

ASX/Media Release

1 July 2010

Laconia Resources announces addition to gold portfolio

Key points

- **Agreement to acquire 100% interest in two prospecting licences near Kookynie in the Eastern Goldfields of WA**
- **The project is located in an historical high-grade mining centre and includes P40/1255 and P40/1256**
- **Drill target area identified for Company's initial drill programs**
- **Project has potential to host small-medium tonnage high-grade gold mineralisation**

Perth based exploration company Laconia Resources Limited (ASX: LCR) is pleased to announce that it has entered into an agreement for the acquisition of a 100% interest in two prospecting licences near Kookynie in the Eastern Goldfields of Western Australia.

The project is located in the Melita Domain of the Keith–Kilkenny Tectonic Zone within the NNW-trending Archaean Malcom greenstone belt approximately 200km from Kalgoorlie (see Project Location Map attached). The Keith-Kilkenny Tectonic Zone in the vicinity of Kookynie is a triangular shaped area hosting a succession of Archaean mafic-ultramafic igneous and metasedimentary rocks.

The area is host to a number of old workings and includes the Lily Prospect. Some significant intersections have been recorded at the Lily Prospect which highlights the prospectivity for small high-grade deposits. Down dip and plunge extensions of these intersections represent drill targets for Laconia for its initial proposed drilling program.

The most recent exploration activity on these tenements was conducted by Kookynie Resources between 1998 and 2000. Only a relatively small amount of previous drilling has been conducted to test the depth potential of this area. Highlights include;

- Three RC holes tested the down plunge extensions of the Lily workings where 1,347oz gold has been historically mined from very high-grade structures averaging 64g/t Au
- Two RC holes under the historic Kathleen workings where 707oz Au was recovered at an average grade of 27 g/t Au. The best results reported were 2m at 1.44g/t AU and 1m at 3.87 g/t Au

Laconia managing director Ian Stuart said: "The acquisition of the Kookynie project is a welcome addition to the Laconia portfolio of gold and base metal projects and we are eager to commence exploration upon granting of the tenements."

Independent mining consultants Snowdens conducted a detailed review of the tenement in a due diligence document, and provides the following comment;

“Exploration in this area has not fully tested the depth extent of the historic workings and given the mining history along the Niagara trend, the potential to define further zones of high-grade, small to medium tonnage underground mineralisation is considered high”.

Significant results from the Lily Prospect previously reported

<i>Lily Prospect</i>						
<i>Hole</i>	<i>Northing</i>	<i>Easting</i>	<i>from</i>	<i>to</i>	<i>Interval</i>	<i>g/t</i>
RC065	6750145	347997	21	24	3	16.68
RC066	6750171	348012	21	22	1	26.2
RC068	6750190	348044	9	10	1	25.32
RC070	6748798	346152	29	33	4	59.83

Note1: Projected Coordinate System - GDA1994, MGA Zone 50

The acquisition agreement provides for the payment of \$65,000 plus 750,000 fully paid ordinary Laconia shares in 2 tranches. If Laconia delineates an indicated resource of 100,000 ounces a further payment of \$100,000 will be made.

ENDS

For further information please contact:

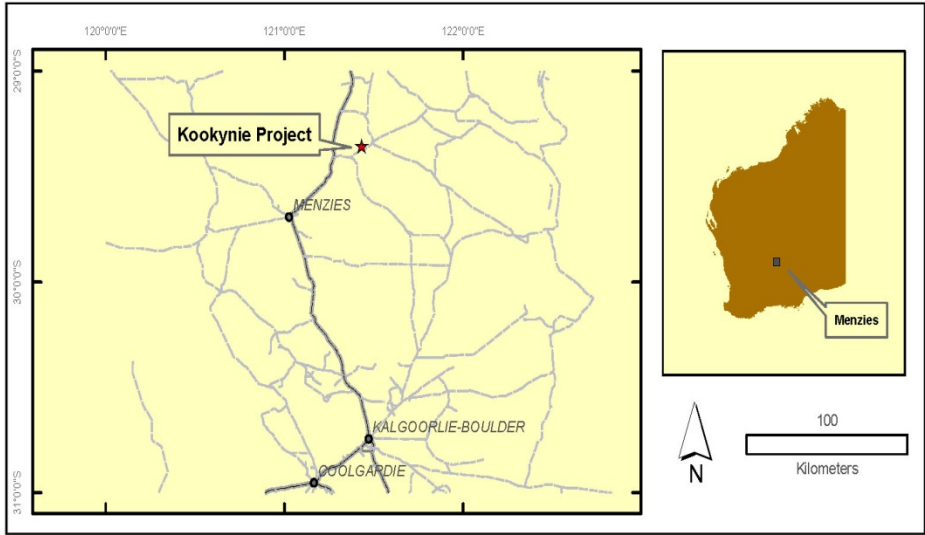
Ian Stuart
Managing Director
Laconia Resources
P: +61 8 9486 1599
M: +61 419 394 919
E: istuart@laconia.com.au
www.laconia.com.au

James Moses
Media and Investor Relations
Mandate Corporate
M: 0420 991 574
E: james@mandatecorporate.com.au

About Laconia Resources

Laconia Resources is a Perth-based gold and base metals exploration company which listed on the ASX on October 16 last year.

The Company has a portfolio of advanced gold and base metals projects near Kalgoorlie and in the Murchison and Pilbara regions in Western Australia, across 32 granted tenements covering 855km².



Laconia Resources Projects Location Map

