

14 AUGUST 2015

CAPITAL STRUCTURE

Shares on Issue: 181m

Unlisted Options: 0.5m

Market Cap: \$10.6m
(as at 31 May 2015)

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



CASH ON HAND

\$12.63m
(as at 31 May 2015)

CORPORATE DIRECTORY

Mr Anthony Viljoen
Executive Director and CEO

Mr Ryan Rockwood
Executive Director

Mr Fortune Mojapelo
Non-Executive Director

Ms Shannon Coates
Non-Executive Director &
Company Secretary

CONTACT DETAILS

Principal and Registered Offices

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WEBSITE

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ACQUISITION OF SOUTH AFRICAN VANADIUM ASSETS

Further to its announcement of 23 July 2015, Lemur Resources Limited (**Lemur**) advises that it has signed a binding term sheet with Sable Metals and Minerals Limited (**Sable**) (**Term Sheet**) with respect to the proposed acquisition (**Acquisition**) of a vanadium project in South Africa (**Project**). The Project comprises three greenfields properties in the North West province of South Africa which are prospective for vanadium and is located in close proximity to the Vametco operations owned by Evraz Group Limited and less than 150km from Evraz Highveld Steel & Vanadium.

Background to Sable

Sable is an exploration company listed in the general mining sector on the exchange operated by the JSE Limited (**JSE**). It has a wholly owned subsidiary, Sable Platinum Holdings Proprietary Limited (**SPH**) which in turn holds 100% of the issued shares on Sable Platinum Mining Proprietary Limited (**SPM**).

SPM holds a majority interest in the companies that hold the applicable of the prospecting right or application for mining right for each of the Project properties as follows:

- 65% of the issued shares of Great 1 Line Invest Proprietary Limited;
- 74% of the issued shares of Gemsbok Magnetite Proprietary Limited; and
- 51% of the issued shares of Caber Trade and Invest 1 Proprietary Limited.

(the **Project Companies**).

Acquisition Terms

Pursuant to the Term Sheet, Lemur will acquire SPM's shares in the Project Companies for US\$600,000 (**Purchase Price**).

As previously announced, Lemur entered into a loan agreement with Sable, pursuant to which Lemur loaned 2,000,000 Rand (A\$213,000) to provide immediate working capital (**Loan**). Pursuant to an addendum to the Loan, a further 1,500,000 Rand (A\$164,000) was paid on 7 August 2015. The Loan will be offset against the Purchase Price. The outstanding balance of the Purchase Price will be paid as follows:

- 1,500,000 Rand on 22 August 2015;
- 1,000,000 Rand on 22 September 2015; and
- The balance of the Purchase Price, calculated at the prevailing Rand/US Dollar exchange rate quoted by the National Australia Bank on 22 October 2015.

In addition to the Purchase Price, Lemur will pay a royalty to Sable of 1.75% of the gross sales of products yielded from the Project, payable quarterly in arrears, subject to certain minimum and maximum per tonne of product sold.

The Term Sheet is subject to fulfilment of the following conditions precedent:

- the entering into of a comprehensive agreement (**Comprehensive Agreement**) by the parties by no later than 18 September 2015, or such later date as the parties may agree to in writing;
- that Lemur advises SPM by no later than 18 September 2015 that it is satisfied with the outcomes of a legal and financial due diligence investigation into the affairs of the Project Companies.

The Comprehensive Agreement will come into full force and effect on the date of signature thereof (**CA Signature Date**), but the continued operation thereof shall be subject to the following resolutive conditions:

- That the required approval of the Department of Mineral Resources pursuant to the provisions of section 11 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 in respect of the change in ownership of the Project Companies in terms of the disposal, be granted within 6 (six) months of the CA Signature Date.
- That within 30 Business Days of the CA Signature Date, Sable furnishes Lemur with the written waiver that the other shareholders in the Project Companies (other than Sable) have not given notice of their intention to exercise their respective pre-emptive rights to obtain any of the Project Companies Shares;
- That within 10 (ten) Business Days of the CA Signature Date, the boards of directors and shareholders (to the extent required by law) of SPM, Lemur and each of the Project Companies respectively approve the disposal in writing; and
- That within 10 (ten) Business Days of the CA Signature Date, the board of directors and shareholders representing 60% of the voting shares of Sable approve the disposal in writing and undertake to vote in favour of the disposal in general meeting.

Lemur will provide an updates with respect to the proposed Acquisition in due course.