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LACHLAN STAR ANNOUNCES BUSHRANGER FARM IN AGREEMENT WITH NEWMONT

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Gold miner, Lachlan Star Limited (“Lachlan” or the “Company”) (ASX: LSA) is pleased to announce that it has entered into a Farm In Agreement (“the Agreement”) with Newmont Exploration Pty Ltd, a wholly owned subsidiary of Newmont Mining Corporation (“Newmont”) covering the Bushranger Copper Project in New South Wales.

The terms of the Agreement are:

- Newmont will have a 12 month option period (“Option Period”) to evaluate the Bushranger Copper Project, during which time it must spend a minimum of A\$250,000
- At any time during that 12 month period, Newmont can elect to exercise the option, and earn a 51% interest in the Bushranger Copper Project by spending a total of A\$1 million (including expenditures during the Option Period) over a period of 2 years from the date of the Agreement (the Farm In Period)
- At the completion of the Farm In Period, the Company and Newmont will form a Joint Venture owned 49% and 51% respectively, with both parties funding exploration and development on a pro rata basis. Either party may elect to dilute during the Joint Venture

Mick McMullen, Executive Chairman, commented on the Farm In Agreement “ this agreement enables the Company to focus its finances and management time on its 100% owned operating CMD Gold Mine in Chile, whilst exploration at Bushranger is continued by a major such as Newmont. At the completion of the Farm In Period, Lachlan will have the option to fund its 49% share of the Joint Venture or to dilute further, providing our shareholders with some optionality on the Bushranger Copper Project. Newmont is one of the world’s largest gold producers and is the only gold company included in the S&P 500 Index and Fortune 500 and to have them as a partner on our exploration assets in Australia is very encouraging”.

For and on behalf of the Board

Mick McMullen
Chairman

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

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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, the Bushranger copper and gold project in New South Wales and the Princhester magnesite deposit in Queensland.