



**LACHLAN STAR LIMITED**

**17 October 2014**

## **ADDITIONAL INFORMATION IN RESPECT OF PRIVATE PLACEMENT**

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**Perth, Western Australia: Gold miner, Lachlan Star Limited (“Lachlan Star” or the “Company”) (ASX and TSX: LSA)** wishes to provide, in accordance with Listing Rule 3.10.5A, further information with respect to the private placement (“Placement”) of 16,403,486 fully paid ordinary shares announced on 16 October 2014:

- 1) 12,799,841 shares have been issued within its remaining 15% approval limit under Listing Rule 7.1 and 3,603,645 shares under the additional 10% approval limit approved by shareholders at the last Annual General Meeting under Listing Rule 7.1A.
- 2) The Company has elected to raise the additional funds needed by way of private placement pursuant to its 10% capacity under ASX Listing Rule 7.1A rather than a rights issue for the following reasons:
  - Rights issues are not widely used in North America (where the bulk of the Company’s shareholders reside) compared to Australia
  - Pricing the offer at the current share price would not have been possible had the Company elected to raise the funds by way of a rights issue given that typically rights issue incorporate a larger discount
  - The timetable of a rights issue would have exposed the Company to pricing risk on the financing
- 3) The issue is not underwritten and there are no fees payable in connection with the issue.

- 4) Once the Company issued the 12,799,841 ordinary shares within its remaining 15% approval limit under ASX Listing Rule 7.1 there were 160,432,114 ordinary shares on issue. The issue of the additional 3,603,645 ordinary shares within its 10% approval limit under ASX Listing Rule 7.1A resulted in a dilution of 2.2%.

RA Anderson  
Company Secretary

For further information please visit [www.lachlanstar.com.au](http://www.lachlanstar.com.au) or contact:

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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 49% interest in the Bushranger Copper Project in New South Wales and a 100% interest in the Princhester magnesite deposit in Queensland.

