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**LACHLAN STAR LIMITED**

**ABN 88 000 759 535**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 11am (WST)

**DATE:** Tuesday 30th November 2010

**PLACE:** Lower Ground Floor  
57 Havelock Street  
West Perth WA 6005

*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) 9481 0051.*

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**CONTENTS PAGE**

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Time and Place of Meeting and How to Vote	2-4
Notice of Annual General Meeting (setting out the proposed resolutions)	5
Explanatory Statement (explaining the proposed resolutions)	6-7
Glossary	8

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**TIME AND PLACE OF MEETING AND HOW TO VOTE**

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**VENUE**

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The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11am (WST) on Tuesday 30th November 2010 at Lower Ground Floor, 57 Havelock Street, West Perth WA 6005.

**HOW TO VOTE**

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You may vote by attending the Annual General Meeting in person, by proxy, or (if you are a body corporate) by an authorised representative.

**YOUR VOTE IS IMPORTANT**

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

**VOTING IN PERSON**

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

**VOTING BY PROXY**

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A Shareholder has the right to appoint a proxy (who need not be a Shareholder). A proxy can be an individual or a body corporate. Under section 250D of the Corporations Act, a body corporate appointed as a Shareholder's proxy must, if it wishes to exercise its rights and powers as a proxy at the AGM, appoint a representative to exercise those rights and powers. The certificate of appointment must be lodged with the Company and/or the Share Registrar, Computershare Investor Services Pty Limited, before the AGM or at the registration desk on the day of the AGM. Certificates of appointment of corporate representatives are available at [www.computershare.com.au](http://www.computershare.com.au) or on request by contacting Computershare Investor Services Pty Limited on telephone number 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

To vote by proxy, please complete and sign the enclosed Proxy Form and return (together with the original of any power of attorney or other authority, if any, or a certified copy of that power of attorney or other authority under which the proxy form is signed):

- (a) to Computershare Investor Services Pty Limited in accordance with the instructions on the Proxy Form;
- (b) by post to Lachlan Star Limited, PO Box 1523, West Perth, Western Australia, 6872;
- (c) by facsimile to the Company on facsimile number (+61 8) 9481 0052;
- (d) in person to the Company at Lower Ground Floor, 57 Havelock Street, West Perth, WA 6005; or
- (e) electronically at the Share Registry website [www.investorvote.com.au](http://www.investorvote.com.au),

by 11:00am (Perth Time) 28 November 2010.

For intermediary Online Subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions so that it is received not later than 11am (WST) on Sunday 28th November 2010. **Proxy Forms received later than this time will be invalid.**

If you are entitled to cast two or more votes, you may appoint two proxies and you may specify the proportion or number of votes each proxy is appointed to exercise. If you do not specify the number or proportion, each proxy may exercise half the votes.

#### **VOTING BY CORPORATE REPRESENTATIVE**

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A body corporate may appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Share Registrar, Computershare Investor Services Pty Limited, before the AGM or at the registration desk on the day of the AGM. Certificates of appointment of corporate representatives are available at [www.computershare.com.au](http://www.computershare.com.au) or on request by contacting Computershare Investor Services Pty Limited on telephone number 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

#### **QUESTIONS FROM SHAREHOLDERS**

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The chairman of the meeting will allow a reasonable opportunity for Shareholders to ask questions or make comments on the performance of the Company.

PricewaterhouseCoopers, as the auditor responsible for preparing the auditor's report for the year ended 30 June 2010 (or a representative of that firm), will attend the AGM. The chairman of the meeting will allow a reasonable opportunity for the Shareholders as a whole to ask the auditor questions at the meeting about:

- (a) the conduct of the audit;
- (b) the preparation and content of the auditor's report;
- (c) the accounting policies adopted 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.

To assist the Board and the auditor of the Company in responding to any questions you may have, please submit your questions by fax or by email to the address below by no later than 11.00am (WST) on Tuesday, 23 November 2010.

- (i) By mail: PO Box 1523, West Perth, Western Australia, 6872
- (ii) By fax: (+61 8) 9481 0052
- (iii) By Email: bob.anderson@lachlanstar.com.au
- (iv) In person at the Registered Office: Lower Ground Floor, 57 Havelock Street, West Perth, WA 6005

As required under section 250PA of the Corporations Act, at the AGM, questions directed to the auditor which have been received in writing at least five Business Days prior to the AGM, (being questions which the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the annual financial report for the year ended 30 June 2010) will be made available to Shareholders. The chairman of the meeting will allow a reasonable opportunity for the auditor to respond to those questions.

#### **ANNUAL REPORT**

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The Company advises that a copy of its Annual Report for the year ended 30 June 2010, is available to download at the website address, [www.lachlanstar.com.au](http://www.lachlanstar.com.au).

If you have elected to continue to receive a hard copy of the Company's annual reports, the Annual Report will accompany this Notice of Meeting.

#### **ENQUIRIES**

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Shareholders are asked to contact the Company Secretary, Mr Robert Anderson, on (+61 8) 9481 0051 if they have any queries in respect of the matters set out in these documents.

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of Shareholders will be held at 11am (WST) on Tuesday 30th November 2010 at Lower Ground Floor, 57 Havelock Street, West Perth WA 6005.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 5pm (WST) on Sunday 28th November 2010.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

### AGENDA

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#### ORDINARY BUSINESS – FINANCIAL STATEMENTS AND REPORTS

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To receive and consider the Annual Financial Report, the Directors' Report and the Audit Report of Lachlan Star Limited for the financial year ended 30 June 2010.

#### RESOLUTION 1 – RE-ELECTION OF MR DECLAN FRANZMANN AS A DIRECTOR

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

*“That Mr Declan Franzmann, a Director of the Company who retires by rotation in accordance with rule 13.2 of the Company’s Constitution and who, being eligible, offers himself for re-election, be re-elected as a Director of the Company.”*

#### RESOLUTION 2 – ADOPTION OF THE REMUNERATION REPORT FOR THE YEAR ENDED 30 JUNE 2010

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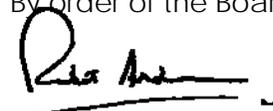
To consider and, if thought fit, to pass the following resolution as a **non-binding** resolution:

*“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report required by section 300A of the Corporations Act, as contained in the Directors’ Report of the Company for the year ended 30 June 2010, be adopted.”*

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Dated: 25th October 2010

By order of the Board



Mr Robert Anderson (Company Secretary)

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 11am (WST) on Tuesday, 30th November 2010 at Lower Ground Floor, 57 Havelock Street, West Perth WA 6005.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

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### 1. FINANCIAL STATEMENTS AND REPORTS

The Corporations Act requires the Annual Financial Report, Directors' Report, and the Auditor's Report (**Annual Report**) to be received and considered at the AGM.

The Corporations Act does not require Shareholders to vote on the Annual Report. However Shareholders attending the AGM will be given a reasonable opportunity to ask questions about, or make comments on, the financial statements and reports contained within the Annual Report.

The Company's auditor, PricewaterhouseCoopers, will be present at the AGM and Shareholders will have the opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

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### 2. RESOLUTION 1 – RE-ELECTION OF MR DECLAN FRANZMANN AS A DIRECTOR

Rule 13.2 of the Company's Constitution provides that at each annual general meeting of the Company, one-third of the Directors are required to retire by rotation every year but are eligible to be re-elected. Mr Franzmann is the Director to retire by rotation and, being eligible, offers himself for re-election as a Director.

Mr Franzmann is a mining engineer with more than 17 years' mining experience. His previous experience includes operational and technical roles at underground and open pit mines throughout Australia, Asia and Africa. He operates a consulting company providing mine engineering and geology services to a variety of companies. Mr Franzmann became a member of the Audit Committee on 19 November 2009.

During the past three years Mr Franzmann has held the following listed company directorships:

Every Day Mine Services Limited	Since March 2007
Luri Gold Limited	Since August 2009

*The Directors, other than Mr Franzmann, unanimously recommend that shareholders vote in favour of this resolution.*

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**3. RESOLUTION 2 – ADOPTION OF THE REMUNERATION REPORT FOR THE YEAR ENDED 30 JUNE 2010**

The Directors' Report for the year ended 30 June 2010 contains a Remuneration Report, which sets out the policy for remuneration of directors and executives. In accordance with section 250R of the Corporations Act, the Company submits to Shareholders for consideration and adoption by way of a non-binding resolution, its Remuneration Report for the year ended 30 June 2010.

Voting on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors or the Company.

At the AGM there will be a reasonable opportunity for discussion of the report.

*The Directors unanimously recommend that shareholders vote in favour of this resolution.*

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## GLOSSARY

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**Annual General Meeting or AGM** means the meeting convened by this Notice of Meeting.

**ASX** means ASX Limited.

**Board** means the current board of directors of the Company.

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

**Company** means Lachlan Star Limited (ABN 88 000 759 535).

**Constitution** means the Company's constitution.

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

**Directors** mean the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice of Meeting.

**Notice of Meeting or Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

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

**Share** means a fully paid ordinary share in the Company.

**Shareholder** means a holder of a Share.

**Share Registrar** means Computershare Investor Services Pty Limited.

**WST** means the time in Perth, Western Australia.

**Lodge your vote:**

 **Online:**  
www.investorvote.com.au

 **By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) www.intermediaryonline.com

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

000001 000 LSA  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



## Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

**www.investorvote.com.au**

- Cast your proxy vote**
- Access the annual report**
- Review and update your securityholding**

*Your secure access information is:*

**Control Number: 999999**

**SRN/HIN: 1999999999**

**PIN: 99999**



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

 **For your vote to be effective it must be received by 11.00am (WST) Sunday 28 November 2010**

### 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 as they choose. 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.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

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.



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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, as the proxy sees fit) at the Annual General Meeting of Lachlan Star Limited to be held at Lower Ground Floor, 57 Havelock Street, West Perth WA 6005 on Tuesday, 30 November 2010 at 11.00am (WST) and at any adjournment of that meeting.

### STEP 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Re-election of Mr Declan Franzmann as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Adoption of the Remuneration Report for the year ended 30 June 2010	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

### SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date \_\_\_\_/\_\_\_\_/\_\_\_\_

LSA

120062A

Computershare +