



LACHLAN STAR LIMITED

18 November 2013

LACHLAN STAR ANNOUNCES US\$767 PER OUNCE C1 CASH COSTS AND US\$1,036 PER OUNCE ALL IN SUSTAINING CASH COSTS FOR OCTOBER

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Perth, Western Australia: Gold miner, Lachlan Star Limited (“Lachlan Star” or the “Company”) (ASX and TSX: LSA) is pleased to provide the following financial updates for the month of October and guidance for the December quarter. Highlights include:

- C1 Cash cost of US\$767 per ounce in October, a record low under the Company’s ownership
- All in sustaining cash costs of US\$1,036 per ounce in October, a record low under the Company’s ownership;
- Total costs per ore tonne stacked of US\$13.36 in October, a record low under the Company’s ownership;
- December 2013 quarter guidance of:
 - Gold production in the range of 17,500 ounces of gold to 18,500 ounces;
 - Waste to ore ratio in the range of 1.1:1 to 1.3:1
 - Stacked ounces in the range of 27,000 ounces of gold to 30,000 ounces of gold

For and on behalf of the Board

Mick McMullen
Chairman

For further information please visit www.lachlanstar.com.au or contact:

Mick McMullen
Chairman
Lachlan Star
Tel: +61(0)8 9481 0051
Email: mick.mcmullen@lachlanstar.com.au

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 planned changes to the Company's corporate strategy including changes to the Company's dividend policy, the intention to report financial results in gold, the intention to maximise free operating cash flow from the CMD Gold Mine and the intention to pay dividends in gold. 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 performance of the changed management team, 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.

