

18 August 2010

Company Announcements Office
ASX Limited

Via ASX Online

Dear Sirs

REQUISITION OF EGM TO REMOVE DIRECTORS OF LUIRI GOLD LIMITED

PERTH, Western Australia - Lachlan Star Limited (Lachlan) (ASX:LSA) has today lodged a requisition notice with Luiiri Gold Limited (Luiiri) seeking an Extraordinary General Meeting of Luiiri shareholders to remove three Luiiri directors, namely Mike Sperinck, Peter Tanham and Gordon Richards. If successful in removing these directors, it is Lachlan's intention to recommend to the Luiiri board that the management contracts of the incumbent CEO (Mike Sperinck) and CFO (Peter Tanham) be terminated and that those gentlemen be replaced with Mick McMullen (move to Executive Chairman) and Bob Anderson (CFO).

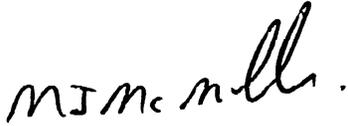
As Luiiri's largest shareholder, Lachlan is deeply concerned with the performance of Luiiri in the last 6 months. Exploration success has been limited to date, and the recent cancellation of the Mining Licence covering Luiiri's main gold project has been a major setback for Luiiri. Lachlan believes that given these events, a change in the management of Luiiri is required to provide Luiiri shareholders with some hope of rebuilding the necessary relationships in Zambia and recovering their investment there.

In the event that Luiiri is successful in recovering its Mining Licence, Lachlan would be proposing that Luiiri recruit a suitably qualified Managing Director with mine development skills, upon which appointment Mick McMullen would revert to a non executive Chairman role.

Lachlan holds a total of approximately 21.89 million common shares (Shares) and 9 million CHESS Depository Interests (representing in aggregate 31,092,500 Shares or approximately 27.87% of the currently issued and outstanding Shares on an undiluted basis) in Luiiri, and is the single largest shareholder. Lachlan acquired the Shares for investment purposes, however if Lachlan is unsuccessful in revitalising the management of Luiiri, it will consider all options with respect to its shareholding, among which may be disposal of some or all of its Shares.

Mr McMullen commented “It is with great regret that Lachlan goes down this path, however we feel that we have no other choice if we are to protect the interests of all Luiiri shareholders. We believe that any resolution with the Zambian government will require Luiiri to present itself in a new manner, meaning that management changes are an integral part of any resolution.”

For and on behalf of the Board

A handwritten signature in black ink, appearing to read 'Mick McMullen'.

Mick McMullen
Chairman

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, 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 QL as well as a 28% holding in Luiiri Gold.

Visit: www.lachlanstar.com.au