



LAGUNA RESOURCES NL

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INITIAL JORC RESOURCE ESTIMATE

Laguna Resources NL is delighted to announce a maiden Inferred JORC Resource estimate for the Arqueros Gold Project in the northern sector of the World Class Maricunga Gold Belt in the Atacama Region of northern Chile.

0.78 MILLION OUNCES OF GOLD EQUIVALENT

This represents a significant milestone in the exploration of Arqueros Gold Project and provides the Company with a solid foundation to aggressively advance its exploration towards a two million ounce target and the future development of an open cut mine.

A substantial drilling programme is scheduled to commence in November. The focus of the drilling programme will be on further extending the existing resource base as well as testing the poorly defined high grade gold-bearing structures.

HIGHLIGHTS

- **JORC Inferred Resource of 783,000 oz gold equivalent at 1.5 g/t gold equivalent. (0.5 g/t gold equivalent cut off grade).**
- **High grade gold targets identified and drilling programme set to commence in November.**
- **Exploration to focus on the expansion of the resource base.**
- **Gold and silver mineralisation at Arqueros is located 20 kilometres north of Kinross Gold Corporation's La Coipa Gold Mine (225,000 oz pa gold equivalent produced in 2008).**
- **Company has now commenced an open cut "Base Case" for the recommencement of mining at a rate of 100,000 to 120,000 ounces per annum of gold equivalent. This is based on an exploration target for the project of between 20 to 40 million tonnes at a grade of between 1.5 and 2.0 g/t gold equivalent for between one and two million ounces.**

The Inferred Mineral Resource (Table 1) of the Arqueros Deposit, prior to historical underground mining, has been estimated at **1,071,520 gold equivalent ounces at an average grade of 1.9 g/t Au eq. (0.5 g/t gold equivalent cut off grade)**. This was estimated by modelling of historical assay data from 135,000 metres of surface exploration and underground production drilling, channel sampling, stope and plant data from operations of the previous miner who exploited the deposit from 2000 to 2004.



In this estimate, the gold and silver domains were treated as one mineralised body (Figure 1) based on common advanced argillic silicified alteration, hosted by NE trending structures and flat lying porous tuff layers. As a result of this approach many gold assay values were not captured in the resource model because they required a greater degree of geological control over historical data than currently exists. This will be addressed by the current drilling and underground mapping programme.

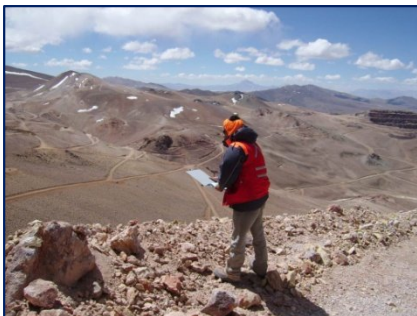
Table 1. Inferred Resource estimate of original pre-mining in situ resource at various gold equivalent cut off grades

Cut-off grade, g/t Gold equivalent	Tonnes '000	Grade			Ounces Gold equivalent
		g/t Gold	g/t Silver	g/t Gold equivalent	
0.0	21,771	0.42	70	1.59	1,109,440
0.5	17,224	0.51	86	1.93	1,071,520
1.0	10,923	0.68	116	2.62	918,342
1.5	7,003	0.87	151	3.40	763,595

Note: Gold equivalence (AuEQ) is estimated as $AuEQ = Au + (Ag * EQ)$, where

Au = gold content, Ag = silver content and EQ = equivalence factor, which is calculated as the ratio of gold price to silver price * ratio of gold metallurgical recovery to silver metallurgical recovery.

$EQ60 = P_{Au}/P_{Ag} * R_{Au}/R_{Ag} = 60$, based on long-range prices of gold at US\$800/oz & silver US\$15/oz, and recoveries of gold at 90% and silver at 80% respectively.



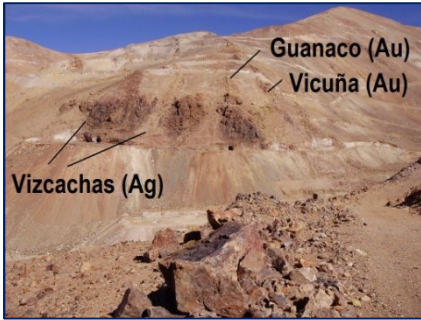
Production records of material removed from the deposit by underground mining operations from 2000 to 2004 show that 1.2 million tonnes of ore at 1.34 g/t gold and 364 g/t silver, or 288,820 gold equivalent ounces at an average grade of 7.4 g/t gold equivalent was mined and processed. The cut off grade applied for underground mining at the time was 4.5 g/t gold equivalent.

Table 2. Inferred Resource estimate (current)

Cut-off grade, g/t Gold equivalent	Tonnes '000	Grade			Ounces Gold equivalent
		g/t Gold	g/t Silver	g/t Gold equivalent	
0.5	16,012	0.45	64	1.52	782,700
1.0	9,711	0.60	85	2.02	629,520
1.5	5,791	0.77	107	2.55	474,770



The current JORC Inferred Mineral resource (Table 2) is remnant to the production described above and determined by simple weighted reduction of the production from the total pre-mining in situ mineral resource estimate. At gold equivalent cut-off grade of 0.5 g/t, the Inferred Resource is 782,700 gold equivalent ounces at an average grade of 1.5 g/t gold equivalent.



The amount of sample information from surface drilling and underground operations, within the majority of the alteration zone being estimated, is sufficient to generate fairly robust grade continuity models. However because of the historic nature of the information there is some uncertainty in the data location, sample collection methods and sample preparation and analytical quality control, and this uncertainty does not allow anything other than an Inferred Mineral Resource classification to be applied. These data-related uncertainties are to be addressed as a priority during current exploration.

Historical underground operations targeted high grade material in the sub horizontal silver rich mantos and a number of the gold rich structures. The 0.78 Million ounce resource is based on a remnant of this mining. Geological controls on targeting appear to have been minimal and the Company believes that significant further gains can be achieved with further drilling and increased geological control.

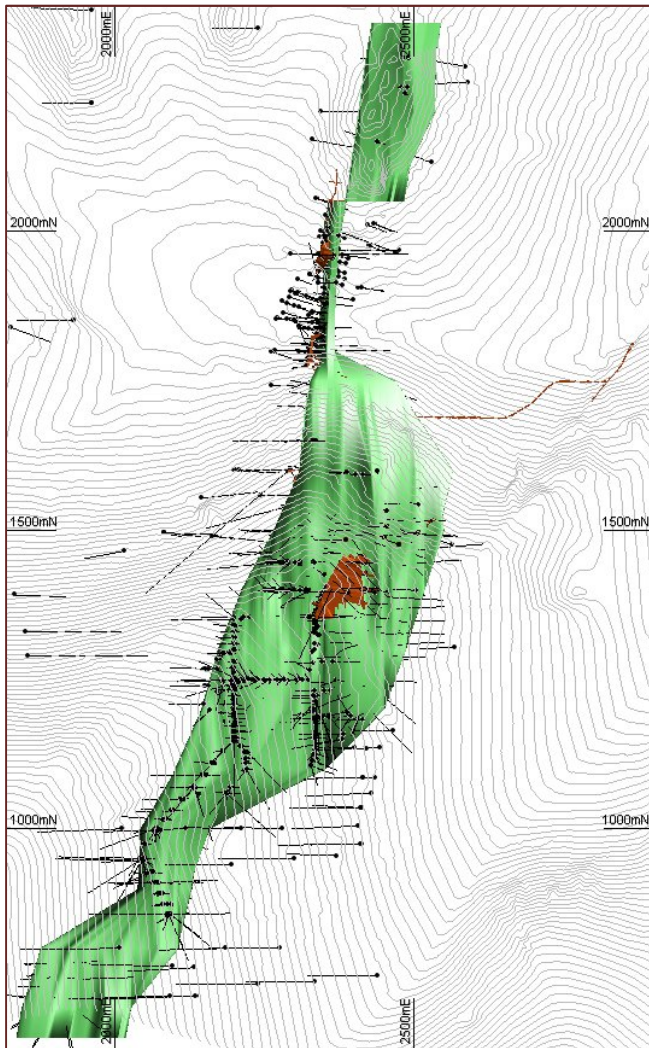
Geological interpretation of the sub vertical gold rich domain is dominated by structurally controlled feeder zones as illustrated in Figure 2. The Company is targeting the discovery of additional gold zones where limited mining yielded an average run of mine grade of 5.6 g/t gold and 56 g/t silver over widths of 8 metres and up to 20 metres. Previous exploration drilling exposed the high grade nature of gold structures, with values of 10 and 20 g/t gold reported over intervals of 8 to 10 metres.

Laguna Resource has identified these high grade gold domains as the principal exploration target for this year. The drilling programme will continue to expand the resource in the gold and silver domains while targeting high grade gold structures with the greatest potential to add ounces and grade.

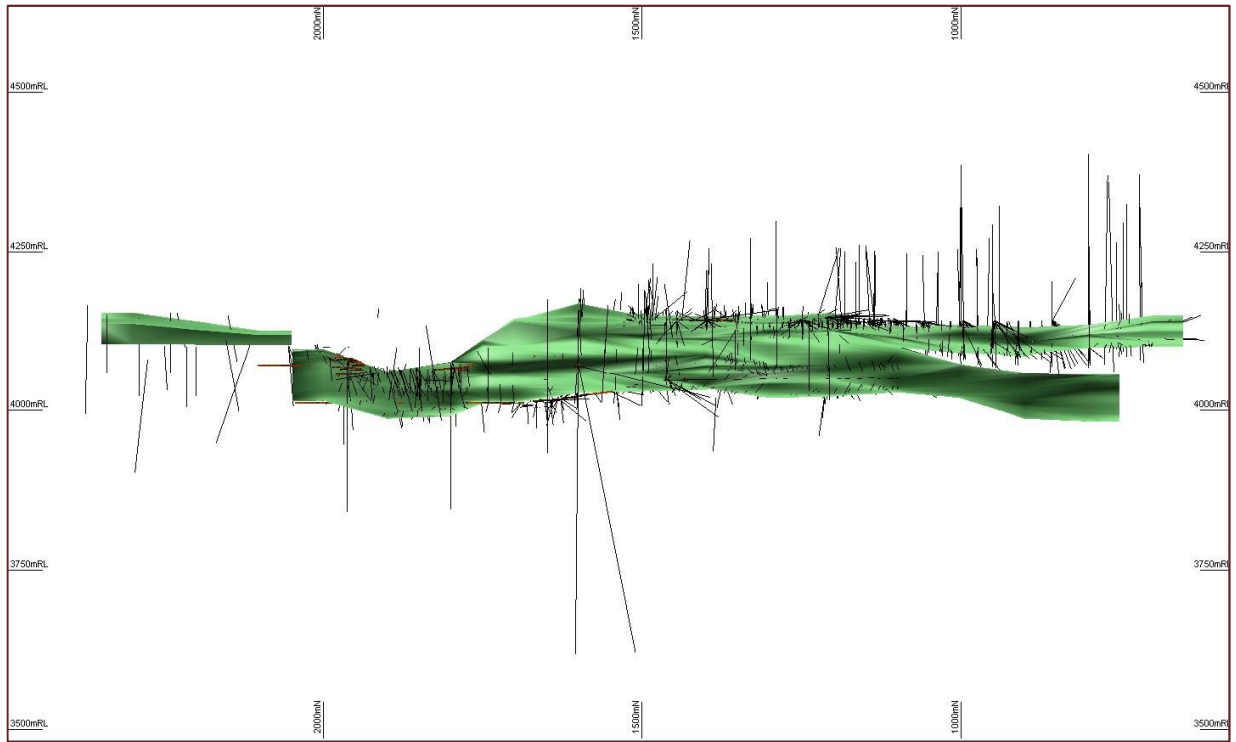
Laguna Resources is working to create a strong and sustainable exploration and development business focused on the development of the Arqueros Gold Project. The Company is also assessing additional opportunities for growth in the Maricunga Gold Belt and elsewhere in Chile.

Nick Lindsay
Managing Director

Figure 1. Wire frame models of mineralised envelope at Arqueros

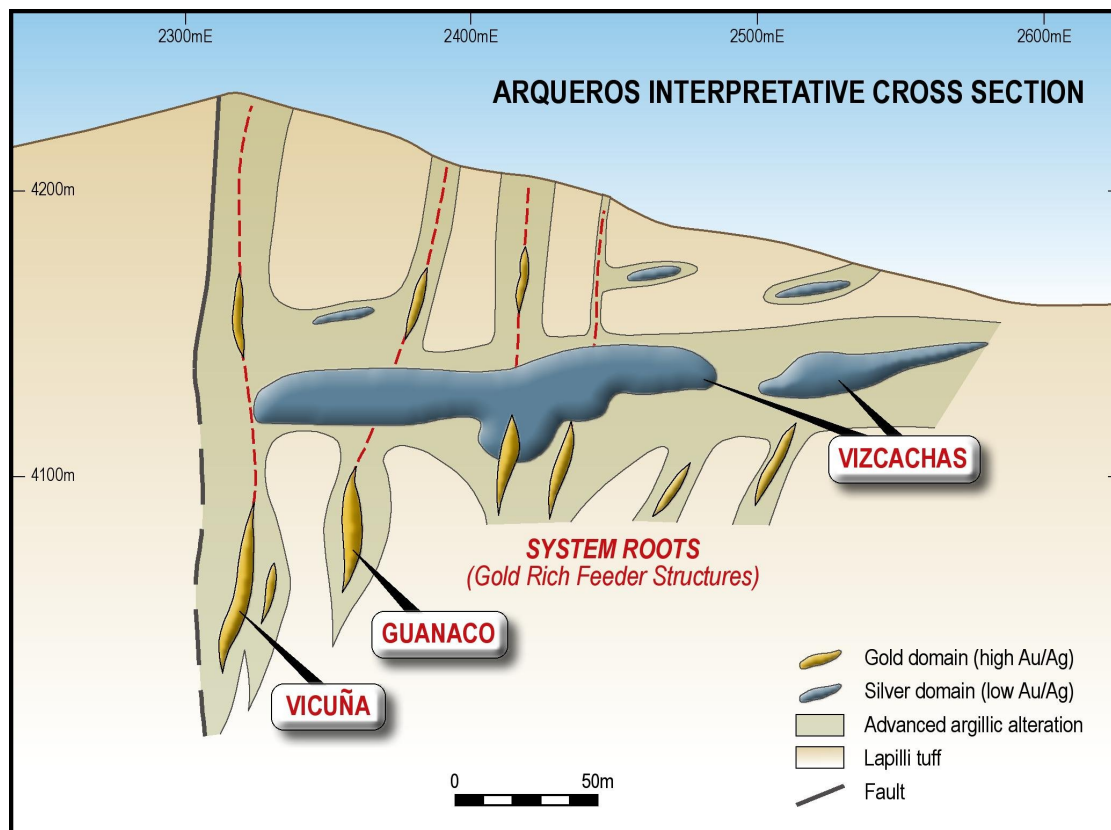


A. Planview



B. Longitudinal section looking east (north to left hand side), with drill strings protruding

Figure 2. Exploration model of mineralisation at Arqueros, looking north



Dr Nicholas Lindsay is a Member of the Australian Institute of Mining and Metallurgy and 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 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Lindsay is the Managing Director of Laguna Resources NL and consents to the inclusion in this release of the matters based on his information and information presented to him in the form and context in which it appears

CONSENT

The Mineral Resource has been estimated by Mr P Ball (Director of DataGeo Geological Consultants) from information provided by Laguna Resources NL and its agents. Mr Ball is a member of the Australian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation under consideration to qualify as a competent person as defined in the 2004 edition of the "Australian Code of Reporting of exploration results, mineral resources and ore reserves". Mr Ball consents to the inclusion of the mineral resource estimate in the form and context in which it appears based on the information presented to him.

DISCLAIMER

This release contains certain forward-looking statements. These forward-looking statements are based on management's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, some of which are outside the control of Laguna Resources N, which could cause actual results to differ materially from such statements.

The Exploration Target presented is 1 to 2 million gold equivalent ounces of potential gold-silver mineralisation grading between 1.5 and 2.0 g/t gold equivalents. The potential quantity and grade is conceptual in nature. There has been insufficient exploration to define a Mineral Resource under the JORC Code and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Gold equivalence is calculated by adding the gold content to the silver content which has been divided by a gold equivalence factor, which is the ratio of gold/silver price. The value used here has been determined as 60 based on a long-range gold price of US\$800/oz, silver price of US\$15/oz. Gold and silver metallurgical recoveries are assumed at 90% and 80% respectively.