

13th September 2012

## ASX Announcement

### Encouraging RC drill intercepts at McIntosh tenements confirm high quality flake graphite.

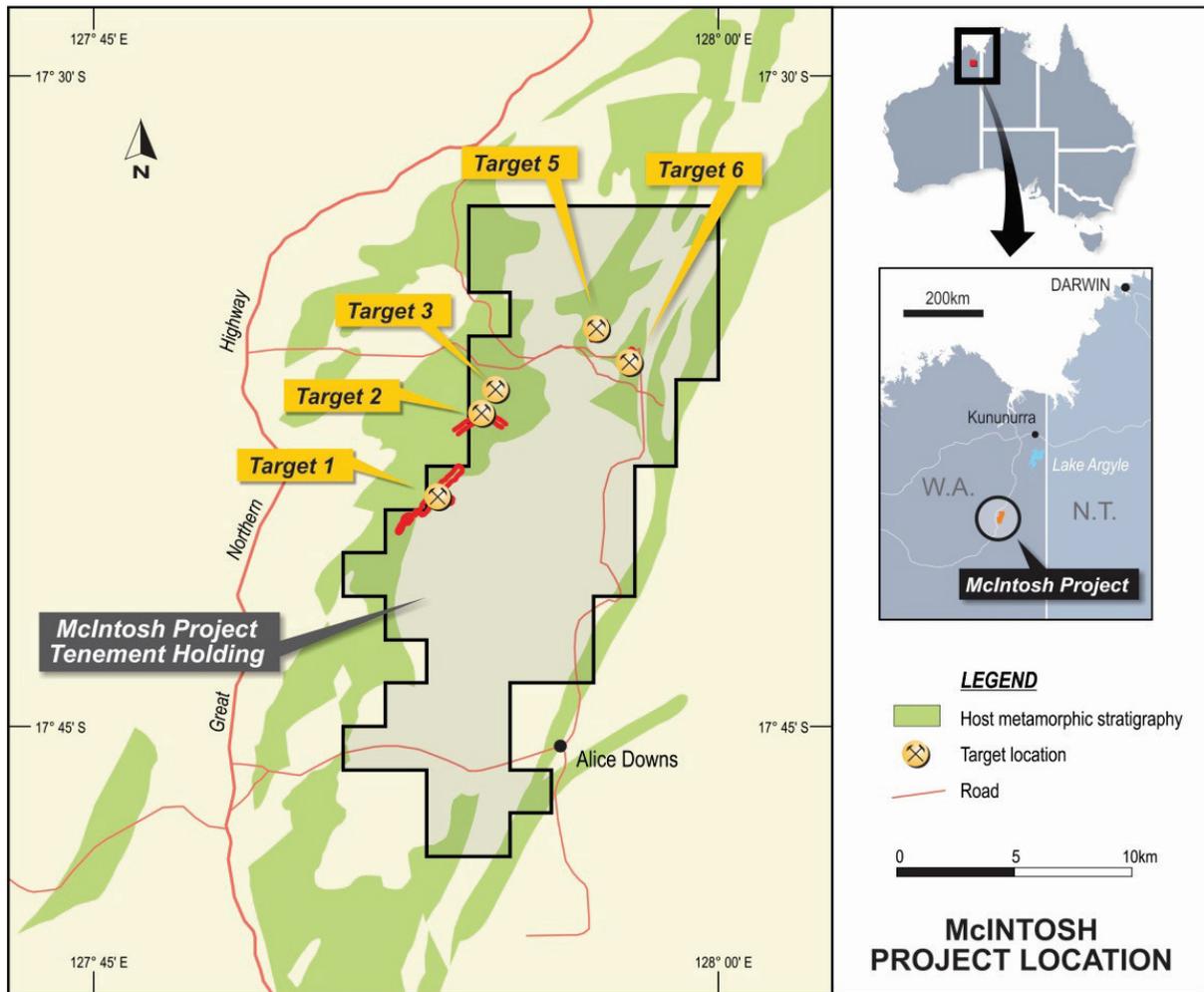
#### Key Highlights

- **Drill intercepts confirm high quality flake graphite.**
- **Drilling of Targets 1, 2 and 3 expected to be completed in fourth quarter 2012.**
- **Diamond drill rig to supplement current drilling program.**
- **Graphite flotation on drill water bodes well for a relatively simple beneficiation.**

Lamboo is delighted to confirm that work programs at the company's flake graphite Targets (Figure 1 below) in McIntosh, East Kimberley, are ahead of schedule with the completion of exploration drilling of Targets 2 and 3 expected to be by the end of September. Lamboo expects drilling of Target 1 to be completed by the end of October. Diamond drilling will form part of this program. Targeted drilling has been made possible due to an extensive geophysical IP program coupled with detailed geological mapping that has confirmed the presence of the graphite schist horizons.

Lamboo Resources Limited (Lamboo) holds the McIntosh flake graphite tenements which now cover an area of 330 km<sup>2</sup> and contain extensive flake graphite schist horizons. The tenements are logistically well placed and extend to the Great Northern Highway affording direct access to infrastructure and the port of Wyndham, 300km to the north.

On 18 June 2012 Lamboo announced it had secured appropriate rigs for its exploration program. Since that time the company has rapidly completed ground and geophysical work enabling a more targeted and efficient drill program. The targets are shown in Figure 1 below:



**Figure 1: Lamboo Resources Flake graphite McIntosh tenements and targets.**

Lamboo has now completed 15 drill holes on traverses 100 m apart and successfully intersected flake graphite in all drill holes. The graphite schist horizon at Target 2 has been confirmed over a strike length of 900 m with the overall strike length of this target zone expected to be in excess of 1.5 km. This forms part of the aggregate strike exceeding 10km.

Drilling results have confirmed the presence of wide intervals of graphite schist and graphitic gneiss. A down hole intercept of 28 m of graphitic marble and schist was achieved from surface in drill hole T2GRC040 (Figure 2). Ongoing drilling has confirmed the presence of high-grade flake graphite that appears like graphitic “paint” in some holes.



Figure 2: Displaying drill hole chips from a graphite intercept in an RC drill hole and detailed below.



Figure 3: Flake graphite producing a distinctive sheen on drill water from a RC drill hole at Target 2

Beneficiation of the graphite should not represent a major hurdle. It separates easily in drill hole water and forms a characteristic sheen where the individual flakes can be discerned (Figures 4 & 5). Petrographic analysis of surface samples also highlights the graphite flakes at a microscopic level (Figure 6). These observations bode well for a relatively simple beneficiation – flotation process. This will have obvious implications for future flake graphite production in terms of substantially lower costs.



Figure 4 Flake graphite sheen on drill water



Figure 5 Flake graphite accumulating on drill water

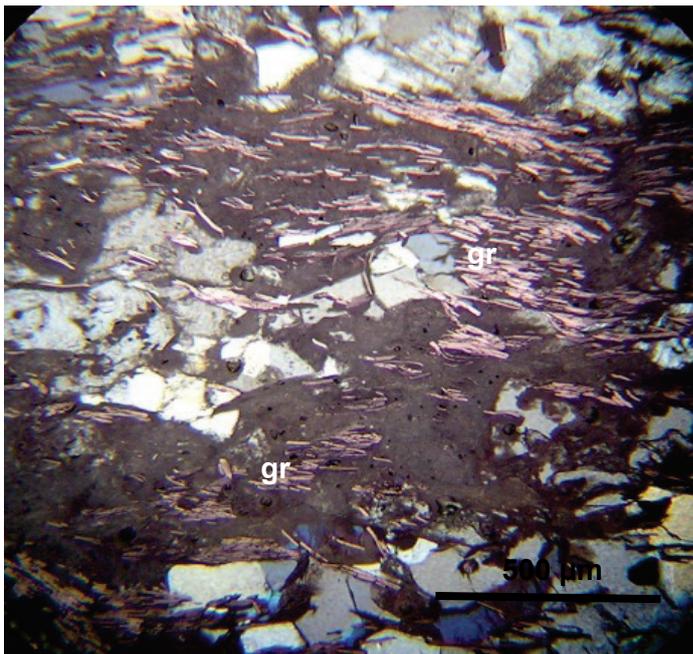


Figure 6 Photomicrograph of flake graphite (gr) at Target 2. Width of photograph 1.5 mm (or 1500 μm).

Follow up drill results from the program at McIntosh Graphite are consistent with the above intercepts confirming the consistency of high quality flake graphite within the tenements. RC drilling will prove to be the most cost effective way of providing an assessment of the targets and achieving an initial resource for the project.

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### Competent Persons Statement

Information in this "ASX Announcement" relating to Exploration Results and geological data has been compiled by the Technical Director of Lamboo Resources Ltd, Dr Craig S. Rugless who is a Member of the Australian Institute of Mining and Metallurgy and a Member of the Australian Institute Geoscientists. He has sufficient experience that is relevant to the types of deposits being explored for and qualifies as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code 2004 Edition).

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### **About Lamboo**

Lamboo Resources Limited is an Australian company with a focus upon flake graphite. The flake graphite McIntosh Project tenements cover an area of 330 km<sup>2</sup> and contain a significant graphite schist representing the priority exploration target for the Company. The tenements are logistically well placed and extend to the Great Northern Highway affording direct access to infrastructure and the port of Wyndham, 300km to the north.

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