

8 March 2011

LACHLAN STAR CONFIRMS 28% JORC RESOURCE INCREASE AT 100% OWNED CHILEAN CMD GOLD MINE

Emerging minerals and exploration company Lachlan Star Limited (“Lachlan” or the “Company”) (ASX: LSA) is pleased to announce a 28% increase in the JORC Resource estimate for its 100% owned CMD Gold Mine in Chile from 936,000 ounces to **1.2 million ounces of gold**. This JORC Resource upgrade has been estimated by the independent consultant Coffey Mining.

Resources

The new Resource estimate covers the Churrumata deposit and totals 235,000 ounces of gold. The total Resources for the CMD Gold Mine are shown in Table 1 below. Further Resource Statements will be provided for the remaining projects once they have been completed by Coffey Mining.

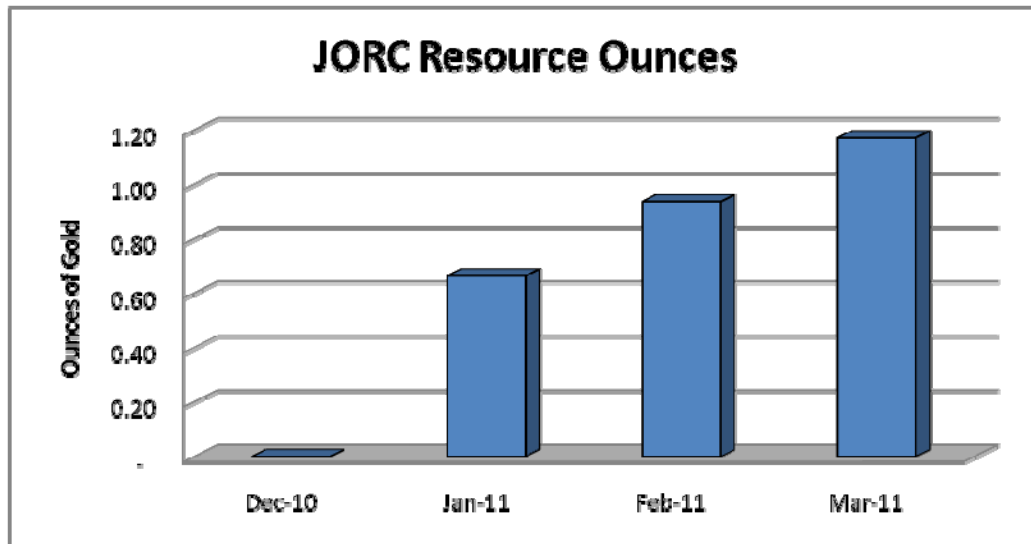
Table 1 – Resources

<p>CMD Mineral Resources (March 2011) above 0.3 g/t Au</p>									
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Deposit	Indicated			Inferred			Total		
	Tonnes (Mt)	Grade (Au)	Ounces (Kozs)	Tonnes (Mt)	Grade (Au)	Ounces (Kozs)	Tonnes (Mt)	Grade (Au)	Ounces (Kozs)
Toro/Socorro	3.3	0.8	84	8.1	0.7	188	11.4	0.7	272
Tres Perlas	15.6	0.5	252	19	0.5	333	35	0.5	585
Churrumata	0.6	0.8	16	8.7	0.8	219	9.3	0.8	235
Chisperos	1.0	1.1	36	1.4	1.0	43	2.4	1.0	79
Total	20.5	0.6	388	37.6	0.6	783	58.0	0.6	1,171

The contained gold ounces in JORC resources have grown significantly during the period of Lachlan Star’s ownership as shown in Figure 1 below.

Figure 1 – JORC Resource Ounce Growth at CMD Gold Mine



Churrumata Mining Update

The Churrumata deposit is one of the main pits currently being mined. Analysis of ore mined from the last three benches of the Churrumata Pit indicated that 144,000 tonnes of ore in excess of the Coffey resource estimate was mined. The comparison is shown in Table 2. This ore is a combination of the higher grade Mariposa Vein and the lower grade Manto mineralisation.

The primary reason for this significant variance is due to an insufficient density of drilling in the area to adequately define the resource.

Table 2 – Comparison of mined ore and resource model on 3 benches at Churrumata

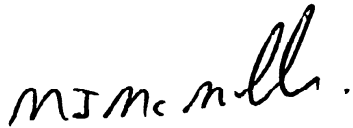
RL	Actual Mined			Coffey Inferred Resource			Variance		
	t	g/t	oz	t	g/t	oz	t	g/t	oz
1110	61,966	0.81	1,620	6,160	0.46	91.70	55,806	0.85	1,528
1105	51,486	0.66	1,098	3,740	0.69	82.85	47,746	0.66	1,015
1100	43,380	0.90	1,255	2,500	0.44	35.69	40,880	0.93	1,220
Total	156,831	0.79	3,973	12,400	0.53	210	144,431	0.81	3,763

NB: The “actual mined” figures are based on results from blast hole sampling and include 10% dilution and 5% mining losses.

Additional drilling is about to commence in and around the Churrumata pit with the aim being to bring this additional mineralisation into a JORC resource estimate and to better define the ultimate pit limits. Declan Franzmann, Managing Director, commented “For the Company to have 1.2 million ounces of gold in the JORC category within 2 months of taking ownership is a great result. It is also very encouraging that significantly more gold is being mined at Churrumata than was expected from the Coffey resource estimate. This highlights the need to

aggressively drill the areas immediately adjacent to the operational pits, and indicates the prospectivity of the area, and the potential that may be realised with our 2011 drill program.”

For and on behalf of the Board



Mick McMullen
Chairman

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, copper and bulk commodities sectors within Australia and overseas. 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 NSW and the Princhester magnesite deposit in QLD.

Visit: www.lachlanstar.com.au

Competent Persons Statement

The information in this report that relates to the Mineral Resources of Tres Perlas, Chisperos, Toro/Socorro and Churrumata is based on information compiled by David Slater, who is a Member of The Australasian Institute of Mining and Metallurgy. David Slater is employed full time by Coffey Mining Pty Ltd. David Slater 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 Reserves". David Slater consents to the inclusion in the report of the matters based on his information in the form and context in which it appear.

The information in this report that relates to the bench and ore reconciliation for Churrumata is based on information compiled by Declan Franzmann, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Franzmann is employed by Citraen Pty Ltd. 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 Exploration Results, Mineral Resources and Ore Reserves'. Mr Franzmann consents to the inclusion in the report of the matters based on his information in the form and context in which it appears