LEMUR RESOURCES LIMITED

ACN 147 241 361

CAPITAL STRUCTURE

Shares on Issue: 192.5m

Unlisted Options: 13m

Market Cap: $32.73m

Click here for latest share price **(ASX: LMR)**

CASH ON HAND
$21.61 million
(as at 31 December 2011)

CORPORATE DIRECTORY

Mr Andrew Love
Non-Executive Chairman

Mr Blair Sergeant
Managing Director

Mr Anthony Viljoen
Non-Executive Director

Mr Marcello Cardaci
Non-Executive Director

Professor Daniel Rasoamahenina
Non-Executive Director

Mr Ryan Rockwood
Non-Executive Director

Ms Shannon Coates
Company Secretary

CONTACT DETAILS

Principal and Registered Offices

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16 February 2012

3rd Batch of Laboratory Results – Imaloto Coal Project

Lemur Resources Limited ("Lemur" or "the Company") (ASX: LMR) is pleased to announce that the third batch of laboratory results relating to a further 16 core samples taken from the Western Drilling Programme have been received from Inspectorate Laboratories in South Africa and analysed by the Company. Analyses have now been completed on a project total of 64 core samples and includes the results of all drilling completed prior to Christmas 2011, with consolidated highlights as follows:

- Preliminary Beneficiation studies have been completed with results indicating the Main seam has the potential to generate an export quality primary product with the discard or secondary product having specifications that would make it suitable for use as power station feedstock, thus delivering a 100% yield on the Main seam;

- Specifications of the Main seam primary product are superior to the newly created Newcastle 5,500 kcal/kg Index and in close proximity to the RBCT API4 product suggesting the price received for the proposed product will be in the range of US$94/t and US$105/t, based on yesterday's closing prices; and

- Wash table analyses of the Upper and Top seams indicate both seams have the potential to generate a product suitable for power station feedstock and excellent yields in excess of 80%.

Commenting on the latest lab results Lemur's Managing Director, Blair Sergeant said *"Consolidated results from all drilling completed to date provide further confirmation that the Imaloto Coal Project is capable of delivering an export grade thermal coal at economic yields. Further, the potential to dispose of all secondary product into a domestic based power station, which is the subject of the Company's MoU with Jirama, would provide significant upside to the overall project economics."*

Laboratory Results – Western Drilling Programme

To date a total of 64 core samples taken as part of the Western Drilling Programme have been dispatched to Inspectorate Laboratories, with the results of all samples now having been received and analysed.

Main Seam

Wash Table Analysis

The wash-table below shows the composite quality for the Main Seam based on all samples received and analysed to date:

Cumulative Air-dried Base									Calculated		
Sample Mass (g)	Wash R.D.	Moisture %	Ash %	Volatile %	F.C. %	Sulphur %	Gross C.V. MJ/kg	Yield %	DAVF	GAR kcal/kg @ 8% TM	NAR kcal/kg @ 8% TM
4102	F1.25	5.4	9.1	36.3	49.1	1.11	27.89	2.7	42.5	6478	6238
6748	F1.30	5.4	10.2	35.5	48.8	1.05	27.42	7.2	42.2	6372	6132
19690	F1.35	5.4	11.8	34.3	48.5	1.00	26.74	20.3	41.4	6210	5970
30080	F1.40	5.3	13.6	33.0	48.0	0.97	26.10	40.3	40.7	6059	5818
38831	F1.50	5.3	16.2	31.2	47.3	0.92	25.13	66.1	39.7	5833	5592
21120	F1.60	5.3	18.1	30.1	46.6	0.96	24.41	80.2	39.2	5662	5421
10007	F1.70	5.2	19.4	29.5	45.9	0.97	23.89	86.8	39.1	5540	5299
4532	F1.80	5.2	20.3	29.1	45.4	1.00	23.57	89.9	39.1	5464	5223
3245	F1.90	5.2	21.0	28.9	44.9	1.02	23.29	92.0	39.1	5397	5156
11998	S1.90	4.9	24.4	28.0	42.7	1.82	22.02	100.0	39.6	5089	4847

Figure 1: Wash-table for Main Seam Analyses of Western drilling programme based on the analysis of 29 samples

As demonstrated in the table above (Figure 1), at a relative density of 1.50 ton/m^3, the theoretical yield of an export quality product with a gross CV of 25.13MJ/kg (6,001kcal/kg), Sulphur of 0.92% and Ash of 16.2%, is 66.1%.

Preliminary Beneficiation Studies

In addition to the wash table analysis, the Company has undertaken preliminary beneficiation studies of the Main seam. These studies have assessed the coal qualities of products generated through a single stage wash, double stage wash or no wash (RAW). Early results indicate the optimal wash to be single stage at a density of 1.5t/m3 which will generate an export quality primary product with Ash of 16.2% and a CV 25.13MJ/kg (6,001kcal/kg). The secondary product will have a theoretical Ash content of 40.5% and a CV of 15.93MJ/kg (3,804kcal/kg).

Discussions with appropriately qualified professionals have confirmed that the specifications of the secondary product as detailed above would be suitable for power station feedstock. Therefore, in the event that the Company's current negotiations with the Madagascan Government and Jirama on a potential Independent Power Producing ("IPP") concession were successful, resulting in the Company being granted the right to construct and operate a power station located in or around the Company's Imaloto Coal Project, the overall yield of the Main Seam has the potential to be 100%.

Imaloto Main Seam - Primary Product Price Comparison

Results of the Company's Beneficiation studies indicate that the Main seam primary product is superior to the newly created Newcastle 5,500kcal/kg Net as Received, 20% Ash export grade thermal coal ("NEW 5,500"), which as at yesterday's date traded at approximately US$94/t. Further, the above specifications are in line with the API4 product, save for CV, being the price of export grade thermal coal ex Richards Bay Coal Terminal in South Africa which at the date of this announcement traded at

approximately US$105/t. Therefore, this would suggest that the likely price received for the proposed export product would be somewhere above the NEW 5,500 but below API4.

Top Seam

Wash Table Analysis

The wash-table below shows the composite quality for the Top Seam based on all samples received and analysed to date:

Top Seam - Cumulative Results (Air-Dried Base)									Calculated		
Sample Mass (g)	Wash R.D.	Moisture %	Ash %	Volatile %	F.C. %	Sulphur %	C.V. MJ/kg	Yield %	DAVF	GAR kcal/kg @ 8% TM	NAR kcal/kg @ 8% TM
350	F1.25	6.0	8.9	36.4	48.6	1.20	27.82	0.5	42.8	6503	6262
1587	F1.30	5.9	10.2	35.7	48.2	1.10	27.39	5.1	42.5	6393	6152
3511	F1.35	5.6	12.2	35.1	47.1	1.02	26.62	15.1	42.7	6199	5958
4688	F1.40	5.5	14.7	34.3	45.5	1.03	25.71	29.6	43.0	5976	5735
8806	F1.50	5.2	19.7	32.1	42.9	1.06	23.86	54.3	42.8	5532	5291
6480	F1.60	5.1	23.0	30.8	41.1	1.15	22.62	72.8	42.8	5237	4995
1724	F1.70	5.0	24.2	30.3	40.5	1.20	22.20	78.5	42.8	5136	4894
886	F1.80	5.0	24.9	30.0	40.0	1.23	21.92	81.3	42.9	5070	4828
895	F1.90	4.9	26.0	29.6	39.4	1.26	21.53	84.6	42.9	4975	4734
4126	S1.90	4.6	32.5	27.8	35.0	2.14	19.11	100.0	44.3	4401	4159

Figure 2: Wash-table for Top Seam Analyses of 2011 drilling programme based on the analysis of 16 samples

Data received to date indicates (Figure 2) that whilst the Top seam coal qualities can be beneficiated to generate an export quality product, the yields are insufficient to make it economic. However, when washed at an RD of 1.90t/m3 the project could deliver a product suitable for power station feed stock at a theoretical yield of 84.6%.

Upper Seam

Wash Table Analysis

The wash-table below shows the composite quality for the Upper Seam based on all samples received and analysed to date:

Upper Seam - Cumulative Results (Air-dried Base)									Calculated		
Sample Mass	Wash R.D.	Moisture %	Ash %	Volatile %	F.C. %	Sulphur %	Gross C.V. MJ/kg	Yield %	DAVF	GAR kcal/kg @ 8% TM	NAR kcal/kg @ 8% TM
728	F1.25	5.6	8.4	35.7	50.3	1.03	28.24	0.8	41.5	6569.2	6328.9
1591	F1.30	5.5	9.5	35.5	49.5	1.01	27.82	3.2	41.8	6469.6	6229.2
3091	F1.35	5.5	12.2	34.7	47.6	1.20	26.74	7.5	42.2	6217.5	5976.8
10630	F1.40	5.3	16.3	33.7	44.8	1.11	25.19	22.2	43.0	5841.5	5600.6
21190	F1.50	5.1	20.5	31.9	42.5	1.23	23.59	51.6	42.9	5464.1	5222.9
10266	F1.60	5.0	22.4	31.1	41.5	1.28	22.86	65.9	42.9	5289.3	5047.9
4420	F1.70	4.9	23.8	30.5	40.7	1.33	22.34	72.0	42.8	5164.6	4923.0
2429	F1.80	4.9	24.8	30.1	40.2	1.36	21.98	75.3	42.8	5078.2	4836.6
2154	F1.90	4.8	25.9	29.7	39.6	1.37	21.56	78.3	42.9	4979.0	4737.3
15623	S1.90	4.5	35.5	25.9	34.1	2.07	18.00	100.0	43.2	4140.7	3897.8

Figure 3: Wash-table for Upper Seam Analyses of 2011 drilling programme based on the analysis of 19 samples

As with the Top seam, data received to date (Figure 3) indicates that whilst the Upper seam coal qualities can be beneficiated to generate an export quality product, the yields are insufficient to make it

economic. However, when washed at an RD of 1.90t/m3 the project could deliver a product suitable for power station feed stock at a theoretical yield of 78.3%.

Imaloto Coal Project - Inferred Resource

The below table (Figure 6) summarises the current JORC/ SAMREC compliant inferred resource by seam at the Imaloto Coal Project, as disclosed in the Company's prospectus.

Seam	Area	Length (m)	RD Gm/cc	GTIS (Mt)
Main	2,050	2.67	1.52	79.8
Top	2,240	0.82	1.56	27.1
Upper	2,418	1.49	1.76	69.7
Total				**176.6**

Figure 6: Inferred Resource (Raw) >0.5 Metre Seam Thickness Discounted for Geological Losses for Faults and Weathering

Q1 2012 Drilling Activity

Western Drilling programme, which to date has involved 33 drilled boreholes for a total of 3,784 metres is expected to recommence early February 2012 (having been shut down over the wet season) and is expected to be completed by the end of March 2012. To complete the programme, it is anticipated that a further 10 boreholes for a total of 2,100 metres will be drilled.

Yours sincerely

Blair Sergeant
Managing Director

About Lemur Resources

Lemur Resources is focused on the development of the Company's significant coal assets in Madagascar. Headquartered in Perth, Western Australia, the Company is planning to develop a thermal coal mine at its 99% owned Imaloto Coal Project, located in the Imaloto Coal Basin in Madagascar. Lemur's board and management have significant experience in developing commercial coal mining operations in Africa. The Company listed on the ASX in August 2011.

For further information see www.lemurresources.com

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Competent Persons Statement

The information in this Announcement that relates to Exploration Results is based on information compiled by Professor Richard Viljoen, who is a Professional Natural Scientist (Pr.Sci. Nat.), registered with the South African Council for Natural and Scientific Professions (SACNASP), a 'Recognised Overseas Professional Organisation' ('ROPO') included in a list promulgated by the ASX from time to time. Professor Viljoen is employed by VMI (Pty) Limited. Professor Viljoen 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Professor Viljoen consents to the inclusion in this Announcement of the matters based on his information in the form and context in which it appears.

The information in this Report that relates to Mineral Resources is based on information compiled by Richard Wadley, who is a Member or Fellow of South African Institute of Mining and Metallurgy and is also a Professional Natural Scientist (Pr.Sci. Nat.), registered with the South African Council for Natural Scientific Professions, a 'Recognised Overseas Professional Organisation' ('ROPO') included in a list promulgated by the ASX from time to time. Richard Wadley is employed by The MSA Group. Richard Wadley 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Richard Wadley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.