

Quarterly Report for the Period ending 31 March 2009

Corporate

At the end of the March quarter Lachlan Star had cash deposits of \$9.3 million.

The Company continues to examine investment opportunities, particularly in the gold and base metal sectors in Australia and Southern Africa. Expenditures were minimised during the quarter with a view to conserving the Company's cash reserves.

Projects

Bushranger Copper Project

Exploration reconnaissance was completed at the Bushranger Exploration Project during the quarter. Mapping and rock chip sampling of the northern area of the tenement was completed, with particular focus at the Arundle Prospect. This prospect consists of two historic underground gold and copper mines.

Rock chip sampling of an outcropping quartz vein returned an assay grade of 6.93 g/t gold, 2.3g/t silver, whilst sampling of a dump adjacent to a mine shaft returned 1.8 g/t Au, 2.7g/t Ag. It is planned to follow up these preliminary results with further work in the coming months.

More information about the Company can be found at our website www.lachlanstar.com.au.

For and on behalf of the Board



Declan Franzmann
Director

About Lachlan Star Limited

Lachlan Star Limited (ASX:LSA) 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, copper and bulk commodities sectors within Australia and overseas. 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 the Bushranger copper and gold project in NSW and the Princhester magnesite deposit in QLD.

*Directors and Management – Mick McMullen - Chairman
Declan Franzmann - Executive Director
Tom Duckworth - Director(non executive)
Hamish Bohannan - Director(non executive)*

Visit: www.lachlanstar.com.au

Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled Debra Thornton, who is a Member of The Australasian Institute of Mining and Metallurgy. Debra Thornton is employed by Crosscut Consulting. Debra Thornton has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she 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'. Debra Thornton consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97.

Name of entity

LACHLAN STAR LIMITED

ACN or ARBN

88 000 759 535

Quarter ended ("current quarter")

31 MARCH 2009

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation	(20)	(93)
(b) development		
(c) production		
(d) administration	(108)	(477)
(e) staff costs		
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	93	353
1.5 Interest and other costs of finance paid		
1.6 Other (new ventures)	(51)	(335)
Net Operating Cash Flows	(86)	(552)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets		
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets		
1.10 Loans to other entities		
1.11 Cash acquired on acquisition of subsidiary		
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(86)	(552)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(86)	(552)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Costs associated with the issue of shares, options etc	-	(12)
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Payment to Settle Deed of Company Arrangement		
1.19	Other (provide details if material)		
	Net financing cash flows	-	(12)
	Net increase (decrease) in cash held	(86)	(564)
1.20	Cash at beginning of quarter/year to date	9,385	9,863
1.21	Deposits at call		
1.22	Cash at end of quarter	9,299	9,299

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	82
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows:

Not applicable

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not applicable

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	40
4.2 Development	-
Total	40

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	6,299	185
5.2 Deposits at call	3,000	9,200
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	9,299	9,385

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter %	Interest at end of quarter %
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2		Interests in mining tenements acquired or increased		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

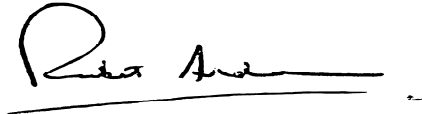
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Number issued	Number quoted	Issue price per security (see note 3) (cents)	Amount paid-up per security (see note 3) (cents)
7.1 Preference +securities (description)				
7.2 Issued during quarter				
7.3 +Ordinary securities	1,079,867,371	1,079,867,371		
7.4 Issued during quarter				
7.5 +Convertible debt securities (description and conversion factor)				
7.6 Issued during quarter				
7.7 Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
	2,500,000		\$0.025	20/4/2010
	2,500,000		\$0.035	20/04/2011
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Company Secretary

Date: 30 April 2009

Print name: Robert Anderson

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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