

5 May 2011

Company Announcements Office
ASX Limited

Via ASX Online

Dear Sirs

CLARIFICATION OF INVESTOR PRESENTATION

Please find below clarification of the investor presentation released to ASX today.

1) *CMD Mineral Resource*

The CMD Mineral Resource set out on slide 14 headed "CMD Resources" is inclusive of the CMD reserve.

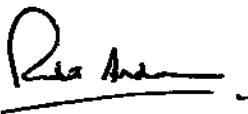
2) *CMD Inferred Resource*

The CMD Inferred Resource of 350,000 ounces within the designed pits set out on slide 12 headed "CMD Mine Plan" comprises an Inferred Resource of 15.6Mt grading 0.7 g/t Au. This Inferred Resource of 350,000 ounces within the designed pits is included within the total CMD Inferred Resource of 976,000 ounces.

3) *Bushranger Mineral Inventory*

The Bushranger Mineral Inventory set out on slide 27 headed "Lachlan Star's Other Assets" refers to the Indicated and Inferred Resource contained within the optimized pit shell with a 2% allowance for dilution.

Yours faithfully



RA Anderson
Company Secretary

Competent Persons Statement

The information in this report that relates to the Inferred Resource at the CMD Gold Mine 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