade to be considered an economic Mineral Resource. The risk is relevant to all Projects presented in this ITAR.

The largest opportunity within any of the projects is future exploration. Exploration to date for most of the NSW Projects indicates that Au and / or base metals mineralizing systems are present within or proximal to the tenements. This is manifest as either alteration of prospective host rocks, or alteration plus above-background (anomalous) metal concentrations in samples geochemically analysed. This too is the case for the Western Australian Projects, where projects either have extensive exploration histories which include limited production (e.g., Killaloe), or are only being explored for the first time, but occur in geological terrains proximal to significant new discoveries (e.g., Koojan).

In terms of risk profile, VRM considers land access for the Basin Creek and Junee Projects a key potential risk, although it is noted that the Company have mitigated such through executing numerous land access agreements with key land owners. Some risk also exists in regard to tenement renewal at the Princhester Project, although the process was commenced in December 2022, and is in VRM's experience generally just procedural in nature.

11. Valuation of Tenements

All the Projects have been valued using Geoscientific or Kilburn valuation method as a primary method with a supporting valuation being a Prospectivity Enhancement Multiplier (PEM). The preferred valuation has been determined based on the average of the primary valuation.

The Kilburn valuation and the PEM valuations for the tenements provide a value of the entire Project with this value being for the beneficial interest held by TRK / DevEx and Lachlan prior to the proposed transaction being completed.

11.1. Geoscientific / Kilburn Valuation

There are several specific inputs that are critical in determining a valid geoscientific or Kilburn valuation, including ensuring that the specialist undertaking the valuation has a good understanding of the mineralization styles within the overall region. In addition, access is needed to all relevant exploration and geological information, to ensure that the rankings are based on a thorough knowledge of the project.

In addition to ensuring the rankings are correct, deriving the base acquisition costs (BAC) is critical as that is the primary driver of the final value. In this case, the BAC is derived by the exploration commitment to maintain the tenement in good standing and annual tenement rents, while the expected costs of targeting have not been included.

To determine the market value, the technical value has been discounted as follows:

- All tenements: geopolitical risks due to labour shortages, access issues, environmental approvals, and possible heritage delays. As such, a nominal 2% discount has been applied; and
- Gold-Copper Projects: a 15% premium was applied to the project valuations to reflect the buoyant market conditions for the respective commodities.

11.1.1. Basin Creek Project (EL's EL8939, 9013, 9049 and 9461)

The Geoscientific rankings were derived for each of the ranking criteria for each tenement. Across all tenements, the Off-Property Criteria was considered to range between 1.0 and 1.5, the On-Property Criteria between 1.0 and 2.5, the Anomaly Factor between 1.0 and 2.0 while the Geology Criteria are also considered to be between 1.0 and 2.0. When these ranking criteria are combined with the base acquisition cost, as detailed in Appendix A - , this has determined the technical value. The technical value was then discounted by 2% for location-related risks, and a 15% premium applied to account for the buoyant market related to the commodities of interest in the tenements (see Appendix A -). The Geoscientific valuation for the Basin Creek Project tenements is an entire project pre-transaction valuation, and only considers TRK / DevEx's beneficial interest. The value range on a tenement and total project basis is presented in Table 11.

Table 11: Geoscientific Market Valuation of the Basin Creek Project

Tenement	Geoscientific (Kilburn) valuation (A$)		
	Min	Mid	Max
EL8939	0.28	0.61	0.94
EL9013	0.21	0.51	0.82
EL9049	0.12	0.26	0.41
EL9461	0.03	0.09	0.15
Basin Creek Project - All tenements	0.64	1.48	2.32

Note: appropriate rounding has been included in the total which may not add due to rounding

The Geoscientific valuation for the Basin Creek Project is considered by VRM to have a market value in Australian dollars of between A$0.6 million and A$2.3 million with a preferred value of A$1.5 million.

11.1.2. Junee Project (EL's 8622, 8767, 8835, 8851 and 9448)

The Geoscientific rankings were derived for each of the ranking criteria for each tenement. Across all tenements, the Off-Property Criteria was considered to range between 1.0 and 3.5, the On-Property Criteria between 1.0 and 2.5, the Anomaly Factor between 1.5 and 2.0 while the Geology Criteria are considered to be between 1.0 and 2.5. When these ranking criteria are combined with the base acquisition cost, as detailed in Appendix B - , this has determined the technical value. The technical value was then discounted by 2% for location-related risks, and a 15% premium applied to account for the buoyant market related to the commodities of interest in the tenements (see Appendix B -). The Geoscientific valuation for the Junee Project tenements is an entire project pre-transaction valuation, and only considers TRK / DevEx's beneficial interest. The value range on a tenement and total project basis is presented in Table 12.

Table 12: Geoscientific Market Valuation of the Junee Project

Tenement	Geoscientific (Kilburn) valuation (A$)		
	Min	Mid	Max
EL8622 (Junee)	5.41	8.87	12.33
EL8767 (Cooba Nth)	0.21	0.50	0.79
EL8835 (Bangus)	0.02	0.07	0.11
EL8851 (Redbank)	0.27	0.67	1.07
EL9448 (Bauloora Nth)	0.57	1.40	2.24
Junee Project - All tenements	6.48	11.50	16.53

Note: appropriate rounding has been included in the total which may not add due to rounding

The Geoscientific valuation for the Junee Project is considered by VRM to have a market value in Australian dollars of between A$6.5 million and A$16.5 million with a preferred value of A$11.5 million.

11.1.3. Cobar Project (EL's 9051 and 9520)

The Geoscientific rankings were derived for each of the ranking criteria for each tenement. Across all tenements, the Off-Property Criteria was considered to range between 3.0 and 3.5, the On-Property Criteria between 1.0 and 1.5, the Anomaly Factor between 1.0 and 1.5 while the Geology Criteria are also considered

to be between 1.0 and 1.5. When these ranking criteria are combined with the base acquisition cost, as detailed in Appendix C - , this has determined the technical value. The technical value was then discounted by 2% for location-related risks, and a 15% premium applied to account for the buoyant market related to the commodities of interest in the tenements (see Appendix C -). The Geoscientific valuation for the Junee Project tenements is an entire project pre-transaction valuation, and only considers TRK / DevEx's beneficial interest. The value range on a tenement and total project basis is presented in Table 13

Table 13: Geoscientific Market Valuation of the Cobar Project

Tenement	Geoscientific (Kilburn) valuation (A$)		
	Min	Mid	Max
EL9051	0.26	0.65	1.04
EL9520	0.17	0.42	0.67
Cobar Project - All tenements	0.43	1.07	1.70

Note: appropriate rounding has been included in the total which may not add due to rounding

The Geoscientific valuation for EL9051 is considered by VRM to have a market value in Australian dollars of between A$0.4 million and A$1.7 million with a preferred value of A$1.1 million.

11.1.4. Koojan Cu-Ni-PGE Project

The Geoscientific rankings were derived for each of the ranking criteria on a tenement-by-tenement basis. Across all tenements, the Off-Property Criteria was considered to range between 3.0 and 3.5, the On-Property Criteria between 1.5 and 2.0, the Anomaly Factor between 1.5 and 2.0 while the Geology Criteria are considered to be between 1.0 and 1.5. When these ranking criteria are combined with the base acquisition cost, as detailed in Appendix D - , this has determined the technical value. The technical value was then discounted by 2% for location-related risks. The Geoscientific valuation for the Koojan Cu-Ni-PGE Project tenements is an entire project pre-transaction valuation, and only considers Lachlan's beneficial interest. The value range is presented in Table 14

Table 14: Geoscientific Market Valuation of the Koojan Cu-Ni-PGE Project

Tenement	Geoscientific (Kilburn) valuation (A$)		
	Min	Mid	Max
E70/5312	0.18	0.37	0.56
E70/5337	0.18	0.37	0.56
E70/5429	0.09	0.18	0.28
E70/5450	0.06	0.12	0.19
E70/5515	0.17	0.34	0.52
Koojan Project – All tenements	0.67	1.38	2.09

Note: P70/1743 is omitted from the valuation being an application only.
Appropriate rounding has been included in the total which may not add due to rounding.

The Geoscientific valuation for the Koojan Cu-Ni-PGE Project is considered by VRM to have a market value in Australian dollars of between A$0.7 million and A$2.1 million with a preferred value of A$1.4 million.

11.1.5. Killaloe Gold Project

The Geoscientific rankings were derived for each of the ranking criteria on a tenement-by-tenement basis. Across all tenements, the Off-Property Criteria was considered to range between 3.0 and 3.5, the On-Property Criteria between 1.5 and 2.0, the Anomaly Factor between 1.5 and 2.0 while the Geology Criteria are considered to be between 1.0 and 1.5. When these ranking criteria are combined with the base acquisition cost, as detailed in Appendix E - , this has determined the technical value. The technical value was then discounted by 2% for location-related risks, and a 15% premium applied to account for the buoyant market related to the commodities of interest in the tenements (see Appendix E -). The Geoscientific valuation for the Killaloe Gold Project tenements is an entire project pre-transaction valuation, and only considers Lachlan's beneficial interest. The value range is presented in Table 15.

Table 15: Geoscientific Market Valuation of tenements in the Killaloe Gold Project

Tenement	Geoscientific (Kilburn) valuation (A$)		
	Min	Mid	Max
EL63/1018	0.41	0.85	1.28
EL63/1713	0.13	0.27	0.41
M63/177	0.07	0.14	0.21
Killaloe Project – All tenements	0.61	1.26	1.90

Appropriate rounding has been included in the total which may not add due to rounding.

The Geoscientific valuation for the Killaloe Gold Project is considered by VRM to have a market value in Australian dollars of between A$0.6 million and A$1.9 million with a preferred value of A$1.3 million.

11.1.6. Princhester Magnesite Project

The Geoscientific rankings were derived for each of the ranking criteria on a tenement-by-tenement basis. Collectively across both ML's, the Off-Property Criteria considered to be between 1 and 1.5, the On-Property Criteria between 2.0 and 2.5, the Anomaly Factor between 2.0 and 2.5 while the Geology Criteria are considered to be between 2.5 and 3.0. When these ranking criteria are combined with the base acquisition cost, as detailed in Appendix F - , this has determined the technical value. The technical value was then discounted by 2% for location-related risks. The Geoscientific valuation for the Princhester Magnesite Project tenements is an entire project pre-transaction valuation, and only considers Lachlan's beneficial interest. The value range is presented in Table 16.

Table 16: Geoscientific Market Valuation of tenements in the Princhester Magnesite Project

Tenement	Geoscientific (Kilburn) valuation (A$)		
	Min	Mid	Max
ML5831	0.10	0.19	0.28
ML5832	0.10	0.19	0.28
Princhester Project – All tenements	0.20	0.37	0.55

Note: P70/1743 is omitted from the valuation being an application only.

Appropriate rounding has been included in the total which may not add due to rounding.

The Geoscientific valuation for the Princhester Magnesite Project is considered by VRM to have a market value in Australian dollars of between A$0.2 million and A$0.6 million with a preferred value of A$0.4 million.

11.2.Prospectivity Enhancement Multiplier (PEM) Valuation

VRM has undertaken a PEM valuation for all the TRK / DevEx and Lachlan tenements using the exploration expenditure reported to July 2023 in the annual exploration expenditure reports and the expenditure since the last tenement anniversary year provided by DevEx and Lachlan to July 2023.

The expenditures used in the valuation were based on the reported exploration expenditure on the tenement excluding expenditure that was not directly attributed to exploration. Excluded expenditure relates to acquisition costs, tenement rents and shire rates, administrative expenditure, and heritage access or associated costs.

This expenditure has been multiplied by a Prospectivity Enhancement Multiplier as detailed in Table 10. To generate a range in the PEM valuation VRM has assessed the effectiveness of the exploration expenditure and therefore used an upper and lower PEM multiple to generate a range in likely values of the tenements.

The valuation ranges presented are pre-transaction, and only consider TRK / DevEx's and Lachlan's beneficial interests with the preferred valuation being the average of the upper and lower PEM valuation. Table 17 details the expenditure, the PEM multiples, and the valuations for the tenements.

Based on the PEM valuation methodology the TRK / DevEx and Lachlan Mineral Assets have an expected market value of between $16.8 million and $21.6 million with a preferred (mid-point) valuation of $19.2 million.

Table 17: PEM Valuation for all granted exploration tenements.

Project	PEM Valuation by Tenement					
	Expenditure ($)	PEM Low	PEM High	Lower ($M)	Upper ($M)	Preferred ($M)
Basin Creek Tenements						
EL8939	3,256,879.64	1.30	1.50	4.23	4.89	4.56
EL9013	250,571.95	1.00	1.30	0.25	0.33	0.29
EL9049	70,338.60	1.30	1.50	0.09	0.11	0.10
EL9461	10,813.54	0.50	1.00	0.01	0.01	0.01
Junee Tenements						
EL8622	6,424,343.79	1.50	2.00	9.64	12.85	11.24
EL8767	237,202.35	1.00	1.30	0.24	0.31	0.27

Project	PEM Valuation by Tenement					
	Expenditure ($)	PEM Low	PEM High	Lower ($M)	Upper ($M)	Preferred ($M)
EL8835	107,261.51	0.50	1.00	0.05	0.11	0.08
EL8851	377,496.10	1.00	1.30	0.38	0.49	0.43
EL9448	140,561.66	0.50	1.00	0.07	0.14	0.11
Cobar Projects						
EL9051	157,735.23	1.00	1.30	0.16	0.21	0.18
EL9520	6,522.33	1.00	1.30	0.01	0.01	0.01
Koojan Cu-Ni-PGE Project						
E70/5312	496,751.00	1.00	1.30	0.22	0.26	0.29
E70/5337	1,013,308.00	1.00	1.30	0.46	0.52	0.59
E70/5429	143,888.00	1.00	1.30	0.06	0.07	0.08
E70/5450	332,724.00	1.00	1.30	0.15	0.17	0.19
E70/5515	258,538.30	1.00	1.30	0.12	0.13	0.15
Killaloe Gold Project						
EL63/1018	412,652.00	1.00	1.30	0.33	0.43	0.38
EL63/1713	225,951.00	1.00	1.30	0.23	0.29	0.26
M63/177	88,551.00	1.00	1.30	0.09	0.12	0.10
Princhester Magnesite Project						
ML5831	Not Provided	N/A	N/A	N/A	N/A	N/A
ML5832	Not Provided	N/A	N/A	N/A	N/A	N/A

Note: P70/1743 is omitted from the valuation being an application only.

Appropriate rounding has been included in the total which may not add due to rounding.

12. Preferred Valuation Range

Based on the analysis presented, VRM considers the pre-transaction market value of the TRK / DevEx and Lachlan tenements to be between A$9.0 M and A$25.1 M with a preferred value of A$17.1 M. This valuation considers only TRK / DevEx's and Lachlan's beneficial interests, with any potential production-based royalties that may be associated with the Mineral Assets not considered.

Table 18 presents a summary of the valuation results using the Primary (Geoscientific Kilburn) and Secondary (PEM) valuation approaches. VRM's preferred valuation range as based on these primary and secondary valuation methods is also presented.

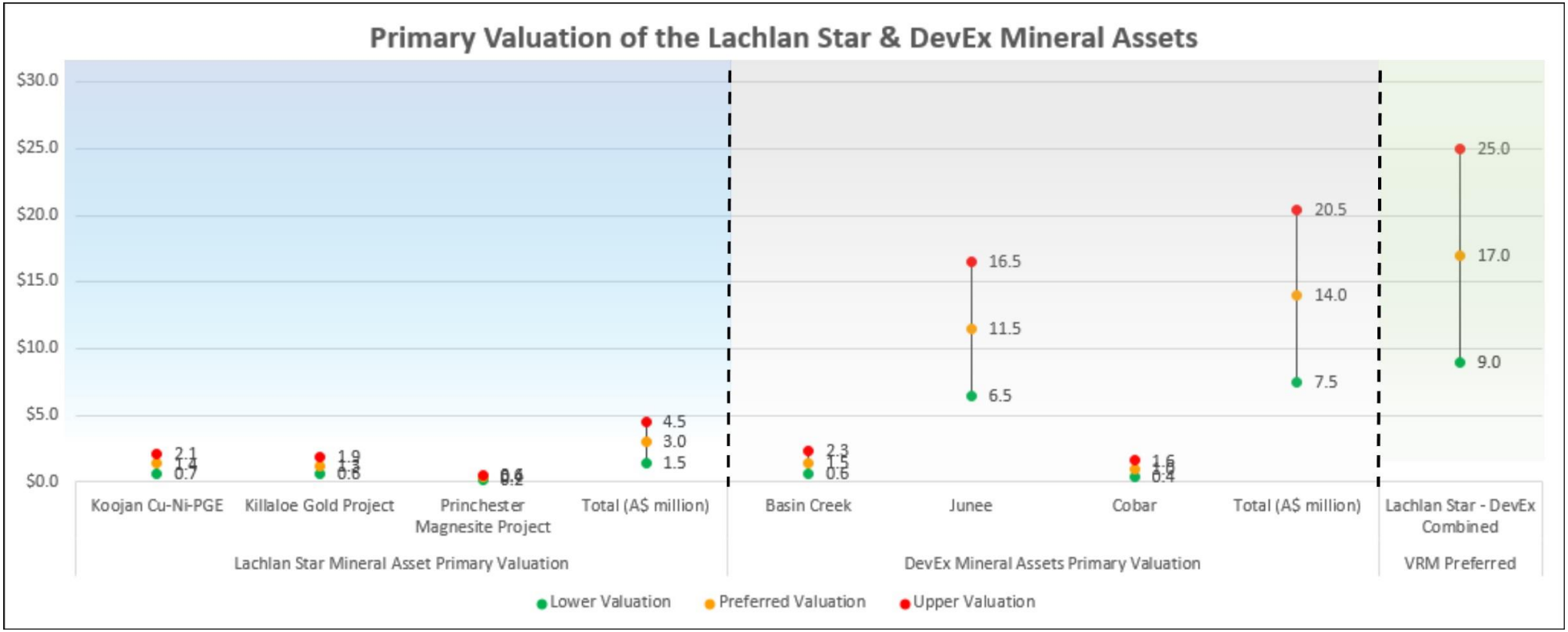
Figure 35 provides a visual comparative analysis of the valuation results by method for each tenement, and VRM's preferred valuation range.

Table 18: Summary of Valuation results and VRM's Preferred valuation range for each tenement.

Tenements	Valuation Method	Low	Mid	Upper
TRK / DevEx Mineral Assets				
Basin Creek Project	Primary	0.6	1.5	2.3
	Supporting	4.6	5.0	5.3
Junee Project	Primary	6.5	11.5	16.5
	Supporting	10.4	12.1	13.9
Cobar Project	Primary	0.4	1.1	1.7
	Supporting	0.2	0.2	0.2
Total TRK / DevEx Projects	Primary	7.6	14.1	20.5
	Supporting	15.1	17.3	19.4
Lachlan Star Mineral Assets				
Koojan Cu-Ni-PGE Project	Primary	0.7	1.4	2.1
	Supporting	1.0	1.2	1.3
Killaloe Au Project	Primary	0.6	1.3	1.9
	Supporting	0.6	0.7	0.8
Princhester Project	Primary	0.2	0.4	0.6
	Supporting	N/A	N/A	N/A
Total Lachlan Projects	Primary	1.5	3.0	4.5
	Supporting	1.8	2.1	2.4
VRM Preferred Valuation Range All TRK / DevEx & Lachlan tenements		9.0	17.1	25.1

Note: P70/1743 is omitted from the valuation being an application only.
Appropriate rounding has been included in the total which may not add due to rounding.

Figure 35: Valuation ranges as determined by the Primary valuation method for each tenement, and VRM's preferred valuation range.



13. References

13.1.Published References

The references below document the main documents referred to in this report.

Cooke, D.R., Wilson, A.J., House, M.J., Wolfe, R.C., Walshe, J.L., Lickfold, V., and Crawford, A.J. (2007). Alkalic porphyry Au–Cu and associated mineral deposits of the Ordovician to Early Silurian Macquarie Arc, New South Wales. Australian Journal of Earth Sciences, 54(2–3), 445–463. doi:10.1080/08120090601146771.

Corbett, G., 2002. Epithermal gold for explorationists. AIG Journal Paper 2002-01, Feb 2002. 26pp.

David, V., 2008. Structural–geological setting of the Elura-Zn–Pb–Ag massive sulphide deposit, Australia. Ore Geology Reviews. Volume 34, Issue 3, November 2008, Pages 428-444.

DevEx Resources, 2022. Exploration Licence 9013 Basin Creek Project. Second Annual Report 18th September 2021 to 17th September 2022. PART A. Date of Report: 6th Oct 2022.

DevEx Resources, 2022. Exploration Licence 9013 Basin Creek Project. Second Annual Report 18th September 2021 to 17th September 2022. PART B. Date of Report: 6th Oct 2022.

DevEx Resources, 2022. Exploration Licence 8622 Junee Project. Annual Report for The Period 17th July 2021 to 16th July 2022. PART A. Date of Report: 8th August 2022.

DevEx Resources, 2022. Exploration Licence 8622 Junee Project. Annual Report for The Period 17th July 2021 to 16th July 2022. PART B. Date of Report: 8th August 2022.

DevEx Resources, 2022. Exploration Licence 8767 Cooba North Project. Fourth Annual Report 12th June 2021 to 27th June 2022. PART A. Date of Report: 16th July 2022.

DevEx Resources, 2022. Exploration Licence 8767 Cooba North Project. Fourth Annual Report 12th June 2021 to 27th June 2022. PART B. Date of Report: 16th July 2022.

DevEx Resources, 2022. Exploration Licence 9049 Basin Creek Project. First Annual Report 15th February 2021 to 15th February 2022. PART A. Date of Report: 24th Feb 2022

DevEx Resources, 2022. Exploration Licence 9049 Basin Creek Project. First Annual Report 15th February 2021 to 15th February 2022. PART B. Date of Report: 24th Feb 2022

DevEx Resources, 2022. Exploration Licence 8939 Basin Creek Project. Second Annual Report 4th February 2021 to 3rd February 2022. PART A. Date of Report: 14th Feb 2022.

DevEx Resources, 2022. Exploration Licence 8939 Basin Creek Project. Second Annual Report 4th February 2021 to 3rd February 2022. PART B. Date of Report: 14th Feb 2022.

DevEx Resources, 2021. Exploration Licence 9013 Basin Creek Project. First Annual Report 18th September 2020 to 17th September 2021. Date of Report: 10th Oct 2021.

DevEx Resources, 2021. Exploration Licence 8622 Junee Project. Annual Report 17th July 2020 to 16th July 2021. Date of Report: 31st July 2021.

DevEx Resources, 2021. Exploration Licence 8939 Basin Creek Project. First Annual Report 4th February 2020 to 3rd February 2021. Date of Report: 4th Feb 2021.

DevEx Resources, 2020. Exploration Licence 8622 Junee Project. Second Annual Report 17th July 2019 to 17th July 2020. Date of Report: 31st July 2020.

DevEx Resources, 2020. Exploration Licence 8767 (1992 Act) Cooba North Project. Second Annual Report 27th June 2020 to 27th June 2021. PART B. Date of Report: 4th July 2020.

DevEx Resources, 2019. Exploration Licence 8622 Junee Project. Second Annual Report 17th July 2018 to 17th July 2019. Date of Report: 26th July 2019.

DevEx Resources, 2018. Exploration Licence 8622 (1992 Act) Junee Project. First Annual Report 17th July 2017 to 17th July 2018. Date of Report: 31 May 2018.

Downes, P., 2019. A mineral system model for volcanic-associated massive sulphide systems in the eastern Lachlan Orogen, New South Wales. Geological Survey of NSW. 30th July 2019. GS2019/0560. 28pp

Garwin, S., Hall, R., and Watanabe, Y., 2005. Tectonic setting, geology and gold and copper mineralization in Cenozoic magmatic arcs of Southeast Asia and the west Pacific, in Hedenquist, J., Goldfarb, R. and Thompson, J. (eds.), Economic Geology 100th Anniversary Volume, Society of Economic Geologists, p. 891-930.

Gilmore, P., Bull, K., Campbell, L., Cronin, D, Eastlake, M., Trigg, S., and Williams., 2017. East Riverina mapping project: laying the foundation for resource discovery. https:// www.smedg.org.au/papers-2017-pdf/5_granites-and-more/2_East-Riverina-Mapping-Project_PGilmore.pdf

Glen, R.A., Quinn, C.D., and Cooke, D.R., 2012. The Macquarie Arc, Lachlan Orogen, New South Wales: its evolution, tectonic setting, and mineral deposits. The Macquarie Arc, Lachlan Orogen, New South Wales: Its evolution, tectonic setting, and mineral deposits. Episodes. 35. 177-186. 10.18814/epiiugs/2012/v35i1/017. 10pp.

Groves, D.I., Goldfarb, R.J., Gebre-Mariam, M., Hagemann, S., and Robert F., 1998. Orogenic gold deposits: A proposed classification in the context of their crustal distribution and relationship to other gold deposit types. Ore Geology Reviews, 13, 7-27. https://doi.org/10.1016/S0169-1368(97)00012-7.

Hart, C.J.R., 2007, Reduced intrusion-related gold systems, in Goodfellow, W.D., ed., Mineral deposits of Canada: A Synthesis of Major Deposit Types, District Metallogeny, the Evolution of Geological Provinces, and Exploration Methods: Geological Association of Canada, Mineral Deposits Division, Special Publication No. 5, p. 95-112.

Joint Ore Reserves Committee, 2012. Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) [online]. Available from: http://www.jorc.org (The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia).

Jones, G., and MacKenzie, I., 2007. Mineral Hill: A Mining Centre Renaissance. Mines And Wines 2007. 32pp.

Kilburn, L.C., 1990. Valuation of mineral properties which do not contain exploitable reserves. CIM Bulletin, Vol. 83, No. 940, P90-93.

Kreuzer, O.P., Miller, A.V.M., Peters, K. J., Payne, C., Wildman, C., Partington, G.A., Puccioni, E., McMahon, M.E., and Etheridge, M.A., 2015 Comparing prospectivity modelling results and past exploration data: a case study of porphyry Cu–Au mineral systems in the Macquarie Arc, Lachlan Fold Belt, New South Wales. Ore Geology Reviews, 71. pp. 516-544.

Leslie, C., Meffre, S., Cooke, D.R., Thompson, J., Howard, N., and Barker, A. 2021. Chapter 10, Complex Petrogenesis of Porphyry-Related Magmas in the Cowal District, Australia: Insights from LA ICP-MS Zircon Imaging. SEG Special Publications, no. 24, v. 2, pp. 159–180.

Lachlan Star Limited, 2022. ASX Announcement Minerals 260 earns initial 30% interest in Koojan JV Drilling of multiple priority targets at Koojan continues. 22 December, 2022. 2pp.

Lachlan Star Limited, 2022. ASX Announcement Reverse Circulation Gold Intersections Killaloe gold project, Eastern Goldfields of Western Australia 29 April, 2022. 10pp.

Lachlan Star Limited, 2023. ASX Announcement Quarterly Activities Report for The Period Ended 31 December 2022. 27 January, 2023. 5pp.

Lachlan Star Limited, 2019. Annual Report 30 June 2019; Directors' Report 30 June 2019. 8pp.

Legacy Minerals, 2023. ASX Announcement Legacy Minerals expands low sulphidation epithermal portfolio with new acquisition – Mt Carrington Exploration License. 20 July, 2023. 7pp.

Legacy Minerals, 2023. ASX Announcement Assays Confirm New Epithermal Discovery at Bauloora. 10 May, 2023. 7pp.

Liontown, 2021. ASX Announcement Strong PGE* and gold anomalism confirmed at the Koojan JV Project, WA. 14 July, 2021. 11pp.

Liontown, 2021. ASX Announcement High-order PGE* and gold results returned from initial field work at the Koojan JV Project, WA. 6 May, 2021. 11pp.

MacRae, G., 2013. Annual Report for Exploration Licence 8011 "Toburra" for the Period 21st November 2012 to 20th November 2013.

Miller, A.V.M., Partington, G.A., Nielsen, S.H.H., Peters, K.J., and Puccioni, E., 2014. AusIMM NZ branch conference, Hamilton, 24-27 August 2014. 11pp. chrome- extension:// efaidnbmnnnibpcajpcglclefindmkaj /https:// kenex.com.au/wp-content/uploads/2014/08/AusIMM_2014_AVMM.pdf.

Onley P., 1994. Multiples of exploration expenditure as a basis for mineral valuation. Mineral Valuation Methodologies 1994 (VALMIN '94), pp. 191-197.

Pienmunne, J., 2014. Annual Report for Exploration Licence 8011 "Toburra" for the period 21st November 2013 to 20th November 2014.

Sun, W., Huang, R., Li, H., and Yongbin, H., Zhang, C.C., Sun, S., Zhang, L., Ding, X., Li, C., Zartman, R., and Ling, M.X., 2015. Porphyry deposits and oxidized magmas. Ore Geology Reviews. 65. 97–131. 10.1016/j.oregeorev.2014.09.004.

VALMIN Committee, 2015. Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code) [online]. Available from: http://www.valmin.org (The VALMIN Committee of the Australasian Institute of Mining and Metallurgy and Australian Institute of Geoscientists).

WAMEX Report 114770, 2017. Combined Annual Report C6/2008 Killaloe Project for the Period 1 July 2016 to 30 June 2017, E63/01018, E63/01199, E63/01660, E63/01661, M63/00177, E63/01662, E63/01646, E63/01713, E63/01655.

WAMEX Report 107015, 2015. Annual Report for the Period 1 July 2014 to 30 June 2015 KILLALOE Combined Annual Report C6/2008 [E63/01018, E63/01199, P63/01672, E63/01660, E63/01661, P63/01503, M63/00177, E63/01662, E63/01646].

WAMEX Report 79598, 2008. KILLALOE PROJECT NORSEMAN, W.A. ANNUAL TECHNICAL REPORT for period 30 June 2007 to 1 July 2008 Tenements E63/1018, 1019, P63/1331, 1332, 1333, 1334, 1335, 1336, 1337, 1338, 1339 GSWA Group Reporting Number: C6/2008.

WAMEX Report 67316, 2003. Annual Report for the period 02/06/01 to 01/06/02 Buldania Project M63/177.

Wells, T.J., Meffre, S., Cooke, D.R., Steadman, J.A., and Hoye, J.I., 2020. Porphyry fertility in the Northparkes district: indicators from whole-rock geochemistry, Australian Journal of Earth Sciences, DOI: 10.1080/08120099.2020.1715477. Download at: https://doi.org/10.1080/08120099.2020.1715477. 22pp.

White, A., 2013. The Hobbs gold deposit at Mt Adrah: shaping up a major gold resource. Mines And Wines 2013 Mineral Exploration in The Tasmanides. 18pp.

Wildcat Resources, 2023. ASX Announcement 15 June 2023: Significant gold system at Mt Adrah confirmed by assay results. https://www.listcorp.com/asx/wc8/wildcat-resources-limited/news/significant-gold-system-at-mt-adrah-confirmed-by-assays-2885943.html.

Zhen, Y. Y. and Percival, I. G. 2023. Ordovician stratigraphy of the Junee–Narromine Volcanic Belt in central New South Wales, Australia: conodont studies and regional correlations. Journal of Earth Sciences, 72(1), 114–117. https://doi.org/10.3176/earth.2023.11. 4pp.

14. Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Webmineral www.webmineral.com, Wikipedia www.wikipedia.org,

The following terms, if and where used, are taken from the 2015 VALMIN Code

Annual Report means a document published by public corporations on a yearly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Australasian means Australia, New Zealand, Papua New Guinea, and their offshore territories.

Code of Ethics means the Code of Ethics of the relevant Professional Organisation or Recognised Professional Organisations.

Corporations Act means the Australian Corporations Act 2001 (Cth).

Experts are persons defined in the Corporations Act whose profession or reputation gives authority to a statement made by him or her in relation to a matter. A Practitioner may be an Expert. Also see Clause 2.1.

Exploration Results is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Feasibility Study means a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-feasibility Study.

Financial Reporting Standards means Australian statements of generally accepted accounting practice in the relevant jurisdiction in accordance with the Australian Accounting Standards Board (AASB) and the Corporations Act.

Independent Expert's Report means a Public Report as may be required by the Corporations Act, the Listing Rules of the ASX or other security exchanges prepared by a Practitioner who is acknowledged as being independent of the Commissioning Entity. Also see ASIC Regulatory Guides RG 111 and RG 112 as well as Clause 5.5 of the VALMIN Code for guidance on Independent Expert Reports.

Information Memoranda means documents used in financing of projects detailing the project and financing arrangements.

Investment Value means the benefit of an asset to the owner or prospective owner for individual investment or operational objectives.

Life-of-Mine Plan means a design and costing study of an existing or proposed mining operation where all Modifying Factors have been considered in sufficient detail to demonstrate at the time of reporting that extraction is reasonably justified. Such a study should be inclusive of all development and mining activities proposed through to the effective closure of the existing or proposed mining operation.

Market Value means the estimated amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion. Also see Clause 8.1 for guidance on Market Value.

Materiality or being **Material** requires that a Public Report contains all the relevant information that investors and their professional advisors would reasonably require, and reasonably expect to find in the report, for the purpose of making a reasoned and balanced judgement regarding the Technical Assessment or Mineral Asset Valuation being

reported. Where relevant information is not supplied, an explanation must be provided to justify its exclusion. Also see Clause 3.2 for guidance on what is Material.

Member means a person who has been accepted and entitled to the post-nominals associated with the AIG or the AusIMM or both. Alternatively, it may be a person who is a member of a Recognised Professional Organisation included in a list promulgated from time to time.

Mineable means those parts of the mineralised body, both economic and uneconomic, that are extracted or to be extracted during the normal course of mining.

Mineral Asset means all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction, and processing of Minerals in connection with that Tenure.

Most Mineral Assets can be classified as either:

(a) **Early-stage Exploration Projects** – Tenure holdings where mineralization may or may not have been identified, but where Mineral Resources have not been identified;

(b) **Advanced Exploration Projects** – Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralization present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category;

(c) **Pre-Development Projects** – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken;

(d) **Development Projects** – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Pre-Feasibility Study;

(e) **Production Projects** – Tenure holdings – particularly mines, wellfields, and processing plants – that have been commissioned and are in production.

Mine Design means a framework of mining components and processes taking into account mining methods, access to the Mineralization, personnel, material handling, ventilation, water, power, and other technical requirements spanning commissioning, operation, and closure so that mine planning can be undertaken.

Mine Planning includes production planning, scheduling and economic studies within the Mine Design taking into account geological structures and mineralization, associated infrastructure and constraints, and other relevant aspects that span commissioning, operation, and closure.

Mineral means any naturally occurring material found in or on the Earth's crust that is either useful to or has a value placed on it by humankind, or both. This excludes hydrocarbons, which are classified as Petroleum.

Mineralization means any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralization might occur, whether by class of deposit, mode of occurrence, genesis, or composition.

Mineral Project means any exploration, development, or production activity, including a royalty or similar interest in these activities, in respect of Minerals.

Mineral Securities means those Securities issued by a body corporate or an unincorporated body whose business includes exploration, development or extraction and processing of Minerals.

Mineral Resources is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Mining means all activities related to extraction of Minerals by any method (e.g., quarries, open cast, open cut, solution mining, dredging etc).

Mining Industry means the business of exploring for, extracting, processing, and marketing Minerals.

Modifying Factors is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Ore Reserves is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Petroleum means any naturally occurring hydrocarbon in a gaseous or liquid state, including coal-based methane, tar sands and oil-shale.

Petroleum Resource and **Petroleum Reserve** are defined in the current version of the Petroleum Resources Management System (PRMS) published by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council, and the Society of Petroleum Evaluation Engineers. Refer to http://www.spe.org for further information.

Practitioner is an Expert as defined in the Corporations Act, who prepares a Public Report on a Technical Assessment or Valuation Report for Mineral Assets. This collective term includes Specialists and Securities Experts.

Preliminary Feasibility Study (Pre-Feasibility Study) means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors that are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.

Professional Organisation means a self-regulating body, such as one of engineers or geoscientists or of both, that:

(a) admits members primarily on the basis of their academic qualifications and professional experience;

(b) requires compliance with professional standards of expertise and behaviour according to a Code of Ethics established by the organisation; and

(c) has enforceable disciplinary powers, including that of suspension or expulsion of a member, should its Code of Ethics be breached.

Public Presentation means the process of presenting a topic or project to a public audience. It may include, but not be limited to, a demonstration, lecture or speech meant to inform, persuade, or build good will.

Public Report means a report prepared for the purpose of informing investors or potential investors and their advisers when making investment decisions, or to satisfy regulatory requirements. It includes, but is not limited to, Annual Reports, Quarterly Reports, press releases, Information Memoranda, Technical Assessment Reports, Valuation Reports, Independent Expert Reports, website postings and Public Presentations. Also see Clause 5 for guidance on Public Reports.

Quarterly Report means a document published by public corporations on a quarterly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Reasonableness implies that an assessment which is impartial, rational, realistic, and logical in its treatment of the inputs to a Valuation or Technical Assessment has been used, to the extent that another Practitioner with the same information would make a similar Technical Assessment or Valuation.

Royalty or Royalty Interest means the amount of benefit accruing to the royalty owner from the royalty share of production.

Securities has the meaning as defined in the Corporations Act.

Securities Expert are persons whose profession, reputation or experience provides them with the authority to assess or value Securities in compliance with the requirements of the Corporations Act, ASIC Regulatory Guides and ASX Listing Rules.

Scoping Study means an order of magnitude technical and economic study of the potential viability of Mineral Resources. It includes appropriate assessments of realistically assumed Modifying Factors together with any other relevant operational factors that are necessary to demonstrate at the time of reporting that progress to a Pre-Feasibility Study can be reasonably justified.

Specialist are persons whose profession, reputation, or relevant industry experience in a technical discipline (such as geology, mine engineering or metallurgy) provides them with the authority to assess or value Mineral Assets.

Status in relation to Tenure means an assessment of the security of title to the Tenure.

Technical Assessment is an evaluation prepared by a Specialist of the technical aspects of a Mineral Asset. Depending on the development status of the Mineral Asset, a Technical Assessment may include the review of geology, mining methods, metallurgical processes and recoveries, provision of infrastructure and environmental aspects.

Technical Assessment Report involves the Technical Assessment of elements that may affect the economic benefit of a Mineral Asset.

Technical Value is an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations.

Tenure is any form of title, right, licence, permit or lease granted by the responsible government in accordance with its mining legislation that confers on the holder certain rights to explore for and/or extract agreed minerals that may be (or is known to be) contained. Tenure can include third-party ownership of the Minerals (for example, a royalty stream). Tenure and Title have the same connotation as Tenement.

Transparency or being **Transparent** requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, to understand the report and not be misled by this information or by omission of Material information that is known to the Practitioner.

Valuation is the process of determining the monetary Value of a Mineral Asset at a set Valuation Date.

Valuation Approach means a grouping of valuation methods for which there is a common underlying rationale or basis.

Valuation Date means the reference date on which the monetary amount of a Valuation in real (dollars of the day) terms is current. This date could be different from the dates of finalisation of the Public Report or the cut-off date of available data. The Valuation Date and date of finalisation of the Public Report **must** not be more than 12 months apart.

Valuation Methods means a subset of Valuation Approaches and may represent variations on a common rationale or basis.

Valuation Report expresses an opinion as to monetary Value of a Mineral Asset but specifically excludes commentary on the value of any related Securities.

Value means the Market Value of a Mineral Asset.

Appendix A - Geoscientific Valuation of the Basin Creek Project tenements

Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
EL8939	55,500	1.0	1.5	2.0	2.5	1.5	2.0	1.5	2.0	$249,750	$541,125	$832,500	0.28	0.61	0.94
EL9013	81,000	1.0	1.5	1.0	1.5	1.5	2.0	1.5	2.0	$182,250	$455,625	$729,000	0.21	0.51	0.82
EL9049	24,000	1.0	1.5	2.0	2.5	1.5	2.0	1.5	2.0	$108,000	$234,000	$360,000	0.12	0.26	0.41
EL9461	20,000	1.0	1.5	1.5	2.0	1.0	1.5	1.0	1.5	$30,000	$82,500	$135,000	0.03	0.09	0.15

To determine the market value the technical value has been discounted following the parameters outlined in Section 11.1 on a tenement-by-tenement basis.

Appendix B - Geoscientific Valuation of the Junee Project tenements

Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
EL8622	200,000	3.0	3.5	2.0	2.5	2.0	2.5	2.0	2.5	$4,800,000	$7,868,750	$10,937,500	5.41	8.87	12.33
EL8767	62,000	1.0	1.5	2.0	2.5	1.5	2.0	1.0	1.5	$186,000	$441,750	$697,500	0.21	0.50	0.79
EL8835	20,000	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	$20,000	$60,625	$101,250	0.02	0.07	0.11
EL8851	105,000	1.0	1.5	1.5	2.0	1.5	2.0	1.0	1.5	$236,250	$590,625	$945,000	0.27	0.67	1.07
EL9448	168,000	3.0	3.5	1.0	1.5	1.0	1.5	1.0	1.5	$504,000	$1,244,250	$1,984,500	0.57	1.40	2.24

To determine the market value the technical value has been discounted following the parameters outlined in Section 11.1 on a tenement-by-tenement basis.

Appendix C - Geoscientific Valuation of the Cobar Project tenements

Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
EL9051	78,000	3.0	3.5	1.0	1.5	1.0	1.5	1.0	1.5	$234,000	$577,688	$921,375	0.26	0.65	1.04
EL9520	50,000	3.0	3.5	1.0	1.5	1.0	1.5	1.0	1.5	$150,000	$370,313	$590,625	0.17	0.42	0.67

To determine the market value the technical value has been discounted following the parameters outlined in Section 11.1 on a tenement-by-tenement basis.

Appendix D - Geoscientific Valuation of the Koojan Cu-Ni-PGE Project tenements

Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
E70/5312	60,000	3.0	3.5	1.5	2.0	1.5	2.0	1.0	1.5	$182,250	$374,625	$567,000	0.18	0.37	0.56
E70/5337	60,000	3.0	3.5	1.5	2.0	1.5	2.0	1.0	1.5	$182,250	$374,625	$567,000	0.18	0.37	0.56
E70/5429	30,000	3.0	3.5	1.5	2.0	1.5	2.0	1.0	1.5	$91,125	$187,313	$283,500	0.09	0.18	0.28
P70/1743	6,840	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	$-	$-	$-	0.00	0.00	0.00
E70/5450	20,000	3.0	3.5	1.5	2.0	1.5	2.0	1.0	1.5	$60,750	$124,875	$189,000	0.06	0.12	0.19
E70/5515	56,000	3.0	3.5	1.5	2.0	1.5	2.0	1.0	1.5	$170,100	$349,650	$529,200	0.17	0.34	0.52

To determine the market value the technical value has been discounted following the parameters outlined in Section 11.1 on a tenement-by-tenement basis.

Appendix E - Geoscientific Valuation of the Killaloe Gold Project tenements

Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
EL63/1018	78,000	3.0	3.5	1.5	2.0	1.5	2.0	1.0	1.5	$421,200	$865,800	$1,310,400	0.41	0.85	1.28
EL63/1017	20,000	3.0	3.5	1.5	2.0	1.5	2.0	1.0	1.5	$135,000	$277,500	$420,000	0.13	0.27	0.41
M63/177	10,000	3.0	3.5	1.5	2.0	1.5	2.0	1.0	1.5	$67,500	$138,750	$210,000	0.07	0.14	0.21

To determine the market value the technical value has been discounted following the parameters outlined in Section 11.1 on a tenement-by-tenement basis.

Appendix F - Geoscientific Valuation of the Princhester Magnesite Project tenements

Tenement	BAC (AUS$)	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation (AUS$)			Fair Market Valuation (AUS$M)		
		Low	High	Low	High	Low	High	Low	High	Lower	Preferred	Upper	Lower	Preferred	Upper
ML5831	10,000	1.0	1.5	2.0	2.5	2.0	2.5	2.5	3.0	$100,000	$190,625	$281,250	0.10	0.19	0.28
ML5832	10,000	1.0	1.5	2.0	2.5	2.0	2.5	2.5	3.0	$100,000	$190,625	$281,250	0.10	0.19	0.28

To determine the market value the technical value has been discounted following the parameters outlined in Section 11.1 on a tenement-by-tenement basis.

LACHLAN STAR Limited
ABN 88 000 759 535

Need assistance?

Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

Online:
www.investorcentre.com/contact

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AWST) on Sunday, 8 October 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative
If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form: XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 182963

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with '**X**') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Lachlan Star Limited hereby appoint

☐ **the Chairman of the Meeting** **OR** _____

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Lachlan Star Limited to be held at Ascent Capital, Level 1, 33 Ord Street, West Perth, WA 6005 on Tuesday, 10 October 2023 at 10:00am (AWST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Consolidation of Capital	☐	☐	☐
Resolution 2	Approval of TRK Resources Acquisition and Issue of New Shares to DevEx Resources Limited	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1	**Securityholder 2**	**Securityholder 3**	
			/ /
Sole Director & Sole Company Secretary	**Director**	**Director/Company Secretary**	**Date**

Update your communication details *(Optional)*

Mobile Number _____

Email Address _____

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically