



**LACHLAN STAR LIMITED**

7 February 2012

**LACHLAN STAR ANNOUNCES DRILL RESULTS FROM CMD GOLD MINE INCLUDING 220M GRADING 0.53 G/T AU (INCLUDING 110M GRADING 0.77 G/T AU), 200M GRADING 0.42 G/T AU, AND 215M GRADING 0.41 G/T AU**

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**Perth, Western Australia: Gold miner, Lachlan Star Limited ("Lachlan" or the "Company") (ASX and TSX: LSA)** is pleased to announce further drill results from its 100% owned CMD Gold Mine in Chile.

Highlights from the drill program include:

**Tres Perlas Deposit**

- 220m at 0.53 g/t from 0m downhole in RCH 2012-09, including 110m grading 0.77 g/t Au from 78m downhole
- 215m grading 0.41 g/t Au from 19m downhole in RCH 2012-17 (0-19m backfill), ending in mineralisation
- 200m grading 0.42 g/t Au from 0m downhole in RCH 2012-08, including 53m grading 0.49 g/t Au from 24m downhole and 52m grading 0.66 g/t Au from 142m downhole, ending in mineralisation
- 128m grading 0.38 g/t Au including 18 m grading 1.07 g/t Au from 116 m downhole in RCH 2012-12 (0-17m backfill)
- 86m grading 0.30 g/t Au from 28m downhole in RCH 2012-16

These results continue to demonstrate the near surface, bulk tonnage nature of the gold mineralisation at the Tres Perlas deposit, with RCH 2012-16 and RCH 2012-17 demonstrating the continuation of the mineralisation between the Tres Perlas and El Sauce deposits.

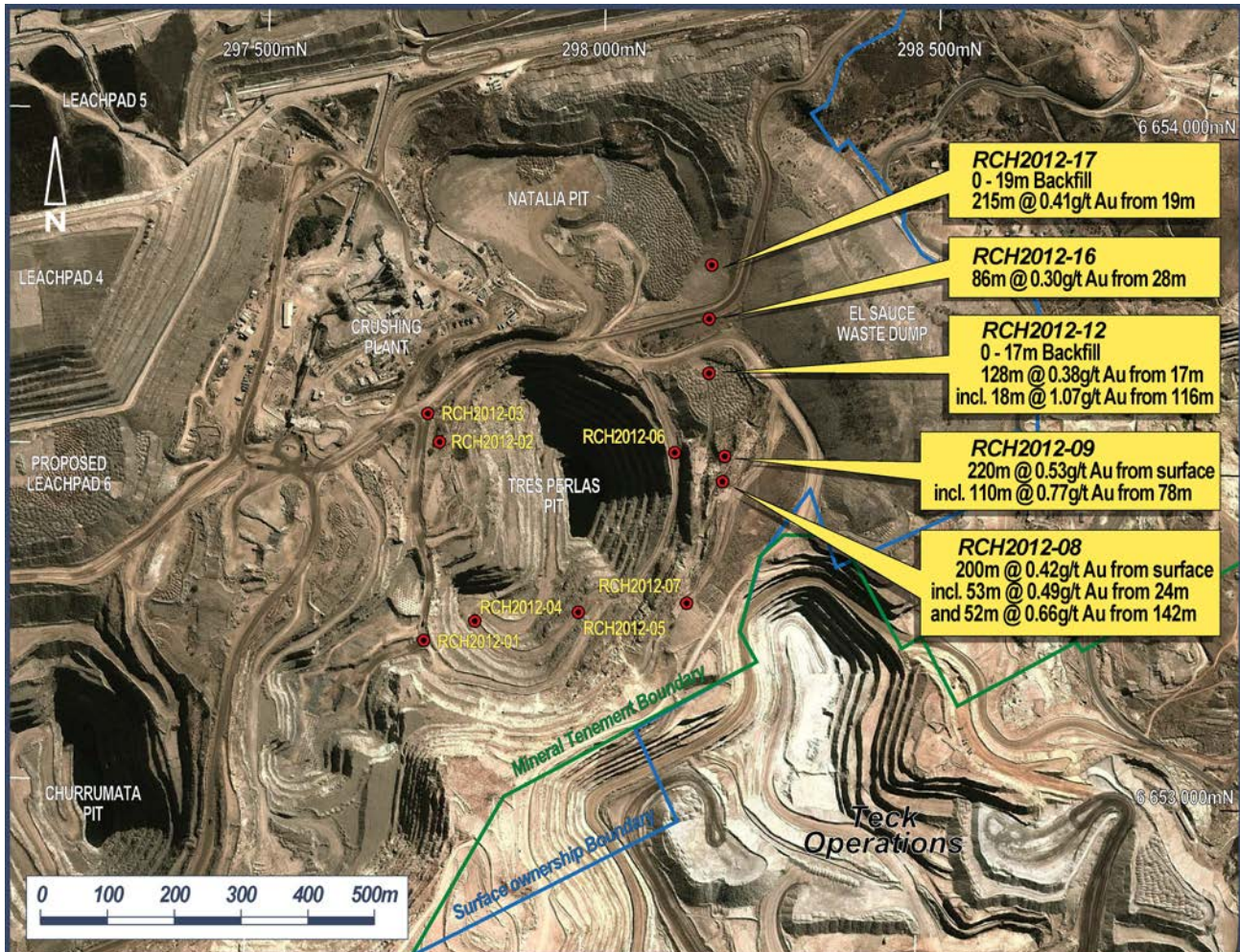
Table 1 below contains a full list of recent drill results for the CMD Gold Mine. True widths are estimated to be approximately 85% of downhole widths.

**Tres Perlas Deposit**

The Tres Perlas deposit is located on the eastern side of the CMD Gold Mine tenements as shown in Figure 1. The gold mineralisation at Tres Perlas is up to 200m thick at a cut off grade of 0.15 g/t Au and the 2011 Coffey mineral resource contains 252,000 ounces of gold in the Indicated category and a further 333,000 ounces of gold in the Inferred category (Refer to Table 2). The gold mineralisation is open down dip to the south east and along strike to the north east, and sits beneath

copper mineralisation that is the extension of the copper deposit being mined at the adjacent Carmen de Andacollo mine by Teck.

**FIGURE 1 – Location of Tres Perlas Deposit**



Current drilling is targeted to test the down dip and along strike extension of the gold mineralisation identified in historical holes. The latest results continue to demonstrate the near surface, bulk tonnage nature of the gold mineralisation around the Tres Perlas deposit.

Drillholes RCH 2012-16 and RCH 2012-17 have demonstrated the continuation of the mineralisation between the Tres Perlas and El Sauce deposits, with the holes drilled 160m and 240 m respectively of the previous area of drilling around RCH 2012-09. Both holes were collared in an area of backfill with no recovery for the first 17m and 19m respectively. The mineralisation commences immediately below the backfill.

Drillholes RCH 2012-08 and RCH 2012-09 are located adjacent to the centre of the Tres Perlas pit and both ended in mineralisation. The upper part of RCH 2012-08 contained material copper mineralisation with 0-19 m downhole grading 0.24% Cu and 24-38m downhole grading 0.33% Cu. Both these intervals correspond to the relatively lower grade gold mineralisation.

All holes tend to contain a higher gold grade core within the broader mineralised zone of approximately 200m thickness.

Declan Franzmann, Managing Director, commented “ the Churrumata, Tres Perlas and El Sauce mineralisation has been under drilled in the past, with the result that the deposits have been modelled separately and on incomplete data. The work we are

currently doing has greatly advanced our knowledge of the gold and copper mineralisation, to the extent that we now have a zone of mineralisation that is at least 2 km along strike, by 0.6 km down dip with thicknesses of over 200m. ”

For and on behalf of the Board

Mick McMullen

Chairman

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**Table 1 – CMD Gold Mine Drill Results <sup>1</sup>**

Hole ID	Grid_N	Grid_E	Grid_Elev	Azimuth	Dip	From	To	Interval	g/t Au	Cu (%)
RCH-2012-08	3478.7	8199.1	1063.2	265.0	-88.2	0	19	19		0.24
						0	200	200	0.42	
						24	38	14		0.33
						24	77	53	0.49	
						43	47	4		0.24
						90	96	6		0.16
						115	119	4		0.20
						142	194	52	0.66	
						147	150	3		0.22
						153	155	2		0.17
						162	164	2		0.20
169	176	7		0.19						
RCH-2012-09	3517.0	8202.4	1059.2	288.6	-88.2	0	220	220	0.53	
						78	188	110	0.77	
RCH-2012-012	3640.3	8179.9	1057.7	93.0	-89.2	0	17	17	Backfill	
						17	145	128	0.38	
						116	134	18	1.07	
RCH-2012-016	3720.2	8179.3	1063.2	150.6	-89.6	28	114	86	0.30	
RCH-2012-017	3802.2	8179.2	1057.9	284.0	-89.8	0	19	19	Backfill	
						19	234	215	0.41	

**Table 2 – CMD Gold Mine Coffey Mineral Resources (Jan 2012) <sup>2</sup>**

Deposit	Indicated			Inferred		
	Tonnes(Mt)	Grade(Au)	Ounces(Kozs)	Tonnes(Mt)	Grade(Au)	Ounces(Kozs)
Las Loas	2.86	0.8	73	1.5	0.8	37
El Sauce	0	-	0	7.1	0.7	156
Toro	17.5	0.6	348	11.6	0.36	135
Tres Perlas	15.6	0.5	252	19	0.5	333
Churrumata	0.6	0.8	16	8.7	0.8	219
Chisperos	1.0	1.1	36	1.4	1.0	43
<b>Total</b>	<b>37.6</b>	<b>0.6</b>	<b>725</b>	<b>49.8</b>	<b>0.6</b>	<b>923</b>

<sup>1.</sup> Samples assayed at ACTIVATION LABORATORIES LTD in La Serena, Chile, an Accredited Testing Laboratory by the Standards Council of Canada

<sup>2.</sup> Reported above 0.3 g/t Au all except Toro deposit, which is reported above 0.15 g/t Au

#### **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 and copper sectors within Australia and 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.*

#### **Competent Persons Statement**

*The information in the news release that relates to the Mineral Resources of Tres Perlas, Chisperos, Las Loas, El Sauce, Churrumata and Toro/Socorro is based on information compiled by David Slater, who is a Chartered Professional Member of The Australasian Institute of Mining and Metallurgy. Mr. Slater is employed full time by Coffey Mining Pty Ltd. The information in the news release that relates to exploration results is based on information approved by Declan Franzmann, who is a Chartered Professional Member of The Australasian Institute of Mining and Metallurgy. Mr. Franzmann is employed by Citraen Pty Ltd and is an officer of the Company. Each of Mr. Slater and Mr. Franzmann has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves" and to qualify as a "Qualified Person" under NI 43-101. Each of Mr. Slater and Mr. Franzmann consents to the inclusion in the news release of the matters based on his information in the form and context in which it appears.*

**Caution Regarding Forward Looking Information:** *This report contains forward-looking information, which is based on assumptions and judgments of management regarding future events and results. Such forward-looking information includes but is not limited to information with respect to future exploration and drilling, procurement of financing and procurement of necessary regulatory approvals.*

*Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or 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 actual market price of gold, the actual results of current exploration, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors 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 Company's ability to carry on its exploration and development activities, the timely receipt of required approvals, the price of gold, the ability of the Company to operate in a safe, efficient and effective manner and the ability of the Company to obtain financing as and when required and on reasonable terms. Readers should not place undue reliance on forward-looking information. Lachlan Star does not undertake to update any forward-looking information, except in accordance with applicable securities laws.*