

ASX and Media Release

11 December 2012



60 Hindmarsh Square, Adelaide
South Australia 5000

Telephone: **+61 8 8418 8541**
Facsimile: +61 8 8215 0337
Email: enquire@lawsongold.com
Website: www.lawsongold.com

ACN: 141 804 104

Saudi Arabia investment update

Further to the ASX announcement on 8 August 2012 of the signing of formal documentation for the proposed acquisition of a 51% interest in a suite of gold, copper and base metal exploration assets in the Kingdom of Saudi Arabia, Lawson Gold Limited (ASX:LSN or Company) wishes to advise that notwithstanding the passing of the documented transaction end date (the consequence of which is that the formal agreements have come to an automatic end), the parties remain in discussions and are continuing to work together to seek to progress the transaction on as short a timetable as is possible. These discussions may result in some revised commercial terms being agreed between the parties but these will not disadvantage Lawson shareholders.

The Company intends to acquire a 51% interest in a suite of gold, copper and base metal exploration assets in the Kingdom of Saudi Arabia and to raise a minimum of A\$15 million to accelerate exploration on a number of high priority targets on the 2,247 km² tenement package. As part of the overall transaction, LSN intends to demerge its exploration tenements near Kalgoorlie, Western Australia (plus A\$2.2m in cash) into a new company (NewCo) and distribute the shares in NewCo to give LSN shareholders continuing ownership of those assets.

For further details of the transaction see the Company's announcements to ASX of 2 April and 8 August 2012.

For further information :

David Hillier Chairman +61 (0) 408 236 408

David Turvey Executive Director +61 (0) 416 119 583