MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis ("**MD&A**") for Lachlan Star Limited ("**Lachlan**" or the "**Company**") and its subsidiaries (collectively, the "**Group**") is dated May 15, 2014 and provides an analysis of the Company's performance and financial condition for the three months ending March 31, 2014 (the "**Quarter**" or "**March 2014 Quarter**").

The MD&A should be read in conjunction with the Company's audited consolidated financial statements and notes thereto (including the Directors' Report) for the year ended June 30, 2013 and the Company's unaudited consolidated financial statements for the half-year ended December 31, 2013.

The consolidated financial statements have been prepared in accordance with Australian Accounting Standards ("**AASs**") (including Australian Accounting Interpretations), as adopted by the Australian Accounting Standards Board ("**AASB**"), other authoritative pronouncements of the AASB, and Urgent Issues Group Interpretations. Compliance with AASs ensures that the consolidated financial report of Lachlan complies with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board.

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates (the "functional" currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency. For subsidiaries Compania Minera Dayton ("**CMD**") and Dayton Chile Exploraciones Mineras Limitada ("**DCEM**"), management has determined that the U.S. dollar is the functional currency for those companies. For a more detailed discussion on functional currency, please refer to the section "*Critical Accounting Estimates – Functional Currency*" in this MD&A.

Unless otherwise stated, all dollar figures in this MD&A are Australian dollars. "A$" or "$" denotes Australian dollars, "US$" denotes United States dollars, and CDN$ denotes Canadian dollars.

The A$/US$ exchange rate used for the purposes of converting the statement of financial position of CMD and DCEM as at March 31, 2014 was A$1.00 = US$0.9251. The average A$/US$ exchange rate used for the purposes of converting the statement of financial performance of CMD and DCEM for the three months to March 31, 2014 was A$1.00 = US$0.8962. Details of average and period end exchange rates that impact the Group are set out in the section "*Financial Instruments and Related Risks*" of this MD&A.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain information in this MD&A, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking information includes, but is not limited to, information which reflects management's expectations regarding Lachlan's future growth; results of operations (including, without limitation, future production at the CMD Gold Mine (as defined herein); performance (both operational and financial) and the development of the Company's business prospects (including the timing and development of new deposits and the success of exploration activities at the CMD Gold Mine) and opportunities. Often, this information includes words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

In making and providing the forward-looking information included in this MD&A, the Company has made numerous assumptions. These assumptions include, among other things, assumptions about the prices of gold, silver and copper, anticipated costs and expenditures, the availability of credit, future production and recovery, that the supply and demand for gold, silver and copper develops as expected, that there is no unanticipated fluctuation in interest rates and foreign exchange rates and that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or industry results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include, among other things: fluctuations in metal prices, limited mine life, dependency on developing new mineral reserves, the fact that mineral reserve and mineral resource estimates are estimates only, environmental risks and hazards, global financial conditions, the effect of possible shortages and price volatility on operations and equipment, the speculative nature of mineral exploration, development, mining and processing, mineral exploration and mining risks, insurance and uninsured risks, the need for additional capital, the uncertain profitability of extraction of mineral resources, the financial and economic reliability of operating estimates and Lachlan's mine plan, the fact that such mine plan for the CMD Gold Mine is not based on a feasibility study, competition for properties, the impact of licences, permits and government regulation, litigation, currency and liquidity risk, Lachlan's limited operating history, credit risk and interest rate risk, changing political, legal and economic conditions, hedging and derivatives, dependence on key personnel, title to properties, labour and employment relations, dilution, the risk that no dividends will ever be paid on shares, conflicts of interests, inability to manage indebtedness and internal control over financial reporting. See the "*Risk Factors*" section in the Company's 2013 Annual Information Form (the "**AIF**"), available under the Company's profile on SEDAR at www.sedar.com, for further discussion of the risks facing the Company.

This MD&A contains additional information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that could cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors which cause actual results, performances, achievements or events not to be as anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward-looking information as a result of any new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

CAUTION REGARDING NON-GAAP AND NON-IFRS MEASURES

The Company has included in this document certain terms or performance measures, including C1 cash costs, C1 inclusive cash costs, cash costs of gold per ounce, mine cash margin, operating cash flow before changes in non-cash working capital, and CMD Gold Mine Gross Operating Profit that are not defined in Canadian generally accepted accounting principles ("**GAAP**") or in IFRS. These non-GAAP and non-IFRS measures do not have any standardized meaning within Canadian GAAP or IFRS and therefore may not be comparable to similar measures presented by other companies. The Company believes that these non-GAAP and non-IFRS measures provide additional information that is useful in evaluating the Company's performance. The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with Canadian GAAP and IFRS. These non-GAAP and non-IFRS measures should be read in conjunction with the financial statements (or other financial information) of the Company.

ADDITIONAL INFORMATION

Additional information relating to the Company, including public announcements and the Company's AIF, is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.lachlanstar.com.au.

OVERALL PERFORMANCE

Lachlan is a gold production and copper exploration company with a 100% beneficial interest in an operating gold mine in Chile and a copper exploration project in Australia. The Company is a public company governed in Australia by the Corporations Act 2001, with a listing on both the Australian Securities Exchange (the “**ASX**”) and the Toronto Stock Exchange (the “**TSX**”).

During the financial year ended June 30, 2011, the Company acquired the CMD Gold Mine in Chile and became a gold producer. This has resulted in the Company significantly expanding its workforce and having operating revenues. During 2011 the focus of the Company changed from investment and exploration to the development and operation of the CMD Gold Mine.

Since acquiring the CMD Gold Mine on December 24, 2010, the gold spot price has decreased from US$1,380.50 / ounce to US$1,284 / ounce as at March 31, 2014. Subsequent to March 31, 2014, the gold spot price has further increased to US$1,287 / ounce as at May 8, 2014.

CMD Gold Mine, Chile (refer to “*CMD Gold Mine*”, below, for more detail)

Lachlan owns a 100% beneficial interest in the Compañía Minera Dayton project (the “**CMD Gold Mine**”), which it acquired on December 24, 2010.

Gold production for the Quarter was 15,747 ounces, a 15.2% decrease on the December 2013 quarter (18,560 ounces). In addition, 11,752 ounces of silver was produced compared to 18,206 ounces in the December 2013 quarter. All production was sold at spot prices, with an average sale price of US$1,285 per gold ounce. In the December 2013 quarter the Company had purchased gold put options in respect of 9,000 ounces of gold for the March 2014 Quarter with a strike price of US$1,200 per ounce. None of these options was exercised.

The CMD Gold Mine is a bulk tonnage heap leach operation that at the time of acquisition was operating at an annualised stacking rate of 1.5 Mtpa compared to the installed crushing and stacking capacity of 8 Mtpa. Ore stacking rates were maintained at an annualized rate of 5.3 Mtpa as of March 31, 2014. Gold ounces stacked in the March 2014 Quarter of 23,475 ounces were down 14.1% compared to the previous quarter.

Bushranger Copper Project, Australia

Lachlan owns a 100% interest in the Bushranger exploration-stage copper and gold deposit (the “**Bushranger Copper Project**”) located approximately 25km south of Oberon in the Lachlan Fold Belt in New South Wales, Australia. Given Lachlan’s acquisition of the CMD Gold Mine and its focus on the operation and continued development of that project, the Bushranger Copper Project is not considered to be a core asset of the Company.

On September 29, 2011 the Company announced that it had entered into a Farm In Agreement (“the **Agreement**”) with Newmont Exploration Pty Ltd, a wholly owned subsidiary of Newmont Mining Corporation (“**Newmont**”) covering the Bushranger Copper Project in New South Wales. Under a Deed of Novation between Newmont, Lachlan’s subsidiary Ord Investments Pty Ltd and Anglo American Exploration (Australia) Pty Ltd (”**Anglo**”) dated January 10, 2014 Newmont’s interest has been assigned to Anglo.

The main terms of the Agreement, as amended, are:

(i) Newmont had an 18 month option period (“**Option Period**”) to evaluate the Bushranger Copper Project, during which time it must spend a minimum of $0.25 million. Newmont, having exceeded this expenditure, elected to exercise their option to earn a 51% interest in the Bushranger Copper Project by spending a total of $1 million (including expenditures during the Option Period) over a period of 2 years and 6 months from the date of the Agreement (the Farm In Period), now extended for Anglo to May 24, 2014. Expenditure by Newmont and Anglo on the Bushranger

Copper Project under the Agreement at the end of the Quarter was $0.67 million.

(ii) At the completion of the Farm In Period, the Company and Anglo will form a Joint Venture owned 49% and 51% respectively, with both parties funding exploration and development on a pro rata basis. Either party may elect to dilute during the Joint Venture.

The Exploration Licence expires on June 3, 2015.

EXPLORATION AND EVALUATION

The Group's exploration and evaluation expenditures for the Quarter comprised $0.17 million of exploration at the CMD Gold Mine (classified as mine development expenditure in the consolidated statement of financial position) and $Nil at the Bushranger Copper Project.

CORPORATE

On February 17, 2014 Lachlan announced the appointment of Mr Anthony Cipriano as a non-executive Director and Audit Committee Chairman. Anthony is a Perth based Chartered Accountant with 27 years' experience as an accountant working at Deloitte until his recent retirement. This included nearly 15 years as a partner, the last 12 years as leader of Deloitte's Perth Tax Practice, a member of the Deloitte National Tax Executive and most recently Deloitte National Tax Leader for Energy & Resources. Anthony has significant experience working across tax, accounting, legal and finance aspects of corporate transactions on both a national and international level. He is also a recent graduate of the Australian Institute of Company Directors.

Mr Mick McMullen retired as Executive Chairman effective January 6, 2014 to pursue other interests and Mr Scott Perry was appointed non-executive Chairman. Mr McMullen resigned as a non-executive director on April 6, 2014.

OUR PEOPLE

The number of employees at Quarter end decreased to 420 compared to 439 at December 31, 2013. The majority of employees are Chilean nationals, with 418 based at or near to the CMD Gold Mine.

RESULTS OF OPERATIONS

Total sales during the Quarter from the CMD Gold Mine were $23.48 million, cost of sales was $23.10 million, and net sales were $0.38 million.

Operating cash flow before changes in non-cash working capital was $4.90 million for the Quarter.

The Bushranger Copper Project is no longer considered to be a core asset of the Company and in September 2011 the Company entered into the Newmont Farm In Agreement, refer *Bushranger Copper Project, Australia* above, with Newmont's interest assigned to Anglo during the Quarter.

CHILE

CMD GOLD MINE

Lachlan's material mineral project is the CMD Gold Mine, which it acquired in December 2010. The CMD Gold Mine is a production-stage heap leach gold mine in Andacollo, Chile, which is located approximately 350km north of Santiago, Chile. The CMD Gold Mine commenced production in 1995 and has produced approximately 1 million ounces of gold since operations commenced. There are at least six known gold deposits in the CMD Gold Mine: Toro/Socorro, Tres Perlas, Churrumata, El Sauce, Las Loas and Chisperos.

Operations

Table 1 below compares key performance indicators, including production and recovery rates and costs, for the three months ended March 31, 2014 as compared to the three months ended December 31, 2013 for the CMD Gold Mine. Unless otherwise noted, all currency disclosures are in Australian dollars and all weights and measures are in metric units.

Table 1 – CMD Gold Mine Key Performance Indicators (Quarter on Quarter)

Item	Unit	3 months ended 31-Mar-14	3 months ended 31-Dec-13	% Change Variance
Ore Mined	Dmt	1,324,830	1,388,565	-4.6%
Waste Mined	Dmt	2,049,765	1,742,760	17.6%
Total Mined	Dmt	3,374,595	3,131,325	7.8%
Waste:Ore Ratio	t:t	1.55	1.26	23.3%
Ore grade Mined	Au g/t	0.58	0.60	-3.3%
Gold Mined	Au oz	24,834	26,789	-7.3%
Ore stacked	Dmt	1,337,324	1,472,498	-9.2%
Stacked Grade	Au g/t	0.55	0.58	-5.2%
Gold Stacked	Au oz	23,475	27,322	-14.1%
Average stacking rate	dmt/d	14,859	16,005	-7.2%
Silver produced	Ag Oz	11,752	18,206	-35.4%
Gold Produced	Au oz	15,747	18,560	-15.2%
Mining Cost/t moved	US$/t	$2.76	$2.82	-2.1%
Mining Cost/t ore	US$/t	$7.03	$6.36	10.5%
Process Cost/t ore stacked	US$/t	$7.11	$6.69	6.3%
G+A Cost/t ore	US$/t	$1.20	$1.22	-1.5%
Total Cost/t ore	US$/t	$15.34	$14.27	7.5%
Average Sales Price	USD/oz	$1,285	$1,266	1.5%
Cash Cost	USD/oz	$910	$808	12.6%
Non Cash Process Inventory and Stockpile Adjustment	USD/oz	($127)	($24)	433.3%
C1 Cash Cost	USD/oz	$782	$784	-0.2%
C1 Inclusive Cash Cost	USD/oz	$1,170	$1,072	9.2%
CMD Gold Mine Gross Operating (Loss) / Profit (Unaudited)*	US$ million	($0.26)	$2.34	-111.2%

Notes:

1. C1 cash costs are a non-GAAP measure and non-IFRS measure that may not be consistent from company to company. In this instance, it is defined as all site production costs but excludes all waste expenditure, depreciation and amortisation and royalties. A reconciliation of C1 cash costs to the IFRS measure Cost of Sales is provided in Table 3 below. C1 inclusive cash costs represent C1 cash costs plus the cost of waste and royalties.
2. CMD Gross Operating Profit equals revenues and doré in process plus ore stockpiles less cost of sales (including waste expensed and amortised), interest, and other site expenses and excluding foreign exchange movements, depreciation, exploration and process inventory adjustments. The March Quarter figure is after the write-off of $1.26 million of capitalized waste costs related to a

pit that may not be mined subsequent to June 2014.

3. A reconciliation of CMD Gold Mine Gross Operating (Loss) / Profit to the IFRS measure consolidated Profit / (Loss) Before Income Tax is provided in Table 2 below.
4. Percentages may not calculate exactly due to rounding.

The CMD Gold Mine Gross Operating Profit (as defined above) was down 111.2% to a loss of US$0.26 million for the Quarter. A reconciliation of CMD Gold Mine Gross Operating (Loss) / Profit to the IFRS measure Consolidated (Loss) / Profit Before Income Tax is provided in Table 2 below.

Table 2 – Reconciliation of unaudited CMD Gross Operating (Loss) / Profit to unaudited Consolidated (Loss)/ Profit Before Income Tax

		3 months ended March 31, 2014	3 months ended December 31, 2013
CMD Gross Operating (Loss) / Profit (unaudited)	US$000	(262)	2,336
A$ / US exchange rate for the period		0.896	0.9281
CMD Gross Operating (Loss) / Profit (unaudited)	A$000	(292)	2,517
Process inventory and ROM pad adjustment	A$000	2,250	885
Depreciation and amortisation	A$000	(1,870)	(2,041)
Foreign exchange gain / (loss)	A$000	744	511
Revaluation of deferred consideration	A$000	(7)	40
Net finance expense	A$000	(297)	(147)
New venture expenditure written off	A$000	(3)	-
Cost of and fair value adjustments to derivatives	A$000	(838)	34
Other head office related costs	A$000	(365)	(945)
Consolidated (Loss) / Profit Before Income Tax (unaudited)	A$000	(678)	854

Revenue for the Quarter of $23.48 million excludes gold production of 935 ounces that is included in gold produced in Table 1 above, but was not poured until early in April 2014. This gold was included in inventory at March 31, 2014 at a book value of $0.92 million. The Group's expenditure for the Quarter includes $6.49 million of mine development and exploration costs at the CMD Gold Mine in Chile, of which $3.36 million has been capitalised.

A reconciliation of C1 cash costs to the IFRS measure Cost of Sales is provided in Table 3 below.

Table 3 – Reconciliation of cash cost (US$/oz) per ounce to unaudited Cost of Sales

		3 months ended March 31, 2014	3 months ended December 31, 2013
Cash cost per ounce	US$	782	784
Ounces poured		15,747	18,560
Cash costs	US$000	12,317	14,554
A$ / US exchange rate for the period		0.896	0.928
Cash costs	A$000	13,743	15,683
Process inventory provision and ROM pad adjustment	A$000	452	(176)
Depreciation and amortization	A$000	1,870	2,041
Waste costs expensed and amortised	A$000	5,964	4,870
Royalties	A$000	490	492
Other	A$000	29	89
Copper / silver net revenue	A$000	517	661
Cost of sales (unaudited)	A$000	23,065	23,660

Gold production for the March 2014 Quarter was 15,747 ounces, a 15.2% decrease on the December 2013 quarter (18,560 ounces) with an average sale price of US$1,285 per gold ounce. In addition, 11,752 ounces of silver were produced during the Quarter. Gold ounces stacked for the March Quarter of 23,475 ounces were down 14% on the previous quarter due to open pit mine sequencing resulting in a 5% lower grade profile in addition to a 9% reduction in tonnes stacked.

The Company's mine cash margin for the CMD Gold Mine, being defined as gold revenue less royalties, cash costs for ounces produced, inventory movements and waste costs can be represented in Au oz as set out in Table 4 below:

Table 4 – Quarterly mine cash margin represented in Au oz

							Restated	
Gold equivalents for the three months ended:	**Mar-31 2014 A$000**	**Mar-31 2014 Au oz**	**Dec-31 2013 A$000**	**Dec-31 2013 Au oz**	**Sept-30 2013 A$000**	**Sept-30 2013 Au oz**	**Jun-30 2013 A$000**	**Jun-30 2013 Au oz**
Gold revenue	23,143	16,141	24,912	18,262	24,463	16,779	22,112	15,932
Royalties	(490)	(342)	(492)	(360)	(454)	(311)	(392)	(283)
Cash costs for ounces produced	(13,743)	(9,585)	(15,683)	(11,497)	(18,260)	(12,525)	(18,372)	(13,237)
Inventory movements	452	316	(176)	(129)	(1,397)	(958)	963	694
Waste costs	(6,323)	(4,410)	(5,241)	(3,842)	(7,729)	(5,301)	(6,599)	(4,755)
Mine cash margin	3,039	2,120	3,320	2,434	(3,377)	(2,316)	(2,288)	(1,649)
Average gold price (A$)		1,434		1,364		1,458		1,388

Notes:

1. Certain comparative information has been restated as a result of the adoption of IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine*, which has been applied prospectively to production stripping costs incurred on or after July 1, 2012. For further details refer to the *Changes in Accounting Polices, Including Initial Adoption* or Note 1(ii)(iii) and Note 13 to the unaudited consolidated interim financial statements for the 3 and 9 months ending March 31, 2014.

C1 cash costs, which exclude waste costs expensed or amortised and royalties, reduced by US$2 per ounce produced from the previous quarter to US$782 per ounce of gold produced. C1 inclusive cash costs, which include waste costs and royalties, increased by 9.2% quarter on quarter to US$1,170 per ounce of gold produced.

Operating cash flow before changes in non-cash working capital was positive $4.90 million for the Quarter and continues the improvement over the past year as seen from Table 5.

Table 5 – Quarterly cash flow before changes in non-cash working capital

Item	Quarter ending 31 Mar 2014	Quarter ending 31 Dec 2013	Quarter ending 30 Sept 2013	Quarter ending 30 June 2013
Cash flow before changes in non-cash working capital (A$000)	4,900	5,192	1,488	154

Table 6 below shows the cash costs for each quarter over the past year, and the impact of the inventory valuation adjustment (all numbers in US$ per ounce).

Table 6 – Cash Cost (US$ per ounce) and inventory adjustments

Item	Quarter ending 31 Mar 2014	Quarter ending 31 Dec 2013	Quarter ending 30 Sept 2013	(Restated) Quarter ending 30 June 2013
C1 Cash costs with inventory adjustment (US$/oz)	782	784	980	1,128
Cash costs without inventory adjustment (US$/oz)	910	808	821	910
Inventory adjustment effect (US$/oz)	(127)	(24)	159	218

Notes:

1. Certain comparative information has been restated as a result of the adoption of IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine*, which has been applied prospectively to production stripping costs incurred on or after 1 July 2012. For further details refer to the *Changes in Accounting Polices, Including Initial Adoption* or Note 1(ii)(iii) and Note 13 to the unaudited consolidated interim financial statements for the 3 and 9 months ending March 31, 2014.

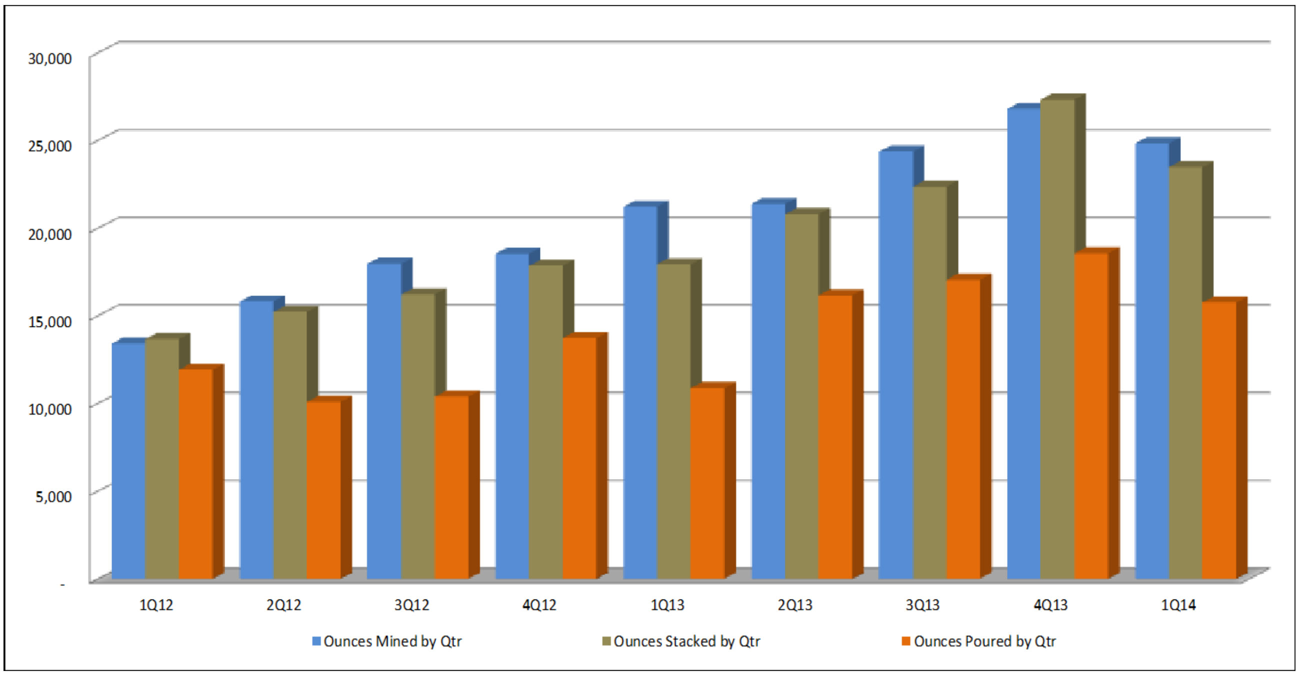
Total costs per tonne of ore stacked increased 8% quarter on quarter to US$15.34 per tonne, still representing some of the lowest unitary cost performance under the company´s ownership. The increase in total costs per tonne was driven by:

- a 23% increase in the waste to ore ratio;
- a 11% increase in mining cost per tonne of ore;
- a 6% increase in process costs per tonne stacked

Figure 1 illustrates the ounces mined, stacked and produced by quarter since the first quarter of 2012. As can be seen in Figure 1, gold mined and stacked has increased rapidly over the past 24 months.

CMD expects increased levels of open pit ore production next quarter, which will result in improved crushing and stacking performance, resulting in higher gold production levels.

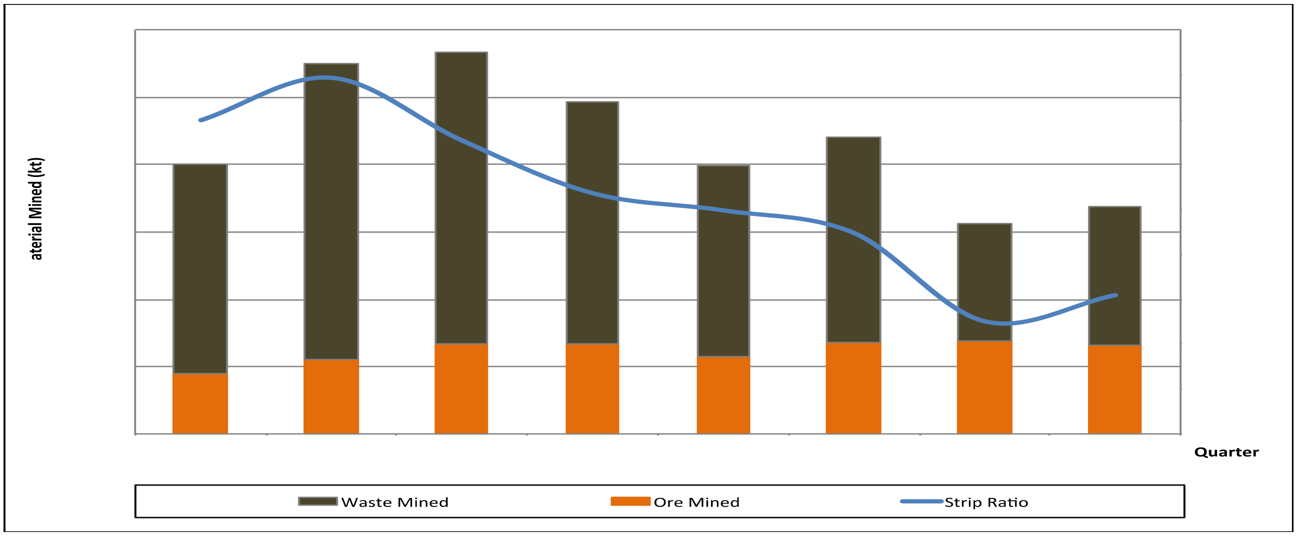
Figure 1 – Quarterly Ounces Mined, Stacked and Gold Produced



Mining

Total ore mined for the Quarter was 1.32 million tonnes for 24,834 contained Au ounces, a decrease of 4.6% and 7.3% respectively from the prior quarter. The waste to ore ratio increased during the quarter to 1.55 to 1 (from 1.26 to 1 in the previous quarter) though is still the second lowest ratio under the Company's ownership. Ore was principally sourced from the Tres Perlas, Churrumata and Chisperos pits, and thirty party ore purchases. Figure 2 shows the mining rate and waste to ore ratio by quarter for the last 8 quarters.

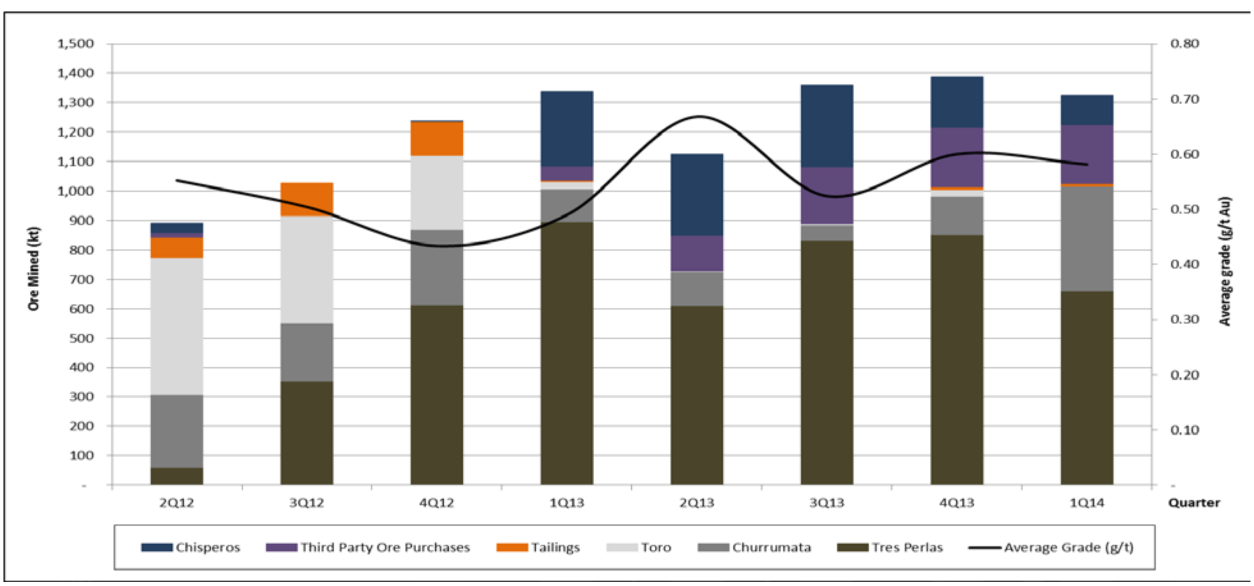
Figure 2 – Material Mined and Waste to Ore Ratio by Quarter



Mining was focussed on the Tres Perlas pit (50% of total ore mined) using the Company's mining fleet, with total quarterly ore production from Tres Perlas decreasing to 41% of the total ounces mined, due to an increase in mining in Churrumata and a decrease in mining in Chisperos, which was completed in March, as illustrated in Figure 3. The Life of Mine waste to ore ratio for the Tres Perlas pit is expected to be around 1:1. The waste to ore ratio at the Chisperos pit averaged 0.57:1 for the quarter, a reflection of the completion of most of the waste mining associated with this pit, which depleted its ore reserves.

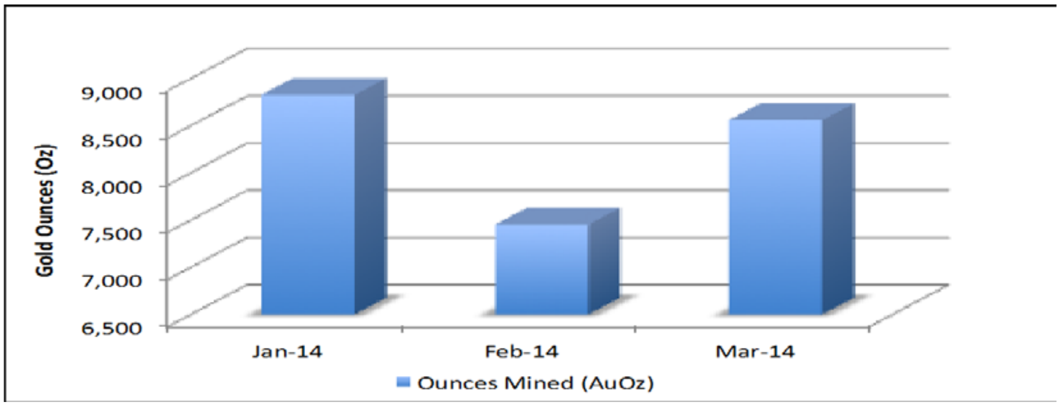
Mining at Tres Perlas has the ability to deliver more tonnage than can currently be processed through the plant, and the pit is shutdown whenever stockpiles exceed 100,000 tonnes of ore in front of the plant. The reason for the lower total ore tonnes mined during the quarter was partially due to lower equipment availability. CMD was operating with only 6 trucks (out of 7) since one truck was offsite for a maintenance overhaul and was only returned to the mine operations late in April 2014.

Figure 3 – Ore Mined by Pit and Quarter



As seen in Figure 4, the ounces mined during the March quarter fluctuated quite substantially during the period. As mining of the Tres Perlas pit continues to the north (Phase 7 and 8) and in the deeper parts of the pit (Phase 6), the grade continues to increase as expected, though Chisperos returned lower than expected grades (average 0.62 g/t) in February, which had a negative impact on ounces mined in February.

Figure 4 – March Quarter Ounces Mined



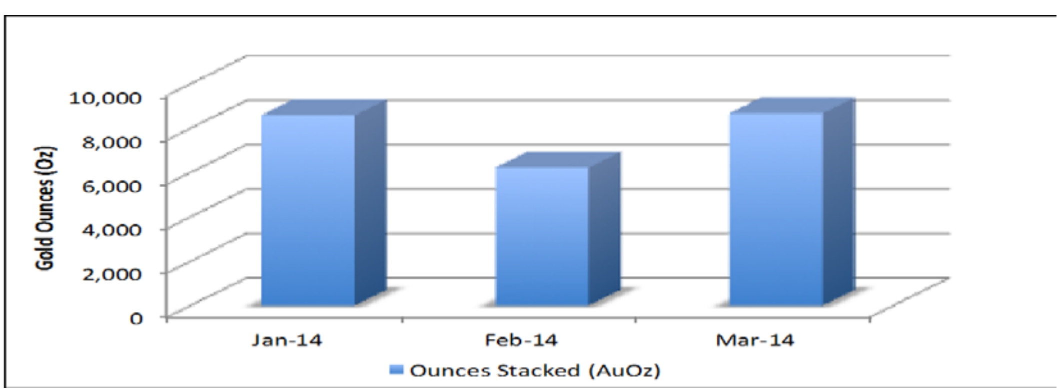
Average mined grades experienced a slight decrease from 0.60 g/t to 0.58 g/t Au, a reduction of 3% quarter on quarter. Grades from the Chisperos pit were significantly lower than budget in the month of February, which was compensated by the increased tonnage and grade of ore purchases.

The Company continues to strengthen its relationships with small miners in the area and ore purchasing continues, with 23% of the ounces mined during the quarter being sourced from third parties and the re-processing of historical tailings. This provides a net positive effect to employment and economic sustainability within the region, as well as a source of ore that can prolong the ultimate life of the operation. The Company has also realised value in mixing on-site old tailings with new ore, resulting in decreased mining costs and production outside of the mineral reserve base.

Processing

Ore tonnage stacked was down 9% quarter on quarter due to the reasons explained above. Consequently, gold ounces stacked were also down 14%, as seen in Figure 5. The reduced ounces stacked were basically the result of lower plant throughput, caused by ore shortage, as availabilities were maintained.

Figure 5 – March Quarter Ounces Stacked



Metallurgical recovery was optimized last year and has been stable during the past two quarters. This has been achieved through the addition of a pre-cyanidation circuit, improved ADR efficiencies, and a more favourable ore blend.

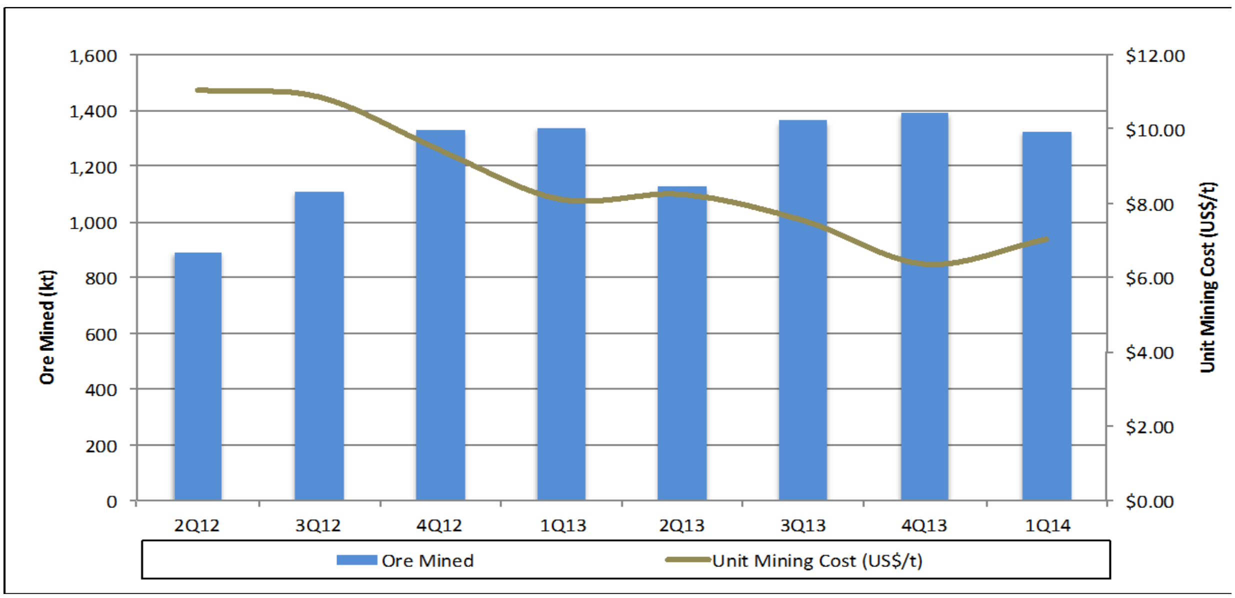
PROJECT COSTS

Mining

Unit mining costs decreased to US$2.76 per tonne moved (from US$2.82 per tonne the previous quarter) due to the impact of higher total tonnes moved offsetting the higher tariffs paid for ore purchases associated with their higher grades, however the mining cost per tonne of ore increased by 11% to US$7.03 as a result of the higher waste to ore ratio. The unit mining rate includes the cost of buying third party ore that has no waste to ore ratio associated with it.

Figure 6 illustrates the quarterly history of mining costs per ore tonne over the last 8 quarters.

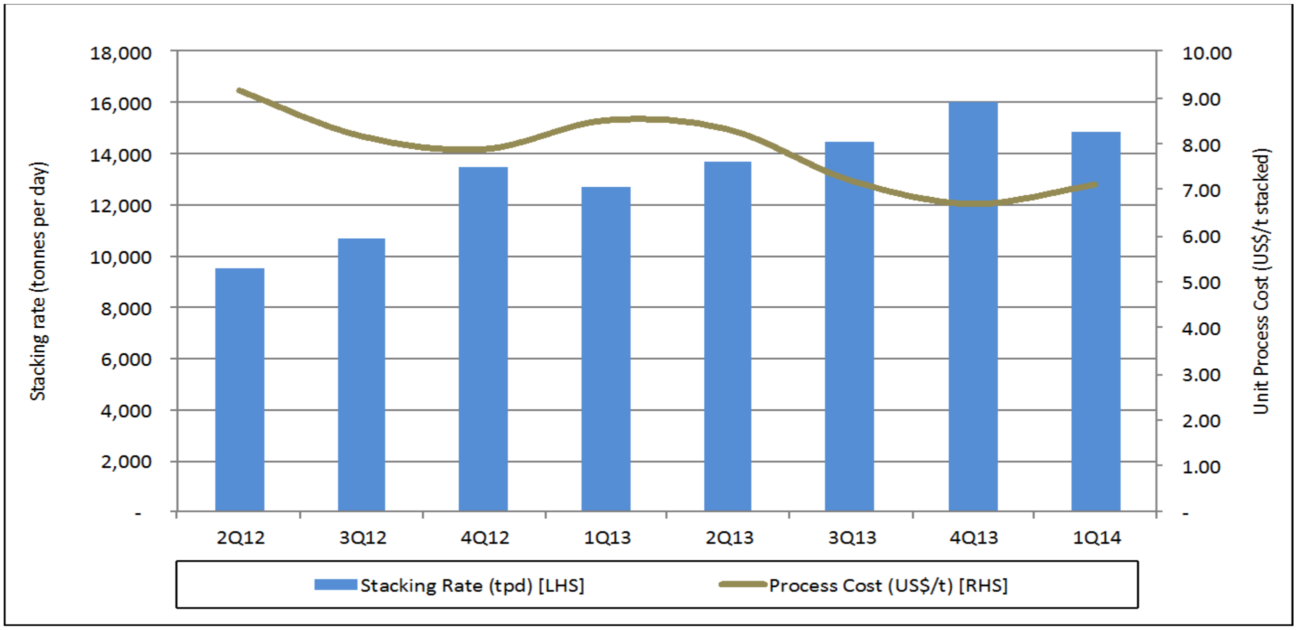
Figure 6 – Ore mined and mining cost per tonne of ore



Ore Processing

Process costs increased to US$7.11 per tonne stacked which was a 6% increase quarter on quarter (Refer Figure 7). Reduced tonnes stacked in the period were the main drivers for the higher process costs as other metrics were in line with plan.

Figure 7– Process cost per tonne stacked



General and Administration (G&A)

G&A costs were reduced by 2% quarter on quarter to US$1.20 per tonne of ore in spite of the lower tonnage stacked.

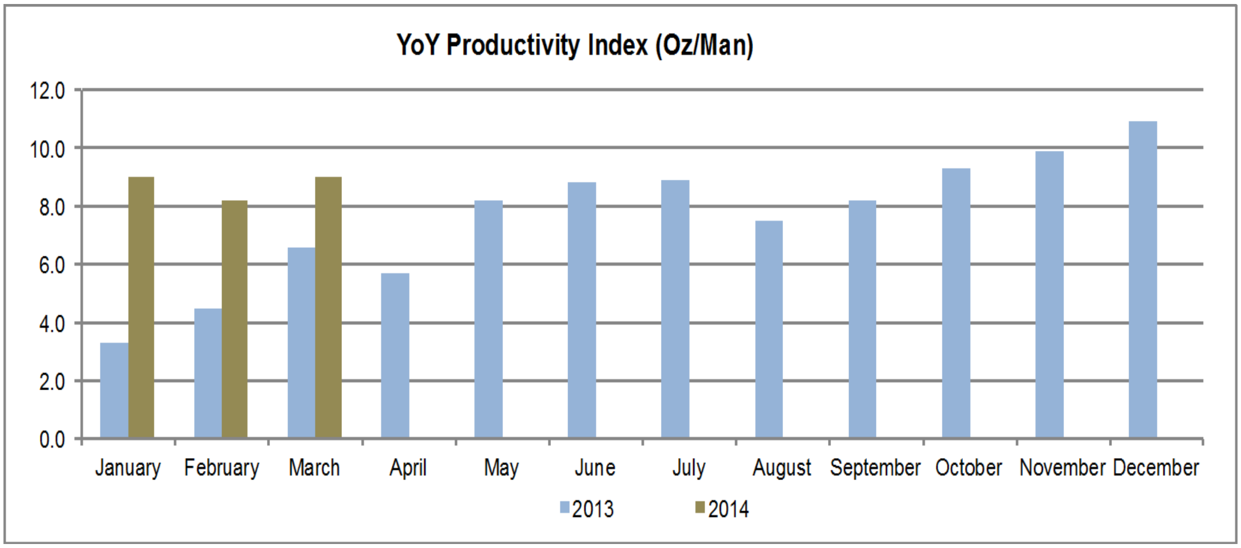
Exploration

A pilot exploration program was carried out during the quarter at the CMD Gold Mine in the area of the Toro vein mineralization, during mid-January to mid-February. The brief program, consisting of 8 inclined drill holes averaging 100 meters length each one, was aimed at testing the mineralization and to add information to the original geological interpretation and ore body modelling based on previous drilling intercepts and grade control assays from blasthole drilling within the open pit mined areas that intercepted the vein system within the “manto” zones. Drilling results ranged from 0.33 g/t to 8.38 g/t in intercepts with 1.0m up to 8.0m. Three new mineralized vein structures were recognized.

Cost Review

The cost review exercise has delivered significant savings over the past two quarters, as evidenced by the fall in the C1 cash costs and the material reductions in unit operating costs. The CMD Gold Mine operations have become more efficient with Figure 8 illustrating the significant achievement of doubling the ounces produced per employee over the past year. It can be noted the improved productivity in the quarter when compared to the corresponding March 2013 quarter.

Figure 8– Productivity Index (Ounces/Employee)

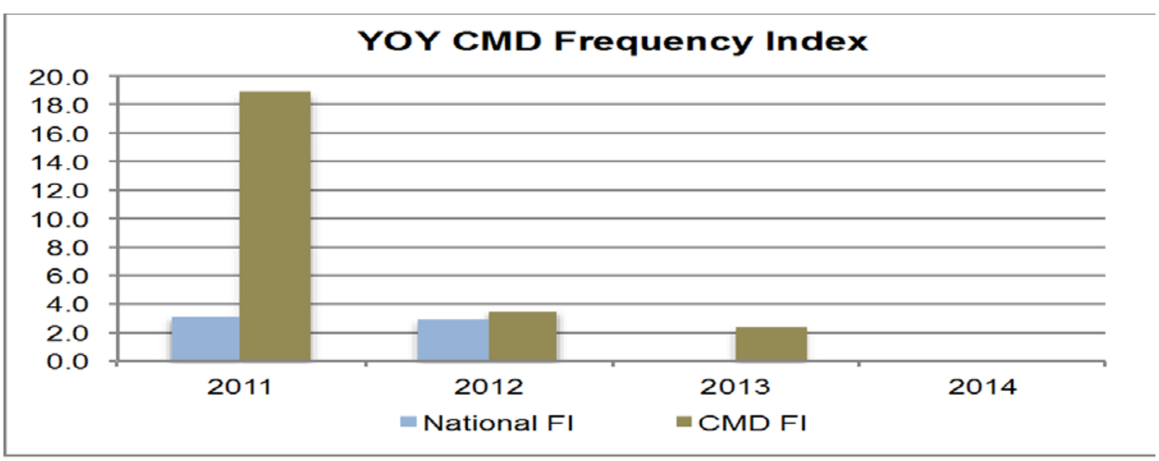


HEALTH AND SAFETY

The Company is committed to achieving the highest performance in occupational health and safety to create and maintain a safe and healthy workplace. The Company's approach to health and safety management is guided by its policy where the safety, health and well-being of employees, contractors and the community are a core value to the Company's operations. A healthy workforce contributes to business success. Lachlan's aim, to achieve this objective, is for zero injuries. Safety is a key focus for management at the CMD Gold Mine and the results of this can be seen in Figure 9 below.

In 2011 the CMD Gold Mine injury frequency rate ("**FI**") was 18.9 compared to a Chilean national average of 3.1. In 2012 this had been reduced to 3.5 and 2.9 respectively. In 2013 the CMD Gold Mine average was reduced further to 2.3, which is likely to be below the Chilean national average (2013 national FI not released by ACHS agency yet). For the March 14 Quarter, the FI was reduced to 0 (zero), which is a strong achievement of the site management team. The FI exclusively reflects CMD records and does not include mining contractors.

Figure 9 – CMD Gold Mine Safety Statistics



On 18 January CMD regrettably recorded a fatality involving a maintenance contractor who was accidentally crushed beneath a water truck after an emergency night shift repair had been completed. The fatality was fully investigated with the assistance of several government authorities and mining operations were temporarily suspended during the investigation.

AUSTRALIA

BUSHRANGER COPPER PROJECT

On September 29, 2011 the Company announced that it had entered into a Farm In Agreement ("the **Agreement**") with Newmont Exploration Pty Ltd, a wholly owned subsidiary of Newmont Mining Corporation ("**Newmont**") covering the Bushranger Copper Project in New South Wales. Under a Deed of Novation between Newmont, Lachlan's subsidiary Ord Investments Pty Ltd and Anglo American Exploration (Australia) Pty Ltd ("**Anglo**") dated January 10, 2014 Newmont's interest has been assigned to Anglo.

The main terms of the Agreement, as amended, are:

(i) Newmont had an 18 month option period ("**Option Period**") to evaluate the Bushranger Copper Project, during which time it must spend a minimum of $0.25 million. Newmont, having exceeded this expenditure, elected to exercise their option to earn a 51% interest in the Bushranger Copper Project by spending a total of $1 million (including expenditures during the Option Period) over a period of 2 years and 6 months from the date of the Agreement (the Farm In Period), now extended for Anglo to May 24, 2014. Expenditure by Newmont and Anglo on the Bushranger Copper Project under the Agreement at the end of the Quarter was $0.67 million.

(ii) At the completion of the Farm In Period, the Company and Anglo will form a Joint Venture owned 49% and 51% respectively, with both parties funding exploration and development on a pro rata basis. Either party may elect to dilute during the Joint Venture.

During the Quarter Anglo performed an airborne magnetic survey and commenced a MIMDAS magnetic survey on the project area. The Exploration Licence expires on June 3, 2015.

FINANCIAL PERFORMANCE

The financial performance of the Group was affected by the continued development of the CMD Gold Mine. The financial performance of the Company is closely linked to the price of gold as the CMD Gold Mine economics are most sensitive to movements in the gold price.

Generally, the mining industry has experienced cost increases related to inflation of cost inputs. The main cost inputs for the CMD Gold Mine are labour, fuel, electricity, general mining costs and cyanide prices. The Company moved to a predominately owner mining operator model at in January 2013 which has reduced mining cost pressure. CMD has redesigned its energy supply matrix to two suppliers which will result in a 25% lower average energy tariff and will amount to an estimated annual cost saving of US$1.5 million in 2014.

As most of the CMD Gold Mine costs are denominated in Chilean pesos and US$, the Group is affected by changes in the Peso / US dollar and AU dollar / US dollar exchange rates. See the discussion under "*Financial Instruments and Related Risks - Market risk – (ii) Foreign Exchange Risk*", below.

The Company raised CDN$9.5 million in October and November 2013 from the issue of 47,500,000 shares to prepay CDN$0.5 million of the Sprott Resources Lending Partnership Loan Facility ("**Sprott Facility**"), mine development costs and for working capital purposes. As at March 31, 2014 the Company had spent CDN$0.5 million of the proceeds to repay the Sprott Facility and CDN$6.78 million of the proceeds on mine development costs and for working capital purposes, including the purchase of gold put options.

SUMMARY OF QUARTERLY RESULTS

Financial Condition

The quarter-on-quarter movements in the financial position of the Group over the last eight quarters are shown below.

Financial position as at:	Mar-31 2014 A$000	Dec-31 2013 A$000	Sept-30 2013 A$000	Restated June-30 2013 A$000	Restated Mar-31 2013 A$000	Restated Dec-31 2012 A$000	Restated Sept-30 2012 A$000	Restated June-30 2012 A$000
Cash and cash equivalents	2,175	4,623	-	2,811	3,103	7,489	8,336	17,412
Total assets	77,506	85,421	79,587	80,178	108,938	97,074	89,136	91,724
Total liabilities	45,943	51,875	57,876	57,564	55,151	39,421	34,192	33,005
Net assets	31,653	33,546	21,711	22,614	53,787	57,653	54,944	58,719

Notes:

1. Certain comparative information from July 1, 2012 has been restated as a result of the adoption of IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine*, which has been applied prospectively to production stripping costs incurred on or after 1 July 2012. For further details refer to the *Changes in Accounting Polices, Including Initial Adoption* or Note 1(ii)(iii) and Note 13 to the unaudited consolidated interim financial statements for the 3 and 9 months ending March 31, 2014.

Cash and cash equivalents

As at March 31, 2014 the Group had cash reserves of $2.18 million, a decrease of $0.64 million from June 30, 2013 (refer "*Cash flow*" below).

Trade and other receivables at March 31, 2014 include $1.50 million for VAT and $2.39 million from the sale of gold, all of which has been received subsequent to Quarter end. Inventories at Quarter end include $0.92 million relating to doré produced but not sold at period end, and to which title passed to Johnson Matthey on April 4, 2014.

The Group's cash bank balances were $3.40 million as at May 8, 2014.

Trade and other receivables

Trade and other receivables have increased by $0.04 million since June 30, 2013. The A$ / US$ exchange rate increased from 1:0.9146 at June 30, 2013 to 1:0.9251 at March 31, 2014 meaning a decrease of $0.05 million in the value of trade and other receivables which are presented in the CMD financial statements in US$.

Derivatives

During the December 2013 quarter the Company purchased gold put options with a strike price of US$1,200 per ounce in respect of 3,000 gold ounces per month from January to June 2014. These derivatives have been fair valued through profit and loss at Quarter end. These put options protect approximately half of the Company's projected production at the price of US$ 1,200 per ounce for the first half of 2014 while allowing the Company to take full benefit of any prices above that level. None of these options were exercised in the March Quarter as the spot gold price remained above US$1,200 at each option maturity date.

Inventories

Inventories have decreased by $2.71 million since June 30, 2013, comprising a $2.48 million decrease in CMD inventories in addition to a $0.23 million decrease as a result of the A$ / US$ exchange rate increasing from 1:0.9146 at June 30, 2013 to 1:0.9251 at March 31, 2014.

The $2.48 million decrease in CMD inventory reflects an increase of 3,436 recoverable ounces in the leachpad with an associated cost of US$4.29 million, a US$4.36 million decrease attributable to the reduced average cost per ounce on the leachpad, a US$0.04 million increase in doré in process inventory, a US$1.00 million increase from the reversal of a leachpad inventory provision to writedown to net realizable value, a US$0.35 million decrease in stockpiles, and a US$2.91 million decrease in stores inventory due to lower stock holding periods.

Mine development properties

Mine development properties have increased by $1.20 million since June 30, 2013, comprising expenditure of $10.41 million offset by a depreciation charge of $8.95 million and a $0.26 million decrease as a result of the A$ / US$ exchange rate increasing from 1:0.9146 at June 30, 2013 to 1:0.9251 at March 31, 2014.

Of the $10.41 million expenditure, $0.30 million relates to exploration at the CMD Gold Mine and $10.11 million to capitalized waste.

Property, plant and equipment

Property, plant and equipment has decreased by $0.48 million since June 30, 2013, comprising expenditure of $2.93 million at the CMD Gold Mine offset by a depreciation charge of $3.14 million and a $0.27 million decrease as a result of the A$ / US$ exchange rate increasing from 1:0.9146 at June 30, 2013 to 1:0.9251 at March 31, 2014.

Deferred tax asset

The June 30, 2013 deferred tax asset of $2.98 million has fallen marginally to $2.82 million at March 31, 2014. The reduction of $0.17 million is mainly a result of the A$ / US$ exchange rate increasing from 1:0.9146 at June 30, 2013 to 1:0.9251 at March 31, 2014.

Total liabilities

As at March 31, 2014, the Group had total liabilities of $45.94 million compared to $57.56 million at June 30, 2013, a decrease of $11.62 million. There was a $5.74 million decrease in trade and other payables in the nine months, partly as a result of the transition to owner operated mining, in addition to a net decrease in borrowings of $2.84 million. Total liabilities decreased by $0.61 million as a result of the A$ / US$ exchange rate increasing from 1:0.9146 at June 30, 2013 to 1:0.9251 at March 31, 2014.

As at March 31, 2014, the Group had $21.17 million in debt obligations consisting of bank loans, leases, and deferred consideration due to the vendors of the CMD Gold Mine.

Contributed equity

The movement in Contributed Equity during the nine months is as follows.

Ordinary shares	**2014 Number**	**2014 $000**
June 30, 2013	99,107,273	215,076
Shares issued for cash	47,500,000	9,684
Shares issued as employee remuneration	725,000	145
Share issue costs	-	(451)
Share based payments expense	-	(65)
March 31, 2014	147,332,273	224,389

Reserves

Reserves of $7.26 million consist of a $0.31 million share based payments reserve, which reflects the fair value of share options at their date of issue, together with a balance of $6.95 million in the foreign exchange reserve.

The $0.13 million reduction in the foreign exchange reserve balance since June 30, 2013 comprises a $0.29 million credit from the translation of CMD financial statements, which are presented in US$, to A$ on consolidation, offset by a $0.42 million unrealized foreign exchange loss on an intercompany balance.

Accumulated losses

The Quarter's increase of $0.68 million in accumulated losses is explained under the heading "*Operating Results*" below.

Cash flow

The quarter-on-quarter movements in the cash flow of the Group over the last eight quarters are shown below.

Cash flows for the three months ended:	**Mar-31 2014 A$000**	**Dec-31 2013 A$000**	**Sept-30 2013 A$000**	**Restated June-30 2013 A$000**	**Restated Mar-31 2013 A$000**	**Restated Dec-31 2012 A$000**	**Restated Sept-30 2012 A$000**	**Jun-30 2012 A$000**
Operating activities	4,194	1,187	3,161	2,794	(883)	(1,228)	(7,124)	(3,071)
Investing activities	(4,203)	(2,907)	(6,223)	(4,638)	(19,680)	(9,210)	(2,873)	(6,708)
Financing activities	(2,351)	6,369	162	1,763	16,158	9,591	922	14,654

Notes:

1. Certain comparative information from July 1, 2012 has been restated as a result of the adoption of IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine*, which has been applied prospectively to production stripping costs incurred on or after 1 July 2012. For further details refer to *the Changes in Accounting Polices, Including Initial Adoption* or Note 1(ii)(iii) and Note 13 to the unaudited consolidated interim financial statements for the 3 and 9 months ending March 31, 2014.

The operating activities inflow of $4.19 million for the Quarter reflects the net cash inflow from operations at the CMD Gold Mine of $5.01 million, net of corporate overhead of $0.36 million, and net interest expense of $0.46 million.

Investing activities in the Quarter of $4.20 million reflect $0.84 million property, plant and equipment costs and capitalised development work at the CMD Gold Mine of $3.36 million.

Financing activities net outflows of $2.35 million in the Quarter reflect $2.33 million repayment of borrowings and $0.02 million share issue costs.

The Company's quarterly cash flows from operating activities before changes in non-cash working capital for the last four quarters are set out below:

	3 mth Mar-31 2014 A$000	3 mth Dec-31 2013 A$000	3 mth Sept-30 2013 A$000	3 mth June-30 2013 A$000
Cash flows from operating activities before changes in non-cash working capital	4,900	5,192	1,488	154

Operating Results

The quarter-on-quarter movements in the operating results of the Group over the last eight quarters are shown below.

Operating results for the three months ended:	**Mar-31 2014 A$000**	**Dec-31 2013 A$000**	**Sept-30 2013 A$000**	**Restated June-30 2013 A$000**	**Restated Mar-31 2013 A$000**	**Restated Dec-31 2012 A$000**	**Restated Sept-30 2012 A$000**	**Jun-30 2012 A$000**
Revenue	23,478	25,397	24,696	22,182	17,576	21,623	16,249	15,892
Other income	17	5	1	6	29	46	68	615
Cost of sales	(23,065)	(23,660)	(23,953)	(27,555)	(20,058)	(25,489)	(19,426)	(18,514)
Impairment loss	-	-	-	(26,947)	--	-	-	-
Total net operating expenses	(24,173)	(24,548)	(25,161)	(54,776)	(21,521)	(25,870)	(21,691)	(19,912)
Net (loss) / profit before tax	(678)	854	(464)	(32,588)	(3,916)	(4,201)	(5,374)	(3,405)
Net (loss) / profit after tax	(678)	728	(464)	(43,742)	(3,718)	(3,621)	(2,761)	(3,124)
Basic (loss) / profit per share (cents)	(0.5)	0,4	(0.5)	(33.4)	(4.3)	(4.7)	(2.6)	(4.1)
Diluted (loss) / profit per share (cents)	(0.5)	0.4	(0.5)	(33.4)	(4.3)	(4.7)	(2.6)	(4.1)

Notes:

1. Certain comparative information from July 1, 2012 has been restated as a result of the adoption of IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine*, which has been applied prospectively to production stripping costs incurred on or after 1 July 2012. For further details refer to the *Changes in Accounting Polices, Including Initial Adoption* or Note 1(ii)(iii) and Note 13 to the unaudited consolidated interim financial statements for the 3 and 9 months ending March 31, 2014.

A review of the quarter ended March 31, 2014 as compared to the quarter ended March 31, 2013 is provided below.

Revenue

	Quarter ended Mar-31 2014 $000	**Quarter ended Mar-31 2013 $000**
Sale of gold	23,143	17,610
Sale of silver (net of refining)	124	(34)
Sale of copper	211	-
	23,478	17,576

Revenue is from the sale of metals, mainly gold, by the CMD Gold Mine, acquired on December 24, 2010. Revenue for the Quarter includes 16,141 ounces of gold at an average achieved sale price of US$1,285 per ounce (March 2013 Quarter: 11,191 ounces of gold at an average achieved sale price of US$1,635 per ounce).

Other income

Other income of $0.02 million for the Quarter consists of interest income (March 2013 Quarter: $0.03 million).

Cost of sales

	Quarter ended Mar-31 2014 $000	**Restated Quarter ended Mar-31 2013 $000**
Depreciation and amortisation	4,704	4,401
Gold in process, doré and stockpile adjustments	(1,785)	(2,193)
Mine operational expenses	4,954	5,276
Reagents	4,862	3,955
Utilities, maintenance	5,404	4,471
Personnel expenses	3,803	3,243
Royalties	490	305
Other expenses	633	600
	23,065	20,058

Cost of sales relates to costs attributable to the operation of the CMD Gold Mine and includes $3.13 million of waste costs direct expensed (March 2013 Quarter: $3.37 million).

Utilities and maintenance costs have increased as a result of the higher maintenance costs associated with the 17% increased in stacked tonnes. The use of direct employees for the CMD mining fleet is also part of the reason for the increase in personnel costs, compared to the March 2013 quarter when the fleet was being ramped up.

The fall in mine operational expenses is a direct result of the 32% reduction in mined tonnes, being a reduction of over 1.5 million tonnes of waste, and the switch from mining contractors to a an owner operated mining fleet.

The cost of sales on all line items expressed in A$ are higher in the Quarter compared to the March 2013 quarter as a result of the A$/US$ exchange rate depreciating 13.7% from 1:1.0389 in the March 2013 quarter to 1:0.8962 in the March 2014 Quarter.

The International Accounting Standards Board published IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* on 19 October 2011*,* applicable in Australia as Interpretation 20*.* The interpretation, which is applicable to the Company for the financial period commencing July 1, 2013, sets out the accounting for overburden waste removal (stripping) costs in the production phase of a surface mine. The interpretation must be applied retrospectively and the group has to write off existing stripping cost asset balances to retained earnings on the date of transition (July 1, 2012) unless they relate to an identifiable component of the ore body. For further details refer to the section *Critical Accounting Estimates* or Note 1(ii)(iii) and Note 13 to the unaudited consolidated interim financial statements for the 3 and 9 months ending March 31, 2014.

Deferred stripping (waste) costs are capitalised in any month where the actual stripping ratio exceeds the ore body life of mine average stripping ratio, in which case costs relating to the waste tonnes mined over and above the ore body life of mine stripping ratio are capitalised. In months where waste tonnes mined fall below the life of mine stripping ratio all waste costs are expensed. Cost of sales for the March 2014 Quarter includes $5.96 million (March 2013 quarter: $5.63 million) waste costs expensed and amortised.

The March 2014 Quarter depreciation and amortisation charge of $4.70 million (March 2013 Quarter: $4.40 million) includes $Nil (March 2013 Quarter: $0.40 million) relating to amortisation on the uplift in fair values of assets recognized on acquisition of the CMD Gold Mine and $2.83 million (March 2013 Quarter: $2.27 million) waste amortisation. The majority of the increase in the depreciation and amortization charge results from the A$/US$ exchange rate depreciating 13.7% from 1:1.0389 in the March 2013 quarter to 1:0.8962 in the March 2014 Quarter.

Gold in leach pad inventories are valued based on the historical recovery of ounces from the pads using a rolling average of costs incurred, including leaching costs. Movements in the value of leach pad inventories are included in cost of sales. During the March 2014 Quarter 1,828 recoverable ounces were added to the leachpad (March 2013 Quarter: 2,210 increase in recoverable ounces).

The gold in process, doré and stockpile inventory adjustment for the March 2014 Quarter includes a $Nil provision to to write the cost of the leachpad down to net realizable value (March 2013 quarter: $1.03 million provision reversal).

Corporate compliance and management

Corporate compliance and management costs of $0.40 million for the Quarter (March 2013 Quarter: $0.61 million) reflect costs associated with the management of the CMD Gold Mine, corporate office costs, and the costs of a listed company on the ASX and TSX.

Occupancy costs

Occupancy costs are minimal. The Company relocated to smaller premises in December 2013 with annual rental and outgoing costs of less than $0.02 million per annum.

Foreign exchange gain / loss

The foreign exchange gain of $0.74 million (March 2013 Quarter: $0.43 million loss) arises from net unrealised losses on the Company's holdings of US$ and CDN$ cash and cash equivalents, a net gain on its CDN$ borrowings, and foreign exchange gains on payables denominated in Chilean Pesos translated to the functional currency of CMD, being US$. During the Quarter the US$: Chilean Peso exchange rate strengthened from 1:525 to 1:550.

New venture investigation expenditure written off

Expenditure of $Nil for the Quarter (March 2013 Quarter: $0.07 million) reflects Lachlan's expenditure investigating new venture opportunities.

Finance expense

Finance expense of $0.64 million for the Quarter (March 2013 Quarter: $0.77 million) consists of bank and financial institution interest, together with the foreign exchange gain / loss on financial liabilities. The March 2013 Quarter costs included the bank fees associated with securing the Sprott CDN$5 million credit facility.

Fair value gain / loss on deferred consideration

The acquisition cost for the CMD Gold Mine included contingent deferred consideration payments relating to the achievement of specified gold production, in particular:

a) 2.5% of the value of the gold produced from the existing open pit inventory contained within the pit designs and other specific deposits with mineralisation that may be economically exploited using open pit methods (the "Mineral Inventory" collectively) between 1 January 2011 and the Payment End Date, being the later of (i) 31 December 2014, or (ii) the end of the thirtieth full month following the end of the month in which the Company (or its successor in interest) has completed the mining of all of the estimated reserves contained, as of 24 December 2010, within the pits the subject of the Deferred Consideration Agreement provided that if such date is after 31 December 2014 due to any action or circumstance that was not willingly and knowingly caused by the Company, the Payment End Date shall be 31 December 2014; and

b) 25% of the value of the gold produced from the Mineral Inventory between 1 January 2011 and the Payment End Date over and above 119,000 ounces

The March 2014 Quarter loss of $0.01 million (March 2013 Quarter: $0.48 million gain) reflects a re-assessment of the potential liability during the Quarter.

Income tax

The income tax charge for the Quarter was $Nil (March 2013 Quarter: $0.20 million credit) consists of:

(i) $Nil (March 2013 Quarter: $0.11 million credit) related to the recognition of a deferred tax asset in respect of the utilization of income tax losses and timing differences of CMD.

(ii) $Nil (March 2013 Quarter: $0.09 million credit) relating to the deferred tax impact of the unwinding of the fair value adjustments taken up on the acquisition of the CMD Gold Mine. These fair value adjustments were fully written off as part of the impairment charge in the June 2013 quarter.

Exchange difference on translation of foreign operations

The $0.13 million charge to the foreign exchange reserve balance since June 30, 2013 comprises a $0.42 million unrealized foreign exchange loss on an intercompany balance offset by a $0.29 million credit from the translation of CMD financial statements, which are presented in US$, to A$ on consolidation. The movement is required to be shown on the face of the statement of profit or loss and comprehensive income as a reconciling item to total comprehensive income.

Earnings per Share

Earnings per share reflects the underlying result for the Quarter. Given all share options are out the money at Quarter end they are not considered to be dilutive and diluted loss per share is the same as basic loss per share.

LIQUIDITY, CAPITAL RESOURCES AND COMMITMENTS

During the last three years, the Group has accessed equity capital markets and debt as its primary source of funding to finance its activities. Gross proceeds of $10.21 million were raised from the issue of Ordinary Shares and from the exercise of share options and warrants during the year ending June 30, 2013, and $32.07 million during the year ending June 30, 2012.

On February 13, 2013 the Company drew down a CDN$5 million Facility with Sprott of which CDN$0.5 million was repaid on 9 October 2013. The terms of the Facility, which was due for repayment on 13 February 2014, have been amended such that the remaining Facility of CDN$4.5 million will be partly repaid over the next 12 months through the payment of 12 monthly principal repayments of CDN$187,500, the repayment of CDN$1 million by 30 September, 2014, and the payment of an extension fee.

On September 30, 2013 the Company announced that it had entered into subscription agreements with accredited North American and European investors to raise a total of CDN$8 million in two tranches at an issue price of CDN$0.20 a share from the issuance of 40 million ordinary shares. The first tranche was completed on October 2, 2013 and the second tranche on November 8, 2013, subsequent to receiving shareholder approval on November 4, 2013. Finder's fees totalling 3% cash and 1,155,431 warrants with a term of 2 years and an exercise price of CDN$0.30 per warrant have been paid and issued respectively in relation to this placement. The net proceeds of the private placement have been used to prepay CDN$0.5 million against the outstanding Sprott Facility balance of CDN$5 million and are being used to fund development and working capital at the Company's 100% owned CMD Gold Mine in Chile.

On November 8, 2013 the Company announced that it had entered into a subscription agreement with accredited North American investors to raise a total of CDN$1.5 million from the issuance of 7.5 million ordinary shares within the company's capacity to issue shares without shareholder approval. The issue was completed on November 8, 2013. Finder's fees totalling 5% cash and 375,000 warrants with a term of 2 years and an exercise price of CDN$0.30 per warrant have been paid and issued respectively in relation to this placement. The net proceeds of the private placement are being used to fund development at the Company's 100% owned CMD Gold Mine in Chile and for working capital purposes.

See under the heading "*Financial Condition*", above, the table summarizing the movements in the financial position of the Group over the last eight quarters and the discussion of cash and cash equivalents.

The following table sets forth information regarding the Group's contractual obligations as at March 31, 2014:

	Payments Due				
Contractual Obligations	**Total**	**Less than 1 Year**	**1 - 2 years**	**3 - 5 Years**	**After 5 Years**
	$ million	**$ million**	**$ million**	**$ million**	**$ million**
Exploration commitments(1)	—	—	—	—	—
Borrowings(2)	$21.17	$10.45	$5.61	$5.11	—
Trade And Other Payables	$19.05	$19.05	—	—	—
Provisions(3)	$5.70	—	—	$5.70	—
Other(4)	$38.51	$23.92	$12.97	$1.62	—

Notes:

(1) The Company's mineral rights in Chile are not subject to minimum expenditures on exploration activities.

(2) See the discussion in the sections entitled "*Total liabilities*" under the heading "Financial Condition" above. The Group had no unused banking facilities at May 12, 2014.
(3) Provisions relate to Chilean site restoration and employee termination obligations.
(4) "Other" relates to future commitments arising out of contracts in place as at March 31, 2014 at the CMD Gold Mine, primarily for mining related supplies, fleet maintenance, power, and cyanide.

The net proceeds of (i) a CDN$5 million secured debt facility with Sprott Resource Lending Partnership dated February 13, 2013 of which CDN$0.5 million was repaid on October 9, 2013 (see "*Cash and cash equivalents"* above) (ii) gross proceeds of CDN$9.5 million received from private equity placements completed in the previous quarter as described above are anticipated to be sufficient, together with cash flows from operations and additions to working capital as required, to finance the current exploration program and operations and to meet all other contractual, corporate and administrative costs for the Company for the ensuing 12 months. The actual expenditures for exploration and drilling will depend on a number of factors including the success of the drilling or exploration program, as the case may be.

The Company intends to finance its working capital requirements and planned growth and development activities from existing cash balances, finance facilities noted above and cash flows from operations. However, further financing may be required to fund increases in capital expenditure or for operational expenditure or working capital purposes at the CMD Gold Mine. Expenses will be financed from cash flow from operations to the extent possible. Net cash generated from operating activities in the March 2014 Quarter was $4.19 million. It is anticipated that further funds would be obtained by asset sales, or additional debt or equity raisings.

Based on the economics of the CMD Gold Mine the Company believes that it will be able to raise such funds through additional financings if required. However, there is no assurance additional financing will be available, as and when required, or if available, that it will be on terms acceptable to the Company. See "*Risk Factors — Need for Additional Capital*" in the Company's 2013 AIF, available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.lachlanstar.com.au.

COMMITMENTS

The Company had no material capital commitments at Quarter end.

OFF BALANCE SHEET ARRANGEMENTS

There are no material off-balance sheet arrangements as at March 31, 2014.

TRANSACTIONS WITH RELATED PARTIES

Remuneration (including salaries, directors' fees and the issue of share options) was paid or is payable to the directors of the Company in the normal course of business. The Company pays its non-executive directors consulting fees for extra services, if any, performed outside of normally expected non-executive duties. These transactions are made on commercial terms and conditions and at market rates.

The consolidated entity recharged $1,890 and was recharged $10,242 on an arm's length basis during the March 2014 Quarter to Nevada Iron Limited, a company of which Mr Michael McMullen is Chairman, for office rent, administration staff, and car parking. Mr McMullen resigned as a director of Lachlan Star Limited on April 6, 2014.

CRITICAL ACCOUNTING ESTIMATES

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

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

Impairment

a) March 31, 2014

The Company is required to make a formal estimate of recoverable amount of an asset if an indicator of impairment is present. A number of primary indicators of impairment in respect of the Company's CMD Gold Mine assets were reviewed at March 31, 2014 and it was concluded that there was no impairment indicator requiring mining assets to be tested for impairment at that date.

(b) June 30, 2013

There were a number of impairment indicators over the CMD Gold Mine assets at June 30, 2013, in particular (i) a CMD Gold Mine pre-tax loss before any impairment loss for the year of $14.40 million (ii) a consolidated net current asset deficiency of $17.38 million at June 30, 2013 (iii) an April 2013 share placement to which an applicant has failed to subscribe funds of CDN $8.79 million under a binding subscription agreement (iv) a Company market capitalisation of $20.8 million at September 27, 2013 compared to consolidated net assets carrying value (pre impairment) of $56.30 million at June 30, 2013 (v) a gold price that fell 30% from US$1,694 / oz at January 1, 2013 to US$1,192 / oz at June 30, 2013, but subsequently rose to US$1,341/ oz at September 27, 2013. The recoverability of the carrying amount of property, plant and equipment and mine development properties was reviewed by the consolidated entity. In conducting the review, the recoverable amount was assessed by reference to the higher of 'fair value less costs to sell' and 'value in use'.

Recoverable amount assessments are principally based on discounted cash flow analysis which requires the use of estimates and judgements in relation to a range of inputs including (a) quantities of ore reserves and mineral resources for which there is a high degree of confidence of economic extraction; (b) discount rates; (c) timing of future production; (d) future exchange rates and commodity prices; and (e) future costs of production and capital expenditure. Regard has been given to external consensus forecasts of key assumptions where available. Recoverable amount is most sensitive to forecast commodity prices. Recoverable amount was fair value less costs to sell. Fair value was determined by a discounted cashflow analysis covering projected production from 2013 to 2019 using a post-tax discount rate of 9%. The impairment loss of $26.95 million for the June 2013 year (subsequent to the adoption of IFRIC 20, see *Changes in Accounting Polices Including Initial Adoption* below) was attributed to asset categories including 100% of the goodwill ($0.19 million) calculated on the acquisition of the CMD Gold Mine in December 2010.

The assumption to which the recoverable amount was most sensitive is the gold price. The following gold prices, being the "medium" financial institution consensus forecasts, were used as inputs in the discounted cashflow analysis:

	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Gold price US$ / oz	1451	1400	1400	1400	1400	1350	1350

Variations to the expected future cash flows, and timing thereof, can result in significant changes to the impairment test results which could in turn impact future financial results, including the potential for the impairment loss to partially or totally reverse, other than goodwill impairment

The financial statement line items affected by this critical accounting estimate at June 30, 2013 (subsequent to the application of IFRIC 20, refer to the section *Critical Accounting Estimates* or Note

1(ii)(iii) and Note 13 to the unaudited consolidated interim financial statements for the 3 and 9 months ending December 31, 2013) were "Property, plant and equipment" (reduction of $11.42 million), "Mine development properties" (reduction of $15.34 million) and Goodwill (reduction of $0.19 million) in the Consolidated Statement of Financial Position, and "Impairment loss" in in the Consolidated Statement of Profit or Loss and Other Comprehensive Income (increase of $26.95 million).

Provisions

The Group has recognised a provision for environmental restoration. This provision has been measured based on management's estimates of the probable amount of resources that will be required to settle the obligation and the timing of settlement. Such estimates are subjective and there may be a future need to revise the book value of the provision as a result of changes in estimates.

The financial statement line items affected by this critical accounting estimate are "Provisions" in the Consolidated Statement of Financial Position and "Cost of sales" in the Statement of Profit or Loss and Other Comprehensive Income.

Functional currency

The financial performance and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at statement of financial position date; and
- income and expenses are translated at transaction date or average exchange rates for the period, whichever is more appropriate

Resulting exchange differences arising on translation of foreign operations are recognised in other comprehensive income and are transferred directly to the Group's foreign currency translation reserve as a separate component of equity. These differences are recognised in profit or loss upon disposal of the foreign operation.

Companies in the Group have to determine their functional currencies based on the primary economic environment in which each entity operates. In order to do that management has to analyse several factors, including which currency mainly influences sales prices of product sold by the entity, which currency influences the main expenses of providing services, in which currency the entity has received financing, and in which currency it keeps its receipts from operating activities.

For subsidiaries CMD and DCEM, the above indicators are mixed and the functional currency is not obvious. Management used its judgement to determine which factors are most important and concluded the U.S. dollar is the functional currency for those companies. Management has determined that the Australian dollar is the functional currency for Lachlan and its other subsidiaries given their revenue and expenditure are mostly in Australian dollars.

The financial statement line items affected by this critical accounting estimate is "Reserves" and all assets and liabilities of foreign operations whose functional currency is different from the Group's presentation currency in the Consolidated Statement of Financial Position, and "Foreign exchange gain / (loss)" in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Recovery of ounces of gold in leach pad inventories

Management has estimated the recovery of gold in the leach pad at the CMD Gold Mine based on recovery rates experienced after the September 2000 shutdown. Management evaluate this estimate on an ongoing basis for any changes that may result in adjustments to the financial statements.

The financial statement line items affected by this critical accounting estimate are “Inventories” in the Consolidated Statement of Financial Position and “Cost of sales” in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Income taxes

The Group is subject to income taxes in Australia and jurisdictions where it has foreign operations. Significant judgement is required in determining the provision for income taxes. There are certain transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group estimates its tax liabilities based on the Group's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

In addition, the Group may recognise deferred tax assets relating to carried forward tax losses to the extent it is believed there will be sufficient future taxable profits against which the unused tax losses can be utilised. However, utilisation of the tax losses also depends on the ability of a subsidiary, which is not part of the tax consolidated group, to be able to satisfactorily substantiate its tax losses at the time they are recouped. It is believed the subsidiary tax losses can be substantiated.

At June 30, 2013 the impairment indicators that resulted in the testing for impairment of the CMD Gold Mine assets and a subsequent impairment loss of $26.95 million (refer *Impairment loss* above) resulted in a partial de-recognition of deferred tax assets at that date.

The financial statement line items affected by this critical accounting estimate at June 30, 2013 were “Deferred tax asset” (reduction of $10.63 million) in the Consolidated Statement of Financial Position and “Income tax expense” (increase of $10.63 million) in the Consolidated Statement of Profit of Loss and Other Comprehensive Income.

Reserve estimates

Reserves are estimates of the amount of product that can be economically and legally extracted from the consolidated entity's properties. In order to calculate reserves, estimates and assumptions are required about a range of geological, technical and economic factors. Estimating the quality and/or grade of reserves requires the size, shape and depth of ore bodies to be determined by analysing geological data such as drilling samples. This process may require complex and difficult geological judgements and calculations to interpret the data. The group is required to determine and report ore reserves in Australia under the principles incorporated in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012, known as the JORC Code.

The Group is also required to determine and report mineral reserves in Canada pursuant to NI 43-101. Both the JORC Code and NI 43-101 require the use of reasonable investment assumptions to calculate reserves.

As the economic assumptions used to estimate reserves change from period to period, and as additional geological data is generated during the course of operations, estimates of reserves may change from period to period. Changes in reported reserves may affect the group's financial results and financial position in a number of ways, including recognition of deferred tax on mineral rights, deferred mining expenditure and capitalisation of mine development costs, and units of production method of depreciation and amortisation.

The financial statement line items affected by this critical accounting estimate are “Mine development properties” and “Property, plant and equipment” in the Consolidated Statement of Financial Position and “Cost of sales” in the Consolidated Statement of Profit of Loss and Other Comprehensive Income.

Exploration and evaluation expenditure

Expenditure which does not form part of the cash generating units assessed for impairment has been carried forward on the basis that exploration and evaluation activities have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in relation to the area are continuing. Exploration expenditure incurred that does not satisfy the policy stated above is expensed in the period in which it is incurred. Exploration expenditure that has been capitalised which no longer satisfies the policy stated above is written off in the period in which the decision is made.

The financial statement line items affected by this critical accounting estimate are “Exploration and evaluation” in the Consolidated Statement of Financial Position and “Exploration and evaluation expenditure” in the Consolidated Statement of Comprehensive Income.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after July 1, 2013. As a result of this review, the directors have determined that there is no change necessary to Group accounting policies other than in respect of IFRIC 20 as set out below.

The International Accounting Standards Board published IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* on 19 October 2011, applicable in Australia as Interpretation 20. The interpretation, which is applicable to the Company for the financial period commencing July 1, 2013, sets out the accounting for overburden waste removal (stripping) costs in the production phase of a surface mine. The main requirements of the interpretation are as follows:

- Waste removal costs (stripping costs) incurred in the production phase of a surface mine are accounted for in accordance with IAS 2 *Inventories* to the extent they relate to current period production.

- Production stripping costs are recognized as a non-current asset (“stripping activity asset”) if all the following criteria are met (i) it is probable that future economic benefits will flow to the entity (ii) the entity can identify the component of the ore body to which access has been improved (iii) the costs incurred can be measured reliably. The stripping activity asset is amortised over the useful life of the component of the ore body to which access has been improved.

- When the costs of a stripping activity asset versus current period inventory are not separately identifiable, costs are allocated based on a production method.

- Application of the interpretation is on a prospective basis, with transitional adjustments being recognized in opening retained earnings.

The interpretation must be applied retrospectively and the group has to write off existing stripping cost asset balances to retained earnings on the date of transition, unless they relate to an identifiable component of the ore body. Management has determined that $3.99 million of stripping costs capitalized at July 1, 2012, being the statement of financial position as at the beginning of the immediately preceding comparative period, cannot be attributed to an identifiable component of an ore body.

For further details on the financial impacts of this change in accounting policy refer to Note 1(ii)(iii) and Note 13 to the unaudited consolidated interim financial statements for the 3 and 9 months ending March 31, 2014. The adoption of the accounting policy has not nor is likely to result in any breach of debt covenants.

FINANCIAL INSTRUMENTS AND RELATED RISKS

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

The Group's overall risk management approach focuses on the unpredictability of financial markets and seeks to minimize the potential adverse effects on the financial performance of the Group. Other than the gold put options noted under the section *Commodity price risk* below the Group does not currently use derivative financial instruments to hedge financial risk exposures and therefore it is exposed to daily movements in commodity prices, interest rates and exchange rates. The Group uses various methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rates and ageing analysis for credit risk.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor, and market confidence and to sustain future development of the business. Given the stage of the Group's development there are no formal targets set for return on capital. There were no changes to the Group's approach to capital management during the Quarter. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

Credit risk

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

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

Receivables relate principally to amounts due to the Group by Johnson Matthey for shipments of doré pending final settlement. Johnson Matthey is considered to be of high credit quality and management has assessed the risk of default as minimal.

There has been no significant change in the Company's exposure to credit risk or its objectives and policies for managing this risk during the Quarter.

Market risk

(i) Interest rate risk

The significance and management of the risks to the Group is dependent on a number of factors including interest rates (current and forward) and the currencies that are held; level of cash and liquid investments and borrowings; maturity dates of investments and loans; and the proportion of investments and borrowings with fixed rate or floating rates. The risk is managed by the Group maintaining an appropriate mix between fixed and floating rate investments.

There has been no significant change in the Company's exposure to interest rate risk or its objectives and policies for managing this risk during the Quarter.

(ii) Foreign exchange risk

The Group is exposed to foreign exchange risk on metal sales proceeds and mining costs which are quoted in currencies (US$ and Chilean Peso) other than the functional currency of the Company, being the A$, and cash balances held in US$ and CDN$. The Group does not hedge this risk, however it continues to monitor these exchange rates so that this currency exposure is maintained at an acceptable level. There is a natural hedge in place to the extent US$ costs are covered by US$ revenues. Cash assets are held in Australian dollars, United States dollars, Canadian dollars and Chilean Pesos.

The major exchange rates relevant to the Group for the Quarter were as follows:

	Average for quarter ended Mar 31, 2014	**As at Mar 31, 2014**
A$ / US$	0.8962	0.9251
A$ / CDN$	0.9880	1.0235
US$ / Peso	552	550
A$ / Peso	494	509

There has been no significant change in the Company's exposure to foreign exchange rate risk or its objectives and policies for managing this risk during the Quarter.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due. The Group's approach to managing this risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under a range of financial conditions. There has been no significant change in the Company's exposure to liquidity rate risk or its objectives and policies for managing this risk during the Quarter.

Commodity price risk

Commodity price risk is the risk of financial loss resulting from movements in the price of the Group's commodity output, being mainly gold, which is denominated in US$.

During the December 2013 quarter the Company purchased gold put options in respect of 3,000 gold ounces per month from January to June 2014 with a strike price of US$1,200 per ounce. These put options were to protect approximately half of the Company's projected production at the price of US$ 1,200 per ounce for the first half of 2014 while allowing the Company to take full benefit of any prices above that level. None of the put options were exercised in the March Quarter. The purchase of additional gold put options and other derivative instruments relating to future periods remains under review.

CONTINGENT ASSETS AND LIABILITIES

A mining contractor has submitted a claim against a subsidiary for compensation as a result of their mining contract not being renewed in August 2013. The subsidiary considers this an ambit claim and has submitted a strong and well-founded response, the purpose of which is to obtain a favourable ruling that completely rejects the former contractor´s claim.

There have been no other changes of a material nature in contingent liabilities or contingent assets since the last annual reporting date.

SUBSEQUENT EVENTS

Since March 31, 2014 the directors of the Company are not aware of any other matter or circumstance that has not been discussed in this MD&A that has significantly or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent quarters.

OUTSTANDING SECURITIES DATA

The Company presently has 147,332,273 Ordinary Shares that are issued and outstanding. The Company presently has the following issued and outstanding securities that are convertible into Ordinary Shares:

Security or Instrument Name	Number	Exercise or Conversion Price (if applicable) ($)	Expiry Date (dd/mm/yy)
Stock Options	50,000	$1.50	25/11/2014
Stock Options	100,000	$2.10	22/05/2015
Stock Options	100,000	$2.50	22/05/2015
Warrants	432,870	CDN$0.30	2/10/2015
Warrants	1,097,561	CDN$0.30	6/11/2015
Stock Options	1,400,000	A$0.25	29/11/2015

Since March 31, 2014 and up to the date of this MD&A the Company has not issued any shares or warrants / options.

CONTROLS AND PROCEDURES

The Company maintains information systems, procedures and controls to provide reasonable assurance that information used internally and disclosed externally is complete and reliable. The Company continues to review and develop internal controls, including disclosure controls and procedures for financial reporting that are appropriate for the nature and size of the Company's business. Access to material information regarding the Company is facilitated by the small size of the Company's senior management team and workforce. The Company is continuing to develop appropriate controls for the nature and size of the Company's business.

Internal controls, no matter how well conceived and operated, cannot provide absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgements in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion between two or more people, or by unauthorized override of the control. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

GLOSSARY OF MINING TERMS

The following is a glossary of mining terms used in this MD&A:

Term	Definition	Term	Definition
Au	Gold	dmt	dry metric tonne
dmt/d	dry metric tonnes per day	g/t	grams per tonne
kt	thousand tonnes	Koz	thousand ounces
Mt	million tonnes	Mtpa	million tonnes per annum
oz	Troy ounce	t	tonnes
t:t	tonne to tonne	tonne	metric tonne, being a unit of mass equal to 1,000 kilograms
US$/oz	United States dollars per ounce	US$/t	United States dollars per tonne