LACHLAN STAR LIMITED

Quarterly Report for the Period Ending 31 March 2012

HIGHLIGHTS

CMD GOLD MINE (100%, CHILE)

- 11,906 ounces of gold produced plus 584 ounces of gold in inventory (up 5% quarter on quarter)
- Gross operating profit (as defined below) of US$2.66 million for the quarter (up 137% quarter on quarter)
- C1 cash cost of US$945 per ounce including US$110 per ounce inventory adjustment (up 18% quarter on quarter)
- Cost per tonne of ore increased to US$22.61 (up 22% quarter on quarter)
- Average price received for gold sales of US$1,682 per ounce (up 1% quarter on quarter)
- 13,274 ounces of gold stacked onto the leach pad (down 21% quarter on quarter)
- Mine production of 13,396 ounces (down 24% quarter on quarter)
- 46% of ore sourced from outside the Indicated mineral resource
- 27% of ore sourced from outside the total mineral resource.
- Overall waste:ore ratio increased to 5:1 (3:1 operating waste:ore ratio)
- Agreement signed for solar power station and 2Mva diesel generator installed to secure power supply
- Final results for Toro metallurgical trials indicate recoveries of 46.5% for ROM and 66.5% for two stage crushed ore
- Updated NI 43101 Technical Report filed based on updated Indicated mineral resource of 1,788,000 ounces of gold and Inferred mineral resources containing a further 1,342,000 ounces of gold

BUSHRANGER COPPER PROJECT (100%, NSW)

- No material work by Newmont

CORPORATE

- Bought deal of 10,975,000 special warrants (the “Special Warrants”) at CDN$1.60 per Special Warrant to raise gross proceeds of CDN$17,560,000 (the “Offering”)

CMD GOLD MINE (100% CHILE)

Production, Unit Costs and Sales

Production from the CMD Gold Mine is summarised in Table 1 below.

Table 1 – CMD Gold Mine Operating Summary

Item	Unit	31-Mar-12	31-Dec-11	Variance
Ore Mined	Dmt	812,921	949,491	-14%
Waste Mined	Dmt	4,085,469	3,271,021	25%
Total Mined	Dmt	4,898,390	4,220,512	16%
Waste:Ore Ratio	t:t	5.0	3.4	46%
Ore grade Mined	Au g/t	0.51	0.57	-10%
Gold Mined	Au oz	13,396	17,528	-24%
Ore stacked	Dmt	803,094	967,145	-17%
Stacked Grade	Au g/t	0.51	0.54	-5%
Gold Stacked	Au oz	13,274	16,835	-21%
Average stacking rate	dmt/d	8,825	10,512	-16%
Gold Produced	Au oz	11,906	11,326	5%
Mining Cost/t moved	US$/t	$2.39	$2.23	7%
Mining Cost/t ore	US$/t	$11.99	$9.93	21%
Process Cost/t ore stacked	US$/t	8.86	6.91	28%
G+A Cost/t ore	US$/t	$1.76	$1.45	21%
Total Cost/t ore	US$/t	$22.61	$18.30	24%
Average Sales Price	USD/oz	$1,682	$1,663	1%
Cash Cost	USD/oz	$835	$900	-7%
Non Cash Process Inventory Adjustment	USD/oz	$110	-$101	209%
C1 Cash Cost	USD/oz	$946	$799	18%
CMD Gold Mine Gross Operating Profit (Unaudited)*	**US$m**	**$2.66**	**$1.12**	137%

* revenues less cost of sales (including waste expensed and amortised), interest and other site expenses and excluding foreign exchange movements, depreciation, exploration and process inventory adjustments

Gold production for the March quarter was 11,906 ounces, which was sold at an average sales price of US$1,682 per ounce. This represents a 1% increase in gold sales from the previous quarter. In addition, 4,642 ounces of silver was produced and sold at an average price of US$35.33 per ounce. These sales represent 100% of production sold at spot prices.

The CMD Gold Mine gross operating profit (as defined above) was US$2.66 million for the March quarter, a 137% increase quarter on quarter. C1 cash costs, which exclude waste costs expensed or amortised and royalties, increased during the quarter to US$945 per ounce of gold sold (an increase of 18% quarter on quarter), which was due to the lower grade of ore processed during the quarter and the higher cost of cyanide.

The inventory adjustment of US$110 reflects the decrease in the gold inventory contained within the leach pad from producing more gold than was stacked, predominately during the month of March (refer to mining and process sections below).

Table 2 below shows the cash costs for each quarter since March 2011, and the impact of the inventory valuation adjustment (all numbers US$ per ounce).

Table 2 – Cash Cost (US$ per ounce) and inventory adjustments

	Quarter ending 31 Mar 2012	Quarter ending 31 Dec 2011	Quarter ending 30 Sept 2011	Quarter ending 30 Jun 2011	Quarter ending 31 Mar 2011
Cash costs with inventory adjustment	945	799	953	841	783
Cash costs without inventory adjustment	835	900	755	704	802
Inventory adjustment effect	110	(101)	198	137	(19)

Total costs per tonne of ore stacked increased 24% quarter on quarter, mostly driven by the increase in the waste stripping ratio, but also the lower throughput which impacted on the unit costs for General and Administration (G+A) and processing costs, up 21% and 28% respectively.

Mining

Total ore mined for the quarter was 813kt for 13,396 contained Au ounces. Seventy percent of the ore mined was sourced from the Churrumata and Toro pits.

Continued waste stripping at Chisperos progressed well for most of the quarter with a total of 1.4 million tonnes mined (compared to 1.2Mt in the December quarter). Towards the end of March blasting within the pit damaged an adjacent power line several times. The power line supplies electricity to a small community located to the south of the CMD Gold Mine. As a consequence, mining was suspended at Chisperos whilst a generator was sourced and installed to supply electrical power to the village. This resulted in below budgeted ore mining for the month of March.

Given the highly encouraging drill results and mineral resource upgrades at Tres Perlas, the decision was made to advance waste stripping at that pit ahead of the previously planned schedule.

Approximately 1 million tonnes of material was mined from Tres Perlas in the quarter and this mining was at much higher production rates than previously budgeted. Combined with Chisperos this resulted in an increase in overall strip ratio for the quarter to 5:1. This waste stripping prepares Tres Perlas for ore mining in subsequent months.

Only limited mining was carried out at the Las Loas pit as the short term contractor engaged to mine that pit completed their contract during the quarter.

The operating waste:ore ratio for the CMD Gold Mine (excluding pre strip) was approximately 3:1 for the quarter.

Table 3 details the ore and waste movement by pit.

Table 3 – Mine production by pit

Item	Unit	Churrumata	Tres Perlas	Chisperos	Toro	Las Loas	Tailings	Total
Ore mined	kt	238	103	106	334	31	1	813
Au grade	g/t	0.51	0.42	0.54	0.53	0.54	0.65	0.51
Contained Au	oz	3,911	1,399	1,837	5,694	539	17	13,396
Waste mined	kt	504	972	1,326	1,162	121	-	4,085
Total Mined	kt	742	1,075	1,431	1,496	153	1	4,898
Strip ratio	W:O	2.1	9.4	12.6	3.5	3.9	-	5.0

Figure 1 – Mine Production by Pit

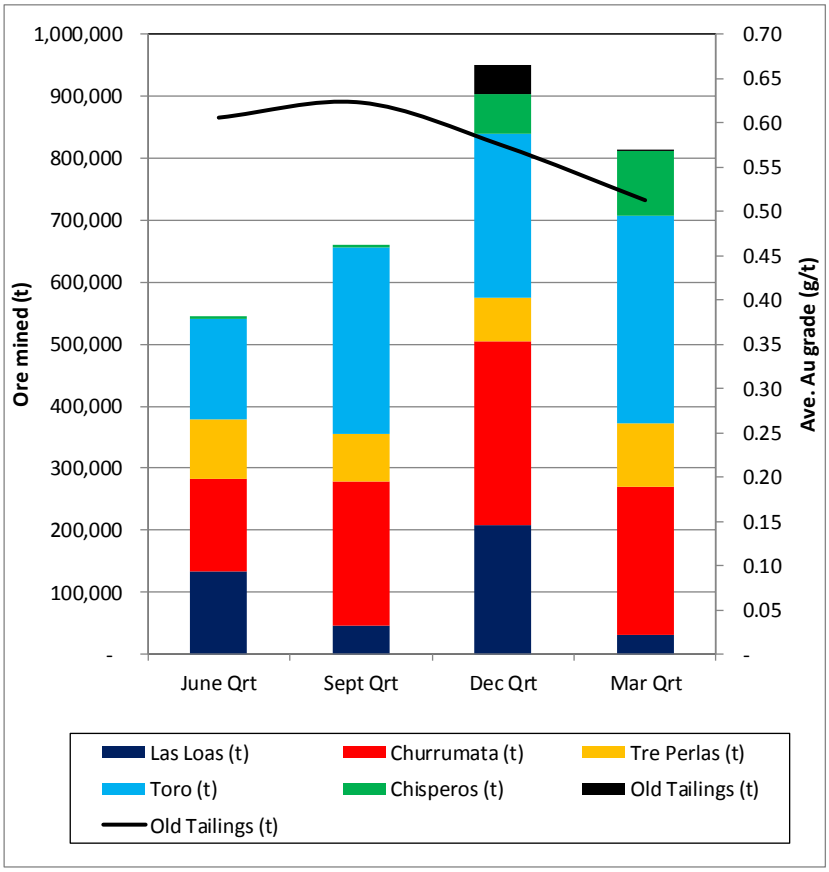
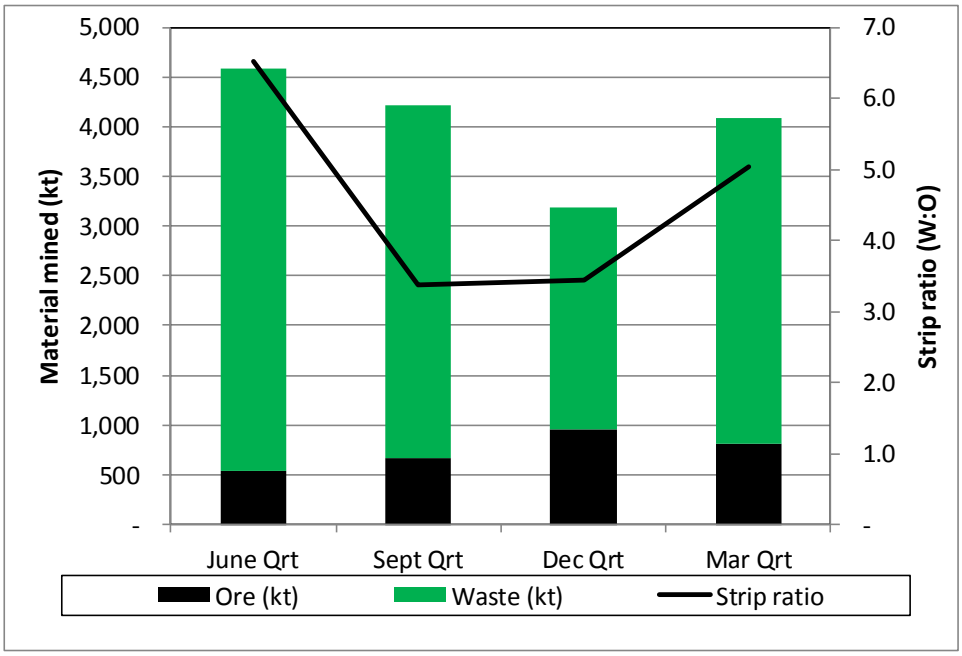


Figure 2 – Total material movement and strip ratio

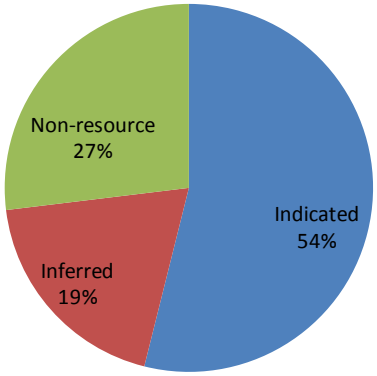


Unit mining costs increased to US$2.39/t moved (a 7 % increase quarter on quarter). During the quarter the Company employed three mining contractors at the site, one on a long term basis and the other two on short term contracts. Both of the short term contracts had unit rates than the longer term contract given the shorter duration and at the time of reporting both short term contracts have been completed (refer to separate release on April update).

Ore Reconciliation

New mineral resource models were completed by Coffey Mining during the quarter. During the March quarter a total of 813kt of ore was mined at an average grade of 0.51g/t Au. Reconciliation using the new mineral resource models showed that 438kt of ore (54%) was mined from the Indicated mineral resource, 156kt of ore (19%) was mined from the Inferred mineral resource and 219kt of ore (27% was mined from outside the mineral resource (refer to Figure 3).

Figure 3 - Reconciliation of Ore Tonnages Mined to Mineral Resource Tonnage



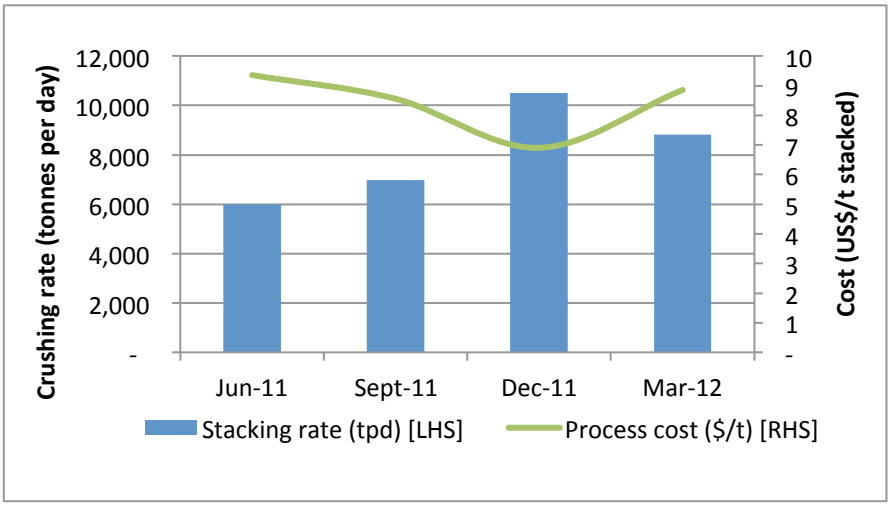
The reconciliation of the new mineral resource models is better than the previous models, however only slightly over half of the ore tonnes mined in the quarter was from the Indicated mineral resource. The Company considers this positive and drilling is ongoing to further define the mineral resources.

Ore Processing

Ore stacked decreased over the previous quarter by 17%, which had a negative impact on process costs per tonne of ore stacked (up 28 % quarter on quarter).

The average ore stacking rate for the quarter decreased by 16% quarter on quarter which was the main driver for the increase in the cost per tonne stacked over the previous quarter. In addition, the cost for cyanide increased over the quarter by approximately 40 %, which further increased the process costs as shown in Figure 4.

Figure 4 – Ore stacked versus cost per tonne stacked



Stacked tonnages were under budget for the month of March due to lower ore mining and the need to feed the ROM and coarse crush test piles through the plant to establish the residual grades. The latter resulted in a substantial ROM ore stockpile being built up at the end of March that has now been crushed and stacked in April (refer to separate release on April update).

The increased cyanide supply price is as a direct result of a global cyanide shortage. The Company is contracted for 2012 at a lower cyanide price, however the cyanide market tightness has resulted in the supplier charging a higher price for guaranteed delivery. The Company has elected to pay this price in order to ensure supply, whilst reserving its rights under the original contract. The impact of the higher supply price is approximately US$0.80/t of ore stacked during the March quarter.

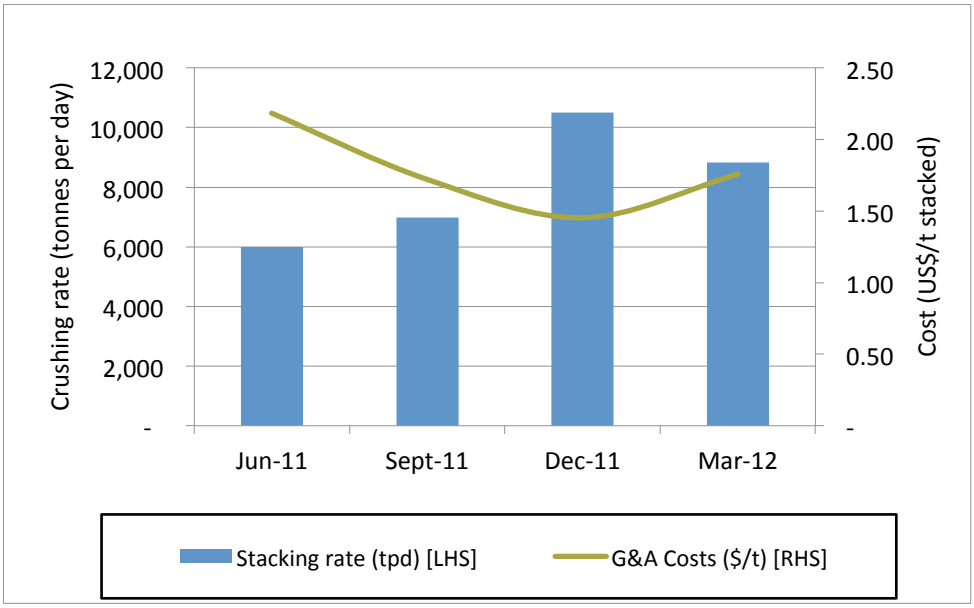
A review of the process plant and associated infrastructure has highlighted several capital projects that are considered to have the potential to reduce operating costs. These include:

- **Solar Power Station –** The Company has entered a power purchase agreement (PPA) with private company Solairedirect. Solairedirect will construct a 1MW, photo voltaic solar power station adjacent to the CMD Gold Mine and provide power to the mine. The supply is at a discount to the cost of power from the Chile grid. Additionally, this facility will assist LSA to reduce the carbon footprint of the mine. The option exists to expand the solar power station to 7MW in the future. Construction of the first 1MW is expected to begin in August 2012.
- **Diesel Power Station** -The mine has recently installed a 2MVA diesel powered generator, bringing total generating capacity at the mine to 5MW. This is sufficient to service the entire processing facility, giving LSA the flexibility to source power from the grid or internally.
- **Crushing Plant**. Spending on primary grizzly, secondary and tertiary screens and a Nordberg 7 foot mainframe for the tertiary crushers to allow the complete refurbishment of all the tertiary crushers without loss of production capacity. The replacement and overhaul program will reduce maintenance requirements on the plant and improve availability;
- **Sampling system**. Replacement of the conveyor sampling system, reducing maintenance requirements;
- **Leach pad booster pumps**. Replacement of the leach solution pumps to fewer, more efficient pumps. This will reduce operating costs;
- **Regeneration Kiln**. Replacement of the carbon regeneration kiln, improving energy efficiency whilst increasing the capacity of the carbon regeneration system. This will reduce cost and reduce the quantity of gold in circuit through more efficient adsorption;
- **Sample preparation**. Purchase sample preparation equipment to reduce the cost of the grade control process;

General and Administration (G+A)

Unit rates for G+A increased (up 21% quarter on quarter) as stacked tonnes decreased as shown in Figure 5.

Figure 5 – Ore stacked versus G&A cost per tonne



Dump Leach and Two Stage Crush Trials

The first trial of Run of Mine (ROM) leaching and coarse ore (two stage crushed) leaching was concluded during the quarter. The material shown in Figure 6 was sourced from the Toro area.

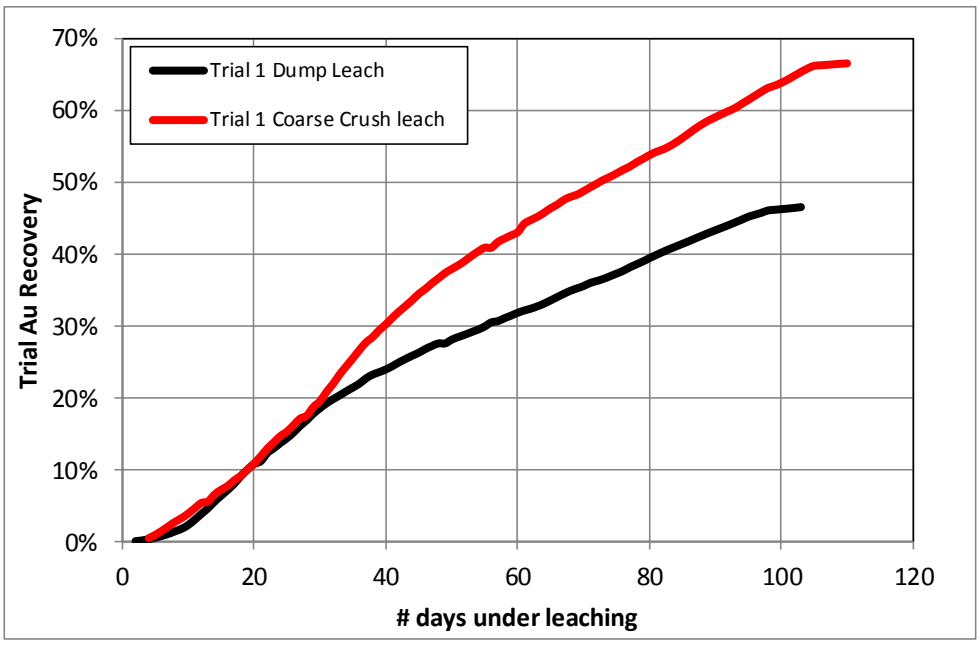
Figure 6 – Photo of Trial 1

Table 4 provides a summary of the results of Trial 1 and Figure 7 compares the leach kinetics for both process routes for Trial 1. After adjustments for final reconciled head and tail grades, the ROM Trial achieved a recovery of 46.5% over 103 days, whilst the Coarse Crushed Trial recovery was 66.5% in 110 days.

Table 4 – Trial 1 results and Trial 2 preliminary results

Trial	Days Under Leach	Recovery
ROM 1	103	46.5%
Crushed 1	110	66.5%

Figure 7 – Results of Trial 1



The Company considers these results very encouraging given the ultimate recovery of 75% achieved for the current three stage crush process over 2 years.

Work is continuing on the second large scale test work for both ROM leaching and coarse ore leaching. The ore for this test was sourced from Tres Perlas, and leaching will continue for approximately another 30 days. The test material will then be flushed with water and allowed to dry. Once sufficiently dry to pass through the crushing circuit, the material will be crushed and systematically sampled to determine the residual gold grade. This will allow the final recovery to be accurately estimated. The Trial 2 results to date are broadly similar to the Trial 1 results.

Areas for new leach pad and waste dump construction have been identified and steps put in place to secure those that fall outside the current CMD Gold Mine freehold land.

Mineral Resources

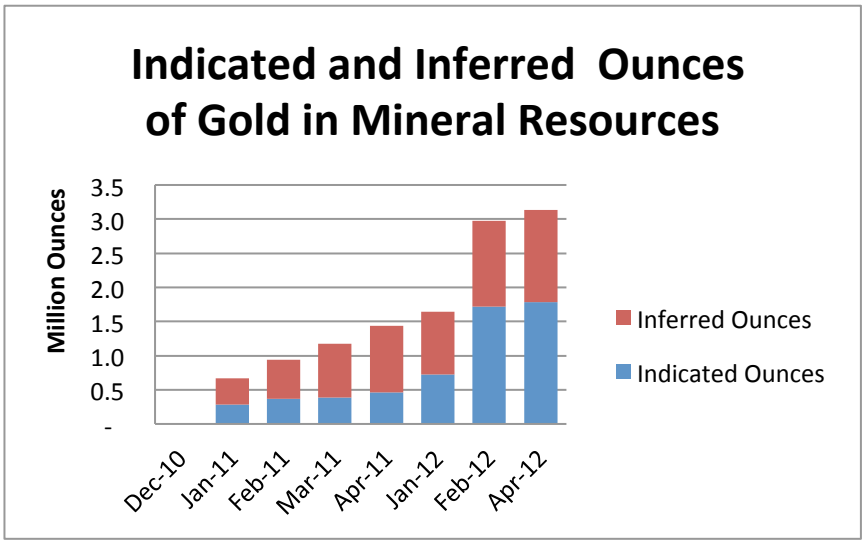
An updated NI 43101 Technical Report has been completed by Coffey Mining and lodged for the April 2012 mineral resource estimate by Coffey Mining. This updates the Tres Perlas and Toro mineral resources, with the Indicated mineral resource now containing 1,788,000 ounces of gold and the Inferred mineral resources containing a further 1,342,000 ounces of gold as shown in Table 5.

Table 5– Comparison of April 2012 and April 2011 CMD Gold Mine Global Mineral Resource Estimates

Classification	April 2011 Mineral Resource (koz)	April 2012 Mineral Resource (koz)	K oz's Change	% Change
Indicated	461	1,788	1,327	288%
Inferred	676	1,342	666	99%

Global mineral resources are now in excess of 3 million ounces of gold. Figure 8 illustrates the rapid growth in the CMD Gold Mine global resource base since the Company took ownership in December 2010, as well as the increasing confidence levels of the mineral resource estimates.

Figure 8 – CMD Gold Mine Global Mineral Resource Growth



Exploration

A total of 11,590 m drilling was completed during the March quarter with $2.6 million spent on exploration in the period, a record under Lachlan Star ownership.

The exploration focus has remained around the Tres Perlas area for the quarter, with drilling focussed on targeting the gaps between the El Sauce, Natalia, Tres Perlas and Churrumata deposits previously modelled separately with the goal of joining the mineralisation together. This has been very successful in adding significant gold ounces to the mineral resources as evidenced by the rapid growth in the mineral resource base over the past 6 months.

Significant drill results for the March quarter are contained in the complete list of drill results for the quarter is contained in Table 6 at the end of this report.

BUSHRANGER COPPER PROJECT (100%, Newmont earning 51%)

Newmont carried out no material work during the quarter.

CORPORATE

Special Warrant Bought Deal

During the quarter the Company announced a private placement of 10,975,000 Special Warrants at CDN$1.60 per Special Warrant to raise gross proceeds of CDN$17,560,000.

The private placement was sold to a syndicate of underwriters led by Macquarie Capital Markets Canada Ltd. and including Dundee Securities Ltd., Raymond James Ltd. and GMP Securities L.P.

The Company received the proceeds from the Offering in early April, and received a receipt for the final prospectus on Friday 27 April. The Special Warrants are expected to be converted to Ordinary Shares in early May.

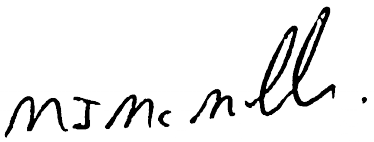
TSX Listing

Since listing on the TSX in the previous quarter, total trading volumes continue to increase for the Company and the percentage of shares traded on the TSX as a portion of the total trading also continues to increase with 69% of total trading in March 2012 on the TSX, and over 75% of total trading in April 2012 on the TSX.

Debt and Finance Leases

The Company continues to pay down its debt and finance leases, with $2.2 million repaid during the quarter. At the end of the period the Company had $4.2 million in outstanding non-contingent debt amounts predominately relating to finance leases and debt over mine fleet and generators. Of this amount, $3.7 million will be repaid by the end of December 2012.

For and on behalf of the Board



Mick McMullen

Chairman

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Table 6 – Drill Results

Hole ID	Grid_N	Grid_E	Grid_Elev	Azimuth	Dip	From	To	Interval	g/t Au	Cu
DDH-2011-119	2256.8	5985.9	1170.2	47.5	-89.1	14	20	6	0.25	
						29	33	4	1.16	
						42	43	1	0.87	
						163	169	6	0.38	
						173	175	2	0.38	
DDH-2011-121	2500.1	6372.2	1123.8	93.7	-89.1	10	11	1	1.40	
						15	17	2	0.18	
						107	110	3	0.32	
						116	124	8	0.24	
DDH-2011-122	2569.7	6496.6	1118.6	0.0	-86.9	4	7	3	0.31	
						9	11	2	0.32	
						67	71	4	0.21	
						149	157	8	0.21	
DDH-2011-128	2830.7	6749.6	1124.7	250.6	-89.6	3	6	3	0.22	
						12	18	6	0.15	
						27	30	3	0.93	
						35	38	3	0.18	
						77	80	3	0.46	
						178	185	7	0.78	
						191	194	3	0.48	
						198	201	3	0.18	
						236	238	2	0.18	
DDH-2011-133	1760.6	5803.4	1170.1	323.1	-89.8	54	70	16	0.96	
						93	101	8	0.24	
						173	174	1	1.82	
DDH-2011-144	2340.4	6340.8	1123.9	74.1	-89.6	110	117	7	0.38	
						192	205	13	0.33	
						209	212	3	0.22	
DDH-2011-146	2229.0	6015.5	1159.5	139.9	-89.5	59	60	1	0.50	
						162	168	6	0.63	
						220	228	8	0.31	
DDH-2011-147	2233.9	5855.5	1183.8	55.0	-89.5	22	25	3	0.33	
						32	33	1	0.67	
						63	67	4	0.20	
						92	93	1	0.25	
						98	102	4	0.33	
						199	200	1	0.31	
DDH-2011-193	1876.3	6084.6	1141.2	236.3	-89.7	8	16	8	0.16	
						30	42	12	0.65	
						53	54	1	0.71	
						82	85	3	0.90	
DDH-2011-203	3342.0	7781.3	1044.6	309.8	-89.1	13	14	1	0.44	
						24	28	4	1.22	
						47	50	3	1.68	
DDH-2011-206	3396.8	7564.4	1093.6	333.4	-89.8	No Mineralisation Intercepted				

Hole ID	Grid_N	Grid_E	Grid_Elev	Azimuth	Dip	From	To	Interval	g/t Au	Cu
DDH-2011-207	3401.0	7690.4	1076.6	315.0	-90.0	15	17	2	0.97	
						35	36	1		0.29
DDH-2011-211A	3480.0	7700.1	1070.8	135.0	-89.8	139	141	2	0.33	
DDH-2011-213	3520.3	7734.4	1069.4	92.7	-65.0	1	15	14	0.34	
						39	41	2	0.25	
						48	49	1	0.78	
						64	66	2	0.26	
						108	113	5	0.25	
						117	119	2	0.32	
						134	137	3	0.17	
DDH-2011-214	3439.0	7769.8	1060.3	91.2	-64.9	3	4	1		0.32
						5	9	4	0.18	
						11	12	1	0.23	
						34	37	3	0.42	
						119	122	3	0.28	
DDH-2011-215	3540.5	8239.9	1063.3	184.8	-89.6	14	34	20	0.34	
						42	48	6	0.19	
						62	171	109	0.39	
						63	71	8		0.22
						76	78	2		0.20
						88	97	9		0.21
						103	107	4		0.29
						112	116	4		0.25
						193	204	11	0.35	
						231	234	3	0.25	
DDH-2011-216	3480.9	7742.6	1067.4	97.0	-64.0	10	11	1	0.25	
						26	29	3	0.37	
						34	39	5	0.27	
						47	50	3	0.20	
DDH-2011-218	3280.2	7840.8	980.4	277.1	-89.7	6	9	3	0.45	
						19	28	9	0.31	
						36	38	2	0.23	
RCH-2011-224	3067.9	6857.9	1137.9	25.0	-89.5	123	125	2	0.18	
						132	133	1	0.20	
						141	142	1	0.61	
DDH-2011-225	3319.4	8090.2	1014.8	351.9	-89.5	13	37	24	0.28	
						14	15	1		0.54
						46	53	7	0.67	
						74	80	6	0.50	
DDH-2011-226	3400.0	8164.8	1054.6	75.3	-89.5	2	14	12	0.22	
						0	20	20		0.32
						27	65	38	0.28	
						28	35	7		2.02
						70	148	78	0.37	
						93	95	2		0.32
						124	134	10		0.17
						147	151	4		0.16

						162	173	11	0.28	

Hole ID	Grid_N	Grid_E	Grid_Elev	Azimuth	Dip	From	To	Interval	g/t Au	Cu
RCH-2011-227	1920.0	6259.8	1126.1	31.6	-89.6	1	3	2	0.53	
						32	33	1	0.30	
						72	75	3	0.33	
RCH-2011-228	1980.1	6180.2	1133.5	130.6	-89.4	0	5	5	0.43	
						12	14	2	0.41	
						28	31	3	0.23	
						40	42	2	0.19	
						54	67	13	0.41	
						74	78	4	0.90	
RCH-2011-229	1940.4	6183.5	1132.7	326.3	-89.7	8	21	13	5.72	
						59	84	25	1.02	
						87	90	3	0.33	
						100	102	2	1.02	
DDH-2011-230	3440.0	6165.0	1053.9	252.1	-89.1	3	6	3		0.18
						19	24	5	0.16	
						29	116	87	0.44	
						29	56	27		0.27
						72	76	4		0.22
						93	97	4		0.16
						102	115	13		0.30
						126	145	19	0.40	
						139	147	8		0.32
						151	164	13	0.28	
						161	165	4		0.18
						173	175	2		0.27
						174	189	15	0.25	
						193	197	4	0.53	
DDH-2011-231	3400.0	8125.0	1024.3	131.1	-89.1	0	3	3		0.17
						0	6	6	0.23	
						21	32	11	0.20	
						23	24	1		0.23
						46	77	31	0.47	
						47	48	1		0.21
						53	54	1		0.22
						85	91	6	0.51	
						102	108	6	0.56	
						126	132	6	0.29	
RCH-2011-232B	4140.3	6752.7	1138.0	47.4	-89.2	92	93	1	0.27	
						136	137	1	0.24	
						158	159	1	0.27	
RCH-2011-233	4139.9	6800.6	1136.7	93.6	-59.0	142	144	2	0.21	
						150	193	43	0.64	
RCH-2011-234	1986.6	5814.1	1186.3	292.1	-88.4	80	92	12	0.76	
						118	122	4	0.23	
						148	152	4	1.58	
RCH-2011-235	2041.8	6146.8	1137.7	176.6	-88.9	30	35	5	0.27	
						39	43	4	0.25	
						54	62	8	0.47	

Hole ID	Grid_N	Grid_E	Grid_Elev	Azimuth	Dip	From	To	Interval	g/t Au	Cu
RCH-2011-236	3280.8	7740.8	1044.9	91.9	-59.6	8	11	3	0.38	
RCH-2011-237	3245.4	7743.1	1041.1	90.0	-60.0	0	4	4	0.28	
RCH-2011-239	3400.0	8125.0	1024.3	131.1	-89.1	25	65	40	0.34	
						70	158	88	0.47	
						74	78	4		0.19
						81	94	13		0.20
						103	109	6		0.25
						118	121	3		0.31
						124	127	3		0.28
						130	143	13		0.28
						163	183	20	0.40	
						195	200	5	0.58	
RCH-2012-01	3210.0	7763.4	1038.8	90.2	-58.6	No Mineralisation Intercepted				
DDH-2011-117	2500.2	6262.0	1132.2	0.0	-86.8	53	57	4	0.71	
						81	83	2	0.80	
						108	111	3	0.90	
						118	121	3	0.39	
DDH-2011-126	2930.8	6643.4	1124.4	297.4	-89.3	186.8	195.6	8.8	0.36	
DDH-2011-127	2941.2	6684.0	1124.6	58.6	-89.4	35.4	37	1.6	0.17	
						72.5	73.5	1	2.30	
						80.5	93	12.5	0.40	
						121	128	7	0.27	
DDH-2011-169	1510.0	5832.6	1140.2	267.9	-64.6	5	16	11	0.53	
						41	44	3	0.20	
						50	52	2	0.47	
						60	78	18	1.14	
DDH-2011-175	1461.3	5797.0	1160.1	56.3	-89.6	69	86	17	1.11	
DDH-2011-221	3038.6	6776.6	1138.0	93.0	-59.1	47	53	6	0.17	
						128	130	2	2.81	
						139	143	4	0.45	
DDH-2011-222	3032.6	6707.1	1129.4	314.1	-88.8	17	24	7	1.23	
						32	34	2	0.96	
						41	45	4	0.71	
						48	50	2	0.28	
RCH-2012-02	3517.8	7769.4	1061.8	150.7	-88.7	70	72	2	0.52	
RCH-2012-03	3559.8	7750.0	1071.8	215.9	-88.4	0	2	2	0.23	
						9	22	13	0.42	
						35	38	3	0.99	
						42	45	3	0.28	

Hole ID	Grid_N	Grid_E	Grid_Elev	Azimuth	Dip	From	To	Interval	g/t Au	Cu
RCH-2012-04	3241.0	7839.0	981.9	0.0	-90.0	2	4	2	0.23	
						9	18	9	6.40	
						21	23	2	0.17	
						26	31	5	0.35	
						37	43	6	0.92	
						49	50	1	0.34	
RCH-2012-05	3259.2	7991.2	1001.9	53.8	-85.8	0	1	1	0.21	
						29	35	6	0.22	
						41	43	2	0.42	
RCH-2012-06	3520.3	8129.8	1037.6	1.3	-86.5	0	7	7	0.39	
						13	110	97	0.60	
						118	179	61	0.49	
						186	193	7	0.25	
RCH-2012-07	3284.3	8145.0	1066.3	0.0	-90.0	0	6	6	0.25	
						20	30	10	2.15	
						43	45	2	0.19	
						67	69	2	0.20	
						71	73	2	0.18	
						82	103	21	0.25	
						107	120	13	0.69	
RCH-2012-08	3478.7	8199.1	1063.2	265.0	-88.2	0	19	19		0.24
						0	200	200	0.42	
						24	38	14		0.33
						24	77	53	0.49	
						43	47	4		0.24
						90	96	6		0.16
						115	119	4		0.20
						142	194	52	0.66	
						147	150	3		0.22
						153	155	2		0.17
						162	164	2		0.20
						169	176	7		0.19
RCH-2012-09	3517.0	8202.4	1059.2	288.6	-88.2	0	220	220	0.53	
						78	188	110	0.77	
RCH-2012-012	3640.3	8179.9	1057.7	93.0	-89.2	0	17	17	Backfill	
						17	145	128	0.38	
						116	134	18	1.07	
RCH-2012-016	3720.2	8179.3	1063.2	150.6	-89.6	28	114	86	0.30	
RCH-2012-017	3802.2	8179.2	1057.9	284.0	-89.8	0	19	19	Backfill	
						19	234	215	0.41	
RCH-2012-07	3284.3	8145.0	1066.3	0.0	-90.0	120	127	7	0.18	
						142	166	24	0.49	
						189	193	4	0.27	

Hole ID	Grid_N	Grid_E	Grid_Elev	Azimuth	Dip	From	To	Interval	g/t Au	Cu
RCH-2012-024	3738.1	8219.4	1069.8	135.0	-89.8	5	8	3	0.19	
						11	13	2	0.22	
						26	41	15	0.51	
						51	114	63	0.63	
						61	80	19		0.28
						125	143	18	0.32	
						205	211	6	0.31	
DDH-2012-026	3619.9	8279.9	1066.3	312.0	-89.1	5	14	9		0.31
						6	28	22	0.27	
						31	38	7		0.31
						42	107	65		0.27
						44	60	16	0.16	
						63	115	52	0.40	
						120	128	8	0.22	
						165	171	6		0.26
						197	199	2		0.29
						137	216	79	0.58	
						including				
						137	171	34	0.59	
						183	215.7	32.7	0.76	
RCH-2012-028	4144.4	8168.1	1089.3	29.1	-89.3	80	83	3	1.33	
						103	104	1	2.21	
						110	112	2		0.17
						146	149	3	0.52	
RCH-2012-029	4053.6	8504.2	1035.3	269.1	-59.8	19	45	26		0.28
						21	65	44	0.28	
						52	62	10		0.28
						67	70	3		0.27
						77	81	4		0.21
						87	92	5	0.17	
						98	105	7	0.31	
						100	105	5		0.33
						109	132	23	0.35	
						149	153	4	0.19	
						158	218	60	0.80	
						189	217	28		0.25
						224	228	4		0.24
						226	230	4	0.26	
DDH-2012-030	4065.4	8264.3	1089.4	124.9	-88.9	9	15	6	0.54	
						43.6	60.2	16.6	0.94	
						82	85	3	0.37	
						90.5	170	79.5	1.24	
						151	154	3		0.53
						159	169	10		0.39
						175	185.6	10.6	0.43	
RCH-2012-031	3658.4	8272.4	1071.4	82.6	-89.1	14	18	4	0.31	
						14	19	5		0.20
						63	72	9	0.28	
						78	84	6	1.03	
						99	115	16	0.71	
						105	107	2		0.51
						143	167	24	0.62	

Hole ID	Grid_N	Grid_E	Grid_Elev	Azimuth	Dip	From	To	Interval	g/t Au	Cu
DDH-2012-032	3699.9	8195.1	1062.2	168.4	-89.3	31	60.7	29.7	0.36	
						73	75	2		0.33
						83	98.5	15.5	0.40	
						108	138	30	0.40	
						118	128	10		0.37
						147	150	3	0.22	
RCH-2012-033	3960.2	8249.9	1087.9	165.1	-89.8	29	159	130	0.85	
						including				
						29	49	20	0.84	
						62	159	97	0.95	
						171	201	30	0.34	
DDH-2012-035	391.1	8073.0	1056.9	358.5	-89.4	37	48	11	0.28	
						69	110	41	0.29	
						118	129	11	0.38	
RCH-2012-036	3703.8	8048.2	1054.2	270.0	-89.9	0	2	2	0.29	
						13	17	4	0.22	
						37	49	12	0.29	
						57	120.8	63.8	0.79	
RCH-2012-037	3941.4	7994.1	1065.6	108.5	-89.6	27	33	6	0.21	
						36	38	2	0.2	
						41	45	4	0.27	
						73	78	5	2.12	
						115	120	5	0.24	
RCH-2012-038	3839.9	8115.0	1056.1	270.0	-89.7	59	65	6	0.35	
						76	80	4	0.16	
						84	86	2	0.16	
						91	93	2	0.19	
						121	124	3	0.37	
						138	142	4	0.33	
						174	181	7	0.28	
RCH-2012-040	3905.5	8209.6	1089.8	331.7	-89.3	43	55	12	0.27	
						66	71	5	0.43	
						82	200	118	0.52	
						including				
						82	100	18	0.84	
						105	106	1	3.16	
						121	158	37	0.67	
						169	200	31	0.53	
RCH-2012-046	3820.5	8154.3	1055.1	312.1	-89.3	13	20	7	0.40	
						37	212	175	0.89	
						including				
						37	61	24	0.78	
						87	181	94	0.96	
						190	212	22	1.98	
DDH-2012-039	3942.6	8138.4	1068.8	450.5	-88.3	169.4	181.7	12.3	0.34	
DDH-2012-041	3899.0	8150.4	1065.0	218.4	-88.9	25.4	31	5.6	0.81	
						66	94	28	0.81	
						90.5	92.1	1.6		1.12
						175	179	4	0.43	
						209	212	3	0.38	

Hole ID	Grid_N	Grid_E	Grid_Elev	Azimuth	Dip	From	To	Interval	g/t Au	Cu
DDH-2012-042	3981.7	8255.2	1085.6	347.1	-89.0	51.9	171	119.1	0.44	
						including				
						51.9	95	43.1	0.52	
						105	115	10	0.94	
						125	171	46	0.40	
RCH-2012-044	3897.7	8290.6	1087.9	267.3	-89.5	25	182	157	0.72	
						192	194	2	0.40	
RCH-2012-045	3539.8	8298.1	1062.7	225.0	-90	6	9	3	0.37	
						25	77	52		0.34
						76	83	7	0.19	
						142	206	64		0.13
						142	216	74	0.76	
						231	240	9	0.28	
RCH-2012-049	4079.1	8338.2	1086.5	285.1	-89.6	2	10	8	0.32	
						35	187	152	0.50	
						including				
						35	52	17	0.60	
						61	91	30	1.01	
						96	100	4	0.33	
						106	111	5	0.21	
						119	172	53	0.44	
						177	187	10	0.72	
RCH-2012-051	3944.6	8297.0	1077.2	128.8	-89.2	36	175	139	0.68	
						181	184	3	0.56	
RCH-2012-053	4000.6	8203.4	1099.0	84.0	-89.2	43	53	10	0.42	
						66	82	16	0.42	

Table 7 – CMD Gold Mine Indicated and Inferred Mineral Resource[1]

CMD Gold Mine Mineral Resources (April 2012)						
	Indicated			Inferred		
Deposit	Tonnes (Mt)	Grade (Au)	Ounces (kozs)	Tonnes(Mt)	Grade (Au)	Ounces (kozs)
Las Loas (April 2011)	2.9	0.8	73	1.5	0.8	38
Toro (Feb 2012)	17.5	0.6	348	11.6	0.4	135
Tres Perlas (April 2012)	112.6	0.4	1,332	104.3	0.3	1,126
Chisperos (April 2011)	1.0	1.1	36	1.4	1.0	43
Total	**133.9**	**0.4**	**1,788**	**118.8**	**0.4**	**1,342**

1. Reported *above 0.15 g/t Au for all except Las Loas and Chisperos deposits which are reported above 0.30 g/t Au*
2. *Table contains rounding and may not sum precisely*

Competent Persons Statement

The information in the news release that relates to the Mineral Resources of Tres Perlas, Chisperos, Las Loas, El Sauce, Churrumata and Toro/Socorro is based on information compiled by David Slater, who is a Chartered Professional Member of The Australasian Institute of Mining and Metallurgy. Mr. Slater is employed full time by Coffey Mining Pty Ltd. The information in the news release that relates to exploration results is based on information approved by Declan Franzmann, who is a Chartered Professional Member of The Australasian Institute of Mining and Metallurgy. Mr. Franzmann is employed by Citraen Pty Ltd and is an officer of the Company. Each of Mr. Slater and 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 Mineral Resources and Ore Reserves" and to qualify as a "Qualified Person" under NI 43-101. Each of Mr. Slater and Mr. Franzmann consents to the inclusion in the news release of the matters based on his information in the form and context in which it appears.

Caution Regarding Forward Looking Information:

This report contains forward-looking information, which is based on assumptions and judgments of management regarding future events and results. Such forward-looking information includes but is not limited to information with respect to future exploration and drilling, procurement of financing and procurement of necessary regulatory approvals.

Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking