

18 June 2012

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Saudi Arabia investment – further extension of documentation timeline

Further to the ASX announcement on 1 June 2012 Lawson Gold Limited (ASX:LSN or Company) wishes to advise that notwithstanding the passing of the 15 June 2012 target date for completion of formal documentation of the proposed transaction, the Company and Mawarid Investments Limited (“Mawarid”) continue to work towards signing as soon as possible. An extension of the binding term sheet for around two weeks has been agreed for the formal documentation to be completed and signed.

Both Mawarid and Lawson acknowledge that whilst there is now a relatively small number of matters for which documentation needs to be completed, a 31 July 2012 target date for settlement is no longer achievable. Shareholders will be updated on meeting dates and the likely settlement date immediately the formal agreements are signed. The parties believe it is reasonable to expect that signing is only a matter of two weeks or so away.

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 km²tenement 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 proposed Saudi Arabia transaction see the Company’s announcement to ASX of 2 April 2012

LSN shareholders will receive more details in the coming months including a notice of meeting and explanatory memorandum, independent expert reports and a prospectus.

Fast Facts - June 2012

Share Code	ASX : LSN
Shares on Issue	24.9 million
Options	<u>0.9 million</u>
Fully Diluted	25.8 million
Debt	nil
Market Cap	\$4.0 million
Cash at Bank	\$2.1 million
as at 31 March 2012	

Directors & Management

David Hillier	Chairman
David Turvey	Director
Peter Watson	N E Director
Donald Stephens	Co. Secretary

Top Shareholders

JP Morgan Nominees	13.6%
John Nyvlt	10.0%
First Samuel	7.0%
FerrAus Limited	6.0%

Project Location

- * 45 km NE of Kalgoorlie
- * 20 km N of Kanowna
- * 4 km W of Silver Swan
- * 25 km from Paddington

Lawson Gold Project

- * Land package ~58sqkm
- * 4 x New PL’s granted
- * Soil sampling planned
- * Technical evaluation of nearby ground and JV opportunities
- * Activities for June quarter:
 - Prepare POW’s
 - Aboriginal heritage surveys
 - Soil sampling new gold targets
 - Planning Aircore / RAB drilling

Further Information

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