

CAPITAL STRUCTURE

Shares on Issue: 192.5m

Unlisted Options: 13m

Market Cap: \$18.29m

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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

Principal and Registered Offices

3 Richardson Street
West Perth WA 6009
Telephone: +61 8 9481 1198
Facsimile: +61 8 9486 1258

WEBSITE

www.lemurresources.com

18 September 2012

5th 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 23 core samples taken as part of the Western Drilling Programme have now been received.

Results of this 5th batch of samples correlate with all previous Phase III sample analysis, which demonstrates the following:

- **Coal contained in the Main Seam when washed generates a primary product yield of approximately 67% export grade thermal coal;**
- **The secondary product generated will be suitable as feedstock for a domestic coal fired power station; and**
- **Therefore, assuming a single stage processing, the overall theoretical yield is 100% for the entire Main Seam.**

A total of 7 samples remain outstanding from the recently completed Western Drilling Programme and these are due to be received within the next few weeks. Once these have been received, the Company will be in a position to upgrade the current JORC compliant Inferred resource. This will be closely followed by the release of results from the Scoping Studies currently nearing completion.

Commenting on the latest lab results Lemur’s Managing Director, Blair Sergeant said *“Results from the 5th batch of samples provides further confidence and evidence that Imaloto contains a quality product that would be highly sought after by the power generation markets of India and China. Despite recent volatility in the thermal coal price globally, the underlying supply and demand fundamentals of thermal coal remain favourable and therefore, the Imaloto Coal Project remains attractive. In addition, we are hopeful the results of the resource upgrade and scoping studies, both due for release imminently, will indicate solid project economics, further enhancing Imaloto’s investment attractiveness”.*

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) as @ 11 Sept 2012									Calculated		
Sample	Wash	Moisture	Ash	Volatile	F.C.	Sulphur	Gross C.V.	Yield	DAVF	GAR	NAR
Mass	R.D.	%	%	%	%	%	MJ/kg	%		kcal/kg @ 8% TM	kcal/kg @ 8% TM
4604	F1.25	5.4	9.2	36.2	49.2	1.10	27.88	1.5	42.4	6478	6238
10941	F1.30	5.5	10.2	35.5	48.7	1.11	27.67	5.4	42.2	6435	6195
36450	F1.35	5.4	12.1	34.5	48.1	1.04	27.09	18.1	41.8	6291	6051
61491	F1.40	5.4	14.2	32.8	47.6	1.00	26.35	39.6	40.8	6121	5881
79109	F1.50	5.4	17.0	30.7	46.9	0.96	25.26	67.1	39.6	5867	5626
40814	F1.60	5.3	18.9	29.6	46.2	0.98	24.52	81.4	39.0	5691	5450
16826	F1.70	5.3	20.1	29.0	45.6	1.00	24.07	87.2	38.9	5584	5343
9403	F1.80	5.3	21.0	28.7	45.1	1.05	23.73	90.4	38.9	5503	5262
6027	F1.90	5.2	21.7	28.4	44.7	1.08	23.46	92.6	38.9	5439	5197
21219	S1.90	5.0	24.6	27.8	42.6	1.81	22.30	100.0	39.5	5160	4919

Figure 1: Wash-table for Main Seam Analyses of the Western Drilling Programme based on the analysis of 54 samples

As demonstrated in the table above (Figure 1), at a relative density of 1.50 tonne/m³, the theoretical yield of an export quality product with a gross CV of 25.26MJ/kg (6,032kcal/kg), Sulphur of 0.96% and Ash of 17.0%, is 67.1%.

Beneficiation Studies

As previously announced, the optimal wash will be single stage. At a density of 1.5t/m³, this would generate an export quality primary product with Ash of 16.8% and a CV 25.29MJ/kg (6,039kcal/kg) and secondary product with specifications suitable for power station feedstock, meaning the theoretical yield of the Main Seam would 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 (Air-Dried Base) as @ 11 Sept 2012									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
647	F1.25	6.4	8.8	36.5	48.3	1.17	27.77	0.5	43.0	6515	6273
3449	F1.30	6.1	9.7	35.6	48.6	0.99	27.66	5.3	42.3	6471	6229
7806	F1.35	5.9	11.4	35.1	47.6	0.92	27.05	15.3	42.5	6313	6072
11175	F1.40	5.7	14.1	34.2	46.0	0.93	26.09	29.8	42.6	6078	5837
18064	F1.50	5.4	19.0	32.1	43.4	0.97	24.32	53.0	42.5	5652	5410
14577	F1.60	5.3	22.6	30.7	41.5	1.05	23.05	71.8	42.5	5348	5106
4741	F1.70	5.2	23.9	30.2	40.8	1.11	22.60	77.9	42.5	5238	4997
2378	F1.80	5.2	24.7	29.9	40.3	1.14	22.31	80.9	42.6	5167	4926
2338	F1.90	5.1	25.7	29.5	39.7	1.18	21.92	84.0	42.7	5076	4834
12386	S1.90	4.7	32.2	27.7	35.3	2.16	19.46	100.0	43.9	4489	4247

Figure 2: Wash-table for Top Seam Analyses of the Western Drilling Programme based on the analysis of 24 samples

Results received to date (Figure 2) indicate 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 Top Seam could deliver a product suitable for power station feed stock at a theoretical yield of 80.9%.

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) as @ 11 Sept 2012									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
869	F1.25	5.6	8.3	35.5	50.5	1.04	28.26	0.5	41.3	6576.3	6335.9
2151	F1.30	5.6	9.7	35.1	49.5	0.97	27.81	2.6	41.5	6473.3	6232.8
4948	F1.35	5.6	12.4	34.5	47.5	1.06	26.84	6.9	42.1	6246.7	6005.9
15912	F1.40	5.4	16.1	33.5	45.0	1.03	25.42	20.7	42.7	5904.9	5663.9
33600	F1.50	5.3	20.3	31.9	42.5	1.14	23.90	49.9	42.9	5542.4	5301.0
15528	F1.60	5.2	22.4	31.0	41.4	1.19	23.16	63.4	42.8	5365.2	5123.8
7537	F1.70	5.1	24.0	30.3	40.6	1.22	22.58	70.0	42.8	5227.5	4985.9
5014	F1.80	5.0	25.4	29.8	39.8	1.23	22.11	74.3	42.7	5114.8	4873.1
3671	F1.90	5.0	26.6	29.3	39.1	1.24	21.66	77.5	42.8	5006.9	4765.1
25882	S1.90	4.5	36.5	25.6	33.4	1.93	17.99	100.0	43.4	4141.0	3898.0

Figure 3: Wash-table for Upper Seam Analyses of the Western Drilling Programme based on the analysis of 25 samples

As with the Top Seam, results received to date (Figure 3) indicate 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 74.3%.

Lower Seam

The Lower Seam which lies below the Main Seam was encountered for the first time during the recent Western Drilling Programme. Whilst the Lower Seam is expected to add to the Project's 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) as @ 11 Sept 2012									Calculated		
Sample	Wash	Moisture	Ash	Volatile	F.C.	Sulphur	Gross C.V.	Yield	DAVF	GAR	NAR
Mass	R.D.	%	%	%	%	%	MJ/kg	%		kcal/kg @ 8% TM	kcal/kg @ 8% TM
169	F1.25										
783	F1.30	4.0	13.2	36.6	46.2	1.16	28.05	2.6	44.2	6423	6185
2308	F1.35	4.1	14.8	36.8	44.3	1.06	27.23	9.5	45.3	6237	5998
3910	F1.40	3.9	17.0	36.1	43.1	1.00	26.30	20.8	45.6	6016	5776
4486	F1.50	3.8	20.1	34.9	41.2	1.03	25.30	33.9	45.9	5780	5540
3714	F1.60	3.7	23.5	33.5	39.3	1.03	24.12	44.6	46.0	5501	5261
2895	F1.70	3.6	26.6	32.2	37.7	1.00	23.02	53.0	46.0	5245	5004
3246	F1.80	3.4	30.4	30.7	35.5	0.98	21.64	62.5	46.4	4924	4682
2796	F1.90	3.3	33.4	29.5	33.7	0.95	20.53	70.6	46.7	4667	4425
10125	S1.90	3.2	44.8	25.6	26.4	1.25	16.15	100.0	49.2	3665	3421

Figure 5: Wash-table for Lower Seam Analyses of the Western Drilling Programme based on the analysis of 11 samples

Future Laboratory Results

As previously stated, there remain a total of 7 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

CONTACT:

Blair Sergeant
Managing Director
Lemur Resources Limited
Tel: +61 8 9481 1198

MEDIA CONTACT:

David Ikin
Professional Public Relations
Tel: +61 8 9388 0944 / 0408 438 772
Email: david.ikin@ppr.com.au

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.