LEMUR RESOURCES LIMITED

ACN 147 241 361

CAPITAL STRUCTURE

Shares on Issue: 192.5m

Unlisted Options: 13m

Market Cap: $16.36m

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

CASH ON HAND
$20.43 million
(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 Rasoamahenina
Non-Executive Director

Mr Ryan Rockwood
Non-Executive Director

Ms Shannon Coates
Company Secretary

CONTACT DETAILS

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14 August 2012

4th Batch of Laboratory Results – Imaloto Coal Project

Lemur Resources Limited ("Lemur" or "the Company") (ASX: LMR) is pleased to announce that results from a further 28 core samples taken as part of the Western Drilling Programme have now been received, with highlights as follows:

- Consolidated results of the Phase III Drilling Programme received to date suggest beneficiation of the coal within the Main Seam will yield approximately **70% export grade thermal coal**;
- The latest results represent a further improvement in the overall yield and therefore a likely improvement in the economics of the project;
- The specifcations of the resulting Main Seam secondary product (assuming a single stage wash) have again been confirmed as suitable as feedstock for a domestic coal fired power station, thus delivering a theoretical yield of 100% for the entire Main Seam; and
- Wash table analyses of the Upper and Top seams again indicate both seams have the potential to generate a product suitable for power station feedstock with yields of 75.3% and 81.3% respectively.

Commenting on the latest lab results Lemur's Managing Director, Blair Sergeant said *"The incorporation of recent laboratory results into existing wash table analysis continues to demonstrate that a main seam beneficiated through a single stage wash displays qualities suitable for the seaborne market. What further strengthens the potential project economics is the fact that the main seam secondary product, along with the raw Upper and Top seams, are are all suitable as power station feedstock, therefore generating revenue rather than being treated as waste".*

Laboratory Results – Western Drilling Programme

Main Seam

Wash Table Analysis

The wash-table below shows the composite quality for the Main Seam based on all samples received and analysed as part of the Phase III programme:

Main Seam - Cumulative Results (Air-dried Base) 2011/2012 Data									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
50081	F1.35	5.4	12.0	34.5	48.1	1.04	27.10	19.3	41.8	6294	6054
58649	F1.40	5.4	14.1	32.9	47.6	1.00	26.36	42.0	40.8	6122	5881
71363	F1.50	5.4	16.8	30.7	47.0	0.97	25.29	69.6	39.5	5876	5635
34445	F1.60	5.4	18.6	29.6	46.4	0.99	24.59	82.9	39.0	5710	5469
14030	F1.70	5.4	19.7	29.1	45.9	1.01	24.16	88.3	38.8	5610	5369
7301	F1.80	5.3	20.4	28.8	45.4	1.07	23.87	91.0	38.8	5540	5299
23047	S1.80	5.1	23.8	28.0	43.0	1.85	22.51	100.0	39.4	5213	4971
15840	-0.5 Raw	5.2	23.6	22.9	37.1	1.61	18.76		32.1	4348	4105
274756	Raw	5.1	23.8	27.7	42.7	1.83	22.30		39.0	5163	4921

Figure 1: Wash-table for Main Seam Analyses of the Western Drilling Programme based on the analysis of 48 samples

As demonstrated in the table above (Figure 1), at a relative density of 1.50 tonne/m^3, the theoretical yield of an export quality product with a gross CV of 25.29MJ/kg (6,039kcal/kg), Sulphur of 0.97% and Ash of 16.8%, is 69.6%.

Beneficiation Studies

In addition to the wash table analysis, the Company has continued to undertake 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). Results to date 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 16.8% and a CV 25.29MJ/kg (6,039kcal/kg). The secondary product will have a theoretical Ash content of 40.0% and a CV of 16.18MJ/kg (3,864kcal/kg).

As previously announced after the 3rd batch of laboratory results, the Company held discussions with appropriately qualified professionals who confirmed that the specifications of the secondary product would be suitable for power station feedstock. This view continues to be supported post the consolidation of the 4th batch of laboratory results into the beneficiation studies. 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 construction of 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%.

Top Seam

Wash Table Analysis

The wash-table below shows the composite quality for the Top Seam based on all samples received and analysed as part of the Phase III programme:

Top Seam - Cumulative Results 2011/2012 Data									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
5448	F1.35	5.6	12.2	35.1	47.1	1.02	26.62	15.1	42.7	6196	5955
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
5021	S1.80	4.6	32.5	27.8	35.1	2.14	19.12	100.0	44.3	4403	4160

Figure 2: Wash-table for Top Seam Analyses of the Western 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 1.80t/m3 the project could deliver a product suitable for power station feed stock at a theoretical yield of 81.3%.

Upper Seam

Wash Table Analysis

The wash-table below shows the composite quality for the Upper Seam based on all samples received and analysed as part of the Phase III programme:

Upper Seam - Cumulative Results (Air-dried Base) - 2011/2012 Data									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
5410	F1.35	5.5	12.2	34.7	47.6	1.20	26.74	7.5	42.2	6217	5977
10630	F1.40	5.3	16.3	33.7	44.8	1.11	25.19	22.2	43.0	5841	5601
21190	F1.50	5.1	20.5	31.9	42.5	1.23	23.59	51.6	42.9	5464	5223
10266	F1.60	5.0	22.4	31.1	41.5	1.28	22.86	65.9	42.9	5289	5048
4420	F1.70	4.9	23.8	30.5	40.7	1.33	22.34	72.0	42.8	5165	4923
2429	F1.80	4.9	24.8	30.1	40.2	1.36	21.98	75.3	42.8	5078	4837
17777	S1.80	4.5	35.6	25.9	34.1	2.07	18.00	100.0	43.2	4141	3899

Figure 3: Wash-table for Upper Seam Analyses of the Western Drilling Programme based on the analysis of 18 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 1.80t/m3 the project could deliver a product suitable for power station feed stock at a theoretical yield of 75.3%.

Lower Seam

A fourth seam which lies below the Main seam, now referred to as the Lower seam, was encountered for the first time during the recent Western Drilling Programme. Whilst the Lower seam is expected to add to the Projects global resource, to date insufficient work has been undertaken for quantification.

Wash Table Analysis

The wash-table below shows the composite quality for the Lower Seam based on all samples received and analysed as part of the Phase III programme:

Main Seam Lower Split - Cumulative Results (Air-dried Base) 2011/2012 Data									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
994	F1.35	4.3	17.9	36.6	41.3	1.20	26.07	7.1	47.0	5983	5744
1773	F1.40	4.0	20.2	36.1	39.7	1.03	24.99	16.7	47.6	5720	5480
2143	F1.50	3.8	23.1	34.9	38.2	1.06	24.26	28.4	47.8	5542	5302
1768	F1.60	3.6	26.6	33.5	36.3	1.10	23.12	38.0	48.1	5272	5031
1653	F1.70	3.5	30.1	32.0	34.4	1.06	21.89	47.0	48.2	4984	4743
1910	F1.80	3.3	34.3	30.4	32.0	1.04	20.38	57.5	48.7	4633	4391
6443	S1.80	3.2	49.2	24.7	22.8	1.54	14.56	100.0	52.0	3307	3062

Figure 5: Wash-table for Lower Seam Analyses of the Western Drilling Programme based on the analysis of 9 samples

There remain a total of 30 samples which the Company is awaiting results and subsequent analysis. An announcement of these results will be made in due course.

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.