

Quarterly Report for the Period Ending 30 June 2011

HIGHLIGHTS

CMD GOLD MINE (100%, CHILE)

- 10,134 ounces of gold produced plus 682 ounces of gold in inventory
- C1 cash cost of US\$841 per ounce
- Average price received for gold sales of US\$1,510 per ounce
- 10,559 ounces of gold stacked onto the leach pad
- Mine production of 544,000 tonnes of ore at 0.61g/t
- 298,000 tonnes of ore (55% of total) sourced from outside the JORC Resource.
- Reducing strip ratio and waste movement requirements.
- Results from the gold drilling at the CMD Gold Mine return excellent results including:
 - 9m grading 7.40 g/t Au from 101m downhole in DDH 2011-49 (Tres Perlas);
 - 29m grading 1.76 g/t Au (from 25m downhole) **and** 55 m grading 1.01 g/t Au (from 123 m downhole) in DDH 2011-74 (Toro);
 - 10 m grading 3.35 g/t Au from 16 m downhole in RCH 2011-15 (Toro);
 - 30m grading 1.30 g/t Au from 11m downhole in DDH 2011-64, including 6 m @ 4.06 g/t Au from 35 m downhole (Toro);

- First results from copper drilling on Teck mine boundary return highly encouraging results including:
 - 30m grading 0.53% Cu and 0.14g/t Au from 35m downhole in DDH 2011-49;
 - 29m grading 0.48% Cu from 76m downhole in DDH 2011-44;
 - 33m grading 0.36% Cu and 0.29 g/t Au from 47 m downhole in RCH-2011-60

BUSHRANGER COPPER PROJECT (100% NSW)

- Completion of drill program confirming continuation of mineralisation at the Racecourse Prospect.
- Drill results including:
 - 76m grading 0.20% copper from 0m downhole in BRC044 (outside resource)
 - 61m grading 0.19% copper from 13m downhole in BRC045 (outside resource)
 - 55 m grading 0.20% copper from 0m downhole in BRC046 (outside resource)

CMD Gold Mine (100%, Chile)

Production, Unit Costs and Sales

Production from the CMD Gold Mine is summarised in Table 1 below

Table 1 – CMD Production Data

| Item | Unit | Mar-11 Qtr | Jun-11 Qtr | Jan-Jun 2011 Half year |
|-----------------------------|-------------|-----------------------|-----------------------|-----------------------------------|
| Ore Mined | t | 583,737 | 544,335 | 1,128,072 |
| Ore grade | Au g/t | 0.6 | 0.6 | 0.6 |
| Gold Mined | Au oz | 10,779 | 10,597 | 21,376 |
| Ore crushed | t | 581,254 | 544,335 | 1,125,589 |
| Average daily crushing rate | tpd | 6,458 | 5,982 | 6,220 |
| Gold Produced | | 8,348 | 10,134 | 18,482 |
| C1 Cash Cost | USD/oz | 783 | 841 | 815 |

Total gold sales over the June Quarter of 10,134 oz were recorded at an average price of US\$1,510 per Au oz. In addition, total silver production of 2,910 oz was also achieved, with an average price of US\$37.10 per Ag oz. These sales represent 100% of production sold at spot prices and the Company's production profile remains unhedged.

Cash costs, which exclude waste costs expensed or amortised and royalties, increased during the quarter to US\$841 per ounce of gold sold up from \$783 per ounce the previous quarter¹.

The US\$841 cash cost calculation incorporates a reduction of \$1,383,000 in the leach pad valuation over the quarter. As previously advised to the market, the termination of one mining contractor during June and the associated change over of explosives supply resulted in reduced mining during the latter part of June. Consequently, the quantity of gold poured was 2,383 ounces greater than gold mined and stacked (at assumed recovery rates) on the leach pad in the June quarter.

The reduction in leach pad ounces over the quarter has upwardly distorted the June quarter cash cost. The disruption to operations in June production is considered to be a one off event for the reasons identified.

¹ a detailed review of the Chilean subsidiary's accounting policies has just been completed pending Lachlan's proposed listing on TSX. An amendment to the method of valuing leach pad inventories has resulted in a restatement of the March 2011 quarterly cash cost to \$783 per ounce from the \$840 per ounce disclosed in Lachlan's March 2011 Quarterly Report

Table 2 below sets out the cash costs for the March and June quarters and the impact of the inventory valuation adjustment (all numbers US\$ per ounce):

Table 2 – Cash Cost (US\$/oz) and inventory adjustments

| | June qtr | March qtr |
|---|----------|-----------|
| Cash costs with inventory adjustment | 841 | 783 |
| Cash costs without inventory adjustment | 704 | 802 |
| Inventory adjustment effect | 137 | (19) |

In future quarters the cash cost information will be presented in the format above so that the effect of any inventory valuation adjustments can be clearly identified.

In the June quarter, the Company expended A\$1.43 million on exploration, A\$6.14 million on development (predominately pre stripping of waste) and repaid A\$1.82 million in borrowings.

Mining

During the quarter, ore was sourced from the Las Loas, Churrumata, Tres Perlas and Toro pits. Notably, three new pits were started at Toro during the quarter, namely Toro Central (Figure 1), Toro 3 and Toro 6. These pits represent a progression of the strategy to lower the overall strip ratio of the mining operation and to reduce grade volatility by increasing the proportion to ore sourced from the Indicated and Inferred Resource.



Figure 1 – Mining at Toro Central

Ore production by mine area is shown in Figure 2 for the first half of 2011.

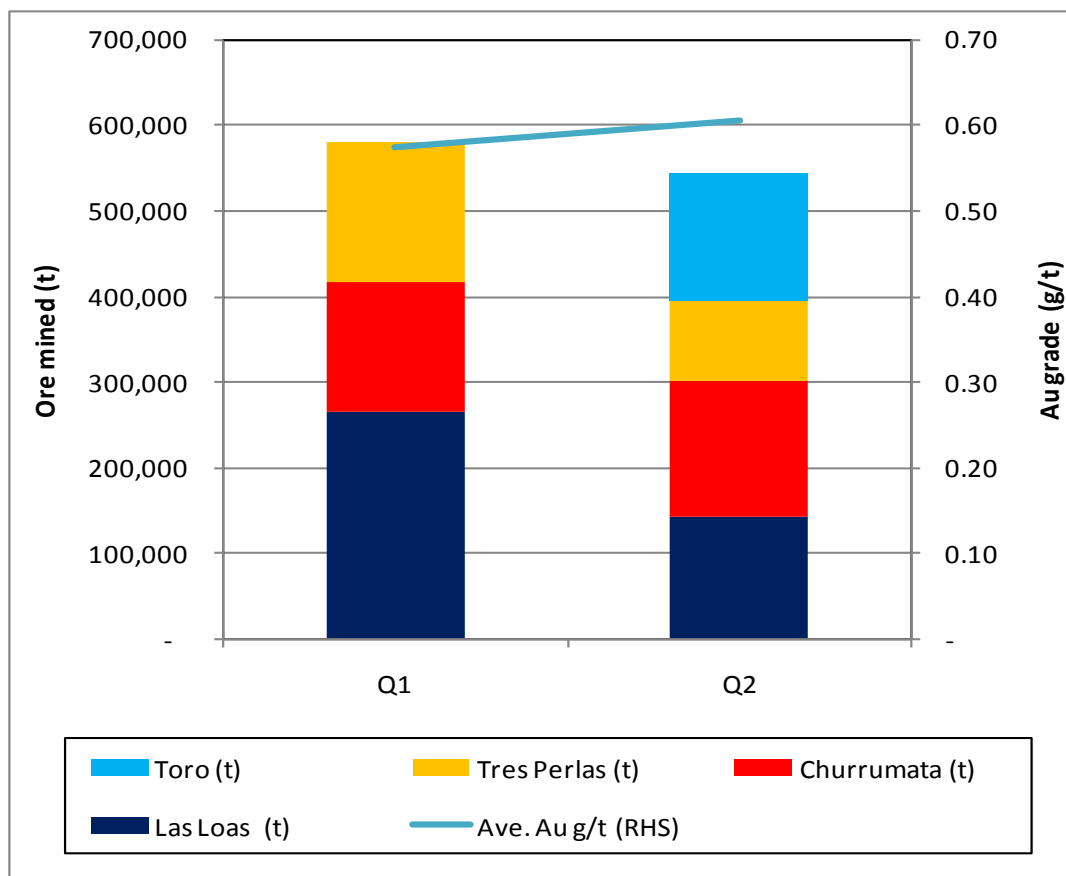


Figure 2 – Mine production by area

There was a 7% reduction in ore mined in the June Quarter as a result of poor performance of the mining contractor at Las Loas, and the termination of that mining contract in June (ASX Release 15 July 2011). This was offset by excellent performance of the mining contractor at the Tres Perlas, Churrumata and Toro pits. Production from these areas increased by 28% from the previous quarter to 402,000 tonnes, despite the change over of explosives supplier in June.

The Company has signed a letter of intent with a replacement mining contractor and anticipates mobilisation to site by the end of August, with mining re-starting at Las Loas and commencing at Chisperos during September 2011.

The Company is focussed on maximising ore mining through the exploitation of lower waste to ore ratio pits in the Toro area. During the June quarter the waste to ore ratio was reduced to 6.5 as shown in Figure 3, with total waste movement of 3.6Mt during the second quarter.

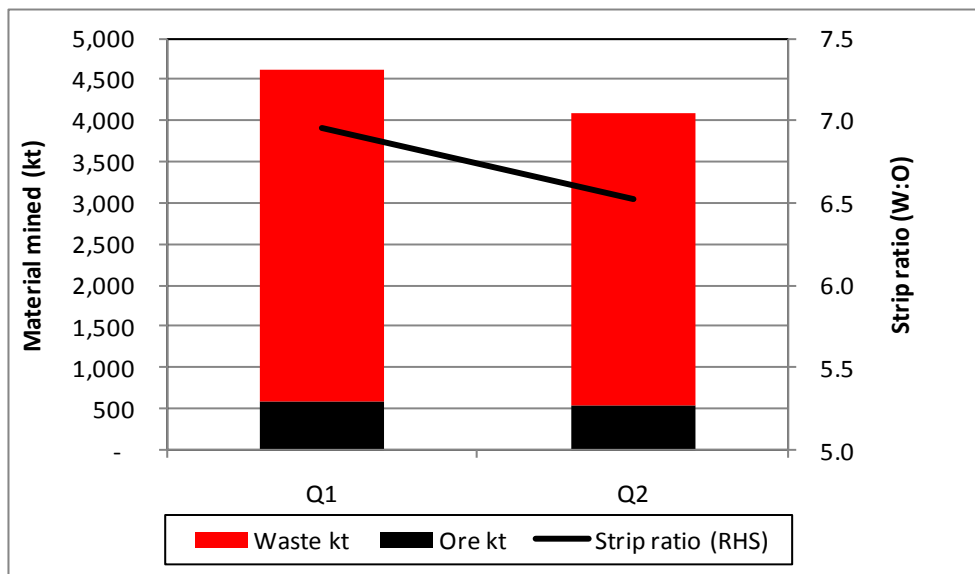


Figure 3 – Total mine movement and strip ratio

The Company expects that the overall waste:ore ratio will continue to decline through the current emphasis on mining shallower, more massive manto style resources and the completion of significant waste stripping requirements at Las Loas during the first half of the year.

The waste to ore ratio was further reduced in July, with the average for July being 3.5 to 1. Average mined grade has continued to increase, with the grade for July being 0.64 g/t Au.

Mine Reconciliation

Over the 1st half of the year 61% (687kt) of all ore mined was outside the Coffey Resource estimate. Figure 4 illustrates the proportion of ore mined within and outside the Coffey Resource .

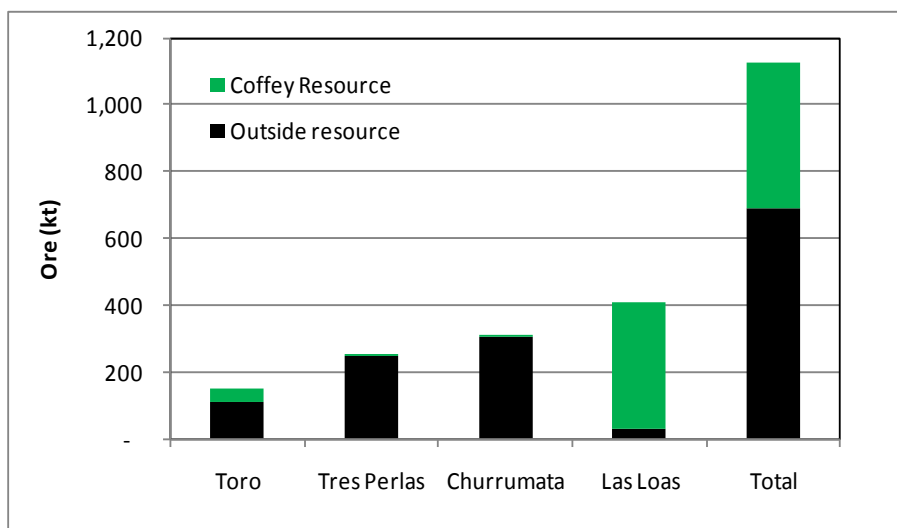


Figure 4 – Resource reconciliation (January to June 2011)

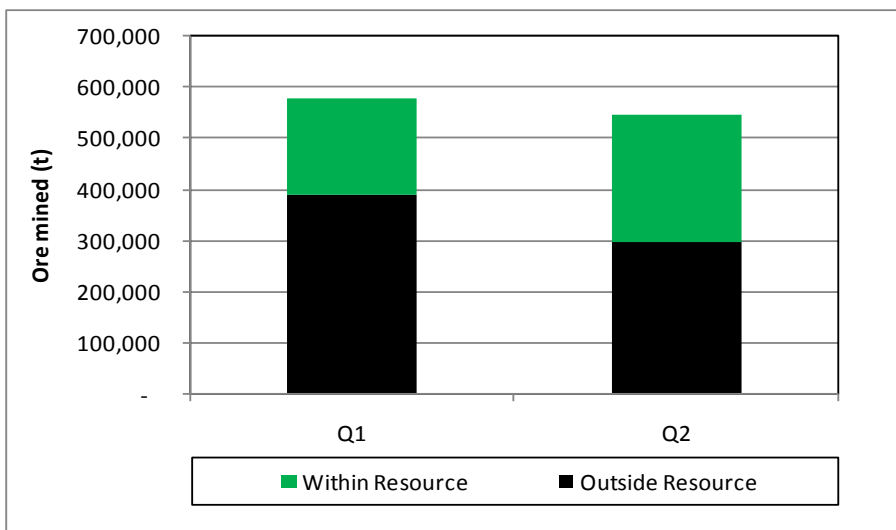


Figure 5 – Resource reconciliation by quarter

Las Loas reconciled well, both in terms of grade and ore tonnage, whilst mining at the Dayton pits (Toro, Tres Perlas and Churrumata) included ore mostly sourced from outside the Resource. This is shown in Figure 5 and is a result of a lack of exploration drilling coverage adjacent to the active pits.

It is the Company’s strategy to upgrade the Inferred Resource into an Indicated Resource category, whilst expanding the resource base in and around the present mining areas. The strategy is to progressively drill outward from the current mining areas.

Ore Processing

Crusher throughput was lower than expected in the June quarter due to termination of the mining contractor at the Las Loas pit and the change over of explosive supply for the entire mine site.

The reduction of ore mined in June negatively impacted on the processing cost per tonne for the quarter. Figure 6 shows the effect of this, with the reduction in the average daily crushing rates to 6,000 tonnes and an increase in general, administration and processing costs to US\$11.54 per tonne of ore.

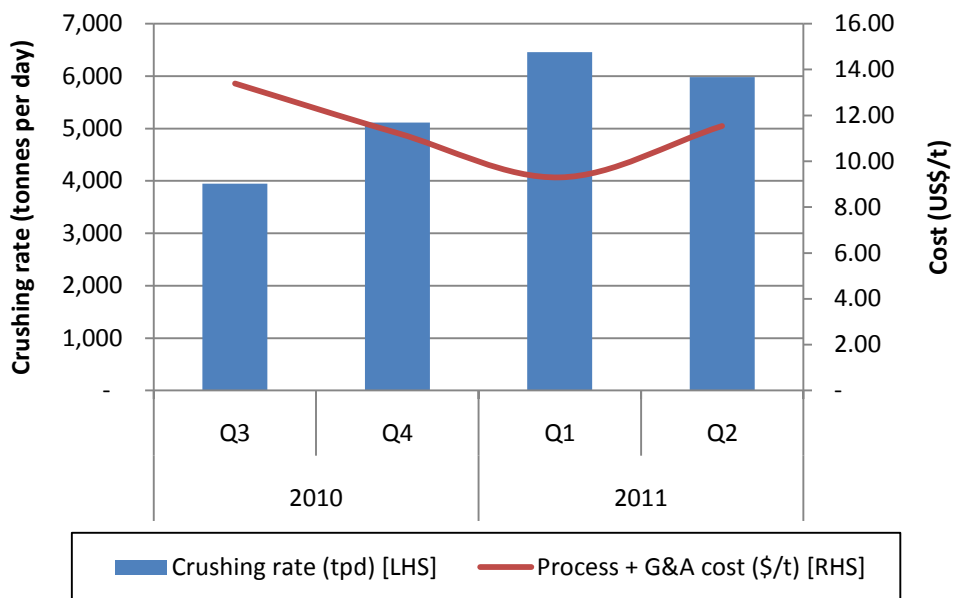


Figure 6 – Crusher throughput vs processing and G&A costs

The increase in the unit rate (\$/t) for processing and G&A costs was a direct result of the reduction in ore throughput in June. Processing and G&A costs for the month of May were US\$9.62 which was broadly in line with budgeted costs and reflected crusher throughput of 220,000 tonnes for the month. It is the Company’s plan to continue to increase ore production, and that a reduction unit processing costs will be achieved as crusher throughput increases.

Resources and Exploration

Exploration drilling has continued throughout the quarter, with two reverse circulation (RC) drills and one diamond drill working continuously. The Company anticipates that a resource update will be completed during the last quarter of the year.

Highlights from drilling announced previously includes (refer to Table 3A, 3B and 3C for full list):

➤ Toro Deposit

- 29m grading 1.76 g/t Au (from 25m downhole) **and** 55 m grading 1.01 g/t Au (from 123 m downhole) in DDH 2011-74;
- 10 m grading 3.35 g/t Au from 16 m downhole in RCH 2011-15
- 30m grading 1.30 g/t Au from 11m downhole in DDH 2011-64, including 6 m @ 4.06 g/t Au from 35 m downhole;
- 14m grading 1.15 g/t Au from 50m downhole in RCH 2011-75

➤ Tres Perlas Deposit copper results

- 30m grading 0.53% Cu and 0.14g/t Au from 35m downhole in DDH 2011-49;
- 29m grading 0.48% Cu from 76m downhole in DDH 2011-44;
- 10m grading 0.37% Cu and 0.07 g/t Au from 30m downhole in RCH 2011-39;
- 4m grading 0.51 % Cu and 0.27 g/t Au from 120m downhole in RCH 2011-39.

- Tres Perlas Deposit gold results
 - 9m grading 7.40 g/t Au from 101m downhole in DDH 2011-49;
 - 8m grading 0.62 g/t Au from 83m downhole in DDH 2011-49;

- Veneros Prospect
 - 6 m grading 3.1 g/t Au from 22 m downhole in DTH-2011-41
 - 8 m grading 1.2 g/t Au from 29 m downhole in DTH-2011-43
 - 15 m grading 0.8 g/t Au from 7 m downhole in DTH-2011-53
 - 15 m grading 0.7 g/t Au from 15 m downhole in DTH-2011-48
 - 6 m grading 0.9 g/t Au from 14 m downhole in DTH-2011-40
 - 6 m grading 0.6 g/t Au from 27m downhole in DTH-2011-45

July 2011 Mining, Production and Exploration Update

Mining and Production

Up until 28th July 2011, the following mining performance has been achieved:

- 178,430 tonnes of ore mined at an average grade of 0.64 g/t Au;
- 626,325 tonnes of waste moved, with a waste to ore ratio of 3.5 to 1;

The Company is anticipating the total ore mined for the September quarter to exceed 600,000 tonnes despite the disruption to mining operations at Las Loas and the mobilisation of a new contractor to resume mining at Las Loas. The waste to ore ratio is expected to continue around the current levels, compared to the average of 6.5:1 for the June quarter.

As advised to the ASX on July 15, gold production during July has been reduced as a result of the reduced ore mining rates in June. This trend has now reversed, with gold produced in the last week of July up 31% on the previous week, and back to levels seen at the end of May.

Crushing of Copper Ore for Teck

The Company recently entered a short term agreement with the neighbouring copper mine, operated by the Canadian company Teck, to crush copper ore for processing on their leach pads. On 23rd July, campaign crushing of Teck ore commenced, with crusher throughput of 973 tonnes per hour (annualised rate of 7.8Mpta) being achieved through the primary and secondary crushers. Figure 7 shows the first truck load of Teck ore being dumped into the primary crusher.



Figure 7 – Teck copper ore being dumped in the primary crusher

The agreement will add significant scale and efficiency to the crushing operation and provide an additional source of operational revenue in the short term, whilst demonstrating the viability of crushing the Teck ore through the CMD crushing circuit.

Exploration

Since the last announced drilling results on 15th July, assays from several new exploration holes have been received. Recent results include (refer to Tables 4A and 4 B for a full list):

- Tres Perlas Deposit copper and gold results
 - 33m grading 0.36% Cu and 0.29 g/t Au from 47 m downhole in RCH-2011-60
- Tres Perlas Deposit gold results
 - 3m grading 0.84g/t Au from 95m downhole in RCH-2011-54;
 - 3m grading 0.87g/t Au from 101m downhole in RCH-2011-54;
- Churrumata Deposit
 - 3m grading 0.75g/t Au from 42m downhole in RCH-2011-78;
 - 6m grading 0.73g/t Au from 21m downhole in RCH-2011-84;
 - 7m grading 0.50g/t Au from 50m downhole in RCH-2011-84;
 - 1m grading 1.64g/t Au from 165m downhole in RCH-2011-84;
 - 2m grading 1.27g/t Au from 89m downhole in RCH-2011-93;
 - 1m grading 5.27g/t Au from 127m downhole in RCH-2011-93; and
 - 1m grading 5.27g/t Au from 127m downhole in RCH-2011-98.

Figure 8 shows the location of drillhole RCH -2011-60, approximately 200m north of the boundary with the adjoining copper mine. This hole indicates that the copper-gold mineralisation continues in a northerly trend into the CMD tenements in an unmined area. The limited drilling for copper on the CMD tenements has so far indicated the presence of copper-gold mineralisation across a width of approximately 1.2km, and is open to the south west, north east, north west and at depth.

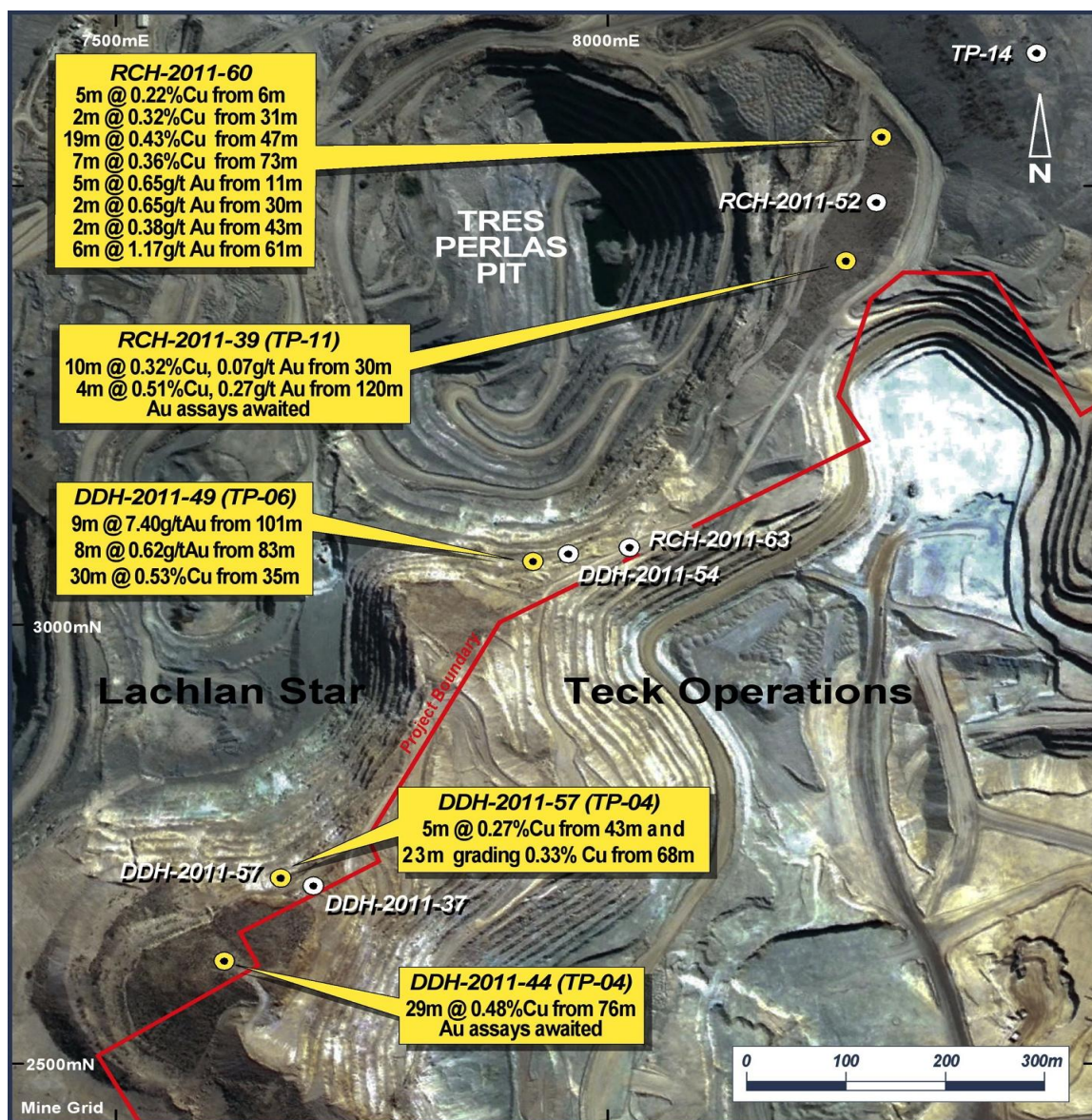


Figure 8 – Location of Copper Gold drilling at CMD Gold Mine

PROJECTS

Bushranger Copper Project

The Bushranger Copper Project is located in New South Wales, approximately 25km south of the town of Oberon. The project contains 185,000 tonnes of copper in resources (refer to Table 6).

During May and June the Company completed a four hole drilling program totalling 567m at the Racecourse Prospect, which hosts the copper resource. The purpose of the program was to test the continuation of mineralisation both along strike and the shallower up-dip potential.

Summary of results (refer to Table 5 for full list):

BRC043:

- 13m grading 0.25% copper from 94m, including 2m @ 0.68% Cu; and
- 1m grading 0.32g/t gold from 133m;

BRC044 (not in resource):

- 76m grading 0.20% copper from 0m; and
- 1m grading 1.02g/t gold from 42m.

BRC045 (not in resource):

- 6m grading 0.16% copper from 0m;
- 61m @ 0.19% copper from 13m;
- 1m @ 0.32g/t gold from 5m;
- 1m @ 2.17g/t gold from 73m; and
- 1m @ 0.46g/t gold from 175m.

BRC046 (not in resource):

- 55m @ 0.20% copper from 0m;
- 9m @ 0.18% copper from 64m;
- 1m @ 1.24g/t gold from 70m; and
- 1m @ 0.29g/t gold from 83m.

Drill holes BRC 044, BRC 045 and BRC 046 indicate that the copper mineralisation continues to surface in zones that range from 55m to 75 m thick. These holes are located outside the current resource estimate that contains 185,000 tonnes of copper (Refer to Table 6) and suggest that the near surface mineralisation is more extensive than in the current resource estimate.

CORPORATE

Share consolidation

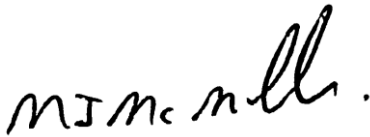
The 1 for 60 share consolidation was completed in the June quarter, with the Company now having 56,967,517 shares on issue. This is considered to be a more appropriate share structure given the operating nature of the Company's 100% owned CMD Gold Mine, and is more closely aligned with the peer group of Latin American gold producers.

The A\$2.85 million placement to predominately North American investors in May was undertaken with a view to strengthening the Company's shareholder base in that region. The Company continues to be of the view that investors in the North American market will be receptive to the investment opportunity offered by Lachlan Star, namely a company valued at approximately A\$50 million with an operating gold mine in a politically stable country such as Chile.

Luri Gold

During the quarter, the Company's remaining 99,081 Luri Gold shares were sold on market.

For and on behalf of the Board



Mick McMullen
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Table 3A – Previously announced holes from Veneros

| Hole Id | Sector | Grid N | Grid E | Grid Elev | Dip | Azimuth | Length | From | To | Interval | Gold (g/t) |
|--|---------|---------|-----------|-----------|--------|---------|--------|-------|-------|--------------|------------|
| DTH-2011-22 | Veneros | 450.048 | 5,500.087 | 1,361.090 | -90.00 | 0.00 | 70.00 | 9.00 | 10.00 | 1.00 | 1.0 |
| DTH-2011-24 | Veneros | 400.506 | 5,499.877 | 1,357.010 | -90.00 | 0.00 | 70.00 | 19.00 | 22.00 | 3.00 | 0.6 |
| DTH-2011-25 | Veneros | 365.015 | 5,488.950 | 1,342.456 | -90.00 | 0.00 | 70.00 | 8.00 | 9.00 | 1.00 | 0.4 |
| DTH-2011-26 | Veneros | 300.085 | 5,499.997 | 1,329.932 | -90.00 | 0.00 | 70.00 | | | 0.00 | UM |
| DTH-2011-27 | Veneros | 500.154 | 5,599.931 | 1,353.570 | -90.00 | 0.00 | 70.00 | 22.00 | 23.00 | 1.00 | 1.5 |
| | Veneros | | | | | | | 30.00 | 31.00 | 1.00 | 0.4 |
| | Veneros | | | | | | | 36.00 | 37.00 | 1.00 | 0.4 |
| DTH-2011-28 | Veneros | 450.045 | 5,600.065 | 1,354.998 | -90.00 | 0.00 | 70.00 | 1.00 | 4.00 | 3.00 | 0.3 |
| DTH-2011-29 | Veneros | 399.897 | 5,600.127 | 1,351.582 | -90.00 | 0.00 | 28.00 | 1.00 | 3.00 | 2.00 | 1.0 |
| DTH-2011-30 | Veneros | 350.373 | 5,600.307 | 1,347.673 | -90.00 | 0.00 | 70.00 | | | 0.00 | UM |
| DTH-2011-32 | Veneros | 450.050 | 5,650.531 | 1,344.514 | -90.00 | 0.00 | 60.00 | | | 0.00 | UM |
| DTH-2011-36 | Veneros | 393.240 | 5,644.984 | 1,346.574 | -90.00 | 0.00 | 60.00 | 24.00 | 25.00 | 1.00 | 1.6 |
| | Veneros | | | | | | | 26.00 | 27.00 | 1.00 | 0.7 |
| DTH-2011-38 | Veneros | 346.822 | 5,647.301 | 1,339.934 | -90.00 | 0.00 | 60.00 | 16.00 | 17.00 | 1.00 | 0.6 |
| | Veneros | | | | | | | 18.00 | 19.00 | 1.00 | 0.4 |
| DTH-2011-40 | Veneros | 299.903 | 5,600.149 | 1,341.594 | -90.00 | 0.00 | 60.00 | 1.00 | 3.00 | 2.00 | 0.6 |
| | Veneros | | | | | | | 14.00 | 21.00 | 7.00 | 0.9 |
| | Veneros | | | | | | | 25.00 | 26.00 | 1.00 | 0.5 |
| | Veneros | | | | | | | 29.00 | 30.00 | 1.00 | 2.1 |
| DTH-2011-41 | Veneros | 300.026 | 5,650.031 | 1,332.317 | -90.00 | 0.00 | 60.00 | 22.00 | 28.00 | 6.00 | 3.1 |
| DTH-2011-42 | Veneros | 250.019 | 5,600.054 | 1,334.420 | -90.00 | 0.00 | 60.00 | 2.00 | 3.00 | 1.00 | 0.4 |
| DTH-2011-43 | Veneros | 349.896 | 5,750.063 | 1,286.870 | -90.00 | 0.00 | 60.00 | 29.00 | 37.00 | 8.00 | 1.2 |
| DTH-2011-45 | Veneros | 299.900 | 5,750.041 | 1,286.650 | -88.65 | 340.35 | 60.00 | 27.00 | 34.00 | 7.00 | 0.6 |
| DTH-2011-46 | Veneros | 452.300 | 5,749.597 | 1,277.832 | -89.06 | 30.47 | 60.00 | | | 0.00 | UM |
| DTH-2011-47 | Veneros | 388.043 | 5,752.524 | 1,283.240 | -90.00 | 0.00 | 60.00 | 52.00 | 53.00 | 1.00 | 0.8 |
| | Veneros | | | | | | | 56.00 | 57.00 | 1.00 | 0.4 |
| DTH-2011-48 | Veneros | 499.982 | 5,750.104 | 1,279.532 | -88.70 | 73.44 | 60.00 | 6.00 | 8.00 | 2.00 | 0.7 |
| | Veneros | | | | | | | 15.00 | 26.00 | 11.00 | 0.7 |
| DTH-2011-50 | Veneros | 249.975 | 5,755.832 | 1,285.602 | -88.76 | 351.57 | 60.00 | 43.00 | 46.00 | 3.00 | 1.4 |
| DTH-2011-51 | Veneros | 399.271 | 5,799.042 | 1,263.094 | -89.88 | 333.44 | 60.00 | 42.00 | 45.00 | 3.00 | 0.5 |
| DTH-2011-53 | Veneros | 349.867 | 5,800.065 | 1,264.548 | -87.79 | 300.00 | 60.00 | 7.00 | 22.00 | 15.00 | 0.8 |
| | Veneros | | | | | | | 31.00 | 32.00 | 1.00 | 1.7 |
| | Veneros | | | | | | | 40.00 | 41.00 | 1.00 | 1.0 |
| DTH-2011-55 | Veneros | 108.171 | 5,701.058 | 1,281.575 | -89.20 | 196.93 | 60.00 | | | 0.00 | UM |
| DTH-2011-56 | Veneros | 149.950 | 5,700.002 | 1,291.635 | -89.72 | 315.00 | 60.00 | 25.00 | 26.00 | 1.00 | 1.1 |
| DTH-2011-58 | Veneros | 200.286 | 5,699.994 | 1,305.394 | -88.56 | 148.82 | 60.00 | | | 0.00 | TBA |
| DTH-2011-59 | Veneros | 249.799 | 5,700.093 | 1,312.525 | -89.38 | 111.25 | 60.00 | | | 0.00 | TBA |
| Total Inters surface Manto/Vein | | | | | | | | | | 71.00 | 1.0 |

Table 3B – Previously announced holes from Tres Perlas

| Hole Id | Grid N | Grid E | Grid Elev | Dip | Azimuth | From | To | Interval | Grade | |
|-------------|---------|---------|-----------|-------|---------|------|-----|----------|-------|---------|
| | | | | | | | | | %Cu | g/t Au |
| DDH 2011-37 | 2,697.8 | 7,702.5 | 1,228.4 | -70.8 | 91.2 | 22 | 25 | 3 | 0.26 | 0.09 |
| | | | | | | 84 | 96 | 12 | 0.24 | 0.03 |
| | | | | | | 172 | 180 | 8 | 0.32 | 0.02 |
| | | | | | | 257 | 260 | 3 | | 2.22 |
| RCH 2011-39 | 3,411.6 | 8,241.7 | 1,066.8 | -89.8 | 99.5 | 30 | 40 | 10 | 0.37 | 0.07 |
| | | | | | | 120 | 124 | 4 | 0.51 | 0.27 |
| DDH 2011-44 | 2,615.8 | 7,615.7 | 1,240.3 | -68.9 | 91.8 | 76 | 105 | 29 | 0.48 | pending |
| DDH 2011-49 | 3,067.2 | 7,926.7 | 1,096.9 | -89.2 | 342.2 | 35 | 65 | 30 | 0.53 | 0.14 |
| | | | | | | 35 | 50 | 15 | 0.74 | 0.16 |
| | | | | | | 83 | 91 | 8 | 0.02 | 0.62 |
| | | | | | | 101 | 110 | 9 | 0.02 | 7.40 |
| AR 2011-52 | 3,481.1 | 8,272.3 | 1,063.8 | -89.3 | 350.5 | 26 | 31 | 5 | 0.17 | 0.41 |
| | | | | | | 103 | 107 | 4 | 0.32 | 0.02 |

Table 3C – Previously announced holes from Toro

| Hole Id | Grid N | Grid E | Grid Elev | Azimuth | Dip | From | To | Interval | g/t Au |
|-----------------------------|---------|---------|-----------|---------|-------|------|-----|----------|--------|
| RCH 2011-64 Incl. | 2,024.5 | 6,108.5 | 1,142.2 | 327.5 | -89.4 | 11 | 41 | 30 | 1.3 |
| | | | | | | 11 | 18 | 7 | 0.7 |
| | | | | | | 22 | 29 | 7 | 0.85 |
| | | | | | | 35 | 41 | 6 | 4.06 |
| RCH 2011-65 | 2,058.9 | 6,097.4 | 1,143.7 | 299.4 | -89.5 | 16 | 18 | 2 | 0.69 |
| | | | | | | 33 | 34 | 1 | 0.59 |
| | | | | | | 87 | 88 | 1 | 0.84 |
| RCH 2011-66 | 2,047.9 | 6,055.4 | 1,147.6 | 315.7 | -89.0 | 21 | 22 | 1 | 1.09 |
| | | | | | | 58 | 60 | 2 | 0.65 |
| | | | | | | 70 | 73 | 3 | 1.41 |
| RCH 2011-67 | 2,013.8 | 6,057.4 | 1,146.1 | 153.4 | -89.9 | 2 | 7 | 5 | 0.72 |
| | | | | | | 13 | 15 | 2 | 0.76 |
| | | | | | | 30 | 33 | 3 | 1.8 |
| | | | | | | 49 | 50 | 1 | 1.17 |
| | | | | | | 55 | 57 | 2 | 1.3 |
| | | | | | | 60 | 64 | 4 | 0.5 |
| RCH 2011-74 | 1,979.9 | 6,126.1 | 1,136.7 | 86.3 | 89.6 | 25 | 54 | 29 | 1.76 |
| | | | | | | 123 | 177 | 54 | 1.01 |
| | | | | | | 186 | 195 | 9 | 0.86 |
| | | | | | | 217 | 225 | 8 | 0.52 |
| RCH 2011-75 | 1,959.5 | 6,167.8 | 1,134.4 | 90.0 | 88.8 | 12 | 14 | 2 | 0.55 |
| | | | | | | 36 | 45 | 9 | 0.57 |
| | | | | | | 50 | 64 | 14 | 1.15 |
| | | | | | | 76 | 78 | 2 | 0.46 |

Table 4A – New CMD Copper and Gold Drill Results

| Hole Id | Grid N | Grid E | Grid Elev | Dip | Azimuth | From | To | Interval | Grade | |
|--------------------|-----------|-----------|-----------|-----|---------|------|----|----------|-------|--------|
| | | | | | | | | | %Cu | g/t Au |
| RCH 2011-60 | 3,554.074 | 8,277.983 | 1,062.689 | 0 | -90 | 6 | 11 | 5 | 0.22 | 0.13 |
| | | | | | | 11 | 16 | 5 | 0.08 | 0.65 |
| | | | | | | 31 | 33 | 2 | 0.32 | 0.40 |
| | | | | | | 47 | 80 | 33 | 0.36 | 0.29 |

Table 4B – New CMD Gold Drill Results

| Hole Id | Sector | Grid N | Grid E | Grid Elev | Azimuth | Dip | Length | From | To | Interval (m) | Gold (g/t) |
|--------------------|-------------|---------|---------|-----------|---------|-------|--------|------|-----|--------------|------------|
| DDH 2011-54 | Tres Perlas | 3,077.3 | 7,690.8 | 1,097.6 | 57.4 | -89.5 | 269.6 | 1 | 2 | 1 | 0.41 |
| | | | | | | | | 11 | 13 | 2 | 0.47 |
| | | | | | | | | 56 | 57 | 1 | 0.49 |
| | | | | | | | | 70 | 72 | 2 | 0.36 |
| | | | | | | | | 88 | 93 | 5 | 0.39 |
| | | | | | | | | 95 | 98 | 3 | 0.84 |
| RCH 2011-78 | Churramata | 2,830.7 | 6,751.5 | 1,124.7 | 21.8 | 89.9 | 150 | 101 | 104 | 3 | 0.87 |
| | | | | | | | | 2 | 3 | 1 | 0.35 |
| | | | | | | | | 19 | 24 | 5 | 0.43 |
| | | | | | | | | 25 | 28 | 3 | 0.6 |
| RCH 2011-84 | Churramata | 2,940.3 | 6,752.6 | 1,122.3 | 260.2 | 89.0 | 162 | 42 | 45 | 3 | 0.75 |
| | | | | | | | | 11 | 13 | 2 | 0.43 |
| | | | | | | | | 21 | 27 | 6 | 0.73 |
| | | | | | | | | 50 | 57 | 7 | 0.5 |
| | | | | | | | | 107 | 109 | 2 | 0.5 |
| RCH 2011-93 | Churramata | 2,940.1 | 6,685.5 | 1,124.5 | 306.9 | 89.7 | 150.0 | 165 | 166 | 1 | 1.64 |
| | | | | | | | | 195 | 200 | 5 | 0.51 |
| | | | | | | | | 80 | 81 | 1 | 0.77 |
| | | | | | | | | 89 | 91 | 2 | 1.27 |
| | | | | | | | | 127 | 128 | 1 | 5.27 |
| RCH 2011-98 | Churramata | 2,930.6 | 6,645.3 | 1,124.6 | 241.7 | 89.6 | 210 | 134 | 136 | 2 | 0.54 |
| | | | | | | | | 182 | 183 | 1 | 0.41 |
| | | | | | | | | 195 | 196 | 1 | 0.42 |

Table 5 – Bushranger drilling results

| Hole Id | Sector | Grid_N | Grid_E | Azimuth | Dip | Length | From | To | Interval (m) | Cu (%) | Gold (g/t) |
|---------------|------------|---------|--------|---------|-----|--------|---------------|---------------|--------------|----------------------|----------------------|
| BRC043 | Racecourse | 6252005 | 748835 | 90 | -75 | 145 | 94 | 107 | 13 | 0.25 | 0.02 |
| BRC044 | Racecourse | 6252200 | 748759 | 90 | -60 | 122.1 | 0 | 76 | 76 | 0.20 | 0.16 |
| BRC045 | Racecourse | 6252251 | 748744 | 90 | -60 | 191.6 | 0 13 73 | 6 74 74 | 6 61 1 | 0.16 0.19 0.44 | 0.21 0.09 2.17 |
| BRC046 | Racecourse | 6251733 | 748906 | 90 | -60 | 108 | 0 64 | 55 73 | 55 9 | 0.20 0.18 | 0.02 0.20 |

Table 6 – Bushranger Resource above 0.2% Cu Cutoff

| Category | Tonnes (Mt) | Cu grade (%) | Contained Cu (t) | Au grade (g/t) | Contained Au (oz) | Ag grade (g/t) | Contained Ag (oz) |
|--------------|-------------|--------------|------------------|----------------|-------------------|----------------|-------------------|
| Indicated | 24.9 | 0.4 | 94,620 | 0.04 | 32,022 | 1.6 | 1,288,870 |
| Inferred | 27.6 | 0.3 | 91,080 | 0.04 | 35,494 | 1.2 | 1,091,435 |
| Total | 52.5 | 0.4 | 185,700 | 0.04 | 67,515 | 1.4 | 2,380,305 |

About Lachlan Star Limited

Lachlan Star Limited is an emerging minerals exploration and development company headquartered in Perth, Western Australia. The Company is focused on acquiring and developing assets within the gold and copper sectors within Australia and Chile. The company has a board of directors and management team with an impressive track record of advancing resource projects through to production.

Lachlan Star's current projects include a 100% interest in the CMD Gold Mine in Chile, the Bushranger copper and gold project in New South Wales and the Princhester magnesite deposit in Queensland.

Competent Persons Statement

The information in this report that relates to the Bushranger Mineral Resource and CMD Gold Mine Exploration Results is based on information compiled by Mr Michael McMullen, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr McMullen is employed by McMullen Geological Services Pty Ltd. Mr McMullen has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McMullen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.