

15 February 2013

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Saudi Arabia Investment Update

Further to the update regarding progress on the Saudi Arabian transaction in the Company's quarterly report of corporate activity on 31 January 2013, the Directors of Lawson Gold Limited (ASX: LSN or Company) wish to advise that a number of conditions precedent to the transaction completing were not met and Mawarid Investments Limited have now advised that they do not wish to pursue the equity joint venture contemplated by the announcements of 2 April and 8 August 2012, at the present time. The Directors understand that Mawarid will seek to secure long term tenure of their exploration licences, which currently expire in July – September 2013, before revisiting options for commercial exploitation.

This is clearly a significant disappointment for the Company. Having spent nearly two years and a significant amount of money in pursuing the opportunity, we had hoped for, and expected success. The independent report by Coffey Mining (available on the Company's website) clearly indicates that the opportunity to participate in the exploration of the Saudi licences was worth pursuing diligently.

The Directors remain in cordial discussions with the management of Mawarid Investments Limited and the parties will continue to exchange ideas. The Directors are however, unable at this stage to say whether a transaction can be revived in the future. Lawson is entitled to reimbursement of some costs incurred in pursuing the Saudi transaction and will make every effort to realise these promptly.

The Company will refocus its efforts on its Western Australian exploration tenements 20km north of the Kanowna Belle gold mine and only 4km west of the Silver Swan nickel deposits. These tenements are considered prospective for both gold and nickel, with gold being the Company's primary target. LSN has recently applied for a number of tenements to the north of the existing portfolio and will continue ongoing efforts to increase the holdings where prospective ground may add-value to the Company's exploration portfolio. In addition LSN will increase its efforts in evaluating and negotiating growth opportunities by way of joint venture, acquisition or other corporate activity.

Further information:

David Hillier (Chairman) on 08 8418 8541 or 0408 236 408
David Turvey (Executive Director) on 08 8418 8568 or 0416 119 583

Media enquiries to:

Simon Jemison – Collins Street Media on 03 9224 5319 or 0408 004 848

Fast Facts - February 2013

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	\$2.5 million
Cash at Bank	\$0.87million
as at 31 December 2012	

Directors & Management

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

Top Shareholders

John Nyvlt	10.0%
JP Morgan Nominees	6.1%
First Samuel	6.0%
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 ~72sqkm
- * Activities for March quarter:
 - Conduct RC drilling on the Lawson Prospect
 - Geochemical orientation and soil sampling surveys planned
 - Prepare POW's and conduct Aboriginal heritage surveys
 - Planning aircore / RAB drilling

Further Information

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