

Lachlan Star Limited

ACN 000 759 535

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

Thursday, 28 November 2024

10:00am (WST)

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

The Annual Report is available online at www.lachlanstar.com

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting. Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9486 4036.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Lachlan Star Limited will be held at the offices of Ascent Capital, Level 1, 33 Ord Street, West Perth WA 6005, on Thursday, 28 November 2024 at 10:00am (WST).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 26 November 2024 at 4:00pm (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum can be found in the Definitions section at page 21.

AGENDA

Annual Report

To receive and consider the Company's Annual Report for the year ended 30 June 2024, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Resolution 1 – Adoption of Remuneration Report

To consider and if thought fit, to pass, with or without amendment, the following as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2024."

The vote on this resolution is advisory only and does not bind the Directors or the Company.

Resolution 2 – Re-election of Director – Gary Steinepreis

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

"That, in accordance with Clause 15.2 of the Constitution and Listing Rule 14.4 and for all other purposes, Gary Steinepreis, retires at this Meeting and, being eligible and offering himself for re-election, is re-elected as a Director, on the terms and conditions in the Explanatory Memorandum."

Resolution 3 – Ratification of Prior Issue Under LR7.1 – Placement Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the prior issue of 22,642,680 Shares on the terms and conditions set out in the Explanatory Statement.”

Resolution 4 – Ratification of Prior Issue Under LR7.1A – Placement Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the prior issue of 20,757,320 Shares on the terms and conditions set out in the Explanatory Statement.”

Resolution 5 – Participation of Gary Steinepreis in the Placement

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 750,000 Shares to Gary Steinepreis (or his nominee) on the terms and conditions set out in the Explanatory Memorandum”

Resolution 6 – Participation of Stacey Apostolou in the Placement

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 250,000 Shares to Stacey Apostolou (or her nominee) on the terms and conditions set out in the Explanatory Memorandum”

Resolution 7 – Participation of Brendan Bradley in the Placement

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 250,000 Shares to Brendan Bradley (or his nominee) on the terms and conditions set out in the Explanatory Memorandum”

Resolution 8 – Participation of Daniel Smith in the Placement

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 350,000 Shares to Daniel Smith (or his nominee) on the terms and conditions set out in the Explanatory Memorandum”

Resolution 9 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass the following as a **special resolution**:

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of

issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on terms and conditions in the Explanatory Memorandum.”

Voting exclusions

Resolutions 3 and 4: Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of Resolutions 3 and 4 by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement being approved; or
- (b) an associate of those persons.

Resolutions 5 to 8: Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of Resolutions 5 to 8 by or on behalf of the Directors (or their nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

Resolution 9: Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of Resolution 9 if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, by or on behalf of any persons who are expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

Voting prohibitions

Resolution 1: In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

Dated 29 October 2024

BY ORDER OF THE BOARD



Daniel Smith

Non-executive Director / Company Secretary

EXPLANATORY MEMORANDUM

Introduction

This Explanatory Memorandum has been prepared for the information of members of Lachlan Star Limited (“Lachlan”) in connection with the business to be conducted at the Annual General Meeting to be held on Thursday, 28 November 2024 commencing at 10:00am at the offices of Ascent Capital, Level 1, 33 Ord Street, West Perth WA 6005.

This Explanatory Memorandum forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting.

Shareholders should note that all the Directors approved the proposal to put the resolutions to Shareholders as outlined in the Notice of Annual General Meeting and to prepare this Explanatory Memorandum.

The purpose of this Explanatory Memorandum is to provide information for Shareholders in deciding whether or not to pass the Resolutions in the Notice of Annual General Meeting.

Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

Voting in person

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

Voting by proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a **proxy**) to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Corporate representatives

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available from the website of the Company's share registry (www.computershare.com.au).

Eligibility to vote

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 26 November 2024.

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

Voting via poll

All Resolutions under this Notice will be determined by poll.

Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at dan.smith@minervacorporate.com.au by 5:00 pm (WST) on Tuesday, 26 November 2024.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. Shareholders are limited to a maximum of two questions each (including any submitted in advance of the Meeting). The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

1. Annual Report

In accordance with the requirements of the Company's Constitution and the Corporations Act, the 2024 Annual Report will be tabled at the Annual General Meeting. There is no requirement for Shareholders to approve the Annual Report, however Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Report.

The Annual Report is available online at www.lachlanstar.com

Representatives from the Company's auditors, Hall Chadwick, will be present to take Shareholders' questions and comments about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 Business Days before the Meeting to the Company Secretary at the Company's registered office.

2. Resolution 1 – Adoption of Remuneration Report

2.1 General

The Annual Report for the financial year ended 30 June 2024 contains a Remuneration Report, which forms part of the Directors' Report and sets out the remuneration policy for the Company and its controlled entities, and reports the remuneration arrangements in place for executive directors, senior management and non-executive directors.

The Corporations Act requires listed companies to put an annual non-binding resolution to shareholders to adopt the Remuneration Report. In line with the legislation, this vote will be advisory only, and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when considering the Company's remuneration policy.

2.2 Voting consequences

Under the Corporations Act, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2025 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider the appointment of Directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the Company's 2024 annual

general meeting. All the Directors who were in office when the Company's 2024 Director's report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report were less than 25%. Accordingly, the resolution for the re-election of the Board is not relevant for this Meeting.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

3. Resolution 2 – Re-election of Director – Gary Steinepreis

3.1 General

Listing Rule 14.4 and clause 15.2 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or three years, whichever is the longer. However, where there is more than one managing director, only one is entitled to be exempt from this rotation requirement. As the Company has a total of four directors, in accordance with clause 15.2 of the Constitution, two directors must retire from office.

Gary Steinepreis, having held office without re-election since 26 November 2020 and being eligible, retires by rotation and offers himself for re-election.

Daniel Smith, having held office without re-election since 29 November 2023 and being eligible, retires by rotation. Mr Smith has advised that he will not seek re-election.

Details of Mr Steinepreis' background and experience is set out in the Annual Report.

3.2 Board Recommendation

If re-elected, the Board considers that Mr Steinepreis will not be an independent Director.

The Directors (excluding Mr Steinepreis) recommend that Shareholders vote in favour of Resolution 2.

3.3 Technical information required by Listing Rule 14.1A

If this Resolution is passed, Mr Steinepreis will be re-elected to the Board as Non-Executive Chairman.

If this Resolution is not passed, Mr Steinepreis will not continue in his role as Non-Executive Chairman. The Company may seek nominations or otherwise identify suitably qualified candidates to join the Company. As an additional consequence, this may detract from the Board and Company's ability to execute on its strategic vision.

4. Background to Resolutions 3 to 8

On 26 September 2024, the Company announced that it had received commitments to raise up to a total of \$4,500,000 (before costs) through a placement of 45,000,000 fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of 10 cents per Share (**Placement**). The Placement was split into two tranches: \$4,340,000 to unrelated investors (the subject of Resolutions 3 and 4) and up to \$160,000 from related investors (the subject of Resolutions 5 to 8).

- (a) the first tranche comprises 43,400,000 Shares which were issued on 2 October 2024 (**Tranche 1 Placement**) as follows:
 - (i) 22,642,680 Shares were issued pursuant to the Company existing placement capacity under ASX Listing Rule 7.1 (ratification of which is sought pursuant to Resolution 3); and
 - (ii) 20,757,320 Shares were issued pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 29 November 2023 ASX Listing Rule 7.1A (ratification of which is sought pursuant to Resolution 4); and
- (b) the second tranche comprises up to 1,600,000 Shares (**Tranche 2 Placement**) to be issued as follows:
 - (i) 750,000 Shares to be issued to a director of the Company, Mr Gary Steinepreis (or his nominee) subject to Shareholder approval being sought under Resolution 5; and
 - (ii) 250,000 Shares to be issued to a director of the Company, Ms Stacey Apostolou (or her nominee) subject to Shareholder approval being sought under Resolution 6; and
 - (iii) 250,000 Shares to be issued to a director of the Company, Mr Brendan Bradley (or his nominee) subject to Shareholder approval being sought under Resolution 7; and
 - (iv) 350,000 Shares to be issued to a director of the Company, Mr Daniel Smith (or his nominee) subject to Shareholder approval being sought under Resolution 8.

The purpose of the Placement is to raise up to \$4,500,000 before costs which the Company intends to apply towards exploration programs across the Company's portfolio of copper and gold assets in the world-class Lachlan Fold Belt of New South Wales, including drilling at the Basin Creek Prospect to follow-up high-grade copper intersections identified in historical drilling.

5. Resolutions 3 and 4 – Ratification of Prior Issue of Shares - Placement

5.1 Background

As detailed in Section 4, Resolutions 3 and 4 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 43,400,000 Shares issued under the Placement at an issue price of 10 cents per Share to raise \$4,340,000 before costs (**Placement Shares**).

5.2 Resolution 3 – Listing Rules 7.1 and 7.4

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

Listing Rule 7.4 sets out an exception to Listing Rules 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

5.3 Resolution 4 – Listing Rule 7.1A and 7.4

Listing Rule 7.1A provides that an “Eligible Entity” may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting. This extra 10% capacity is in addition of the Company’s 15% capacity under Listing Rule 7.1. The Company confirms that it is an “Eligible Entity” and that it obtained approval from Shareholders at its last annual general meeting for this placement capacity in accordance with the Listing Rules.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1A (and provided that the previous issue did not breach Listing Rule 7.1A) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1A.

By ratifying this issue, the Company will retain the flexibility to issue Equity Securities in the future up to the 10% annual placement capacity as set out in Listing Rule 7.1A, without the requirement to obtain prior Shareholder approval.

5.4 Technical information required by Listing Rule 7.5

In compliance with the information requirements of Listing Rule 7.5, Shareholders are advised of the following in relation to Resolutions 3 and 4:

- (a) 43,400,000 Placement Shares were issued on the following basis:
 - (i) 22,642,680 shares issued pursuant to Listing Rule 7.1; and

- (ii) 20,757,320 shares issued pursuant to Listing Rule 7.1A;
- (b) the issue price of the Placement Shares was \$0.10 per Share;
- (c) the Shares are ordinary fully paid shares in the capital of the Company and rank equally in all respects with the existing Shares on issue;
- (d) the Shares were issued to professional and sophisticated investors, none of whom are a related party of the Company;
- (e) no related party of the Company, member of the key management personnel, substantial holder of the Company, adviser of the Company or associate of any of these parties were issued more than 1% of the issued capital of the Company;
- (f) the Shares were issued on 2 October 2024;
- (g) the Company has and intends to use funds raised pursuant to the Placement as follows:
 - (i) various exploration programs across the Company's portfolio of copper and gold assets in the world-class Lachlan Fold Belt of New South Wales, including drilling at the Basin Creek Prospect to follow-up high-grade copper intersections identified in historical drilling;
 - (ii) costs of the Offer; and
 - (iii) general working capital requirements,
- (h) A voting exclusion statement applies to Resolutions 3 and 4;
- (i) The issue did not breach Listing Rule 7.1; and
- (j) Other than those set out in this section, there are no other material terms in relation to the issues.

If Resolution 3 is passed, the issue will be excluded in calculating Lachlan Star's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 3 is not passed, the issue will be included in calculating Lachlan Star's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 4 is passed, the issue will be excluded in calculating Lachlan Star's 10% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 4 is not passed, the issue will be included in calculating Lachlan Star's 10% limit in Listing Rule 7.1A, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue date.

The Board unanimously recommend Shareholders vote in favour of Resolutions 3 and 4.

6. Resolutions 5 to 8 - Participation of Directors in the Placement

6.1 Background

As detailed in Section 4, the Directors, being Gary Steinepreis, Stacey Apostolou, Brendan Bradley and Daniel Smith wish to participate in the Placement on the same terms as the unrelated participants in the Placement.

Resolutions 5 to 8 seek Shareholder approval for the issue of:

- (a) up to 750,000 Shares to Gary Steinepreis (or his nominee);
- (b) up to 250,000 Shares to Stacey Apostolou (or her nominee);
- (c) up to 250,000 Shares to Brendan Bradley (or his nominee); and
- (d) up to 350,000 Shares to Daniel Smith (or his nominee),

(together, **Director Placement Shares**).

6.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

The issues of the Director Placement Shares would constitute the giving of a financial benefit and Messrs Steinepreis, Bradley and Smith and Ms Apostolou are related parties of the Company by virtue of being Directors.

The Directors (other than Mr Steinepreis who abstained) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Resolution 5 because the Shares will be issued to Mr Steinepreis (or his nominee) on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms, an exception under section 210 of the Corporations Act.

The Directors (other than Ms Apostolou who abstained) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Resolution 6 because the Shares will be issued to Ms Apostolou (or her nominee) on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms, an exception under section 210 of the Corporations Act.

The Directors (other than Mr Bradley who abstained) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Resolution 7 because the Shares will be issued to Mr Bradley (or his nominee) on the same terms as

Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms, an exception under section 210 of the Corporations Act.

The Directors (other than Mr Smith who abstained) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Resolution 8 because the Shares will be issued to Mr Smith (or his nominee) on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms, an exception under section 210 of the Corporations Act.

6.3 ASX Listing Rule Requirements

ASX Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

10.11.1 a related party;

10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;

10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

As the Directors are related parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

Resolutions 5 to 8 seek Shareholder approval for the issues of the Director Placement Shares under and for the purposes of Listing Rule 10.11.

If Resolutions 5 to 8 are passed, the Company will be able to proceed with the issue of the Director Placement Shares within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and will raise additional funds (of \$160,000) which will be used in the manner set out in Section 4 above.

As approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Placement Shares (because approval is being obtained under Listing Rule 10.11), the issue of the Director Placement Shares will not use up any of the Company's 15% annual placement capacity.

If Resolutions 5 to 8 are not passed, the Company will not be able to proceed with the issue of the Director Placement Shares.

Resolutions 6 to 9 seek approval for individual issues and are not dependent on one another.

6.4 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Director Placement Shares:

- (a) the Director Placement Shares will be issued to the following persons:
 - (i) Gary Steinepreis (or his nominees) (Resolution 5);
 - (ii) Stacey Apostolou (or her nominees) (Resolution 6);
 - (iii) Brendan Bradley (or his nominee) (Resolution 7); and
 - (iv) Daniel Smith (or his nominees) (Resolution 8),each of whom falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director;
- (b) the maximum number of Director Placement Shares to be issued is 1,600,000 in the following proportions:
 - (i) 750,000 Shares to Gary Steinepreis (or his nominees) (Resolution 5);
 - (ii) 250,000 Shares to Stacey Apostolou (or her nominees) (Resolution 6);
 - (iii) 250,000 Shares to Brendan Bradley (or his nominee) (Resolution 7); and
 - (iv) 350,000 Shares to Daniel Smith (or his nominees) (Resolution 8),
- (c) the Director Placement Shares issued will be fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing Shares;
- (d) the Company will issue the Director Placement Shares by no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Director Placement Shares will occur on the same date;
- (e) the issue price will be 10 cents per Director Placement Share, being the same as all other Shares issued to other participants in the Placement. The Company will not receive any other consideration for the issue of the Shares;
- (f) the purpose of the issue of Director Placement Shares is to raise a further \$160,000 before costs under the Placement which the Company intends to use in manner as set out in Section 4 of this Notice;
- (g) the Director Placement Shares to be issued are not intended to remunerate or incentivise the Directors;
- (h) the Director Placement Shares are not being issued under an agreement; and
- (i) a voting exclusion statement is included in respect of Resolutions 5 to 8.

7. Resolution 9 – Approval of 10% Placement Facility

7.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements in the 12-month period after an annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

Resolution 9 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c) below).

The Company may use the 10% Placement Facility to fund ongoing development.

The Directors of the Company believe Resolution 9 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

7.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being fully paid ordinary shares (ASX: LSA).

(c) Formula for calculating 10% Placement Facility

In addition to issues under Listing Rule 7.1, an eligible entity which has obtained shareholder approval of this Listing Rule 7.1A may, during the period of the approval, issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

where:

A = has the same meaning as in Listing Rule 7.1;

D = 10%;

E = the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the Company's Shareholders under Listing Rule 7.4.

(d) **Listing Rule 7.1 and Listing Rule 7.4**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 250,973,195 Shares and therefore has a capacity to issue:

- (i) 37,645,979 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 9, 25,097,319 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

(e) **Minimum Issue Price**

Any Equity Securities issued under Listing Rule 7.1A.2 must be in an existing quoted class of the Company's Equity Securities and issued for a cash consideration per security which is not less than 75% of the volume weighted average price (**VWAP**) of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

If approved, approval under this Listing Rule 7.1A commences on the date of the Company's Annual General Meeting and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the time and date of the Company's next Annual General Meeting; or
- (iii) the time and date of the approval by the Company's Shareholders of a transaction under Listing Rules 11.1.2 or 11.2 (disposal of main undertaking).

(10% Placement Period).

7.3 Technical information required by Listing Rule 14.1A

For this Resolution to be passed, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be cast in favour of the Resolution.

If this Resolution is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A and

will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

7.4 Listing Rule 7.1A

The effect of Resolution 9 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 9 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

7.5 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued not less than 75% of the volume weighted average price (VWAP) of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
 - (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 9 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be potentially diluted as shown in the below table (in the case of listed Options, only if the listed Options are exercised). There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than of the date of the approval under Listing Rule 7.1A; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the potential dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary securities has decreased by 50% (rounded up) and increased by 100% as against the current market price.

Dilution example:

Number of Shares on Issue (Variable A in ASX Listing Rule 7.1A.2)		Dilution			
		Shares issued – 10% voting dilution	Issue Price		
			\$0.058	\$0.115	\$0.17
			50% decrease	Issue Price	50% increase
			Funds Raised		
Current	250,973,195	25,097,319	\$1,455,644	\$2,886,191	\$4,341,836
50% increase	376,459,793	37,645,979	\$2,183,466	\$4,329,287	\$6,512,754
100% increase	501,946,390	50,194,639	\$2,911,289	\$5,772,383	\$8,683,672

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No listing Options (including any listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example at 10%.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes listed Options, it is assumed that those listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - (vii) The issue price is \$0.115, being the closing price of the Shares on ASX on 3 October 2024.
- (c) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 9 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) to raise additional funds for the acquisition of new assets or investments (including expense associated with such acquisition);
 - (ii) continued exploration expenditure on the Company's current assets; and
 - (iii) general working capital.

The Company will comply with the disclosure obligations under Listing Rule 7.1A.4 upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of the Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (e) A voting exclusion statement applies to this Resolution.

7.6 Previous approval under Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 29 November 2023 (**Previous Approval**).

A total of 20,757,320 Equity Securities were issued under Listing Rule 7.1A.2 in the 12 month period preceding the date of the Meeting; which represent 12.4% of the total number of Equity Securities on issue at the commencement of that 12 month period preceding the date of the Meeting. Details of the issue of Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting is set out below. There is no circumstance that the Company has agreed before the 12 month period to issue Equity securities under Listing Rule 7.1A.2 but as at the date of the Meeting not yet issued those Equity Securities.

Date of issue:	2 October 2024
Date of Appendix 2A	2 October 2024
Class/Type of equity security:	20,757,320 fully paid ordinary shares
Names of persons who received securities or basis on which those persons was determined:	Professional and sophisticated investors as part of a placement announced on 26 September 2024, which was undertaken by the Company via a bookbuild process seeking expressions of interest to participate in the placement from non-related parties of the Company.
Price:	\$0.10 per Share

Discount to market price (if any):	15.4% discount to the 15 days VWAP of the Company Shares of \$0.143 per Share immediately before the issue
Cash received	\$2,075,732
Use of proceeds	The net proceeds of the Placement will be used to fund exploration programs across the Company's portfolio of copper and gold assets in the world-class Lachlan Fold Belt of New South Wales, including drilling at the Basin Creek Prospect to follow-up high-grade copper intersections identified in historical drilling, and for general working capital purposes.

7.7 Board recommendation

The Board believes this Resolution is in the best interests of the company and unanimously recommend that Shareholders vote in favour of Resolution 9.

7.8 Voting exclusion statement

A voting exclusion statement has been included in this Notice. However, as at the date of this Notice, the Company has not approached any persons to participate in the issue of equity securities under the 7.1A Mandate. No existing Shareholders' votes will therefore be excluded under the voting exclusion in the Notice.

Definitions

In this Notice and the Explanatory Memorandum:

10% Placement Facility has the meaning given in Section 7.

\$ means Australian Dollars.

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ending 30 June 2024.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Business Day has the meaning contained in the Listing Rules.

Chair or **Chairman** means the person appointed to chair the Meeting conveyed by this Notice.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; and
- (f) a person prescribed by the Corporations Regulations 2001 (Cth).

Company means Lachlan Star Limited.

Constitution means the constitution of the Company as at the commencement of the Meeting.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Security has the meaning given in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting or Annual General Meeting means the meeting convened by this Notice (as adjourned from time to time).

Notice or Notice of Annual General Meeting means this notice of annual general meeting.

Proxy Form means the proxy form attached to the Notice.

Related Party has the meaning given in the Listing Rules.7.2

Remuneration Report means the remuneration report set out in the Director's Report section of the Company's annual financial report for the year ended 30 June 2024.

Resolution means a resolution contained in the Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Variable A means "A" as set out in the calculation in section 7.5 of the Explanatory Statement.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice and the Explanatory Memorandum words importing the singular include the plural and vice versa.



LSA

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AWST) on Tuesday, 26 November 2024.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Lachlan Star Limited hereby appoint

☐ the Chairman of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Lachlan Star Limited to be held at Ascent Capital, Level 1, 33 Ord Street, West Perth, WA 6005 on Thursday, 28 November 2024 at 10:00am (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention in step 2) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2.

Step 2

Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	☐	☐	☐
Resolution 2	Re-election of Director – Gary Steinepreis	☐	☐	☐
Resolution 3	Ratification of Prior Issue Under LR7.1 – Placement Shares	☐	☐	☐
Resolution 4	Ratification of Prior Issue Under LR7.1A – Placement Shares	☐	☐	☐
Resolution 5	Participation of Gary Steinepreis in the Placement	☐	☐	☐
Resolution 6	Participation of Stacey Apostolou in the Placement	☐	☐	☐
Resolution 7	Participation of Brendan Bradley in the Placement	☐	☐	☐
Resolution 8	Participation of Daniel Smith in the Placement	☐	☐	☐
Resolution 9	Approval of 10% Placement Facility	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3

Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/

/

Date

Update your communication details

(Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically