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ASX/Media Release

20 June 2011

Laconia Awarded Government Co-funded Exploration Grant

Perth based exploration company Laconia Resources Limited (ASX: LCR) is pleased to announce it has been granted \$150,000 in a co-funding arrangement under the WA State Government Exploration Incentive Scheme.

Laconia will be required to match the \$150,000 funding grant on a dollar for dollar basis on direct drill spending.

Laconia has identified five primary drill targets at its Barramine project, from the Company's detailed geochemical and geophysical surveys, that will test Mississippi Valley Type Deposits (MVT) and Volcanic massive sulphide (VMS) style deposits within the project area for base metal (Cu, Pb and Zn) and precious metal (Au and Ag) mineralisation (*see figure 1 for proposed drilling*).

The Company is delighted by this further recognition of the prospectivity of the Barramine region and the further validation of its comprehensive geological program conducted on the project to date. It is Laconia's intention to drill test these targets in Q3 this year.

The program, to date, combined with regional geological mapping, petrography and PIMA alteration studies show the Barramine project has potential for various mineralisation styles. These include:

- Mississippi Valley Type (MVT) – base metal (Pb and Zn) mineralisation associated with the overlying dolomite and chert breccias.
- Volcanic associated – VHMS-style base metal (Cu, Pb and Zn) and precious metal (Au and Ag) mineralisation associated with the underlying mafic to intermediate (and felsic) volcanics and volcanoclastics.
- Structurally controlled and replacement style hydrothermal gold (Cu and Ag) mineralisation within limestone and chert breccia units, similar to the Barramine and Camel Hump prospects, and
- Epithermal-style gold-silver mineralisation.

The Barramine project's geological position is along strike from known base metal occurrences of Barramine, Camel Hump, Ragged Hills and Braeside. Previous exploration has discovered anomalous zinc and copper in highly altered pyritic acid volcanics in a prospective geological environment for base metal mineralisation.

Competent Persons Statement

Mr Ernie Poole who is a member of the Australasian Institute of Mining and Metallurgy has compiled the information within this presentation that relates to mineralisation. Mr Poole is a full time employee of Laconia Resources Limited and has sufficient experience relevant to the style of mineralisation and type of deposits under consideration and to the activity currently being undertaken to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and consents to the inclusion of this information in the form and context in which it appears in this report.

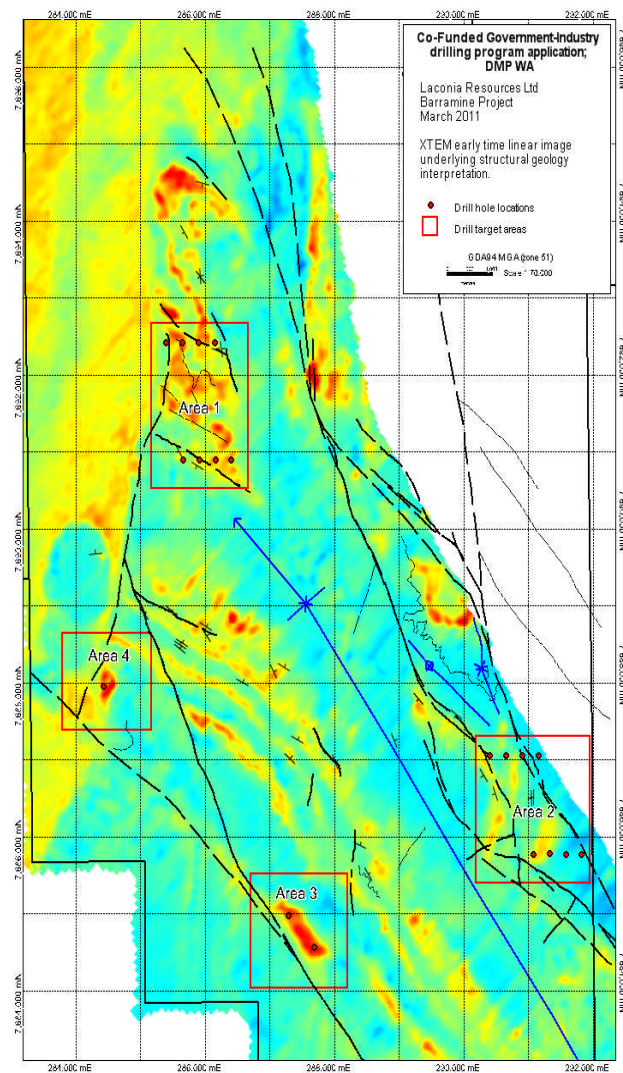


Figure 1: Proposed drilling targets at the Barramine Project

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