

FAST FACTS

CAPITAL STRUCTURE

Shares on Issue: 192.5m

Unlisted Options: 13m

Market Cap: \$19.25m
(as at 30 June 2012)

[Click here](#) for latest share price (ASX: LMR)



CASH ON HAND

\$20.43m
(as at 30 June 2012)

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 Rasoamahanina
Non-Executive Director

Mr Ryan Rockwood
Non-Executive Director

Ms Shannon Coates
Company Secretary

CONTACT DETAILS

Principal and Registered Offices

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West Perth WA 6009
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WEBSITE

www.lemurresources.com

30 July 2012

Quarterly Report for the period ended 30 June 2012

Highlights

Imaloto Coal Project and Extension (99%)

Exploration

- During the quarter, as part of the Western Drilling Programme, 35 boreholes were drilled for a total of 3,715 metres with the programme being completed on 25 July 2012.

Laboratory Results

- 40 core samples were dispatched to Inspectorate Laboratories for analysis with a further 11 samples having been dispatched subsequent to quarter end.

Revised Resource Statement

- Work commenced on the Revised Resource Statement which will be released once the final results of the Western Drilling Programme and associated laboratory analysis have been incorporated.

Infrastructure and Mining Scoping Studies

- A final version of the Port Scoping Study has been received.
- Work continued on the Mining Scoping Study and Mine Infrastructure and Land Logistics Scoping Study.
- Result of all Scoping Studies will be released post receipt of the Revised Resource Statement.

Proposed Independent Power Producing Licence

- Developmental stage one pre- prefeasibility study/ business hypothesis is now complete.
- Developmental stage two feasibility study is nearing completion.

Corporate

- Cash on hand as at 30 June 2012 of \$20.43 million.

Lemur Resources Limited provides the market with the following update on key activities undertaken by the Company during the quarter ended 30 June 2012. During this period, the Company continued the exploration programme at its 99% owned Imaloto Coal Project and Extension, located in Madagascar.

Imaloto Coal Project and Extension (99%)

Key quarterly and project to date drilling and lab analysis results for the Imaloto Coal Project and Extension are summarised as follows:

	Phase I & II	Phase III					Project to Date
	2009	Sept 11 Qtr	Dec 11 Qtr	Mar 12 Qtr	June 12 Qtr	Total	Total
Metres completed	5,040	1,129	2,417	-	3,715	7,261	12,301
Boreholes drilled	36	19	14	-	35	68	104
Core samples dispatched to Inspectorate Laboratories	168	-	64	-	40	104	272
Core samples received back from Lab and analysed by the Company	168	-	11	53	31	95	263
Core samples awaiting dispatch to Lab at end of June 2012 quarter	n/a	n/a	n/a	n/a	11	n/a	11

Exploration

Western Drilling Programme

During the quarter 35 boreholes were drilled for a total of 3,715 metres bringing the number of boreholes and metres drilled under the phase III programme to 68 and 7,261 respectively. From project inception the Company has now completed 104 boreholes for a total of 12,301 metres. As reported on 26 July 2012, the Western Drilling Programme which resumed on 10 April 2012 was completed subsequent to quarter end on 25 July 2012.

The two LF70 rigs have returned to camp where they are undergoing detailed servicing and maintenance in preparation for future drilling programmes.



Figure 1: LF70 Rig 1

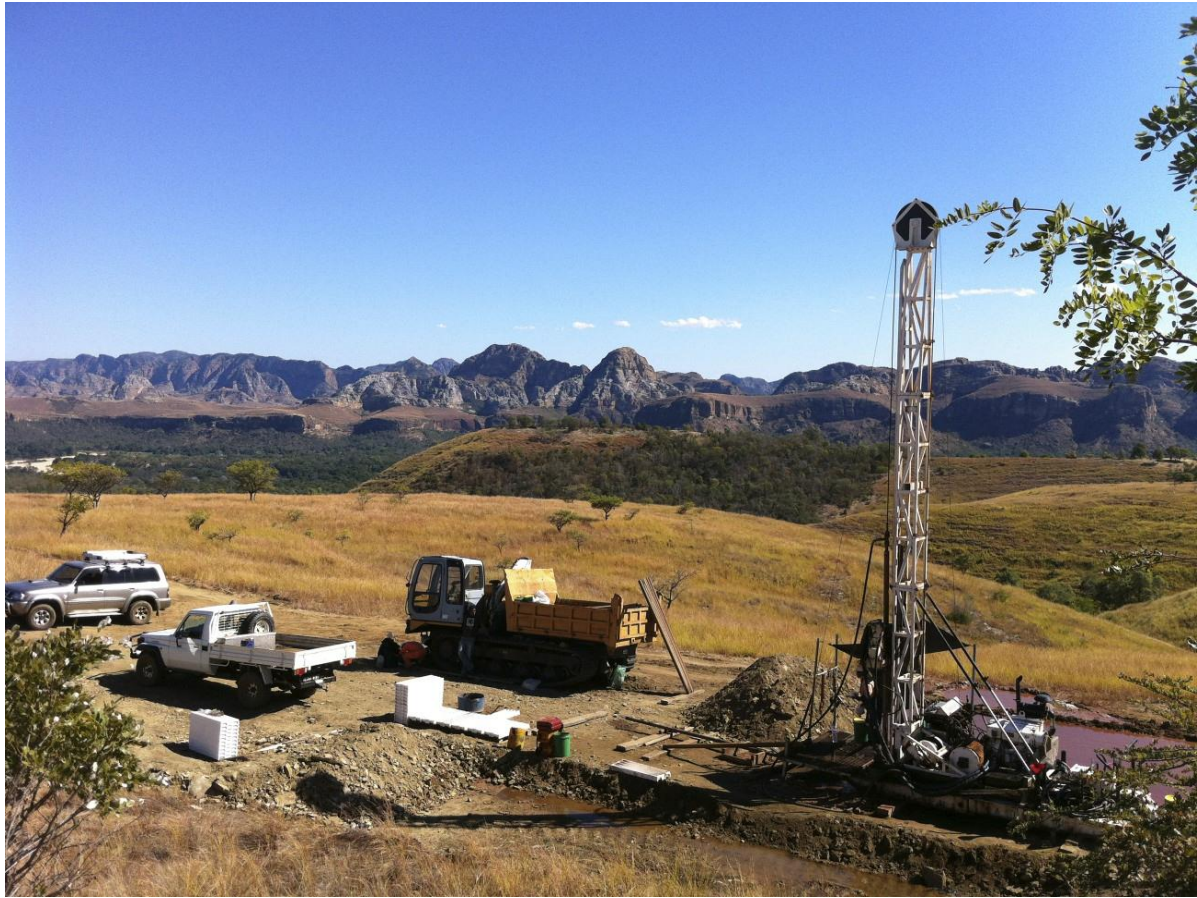


Figure 2: LF70 Rig 2

Eastern Drilling Programme

As reported on 19 April 2012, to accelerate the Company's phase III exploration activities, a third rig contracted from a local drilling company is currently mobilising to the Imaloto Project area, east of the Imaloto River, with drilling planned to commence early in August 2012.

The programme is designed to test blocks of coal measures lying to the east of the Imaloto River ("Eastern Drilling Programme") and is expected to see 32 boreholes drilled for an approximate total of 1,895 metres. This will be the Company's first drilling programme carried out on the eastern side of the Imaloto River, in an area that has been identified as having potential for open pit mining.

The Eastern Drilling Programme has been designed such that if laboratory analysis confirms the existence of export quality thermal coal, the Company will be in a position to prepare a resource statement with either an Indicated or Measured classification, which will be compliant with the JORC Code.



Figure 3: Construction of the river crossing to provide access to the east side of the Imaloto River

Laboratory Results

During the quarter, 40 core samples taken as part of the Western Drilling Programme were dispatched to Inspectorate Laboratories in South Africa for analysis. The results of 31 of these samples have now been received back. The Company is in the process interpreting and upon completion a full wash table analysis will be released to market.

Subsequent to quarter end 11 samples have been dispatched to Inspectorate and a further 7 are awaiting shipment. These represent the final samples taken as part of the phase III Western Drilling Programme and upon receipt of the results a total of 290 core samples will have been analysed and interpreted by the Company since exploration activity commenced in March 2009.

Revised Resource Statement

The Company has commenced work on a Revised Resource Statement and associated geological modelling with an expectation of the resource being reclassified to either Indicated or Measured in accordance with the JORC Code. The Company expects the Revised Resource Statement to be finalised towards the end of August or early September 2012.

Infrastructure and Mining Study Scoping Reports

Mining Scoping Study

The Mining Scoping Study being prepared by Badger Mining & Consulting (Pty) Ltd (“Badger”) is nearing completion. The objective of the Mining Scoping Study is to provide a high level indication on the viability of early stage production based on an initial 1mtpa of saleable product from the Imaloto Coal Project and Extension.

In order to finalise the study, Badger require an updated geological model and Revised Resource Statement, incorporating the results of the Western Drilling Programme conducted in late 2011 and 2012. Work on the model, which required all drill log data generated from the Western Drilling Programme, is expected to be finalised by 31 August 2012 with the Revised Resource Statement expected to be completed early September 2012 with the Company expecting a final scoping study to follow shortly thereafter.

Mine Infrastructure and Land Logistics Scoping Study

The Mine Infrastructure and Land Logistics Scoping Study being prepared by DRA Mineral Projects Ltd ("DRA") is advancing. The objective of the study is to assess the viability of initially producing up to 1mtpa of saleable product and transporting the product by truck to the Port of Toliara and will cover all aspects from the Run of Mine stockpile through to delivery at Port.

In order to finalise the study, DRA also require the Revised Resource Statement as referred to above which is expected to be available early September 2012.

Port Scoping Study

The Port Scoping Study being prepared by Ports of Africa (Pty) Ltd ("POA") is now final. The objective of the report was to provide at a high level an understanding of the costing, viability and required upgrades in order to utilise the existing Port of Toliara to facilitate the export initially, of up to 1mtpa saleable product.

Results of all three studies will be released following the completion of the Revised Resource Statement.

IMALOTO COAL PROJECT AND EXTENSION PHASE III DRILLING PROGRAMME

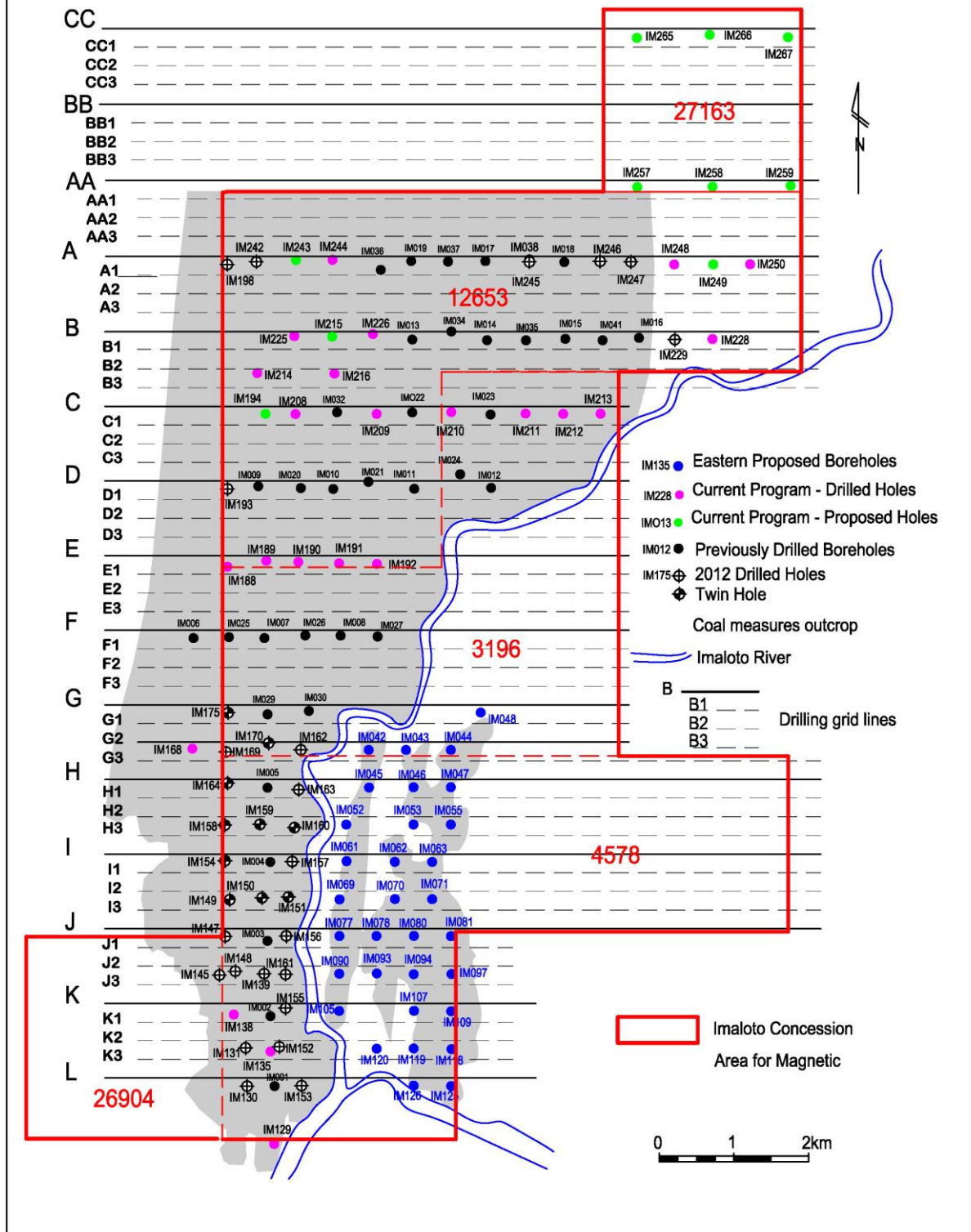


Figure 4: Completed and proposed bore holes for the Western and Eastern Drilling Programmes at the Imaloto Coal Project and Extension

Proposed Independent Power Producing Licence

As previously announced, the Company has engaged F-Tech International ("F-Tech") to carry out a pre pre-feasibility study to assess the viability of constructing a coal fired power station in near proximity to the Imaloto Coal Project which is the subject of the recently executed MOU with Jirama.

The pre pre-feasibility study and business case represents stage one of a four stage process. The key objectives of stage one was to understand whether prima facie, an opportunity existed for a coal fired power station on or around the Imaloto Coal Project and Extension areas and involved a detailed transmission study, business case analysis, load definition assessment, order of magnitude costing and fatal flaw analysis. The pre pre-feasibility was positive and approval was granted to proceed to stage two.

The site prefeasibility and technical development study that represents stage two of the process commenced during the quarter. The key objectives of stage two is to gain an understanding of the technical specifications of a future power plant and its related transmission and a preliminary assessment of the impact each of these components may have on the environment. A preliminary budget will be determined and financial model constructed along with plant location, fuel source management, identification of and preliminary discussion with EPC contractors and a high level project risk assessment.

The Company anticipates F-tech will deliver the results of stage two in early August 2012.

Corporate

Cash Position

As at 30 June 2012, Lemur had \$20.43 million cash on hand.

A copy of the Company's Mining Exploration Entity Quarterly (Appendix 5B) report in accordance with ASX Listing Rule 5.3 is attached.

About Lemur Resources Limited

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, which currently has an Inferred Resource of 176mt. 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.

Appendix 5B

Mining exploration entity quarterly report

Name of entity

Lemur Resources Limited

ABN

53 147 241 361

Quarter ended ("current quarter")

30 June 2012

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(424)	(1,099)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(369)	(726)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	279	586
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other received	-	(5)
Net Operating Cash Flows		(514)	(1,244)
Cash flows related to investing activities			
1.8	Payment for:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	(8)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.15	Other (provide details if material)	-	-
Net investing cash flows		-	(8)
1.13	Total operating and investing cash flows (carried forward)	(514)	(1,189)

1.13	Total operating and investing cash flows (brought forward)	(514)	(1,189)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	8	8
1.18	Dividends paid	-	-
1.19	Other: Fund raising costs	-	-
1.20	Other (provide details if material)	-	-
Net financing cash flows		8	8
Net increase (decrease) in cash held		(506)	(1,181)
1.20	Cash at beginning of quarter/year to date	20,924	21,614
1.21	Exchange rate adjustments to item 1.20	14	63
1.22	Cash at end of quarter	20,432	20,432

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	217
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

\$A'000

- 61 Non- Executive director fee's
- 46 Executive director remuneration
- 45 Consultancy fees paid to VM Investment Company (Pty) Ltd of which Mr Anthony Viljoen is a shareholder and director
- 65 Company secretarial fees and head office lease paid to Evolution Capital Partners Pty Ltd of which Mr Blair Sergeant is a director and shareholder

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

n/a

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

n/a

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,034
4.2 Development	-
4.3 Production	-
4.4 Administration	335
Total	1,369

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	77	1,614
5.2 Deposits at call	18,782	20,000
5.3 Bank overdraft	-	-
5.4 Other (USD account)	1,573	-
Total: cash at end of quarter (item 1.22)	20,432	21,614

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	*Ordinary securities	192,500,001	139,000,001	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs (c) Release from escrow	9,000,001		
7.5	*Convertible debt securities (description)			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted			

7.7	Options	13,000,000		<u>Exercise price</u> 6,500,000 exercisable at 30 cents each	<u>Expiry date</u> 31 Dec 2013
				6,500,000 exercisable at 40 cents each	31 Dec 2103
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Managing Director

Date: 30/07/2012

Print name: Blair Sergeant

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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