



30 December 2008

## **LACHLAN STAR LIMITED NOT TO PROCEED WITH ACQUISITION OF HOLFONTEIN COAL PROJECT**

Lachlan Star Limited (Lachlan) wishes to advise that it has agreed with Coal of Africa to terminate the agreement to acquire the Holfontein Coal Project in Africa. One of the conditions precedent for the transaction was Lachlan shareholder approval for the issue of shares to Coal of Africa in part consideration for the acquisition. As announced on 28 November 2008, shareholder approval was not obtained at the Company's Annual General Meeting.

Whilst the Company is clearly disappointed that the acquisition of the Holfontein Coal Project could not proceed as planned, the current commodity and equity market volatility has resulted in several other opportunities being presented to the Company and these are being evaluated.

Lachlan has approximately \$9.5 million in treasury. The Company is well placed to weather the current market turmoil and will continue to explore opportunities within the mineral sector.

For further information please 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, 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 the Bushranger copper and gold project in NSW and the Princhester magnesite deposit in QLD.*

*For more information visit: [www.lachlanstar.com.au](http://www.lachlanstar.com.au)*