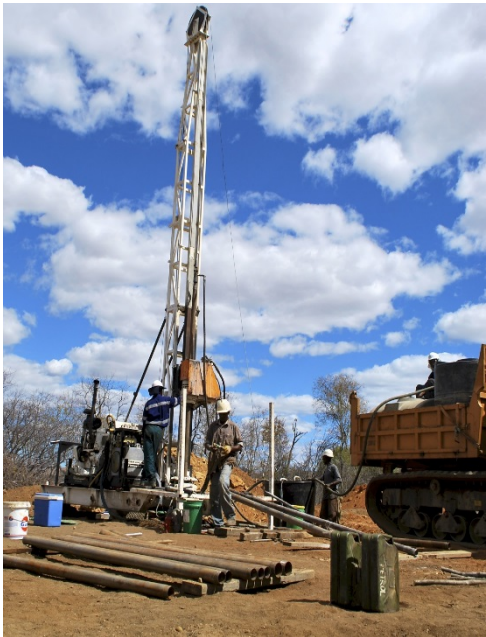




Mines & Money Presentation 2014
Imaloto Coal Mine & Power Plant



DISCLAIMER & COMPETENT PERSON'S STATEMENT

- This Presentation (and the information contained herein) is confidential to the recipient. The information contained in this Presentation is provided to the recipient on the terms and conditions set out in this notice.
- The purpose of this Presentation is to provide the recipient with background information relating to Lemur Resources Limited (ACN 147 241 361) ("Lemur"). The recipient should not treat the contents of this Presentation as advice relating to legal, investment or taxation matters and should consult their own advisers.
- No part of this Presentation may be disclosed, reproduced or distributed in any manner without the prior written approval of Lemur.
- Lemur and its respective directors, employees, agents, advisers and consultants shall have no liability (including liability to any person by reason of negligence or negligent misstatement) for any statements, opinions, information or matters (express or implied) arising out of, contained or derived from, or for any omissions from this Presentation, except liability that cannot be excluded under statute.
- The Presentation contains reference to certain intentions, expectations and plans of Lemur. Those intentions, expectations and plans may or may not be achieved. They are based on certain assumptions which may not be met or on which views may differ. The performance and operations of Lemur may be influenced by a number of factors, many of which are outside the control of Lemur. No representation or warranty, express or implied, is made by Lemur or any of its respective directors, employees, agents, advisers and consultants that any intentions, expectations or plans will be achieved either totally or partially.
- The information disclosed in this Presentation relates to the proposed business of Lemur at the date the information was compiled, not the date of this Presentation. Material information may have changed since the date the information was compiled. The information is of a general nature and does not purport to be complete. See Lemur's website (www.lemurresources.com) or Lemur's ASX announcements for further information on Lemur and its projects.
- The information in this Report that relates to Mineral Resources was released to ASX on 29 July 2014 (Coal Mineral Resource Updated to JORC 2012) and 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 is a consultant to the Company and 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'. The Company confirms that the form and context in which the information is presented has not been materially modified and it is not aware of any new information or data that materially affects the information as announced 29 July 2014. All material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.



CAUTIONARY & FORWARD LOOKING STATEMENTS

The scoping study referred to in this Presentation was first released to ASX on 26 September 2013 and:

- is based on lower-level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the scoping study will be realised. There is a low level of geological confidence associated with mineral resources and there is no certainty that the production target itself will be realised;
- contains scoping study results and production targets which are preliminary in nature. The Life of Mine (“LOM”) Run of Mine (“ROM”) production target of 21 million tonnes is based on the exploitation of the Measured and Indicated portions only of the JORC compliant resource. The Measured and Indicated portions represent 91% of the resource equating to a total of 123 million tonnes.
- contains outputs relating to 100% of the Project; and
- contains cash flows which, unless otherwise stated, are in US dollars which are undiscounted and are not subject to inflation/escalation factors and all years are calendar years.

This Presentation contains certain forward looking statements. The words "expect", "forecast", "should", "projected", "could", "may", "predict", "plan" and other similar expressions are intended to identify forward looking statements. Indications of, and guidance on, future earnings, cash flow costs and financial position and performance are also forward looking statements. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward looking statements may be affected by a range of variables that could cause actual results or trends to differ materially. These variations, if materially adverse, may affect the timing or the feasibility of the development of the Imaloto Coal Project.

The Company believes it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to any production targets, based on the information contained in this announcement and in particular:

- The LOM ROM production target of 21 million tonnes is based on the exploitation of the Measured and Indicated portions only of the JORC compliant resource. The Measured and Indicated portions represent 91% of the resource equating to a total of 123 million tonnes;
- JORC compliant Resources Statement released on 28 March 2013;
- Independent scoping studies which addressed the critical areas including the determination of mining inventory, mine design and scheduling, assay test work, and industry specific operating and capital cost data; and
- Independently prepared financial model and the key assumption contained therein relating to the commodity price and exchange rate forecasts.



✓ **Quality Asset**

Imaloto Coal Project in Madagascar has a JORC compliant resource of 135.7 million Gross Tonnes in Situ ("GTIS") of which 68% is Measured (91% of resource is Measured and Indicated) (ASX Announcement 29 July 2014)

✓ **Scoping Study Completed**

Scoping study completed for mining, processing and logistics, showing production of up to 1.5Mpta, with LoM of 19 years. Project NPV of US\$36m (10% discount rate) and Phase 1 low capital expenditure of US\$12m. Scoping study optimisation work indicating NPV of up to US\$49m (refer to cautionary statement on page 3 of this Presentation)

✓ **Power Station & Domestic Coal Supply**

3 x 15 MW coal fired station to supply power to town of Tulear (Jirama) and regional mines including Molo Graphite and Toliara Sands. Domestic supply coal opportunities include Ambatovy

✓ **Experienced Team**

Lemur's board and management have significant experience in developing African mining projects

✓ **Strong Cash Position**

Lemur has a cash balance of \$15.4m (30 June 2014) and is fully funded for all its present activities

✓ **Second asset strategy**

Lemur intends to leverage surplus cash to acquire one or more additional resource assets in Africa



- Mr Anthony Viljoen (BA Mgt, Pg Dip FBI) – Chief Executive Officer and Executive Director
 - Mr Viljoen has a finance and investment banking background and been responsible for the establishment and project development of a number of junior mining companies across Africa. He is currently a non-executive director of AIM listed Bushveld Minerals Limited
- Ryan Rockwood (MEng, MA Cantab) – Executive Director
 - Mr Rockwood is an experienced mining sector professional and focused on mergers, acquisitions, equity and debt financings for 5 years before joining Lemur as an executive. Prior to 2007, he spent many years in operations management and engineering for the leading mining companies
- Mr Fortune Mojapelo (BA S.c.) – Non Executive Director
 - Mr Mojapelo has played a leading role in the origination, establishment and project development of several junior mining companies in Africa. He is currently Chief Executive Officer of AIM listed Bushveld Minerals Limited
- Ms Shannon Coates (BA) – Non Executive Director
 - Ms Coates is Legal and Compliance Counsel to Perth based corporate advisory firm Evolution Corporate Services which services ASX and AIM listed companies, the majority of which operate in the resources sector. She holds a bachelor of law and has more than 17 years of experience in corporate law and compliance



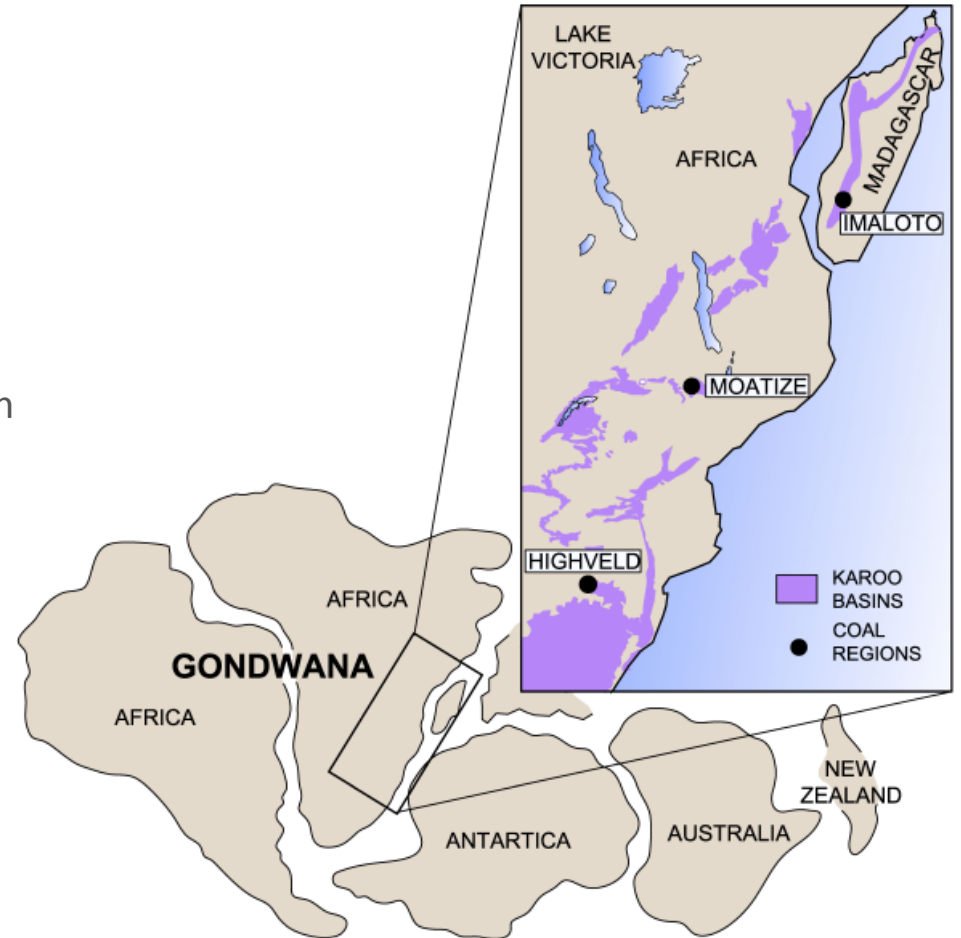


- Capital:** Antananarivo
- Government:** Caretaker government since 2009, Free and credible elections completed in December 2013
- President elect:** Mr Hery Rajaonarimampianina
- Currency:** Malagasy Ariary
- Population:** 21.32 million (2011 est. – World Bank)
- Official Language:** French, Malagasy
- Size:** 587,000 km² – Worlds 4th largest island
- Life Expectancy:** 55 years
- GDP Per Capita:** US\$800
- Literacy:** 69%
- Other:**
- World Bank approved and implemented Mining Code
 - Exciting new mineral province
 - Resources sector conference hosted in June 2014 attracted many international companies



MADAGASCAR GEOLOGICAL SETTING

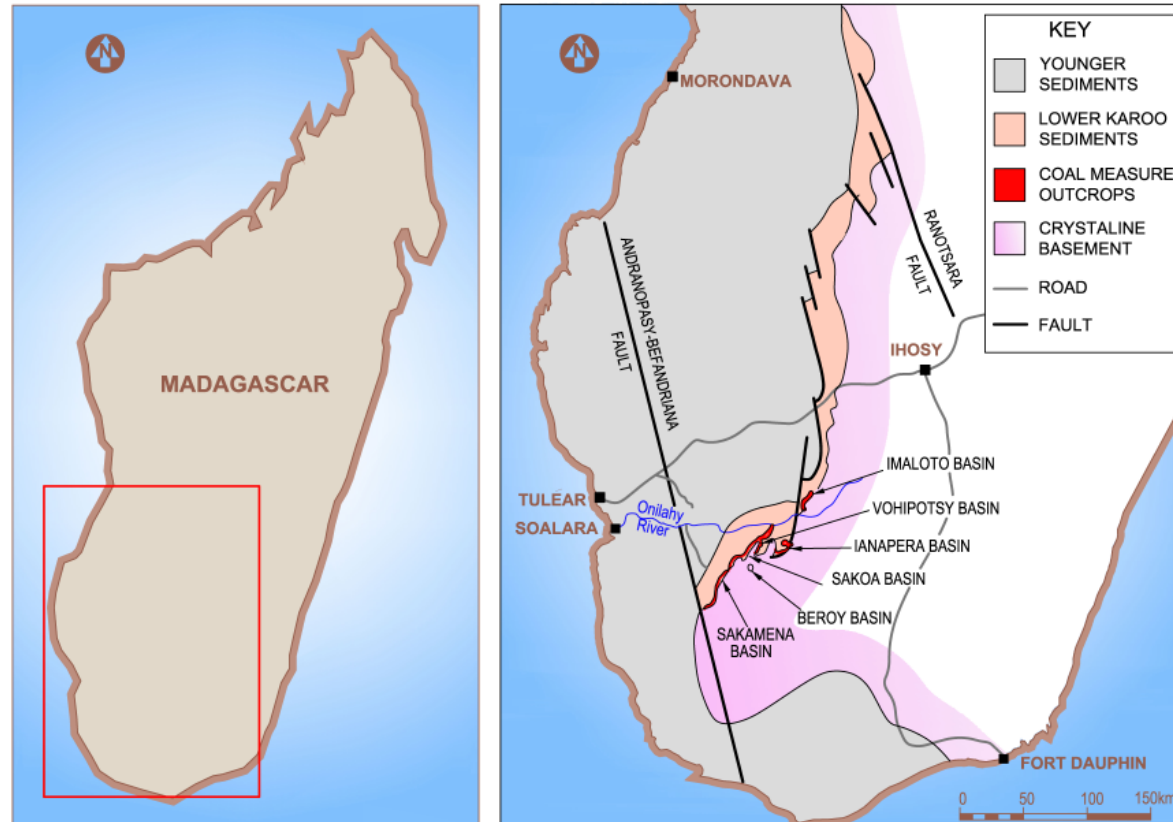
- Madagascar broke away from the Somalia coast 165 millions years ago
- Madagascar, Somalia and Kenya share a common geological history with regard to the coal bearing Karoo sediments
- These sediments occur throughout East and Southern Africa and host coal as the Tanzanian, Moatize and the Highveld coalfields
- Karoo sedimentation and the coal measures of Madagascar were controlled by fault systems inherited from the basement



For personal use only

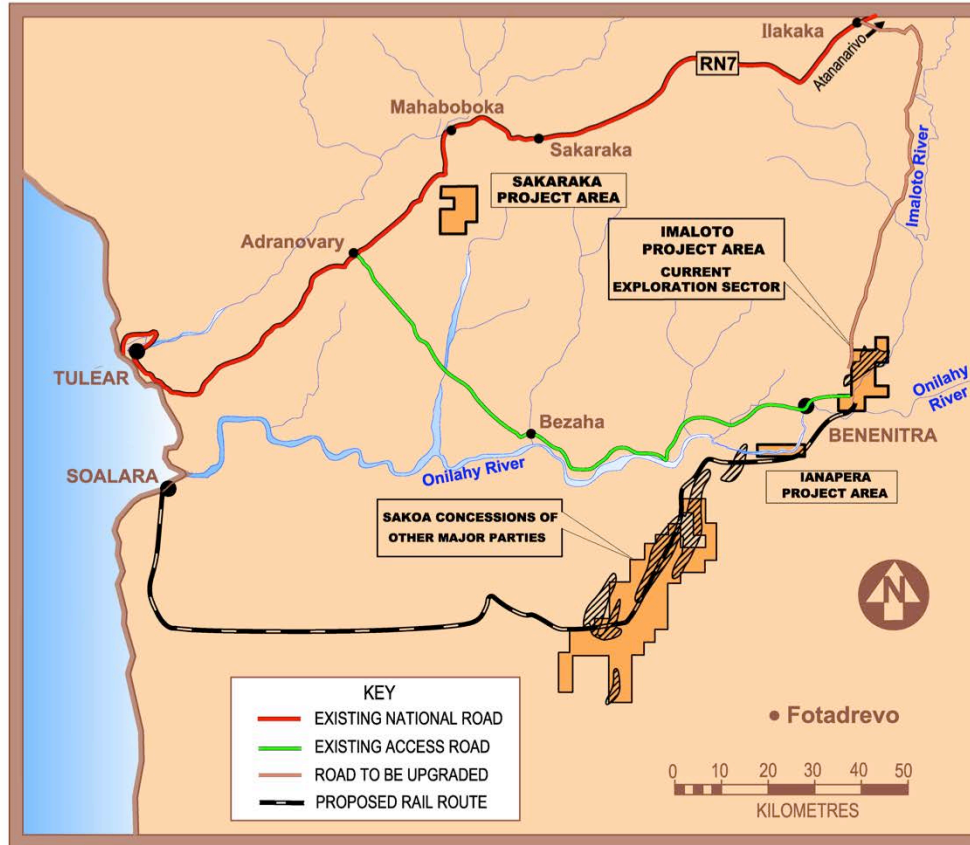
MADAGASCAR COAL GEOLOGY

- Sediments cover the western third of the island concealing NNW-SSE trending horst and graben structures in the lower Karoo sediments which overlie the ancient crystalline basement
- The Sakoa group (lower Karoo coal bearing sediments) extends for some 400 km between two major faults
- Coal measures are exposed in a series of 6 main and several lesser fault bounded coalfields in the south east corner of the Karoo trough – from south to north these are the Sakamena, Beroy, Sakoa, Inapera, Vohipotsy and Imaloto fields



For personal use only

IMALOTO PROJECT LOCATION



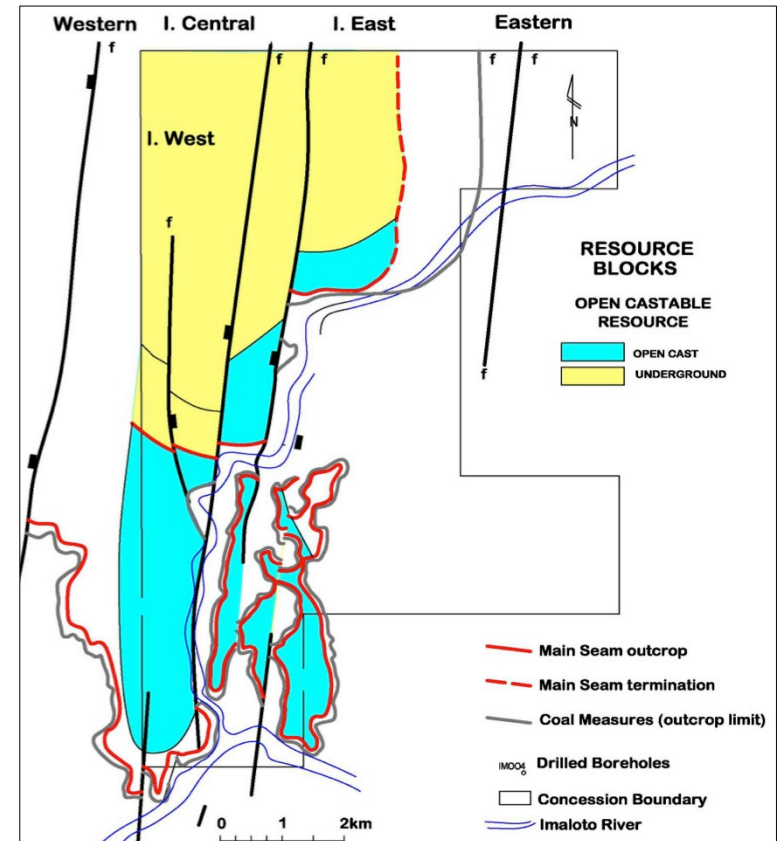
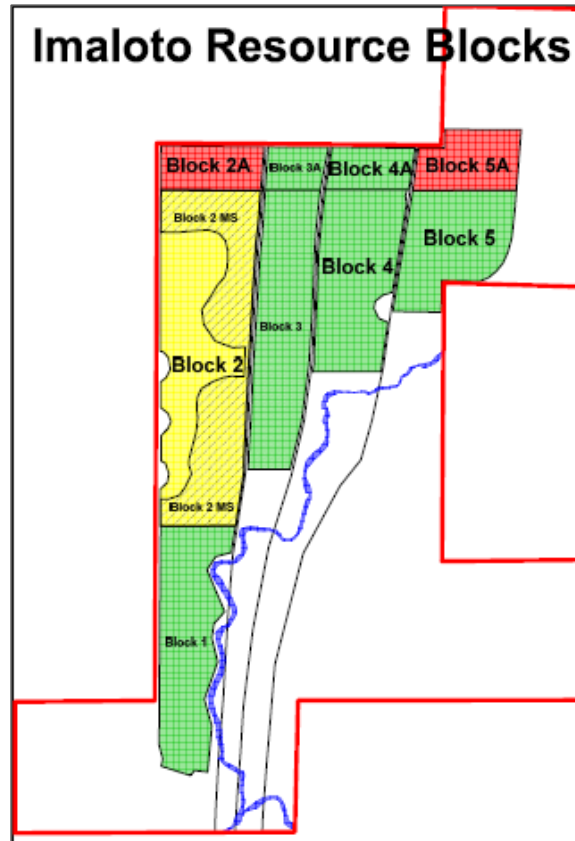
- Imaloto coalfield represents the northern most exposure of the Sakoa coal field
- Sakoa coal fields are held by Thai conglomerate PTT who are believed to have invested over \$100m in their project so far
- Outcropping coal measures extend for a distance of c.15km, immediately west of the north south flowing Imaloto River



For personal use only

The Imaloto Project has a sizable resource of 136 Mt with 91.6 Mt in Measured category and scope for opencast mining in the first 8 years of operation

COAL RESOURCE – Imaloto Project	
Tonnage Category	GTIS
Gross Measured Tonnage in Situ	91.613
Gross Indicated Tonnage in Situ	31.497
Gross Inferred Tonnage in Situ	12.627
Gross Total Tonnage in Situ	135.737
Gross Top Seam Tonnage in Situ	31.238
Gross Upper Seam Tonnage in Situ	41.058
Gross Main Seam Tonnage in Situ	63.441
Gross Main Seam Measured Tonnage in Situ	50.844
Gross Main Seam Indicated Tonnage in Situ	8.445
Gross Main Seam Inferred Tonnage in Situ	4.151



Main Seam raw coal is suitable for power generation or may be beneficiated to export quality.

Main Seam - Cumulative Results (Air-dried Base) as @ 17 Mar 2013

Sample	Wash	Moisture	Ash	Volatile	F.C.	Sulphur	Gross C.V.	Yield
Mass	R.D.	%	%	%	%	%	MJ/kg	%
80401	F1.35	5.1	12.2	34.2	48.5	0.98	27.27	17.7
132987	F1.40	5.0	13.9	32.9	48.2	0.95	26.64	38.0
191942	F1.50	5.1	16.5	30.7	47.8	0.92	25.62	67.4
92073	F1.60	5.0	18.4	29.6	47.0	0.95	24.89	81.5
40557	F1.70	5.0	19.6	29.0	46.4	0.99	24.43	87.7
21871	F1.80	4.9	20.5	28.7	45.9	1.03	24.11	91.1
12977	F1.90	4.9	21.1	28.5	45.5	1.07	23.87	93.0
45410	S1.90	4.7	23.9	27.9	43.4	1.87	22.78	100.0
31442	< 0.5	4.8	23.8	23.7	37.8	1.48	19.38	
684628	Raw	4.7	23.9	27.7	43.2	1.85	22.62	

Weighted average coal quality for the Main Seam

(Combined results from 141 samples out of 114 boreholes)

Main Seam Products (Air-dried Base)

Item	Wash	Moisture	Ash	Volatile	F.C.	Sulphur	Gross C.V.	Yield
	R.D.	%	%	%	%	%	MJ/kg	%
Primary	1.5	5.1	16.5	30.7	47.8	0.92	25.62	67.4
Discard	>1.5	4.1	39.1	22.2	34.5	3.84	16.89	32.6

NB. Fines generation and beneficiation, and plant efficiency excluded from this simulation

Potential Products for the Main Seam with a Single Stage Wash

(Products based on b/hole data for a single stage wash – Wash @RD1.500 for a primary product or discard)

- Single stage washing process generates a primary product with an Ash % of 16.5 and Calorific Value of 25.6 MJ/kg
- Discard has an Ash % of 39.1 and Calorific Value of 16.9 MJ/kg
- Yields would be 67.4% for primary product and 32.6% for discard product

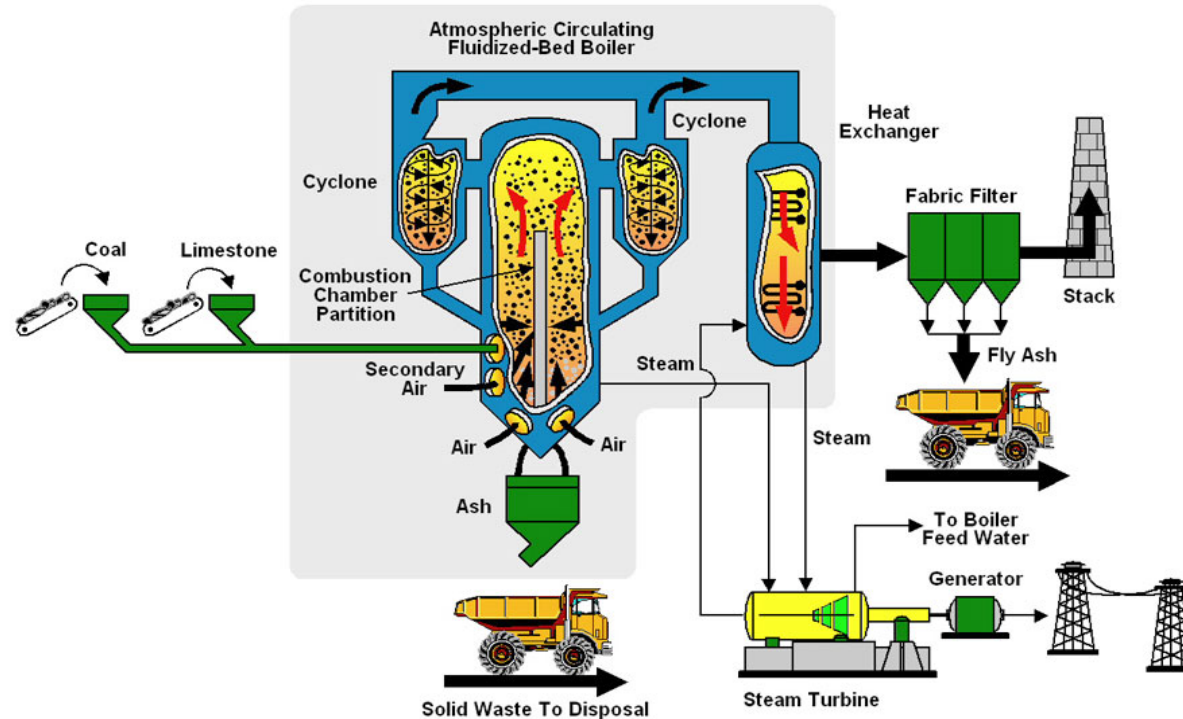


PROPOSED IMALOTO THERMAL POWER STATION

Lemur has executed a MoU with Jiro sy Rano Malagasy (“Jirama”), the Madagascar Government’s state owned electricity company to build, own and operate a 45 MW (3 x 15 MW) coal-fired thermal power station within 10km of the mine, together with a transmission line to Tulear

Electricity generated will be utilised for the town of Tulear, the Toliara Sands mineral sands operation, the Molo graphite project, and the coal mines of the Sakoa basin

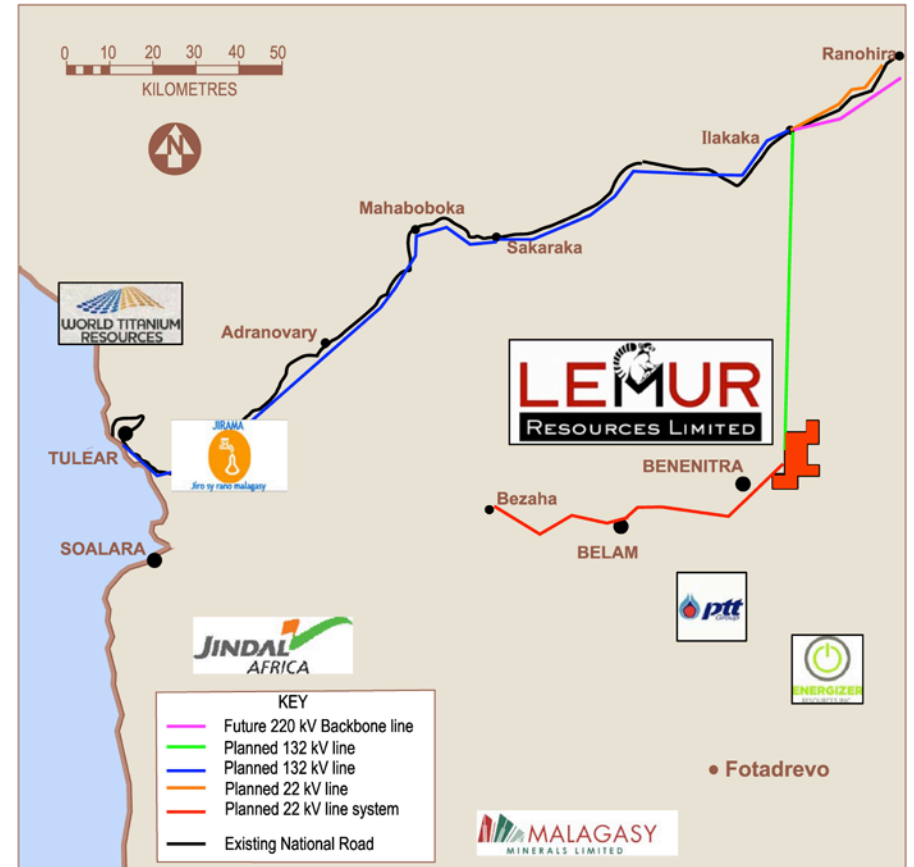
Negotiations are underway for the forma award of the IPP licence with Malagasy government’s Ministry of Energy and Ministry of Strategic Resources



For personal use only

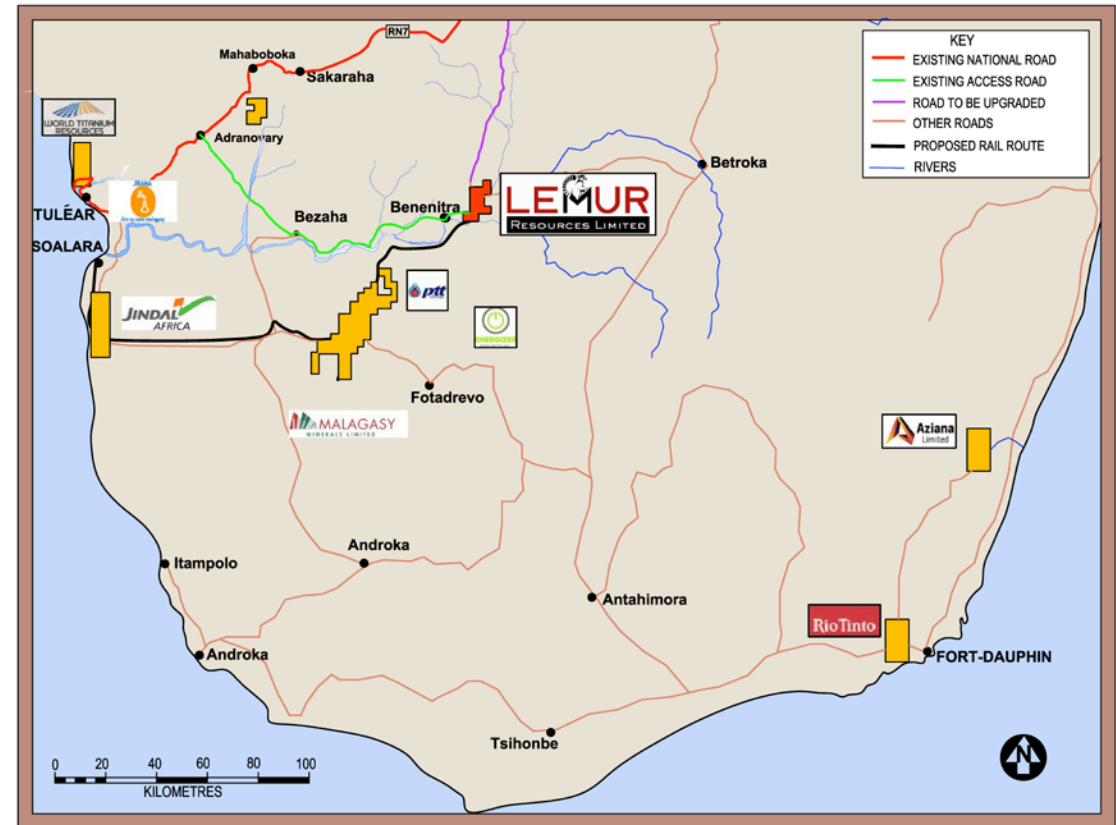
PROPOSED TRANSMISSION NETWORK

- Little to no existing transmission networks
- Plans to link up to the existing grids in the local towns
- Offtake agreements with local industrial and mining companies key to the transmission network
- Feasibility study for the transmission is based upon lowest wheeling cost per kWh transmitted whilst providing equity returns of for an equity sponsor such as Proparco.
- To be built and designed with conjunction with the energy Regulator
- Estimated 2 – 3 year for completion of the network to tie in with the commissioning of the power station
- Anticipated Capex of circa \$40million



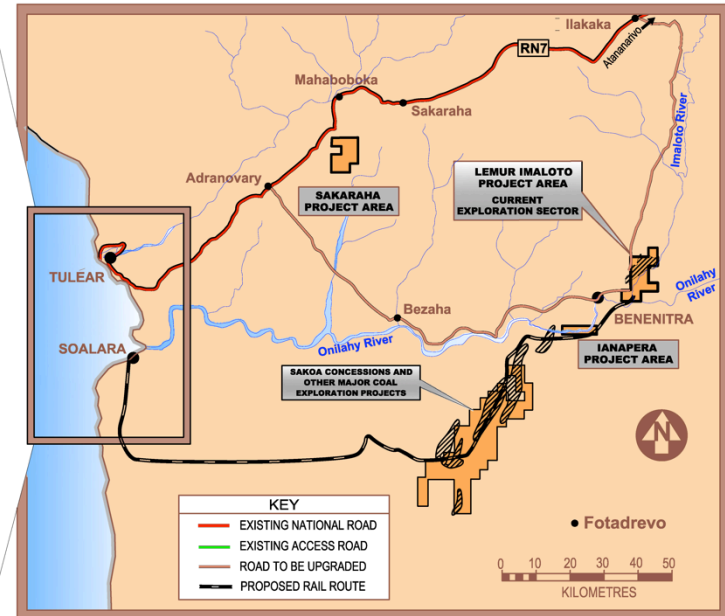
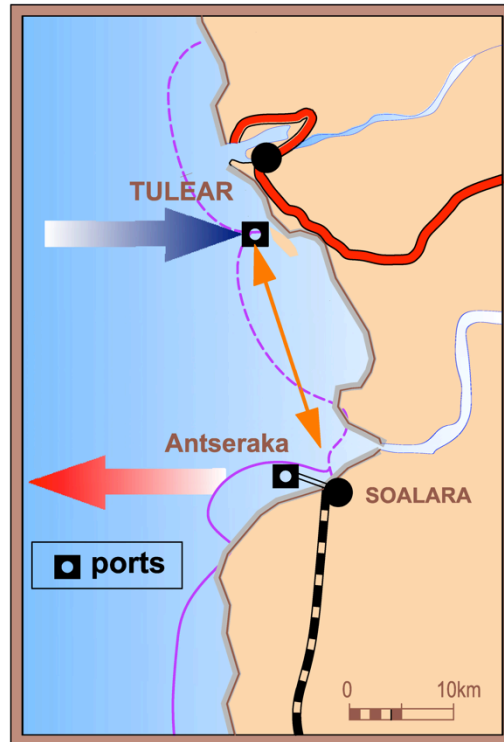
Lemur is positioned to benefit from the power demands of emerging Malagasy development projects in the South West and as a natural supplier of thermal coal for domestic needs

- Key potential power customers in the South West include the major tourist center of Tulear, the Toliara Sands project and the Molo graphite project
- Domestic coal supply opportunities include the Ambatovy nickel project and Holcim. There is also the potential to supply coal to power plants in Mauritius
- In August 2012, F-Tech International ('F-Tech') completed a pre-feasibility study to assess viability of constructing a coal fired power station close to the Imaloto Coal
- An IPP development gives the coal mine favourable project economics by substantially reducing the CAPEX required, as well as turning pre strip cost for export coal into a revenue item



KEY INFRASTRUCTURE

Imaloto Coal Project is favourably located near the existing port of Tulear and adjacent to the proposed Soalara Port, where a mineral bulk handling export facility is planned



For personal use only

- India's growing demand for power and large scale grid expansion is driving continued demand for imported thermal coal
- Two day freight advantage compared to coal exported from RBCT (South Africa)
- Other conveniently located export markets include Mauritius, Kenya, Pakistan and Sri Lanka
- Madagascar is well located to capitalise on these opportunities



- **21 year life of mine:**
 - 1st 10 years being opencast and providing feedstock to power station at 400,000 tpa
 - Underground operations expected to commence in year 11 and ramping up to 1.5 Mtpa ROM (1 Mt of export product and 0.5 Mt of power station product)
- **25.5 MJ/kg export product** and a **low-grade residual product** for power production
- Export sales targeted at **1 Mtpa**, starting in year 11
- Low initial capex of **US\$11.9 million**, with modular scaling of project in second phase:
 - Phase 1: Capex of US\$9 million in years 0 to 2 with 0.5 Mtpa ROM production
 - Phase 2: Capex of US\$81 million in years 10 to 12 with ramp up to 1.5 Mtpa ROM production
- NPV of **US\$36 million** (10% discount rate) achieved in scoping study released in September 2013 and subsequent optimisation work led to an estimated NPV of up to **US\$49 million**



SCOPING STUDY OPTIMISATION: PARAMETERS AND FINANCIALS

Imaloto Physicals	Phase 1 (Years 0 to 10)	Phase 2 (Years 11 to 21)	Total
Coal Resource			
Gross Tonnes in Situ			135.7 Mt
Mineable Tonnes			20.7 Mt
Life of Mine			21 years
Production - Run of Mine (ROM)			
Open Pit	3.2 Mt	0.2 Mt	3.4 Mt
Underground	0.0Mt	17.3 Mt	17.3 Mt
Total	3.2 Mt	17.5 Mt	20.7 Mt
Coal Sales			
Domestic Coal Power Station	3.2 Mt	5.9 Mt	9.1 Mt
Export	0.0 Mt	10.7 Mt	10.7 Mt
Total	3.2 Mt	16.6 Mt	19.8 Mt

Imaloto Capex Items (USD)	Phase 1 (Years 0 to 2)	Phase 2 (Years 10 to 12)
Surface Infrastructure	\$3.50 M	\$13.05 M
Process Plant	-	\$18.46 M
Haulage road ¹	-	\$18.10 M
Port Infrastructure ¹	-	\$14.20 M
Other	\$5.54 M	\$17.44 M
Total	\$9.04 M	\$81.25 M

- Large resource base of 136 Mt with only 21 Mt mined out over 21 year life of mine
- First phase of open pit mining generates revenue with low capex and allows for modular expansion to underground mining
- Mix of domestic power station and export product give hypothetical yield of 95%
- Positive economics prove viability of project

Imaloto Scoping Study – Financials	
Item	Value
Total Gross Revenue (US\$ M)	1,349
Total Operating Costs (US\$ M)	1,069
Total Capex (US\$ M)	97.1
Total Net Cash Flow after Tax (US\$ M)	163.4
NPV @ 10% real (US\$ M)	49.9

¹ Haulage road and port refurbishment to be done through consortium of relevant stakeholders



JOHANNESBURG OFFICE:

Ground Floor
24 Fricker Road
Illovo, Johannesburg 2116
SOUTH AFRICA
Tel: +27 11 268 6555

Anthony Viljoen
CHIEF EXECUTIVE OFFICER
Email: aviljoen@lemurresources.com

PERTH OFFICE:

Suite 1, Ground Floor
83 Havelock Street
West Perth,
Western Australia, 6005
AUSTRALIA
Tel: +618 9486 4768
Fax: +618 9322 5230
Email: enquiries@lemurresources.com

Ryan Rockwood
EXECUTIVE DIRECTOR
Email: rrockwood@lemurresources.com

