



**FOR IMMEDIATE RELEASE**

**Lonestar Resources, Ltd. Announces Acquisition of Eagle Ford Shale Leasehold**

Lonestar Resources, Ltd. (ASX: LNR, OTCQX: LNREF) is pleased to announce that it has reached a definitive agreement to acquire approximately 5,200 net mineral acres in Brazos County, Texas at a cost of \$2,500 per net mineral acre.

Frank D. Bracken, III, Lonestar's Managing Director and Chief Executive Officer commented, "We are extremely encouraged about the quality of the leasehold we continue to be able to acquire in our core areas of focus. This acquisition, in combination with acreage we acquired in the Clayton Williams transaction, gives Lonestar a total of 7,806 gross / 6,897 net acres in Brazos County where the Eagle Ford Shale lies at depths exceeding 8,500 feet. During 2014, industry has drilled Eagle Ford Shale wells in Brazos and Burleson Counties at depths ranging from 8,300 to 12,000 feet which are the most prolific in the Eastern Eagle Ford Shale Trend, to date. Wells at these depths have been reported to the Texas Railroad Commission thus far have exhibited Max-30 rates ranging from 661 to 1,455 BOEPD. We believe Lonestar is now well-positioned to be a meaningful participant in this deeper segment of the Eastern Eagle Ford Shale Trend.

This acreage, together with transactions announced in the Company's June 2014 Quarterly Report, add a total of 8,351 gross / 7,227 net acres in Lonestar's existing areas of focus in the Eagle Ford Shale Trend. These transactions expand Lonestar's leasehold by 31% to 34,215 gross / 30,306 net acres in the Eagle Ford Shale play (average working interest of 88.6%). The total consideration associated with these leasehold additions is \$20.0 million, or an average of \$2,770 per net acre. 6,688 net acres were acquired under primary term leases at a total cost of \$16.6 million (\$2,475 per net acre) and another 539 net acres are being acquired in the form of farm-ins, with an estimated \$3.4 million of drilling carries being employed to gain access to those leases, with these funds being spent over time. By region:

- **Western Region-** Lonestar has added 1,755 gross / 1,035 net acres, increasing its position in the Western Region by 15% to current levels of 10,320 gross / 8,108 net acres. The total consideration associated with these leasehold additions is \$3.2 million, or an average of \$3,043 per net acre.
- **Central Region-** Lonestar has added 546 gross / 336 net acres, increasing its position in the Central Region by 5% to current levels of 11,587 gross / 11,320 net acres. The total consideration associated with these leasehold additions is \$1.8 million, or an average of \$5,415 per net acre.
- **Eastern Region-** Lonestar has added 6,050 gross / 5,855 net acres, increasing its position in the Eastern Region by 116% to current levels of 12,307 gross / 10,877 net acres. The total consideration associated with these leasehold additions is \$15.0 million, or an average of \$2,569 per net acre.

These leasehold acquisitions will be funded via the Company's \$108.5 million revolving credit facility, which was undrawn and fully available at the end of the second quarter.

Lonestar internally estimates these leasehold acquisitions, in combination with the positive effects of offset drilling activity near its 'Upside' Acreage in Central Brazos County have the potential to increase the Company's drilling inventory by 86 gross / 64 net locations. The Company intends to submit these locations to its independent engineers as part of its annual reserves estimation process. These locations serve to deepen the Company's inventory and should allow it to continue to high-grade its long-term drilling program. It continues to be Lonestar's plan is to complete an average of 21 wells per annum at a current projected cost of \$135 million. This budget is intended to be funded out of cash flow in 2015 and beyond.

For the purposes of clarity, the Company has reposted its June 2014 Quarterly conference call slides to its website: [www.lonestarresources.com](http://www.lonestarresources.com) so as to include this additional leasehold transaction.