

CAPITAL STRUCTURE

Shares on Issue: 192.5m

Unlisted Options: 13.5m

Market Cap: \$13.47m

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



CASH ON HAND

\$18.07 million

(as at 31 December 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 Fortune Mojapelo (Alternate
Director for Professor Daniel
Rasoamahanina)

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

5 February 2013

Revised Resource Statement – Imaloto Coal Project

Lemur Resources Limited (“Lemur” or “the Company”) (ASX: LMR) is pleased to announce that, following the incorporation of laboratory results from the recently completed Western Drilling Programme at the Company’s Imaloto Coal Project in Madagascar, the JORC compliant resource statement (the “statement”) for the Project has been upgraded, with the key highlights being as follows:

- **The Imaloto Coal Resource contains 147.5 million Gross Tonnes in Situ (“GTIS”);**
- **52% of the Imaloto Coal Resource now in Measured category and 80% is Measured and Indicated;**
- **Coal contained in the Main Seam, which now totals 73.3 million GTIS, is expected to generate a primary product when washed yielding approximately 67% export grade thermal coal;**
- **The secondary product generated will be suitable as feedstock for a domestic coal fired power station, therefore, assuming a single stage processing, the overall theoretical yield is 100% for the entire Main Seam.**

Commenting on the latest laboratory results, Lemur’s Managing Director, Mr Blair Sergeant said *“Our optimistic view of what value lies within the Imaloto Coal Project continues to be supported through the results of exploration programmes that commenced in March 2009. We now know that the Imaloto resource can be beneficated to produce an export grade thermal product, a lower quality coal suitable for consumption by a power station and that the project area contains sufficient tonnes to support a mining operation for a sustained period of time.”*

The revised resource statement reflects the consolidated results of a three pronged drilling and laboratory analysis programme which commenced in March 2009. Over this time, 110 boreholes have been drilled for a total of 13,418 metres with 293 samples having now been analysed by Inspectorate Laboratories in South Africa.

The below table summarises the GTIS per the revised resource statement by seam and JORC Mineral Resource category:

	GTIS (million)			
Seam	Measured	Indicated	Inferred	Total
Main	40.8	18.6	13.8	73.2
Upper	20.5	12.7	9.9	43.1
Top	15.4	10.3	5.5	31.2
Main Seam Lower Split	-	-	-	-
Surface	-	-	-	-
Total	76.7	41.6	29.2	147.5

The revised resource statement was prepared by Mr Johan Erasmus, the owner and employee of the Sumsare Consulting CC. Mr Erasmus acts as the Competent Person. Refer to Appendix 2 for a copy of the resource statement and Appendix 3 for applicable assumptions. A full copy of the report can be found on the Company's website.

Main Seam

Revised Resource Statement

Below is a summary of the Main Seam contribution to the Imaloto Coal Resource, by block:

Block	Thick (m)	Area (m2)	Volume (m3)	Density	GTIS (million)	Drill Grid	Confidence level	Geological Loss	TTIS (million)
2	1.53	8,132,638	12,404,697	1.500	18.6	860	Indicated	15	15.8
2A	1.98	1,397,766	2,767,577	1.493	4.1	1,182	Inferred	20	3.3
3A	3.75	777,559	2,915,845	1.493	4.4	882	Inferred	20	3.5
4A	3.25	1,092,459	3,550,493	1.493	5.3	1,045	Inferred	20	4.2
1	1.35	3,940,874	5,320,180	1.468	7.8	331	Measured	10	7.0
3	2.85	4,272,813	12,176,950	1.479	18.0	451	Measured	12	15.8
4	2.94	3,357,197	9,863,333	1.523	15.0	432	Measured	12	13.2
					73.2				62.9

Refer to appendix 1 for a block map of the Imaloto Project area.

The Main Seam contains 73.2 million GTIS, which represents 50% of the Imaloto Coal Resource. 56% of the seam is now Measured with 81% now Measured and Indicated. A seam thickness cut-off of 1.0 metre was applied for the Main Seam.

The Main Seam spans the southern, central and northern Imaloto concessions. In the southern concession, the seam sits at an average depth of 31 metres, with an average width of 1.35 metres. The seam deepens and widens as it trends north. In the northern concession, the seam sits at an average depth of 135 metres with an average width of 2.40 metres.

Applying a conservative depth cut off of 100 metres for an open cast mining operation, the Main Seam contains 18.6 million open cast tonnes with the balance lying no deeper than 368 metres, a depth which is suitable to underground mining. The Mining Scoping Study which is currently being undertaken will assess the viability of both an open pit and underground mining operation at the Project.

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 @ 05 Oct 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
4604	F1.25	5.4	9.2	36.2	49.2	1.10	27.88	1.4	42.4	6478	6238
10941	F1.30	5.6	10.2	35.5	48.7	1.11	27.67	5.1	42.2	6438	6198
36450	F1.35	5.4	12.1	34.4	48.1	1.04	27.09	17.6	41.8	6295	6054
61491	F1.40	5.5	14.1	32.9	47.6	0.99	26.39	40.0	40.9	6133	5892
79109	F1.50	5.4	16.9	30.7	47.0	0.96	25.30	67.4	39.5	5880	5639
40814	F1.60	5.4	18.8	29.5	46.3	0.98	24.55	81.6	38.9	5703	5462
16826	F1.70	5.4	20.0	28.9	45.7	0.99	24.11	87.4	38.8	5597	5355
9403	F1.80	5.3	20.9	28.6	45.2	1.04	23.77	90.6	38.7	5516	5275
6027	F1.90	5.3	21.6	28.3	44.8	1.07	23.51	92.7	38.8	5453	5212
21219	S1.90	5.1	24.5	27.7	42.7	1.82	22.36	100.0	39.3	5177	4936

Figure 1: Wash-table for Main Seam Analyses of the Western Drilling Programme based on the analysis of 55 samples

If the Main Seam is to be considered for a 5,600 kcal/kg NAR product, via a single stage wash the cut-point density of 1.500 ton/m³ will result in a product with an Ash content of 16.9%, Volatiles at 30.7 %, Total Sulphur at 0.96% and a theoretical Yield of 67.4 %.

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 Newcastle 5,500kcal/kg Net as Received, 20% Ash export grade thermal coal ("NEW 5,500"), which recently traded at approximately US\$75/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 has recently traded at approximately US\$85/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.

Upper and Top Seams

Revised Resource Statement

Below is a summary of the Upper Seam contribution to the Imaloto Coal Resource:

Block	Thick (m)	Area (m2)	Volume (m3)	Density	GTIS	Drill Grid	Confidence level	Geological Loss	TTIS
2	1.12	6,999,660	7,839,424	1.622	12.7	19	Indicated	15	10.8
3	1.07	4,273,073	4,572,188	1.628	7.4	51	Measured	12	6.6
4	1.31	3,761,367	4,927,391	1.641	8.1	57	Measured	12	7.1
5	1.12	2,802,195	3,138,458	1.590	5.0	406	Measured	12	4.4
2A	0.75	1,397,766	1,048,325	1.615	1.7	1,182	Inferred	20	1.4
3A	1.50	777,559	1,166,338	1.615	1.9	882	Inferred	20	1.5
4A	1.50	1,092,459	1,638,689	1.615	2.6	1,045	Inferred	20	2.1
5A	1.25	1,795,637	2,244,546	1.615	3.6	1,340	Inferred	20	2.9
					43.1				36.7

Below is a summary of the Top Seam contribution to the Imaloto Coal Resource:

Block	Thick (m)	Area (m2)	Volume (m3)	Density	GTIS	Drill Grid	Confidence level	Geological Loss	TTIS
2	0.98	6,999,660	6,849,535	1.509	10.3	519.0	Indicated	15	8.8
3	0.88	4,273,073	3,760,304	1.567	5.9	451.0	Measured	12	5.2
4	0.83	3,761,367	3,121,935	1.605	5.0	457.0	Measured	12	4.4
5	0.72	3,052,761	2,827,001	1.598	4.5	424.0	Measured	12	4.0
2A	0.50	1,397,766	698,883	1.559	1.1	1,182.0	Inferred	20	0.9
3A	0.75	777,559	583,169	1.559	1.0	82.0	Inferred	20	0.7
4A	0.75	1,092,459	819,345	1.559	1.3	1,045.0	Inferred	20	1.0
5A	0.75	1,795,637	1,346,728	1.559	2.1	1,340.0	Inferred	20	1.7
					31.2				26.7

Refer to appendix 1 for a block map of the Imaloto Project area.

The Upper and Top Seams contain 74.3 million GTIS which represents 50% of the Imaloto Coal Resource. 48% of these seams are now Measured and 79% are Measured and Indicated. A seam thickness cut-off of 0.50 metres was applied for the Top and Upper Seams.

The Top and Upper Seams span the central and northern Imaloto concessions. In the central concession, the seams sit at an average depth of 75 metres, with an average width of 0.85 metres. Again, the seams deepen and widen as they trend north. In the northern concession, the seams sit at an average depth of 125 metres, with an average width of 0.99 metres.

Coal Qualities

Results received to date indicate that whilst the Top and Upper Seam coal qualities can be beneficiated to generate an export quality product, the yields are insufficient to make either seam economic. However, it has been confirmed by the Company's independent coal fired power station consultants, F-tech International Limited, that each of these seams in their RAW form, save for crushing and screening, would be suitable as power station feed stock for a circulating fluidized bed ("CFB") combustor configured power station.

The Surface Seam and Main Seam Lower Split

Both seams average less than 30 cm in thickness and are therefore not considered to be economically feasible from an exploitation perspective and have been excluded from the resource calculation.

The Infill Drilling Programme

Post the completion of the Western Drilling Programme, exploration efforts turned to an infill drilling programme focused on the northern and central concessions of the Imaloto Project area. The programme was designed to confirm the position of the major faults and the basin edge at depth, as well as reducing the spacing between boreholes thereby providing a greater level confidence of the resource in these concessions. As part of the programme, which was completed on 2 December 2012, 33 boreholes were drilled for a total 5,467 metres. A total of 102 samples have now been shipped to Inspectorate Laboratories awaiting analysis with the results of 35 having now been received.

All results of the Infill Drilling Programme will be incorporated into the Imaloto Geological Model and will be followed by further revision to the resource statement.

Scoping Studies and Project Economics

Results of the Mining Scoping Study, which is currently being prepared, along with the results of the Port and Mine Infrastructure and Land Logistics scoping studies, which have already been completed, will be used in the construction of a financial model. The model will consider all scenarios available to the Company in exploiting the resource and includes, but is not limited to, delivering a 5,600 kcal/kg NAR product to the seaborne market, domestic supply to a regional coal fired power station (the concession for which is still yet to be issued) or a combination of each. The results will be made available as soon as the Mining Scoping Study has been completed and all results incorporated into the financial model.

Reconciliation of CPR Revised Resource Statement

The MSA Group ("MSA") prepared the Independent Geologist Report, Competent Persons Report and maiden JORC compliant resource statement, all of which are contained in the Company's August 2011 prospectus. MSA calculated the project area contained 176.6 million Inferred GTIS across the three economic seams. The revised resource statement as prepared by Mr Erasmus of Sumsare Consulting CC, contains 147.5 million GTIS. A reconciliation between the two resource statements is as follows:

	Note	GTIS (million tonnes)
Starting Tonnes (MSA)	1	170.6
<u>Difference by Seam</u>		
Main		(0.6)
Upper		(24.3)
Top		5.0
Difference	2	(23.1)
Closing Tonnes (Sumsare)		147.5

Notes

- (1) Reconciliation of the inferred resource prepared by MSA which formed part of the Competent Person Report contained in the Company's Prospectus:

Seam	Thickness cut-off (metres)	GTIS (million tonnes)
Main	1.4	73.8
Upper	0.5	69.7
Top	0.5	27.1
Total		170.6

- (2) The difference of 23.1 million GTIS is a result of MSA and Sumsare applying differing seam density factors.

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

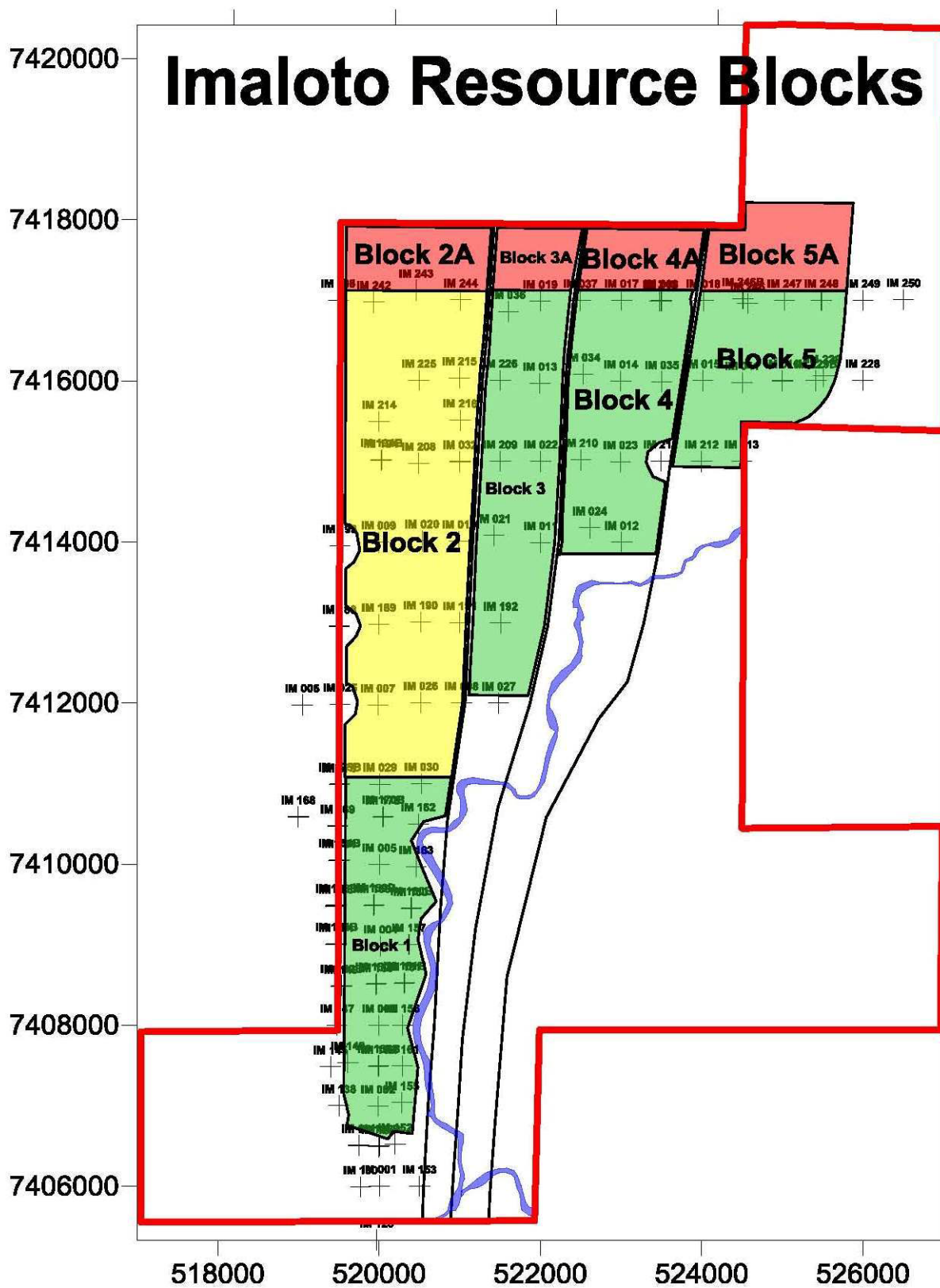
MEDIA CONTACT:

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 Report that relates to Mineral Resources is based on information compiled by Mr Johan Erasmus. Mr Erasmus is a Qualified Geologist (Bachelor of Science - Geology and Chemistry – University of Port Elizabeth – 1989) 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. Mr Erasmus is the owner of Sumsare Consulting CC. Mr Erasmus 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'. Mr Erasmus consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1



Appendix 2

COAL RESOURCE - Imaloto - Lemur Resources											
Block	Seam	Ply	Thick (m)	Area (m2)	Volume (m3)	Density	GTIS	Drill Grid	Confidence level	Geological Loss	TTIS
1	Main	Main	1.35	3940874	5320180	1.468	7.810	331	Measured	10	7.029
Total							7.810				7.029
2	Top	Top	0.98	6999660	6849535	1.509	10.336	519	Indicated	15	8.786
2	Upper	Upper	1.12	6999660	7839424	1.622	12.716	519	Indicated	15	10.808
2	Main	Main	1.53	8132638	12404697	1.500	18.607	860	Indicated	15	15.816
Total							41.659				35.410
3	Top	Top	0.88	4273073	3760304	1.567	5.892	451	Measured	12	5.185
3	Upper	Upper	1.07	4273073	4572188	1.628	7.444	451	Measured	12	6.550
3	Main	Main	2.85	4272813	12176950	1.479	18.010	451	Measured	12	15.849
Total							31.346				27.584
4	Top	Top	0.83	3761367	3121935	1.605	5.011	457	Measured	12	4.409
4	Upper	Upper	1.31	3761367	4927391	1.641	8.086	457	Measured	12	7.116
4	Main	Main	2.94	3357197	9863333	1.523	15.022	432	Measured	12	13.219
Total							28.118				24.744
5	Top	Top	0.72	3052761	2827001	1.598	4.518	424	Measured	12	3.975
5	Upper	Upper	1.12	2802195	3138458	1.590	4.990	406	Measured	12	4.391
Total							9.508				8.367
2A	Top	Top	0.50	1397766	698883	1.559	1.090	1182	Inferred	20	0.872
2A	Upper	Upper	0.75	1397766	1048325	1.615	1.693	1182	Inferred	20	1.354
2A	Main	Main	1.98	1397766	2767577	1.493	4.132	1182	Inferred	20	3.306
Total							6.915				5.532
3A	Top	Top	0.75	777559	583169	1.559	0.909	882	Inferred	20	0.727
3A	Upper	Upper	1.50	777559	1166338	1.615	1.884	882	Inferred	20	1.507
3A	Main	Main	3.75	777559	2915845	1.493	4.353	882	Inferred	20	3.483
Total							7.146				5.717
4A	Top	Top	0.75	1092459	819345	1.559	1.277	1045	Inferred	20	1.022
4A	Upper	Upper	1.50	1092459	1638689	1.615	2.646	1045	Inferred	20	2.117
4A	Main	Main	3.25	1092459	3550493	1.493	5.301	1045	Inferred	20	4.241
Total							9.225				7.380
5A	Top	Top	0.75	1795637	1346728	1.559	2.100	1340	Inferred	20	1.680
5A	Upper	Upper	1.25	1795637	2244546	1.615	3.625	1340	Inferred	20	2.900
Total							5.724				4.580
Gross Indicated Tonnage in Situ							41.659	Total Indicated Tonnage in Situ			35.410
Gross Measured Tonnage in Situ							76.782	Total Measured Tonnage in Situ			67.724
Gross Inferred Tonnage in Situ							29.010	Total Inferred Tonnage in Situ			23.208
Gross Total Tonnage in Situ							147.450	Total Tonnage in Situ			126.342
Gross Top Seam Tonnage in Situ							31.132	Total Top Seam Tonnage in Situ			26.656
Gross Upper Seam Tonnage in Situ							43.083	Total Upper Seam Tonnage In Situ			36.744
Gross Main Seam Tonnage in Situ							73.235	Total Main Seam Tonnage In Situ			62.942
Total							18.607				15.816
Total							40.842				36.097

Appendix 3: Main Assumptions and Estimation Parameters for the Imaloto Coal Resource

- The Imaloto project is located in south-western Madagascar, 150 km east of the coastal city of Tulear. The closest town, Benenitra, is located roughly 15 km south-west of the exploration camp, close to the south-western corner of the licence area. The mining and prospecting rights are aligned mainly along the south-flowing Imaloto River valley until its confluence with the larger, west-flowing Onilahy River, which in turn enters the Indian Ocean a few kilometres south of the city of Tulear.
- The coal deposit is developed in Permian Age sediments, and the bulk of the resource is contained within 3 Seams; the Main Seam, the Top Seam and the Upper Seam. The depositional geometry is of a valley that dips to the north at 1 to 3°. This valley overlies Glacial Series sediments that were deposited on a floor of Proterozoic crystalline basement.
- The main structural elements are faults (extensional tectonics between Madagascar and East Africa) which displace the strata in sequentially deeper blocks to the west. The relative displacements vary from 40 to 25 m. The dips on the fault planes are assumed to be in excess of 80° to the west.
- The Top and Upper Seams are absent in the southern part of the project, due to the effect of weathering. Towards the north, the surface topography is elevated and it contains the younger overlying Red Series Formation sediments.
- The coal resource is estimated on the basis of 110 boreholes that were drilled between February 2009 and October 2012. A total of 13 418 m was drilled in this exploration programme. Since the resource orientation is near horizontal, all the drilling was planned to be plumb at -90°. A random check on borehole orientation showed the audited holes to vary between -89.0° and 88.94°.
- All the boreholes were drilled with 2 similarly equipped Boart-Longyear LF 70 rigs. These rigs are the property of Lemur Resources and are staffed by Indonesian operators. All the drilling was cored diamond drilling, and was drilled in HQ size. This produced a recovered core of 63.5 mm in diameter. This size produces a sample mass of 4.75 kg of coal per running meter at a default density of 1.500 ton/m³.
- All the drilled boreholes were surveyed after the completion of drilling by Mada Topo, a Madagascan survey company. All the coordinates were supplied in WGS 84 and UTM 38 S format. All the collar elevations were reported as meters above mean sea level.
- During the first phase of the project (first 36 boreholes), sampling was detailed and included the sampling of non-coal roof and floor sediments. The core was split in half, and sent to the laboratory for analyses and the remaining half was retained on site. The balance of the boreholes (74) was sampled as full core with lithological contacts as sample boundaries. The minimum seam width for sampling is 30 cm. All the residue material is in the custody of the laboratory for future analyses.
- The Laboratory used for sample analyses is M&L Inspectorate in Johannesburg, South Africa. The samples were bagged and tagged in the field, and taken by road to Tulear in Madagascar. From Tulear, the samples were shipped by DHL to Johannesburg (air freight).
- The following analyses were requested as a standard on all samples;
 - Sample Preparation
 - As Received Density
 - Screening out < 0.5 mm, ISO 1953
 - Sink and Float Analyses, ISO 7936
 - Sulphur % Content per float and final sink, C030-402-W (Based on ASTM:D4239)
 - Moisture % Content per float and final sink, C030-403-W (Based on SANS 5925)
 - Volatile % Content per float and final sink, C030-404-W (Based on ISO 562)
 - Ash % Content per float and final sink, C030-401-W (Based on ISO 1171)
 - Free Swelling Index per float below 1.400 t/m³, ISO 540

- Gross CV(MJ/kg) per float and final sink, C030-405-W (Based on ISO 1928)
- Quality assurance is integrated in the laboratory by the use of unmarked standard samples at a frequency of one in ten. All residue sample material is retained for future analysis.
- As received densities as determined by the laboratory was used to calculate the densities per seam per block.
- All the drilled boreholes were used in the physical modelling of the resource. The average drilling density comes to 530 m² for the total deposit. The drilling density varies between 331 m² (Block 1) to 1340 m² (Block 5A). The deepest hole is IM244 at 389.5 m. The shallowest hole is IM150 at 26.3 m. The average drilling depth for the complete set of boreholes is 122 m.
- A gridded surface is generated for the roof and floor of each individual seam per resource block. The modelling algorithm used is Inverse distance squared. The lateral continuity of the grid surface is limited by a blanking file. Blanking file boundaries are fixed by structure, seam thickness limits, physical boundaries (river course, weathering, sub-outcrop), and lease limits. The seam thickness limits are 0.5 m for the Top and Upper Seams, and 1.4 m for the Main Seam.
- Geological loss is assigned on a sliding scale according to the level of confidence in the resource estimation. Essentially it is a measure of drilling density and reduced potential variability in seam geometry. The following geological losses were applied per resource category;
 - Measured Resource: 10 to 12 % geological loss
 - Indicated Resource: 15 % geological loss
 - Inferred Resource: 20% geological loss
- The qualities were calculated per seam per block from the wash-tables that is supplied by the laboratory. The average qualities are weighted for sample mass.
- The reconciled tonnage variance with the MSA report dated Dec 2010, is largely due to a density difference as used on the Upper Seam;
 - MSA Upper Seam density 1.76 ton/m³ - SC Upper Seam density 1.615 ton/m³, variance 26.617 Mt.
- The MSA Report did not specify the base to which it reported, and given that the MSA tons are being described as having had a geological loss applied, the actual loss is not tabulated. The resource confidence assigned to the 170.600 Mt as reported by MSA is inferred. Given that the comparison was complicated by a lack of definition in the MSA report, SC accepted the MSA tonnage as at a GTIS base and compared it with the most recent GTIS based tonnage for the Imaloto Project.
- All the resource tonnages quoted by SC are as at 23 Jan 2013.