



LACHLAN STAR LIMITED

20 May 2013

LACHLAN STAR ANNOUNCES SECOND CLOSE OF NON-BROKERED PRIVATE PLACEMENT

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Perth, Western Australia: Gold miner, Lachlan Star Limited (“Lachlan Star” or the “Company”) (ASX and TSX: LSA) is pleased to announce that it has closed on the second tranche of the previously announced non-brokered private placement.

A total of C\$0.29 million has been subscribed for at a price of C\$0.57 and the Company has authorised to be issued 500,000 ordinary shares to accredited North American investors.

In addition, one subscriber that has subscribed for the remaining C\$8.79 million has requested additional time to complete their documentation. The Company has received approval from the Toronto Stock Exchange (TSX) to extend the completion date for the private placement to 14 June 2013.

For and on behalf of the Board

Mick McMullen
Chairman

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About Lachlan Star Limited

Lachlan Star Limited is a gold mining company headquartered in Perth, Western Australia. The Company is focused on optimizing free cash flow from its CMD Gold Mine in 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, a 100% interest in the Bushranger Copper Project in New South Wales (subject to Newmont earning 51%) and a 100% interest in the Princhester magnesite deposit in Queensland.

Caution Regarding Forward Looking Information:

This news release contains forward-looking information which is based on the assumptions and judgments of management regarding future events and results. Such forward-looking information includes but is not limited to information with respect to completion of the private placement and the procurement of the approval of the TSX to the private placement. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance and achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward looking information. Such factors include, among others, the effectiveness of the Company's corporate strategy and its ability to maximise cash flow, the price of gold, current financial markets and other factors that are disclosed in the Company's publicly filed documents. The Company believes that the assumptions and expectations reflected in the forward-looking information are reasonable. Assumptions have been made regarding, among other things, the ability of the Company to increase gold production, the continued outperformance of cash flow paying royalty companies over gold equities, the Company's ability to report financial results in terms of gold and pay dividends in gold and the timely receipt of required regulatory approvals. Readers should not place undue reliance on forward-looking information. The Company does not undertake up update any forward-looking information, except as may be required in accordance with applicable laws.

