

31 October 2019

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2019

Lachlan Star Limited (**Lachlan** or the **Company**) is pleased to present its quarterly activities report for the September quarter.

HIGHLIGHTS:

- Review of Princhester Magnesite resource continuing with focus on potential opportunities for resource extension and definition.
- Program of verification and extension sampling planned for the December quarter.
- Company continues to review a range of mineral exploration opportunities in Australia and overseas.
- Company remains well funded with ~\$1.5 million cash on hand.

OPERATIONS:

Princhester Magnesite Project

The Princhester Magnesite Project is located 85km north west of Rockhampton, Queensland and comprises two granted Mining Leases (ML), ML5831 and ML5832. The ML's are close to the Bruce Highway and are within 2 kilometres of the main north coast railway line (**Figure 1**).

During the September quarter the Company continued its review of the Princhester project Magnesite mineral resource and has planned a program of verification sampling and extension sampling to be completed in the December quarter. This sampling will improve the confidence in the historic exploration and interpretation of the magnesite mineralisation (**Figure 2**).



Figure 1: Location of Princhester Project, Queensland

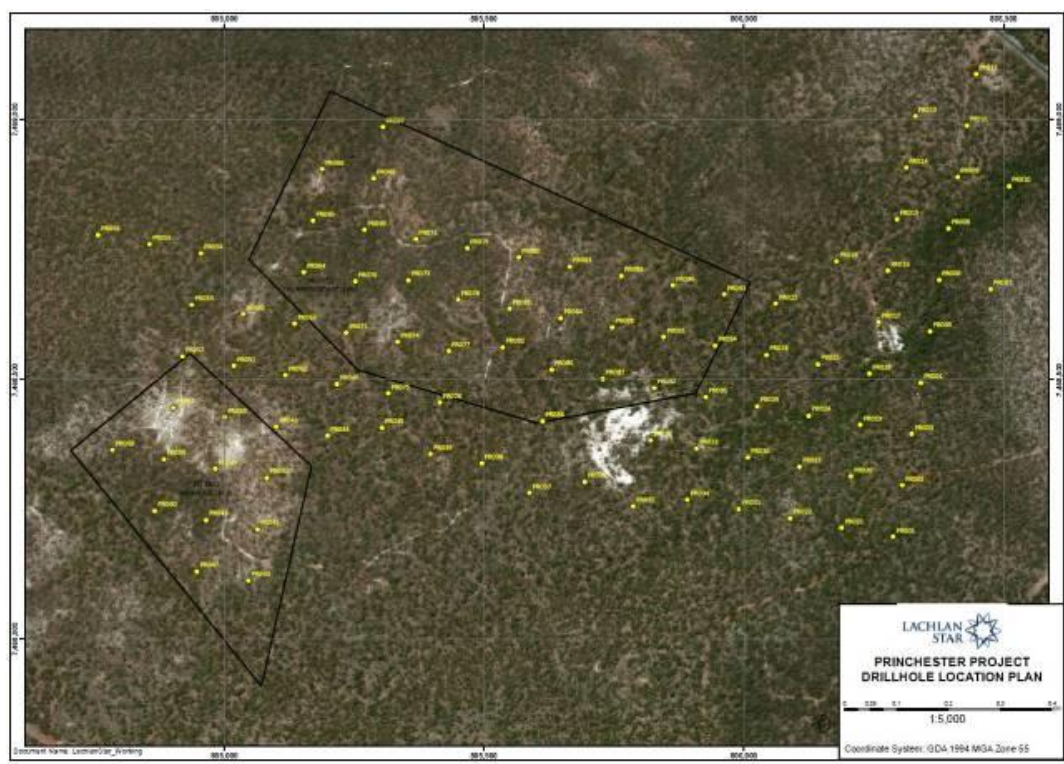


Figure 2: Princhester Project historic drilling on satellite image

Evaluation of new mineral resource opportunities

The Company has allocated part of its working capital budget to the identification and evaluation of new mineral resource opportunities in Australia and overseas, undertaking a review of a range of opportunities during the September quarter. No decision to invest in any of the projects currently being reviewed has been made at this stage.

The Company will also consider the acquisition and development of any other investments, both within the mining industry and in market segments unrelated to the mining industry.

Annexure 1: Lachlan Star Limited – tenements held directly by Lachlan Star or subsidiary company

Tenements	Acquired during quarter	Disposed of during quarter	Held at end of quarter	Country
ML5831 (Princhester)	-	-	100%	Australia
ML5832 (Princhester)	-	-	100%	Australia
EL5574 (Bushranger)	-	-	Nil (Company retains a 2% NSR)	Australia