



LACHLAN STAR LIMITED

2 January 2015

UPDATE ON WORKING CAPITAL FACILITY

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Perth, Western Australia: Gold miner, Lachlan Star Limited (“Lachlan Star” or the “Company”) (ASX and TSX: LSA) wishes to advise that, further to its announcement of 1 December 2014, it remains in discussion with Hamilton Place Associates LLC (“HPA”) regarding the availability of a working capital facility and anticipates providing a further update to the market in January.

There is no assurance additional financing will be available as and when required or, if available, that it will be on terms acceptable to the Company. Should the Company not be able to secure additional financing as required, or should the gold price remain below US\$1,200 per ounce for a sustained period of time, these constitute material uncertainties which may cast a significant doubt about the group's ability to continue as a going concern and therefore whether it will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in its latest financial statements.

The Company continues to review its activities so as to optimise its operations within the current economic environment.

RA Anderson
Company Secretary

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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. Lachlan Star's current projects include a 100% interest in the CMD Gold Mine in Chile, a 49% interest in the Bushranger Copper Project in New South Wales (subject to dilution), and a 100% interest in the Princhester magnesite deposit in Queensland.

