

## ASX ANNOUNCEMENT

*Lamboo Resources is an Australian exploration company focusing on substantial flake graphite assets located in the East Kimberley and South Korea*



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### **RE-COMMENCING RC DRILLING AT McINTOSH**

In accordance with planned follow-up of exploration targets Lamboo is commencing drilling at Targets 5 and 6 in addition to undertaking further work at Target 1. Drilling at Target 1 will assess the strong aerial EM anomaly as an extension to the initial flake graphite resource estimated under the JORC code.

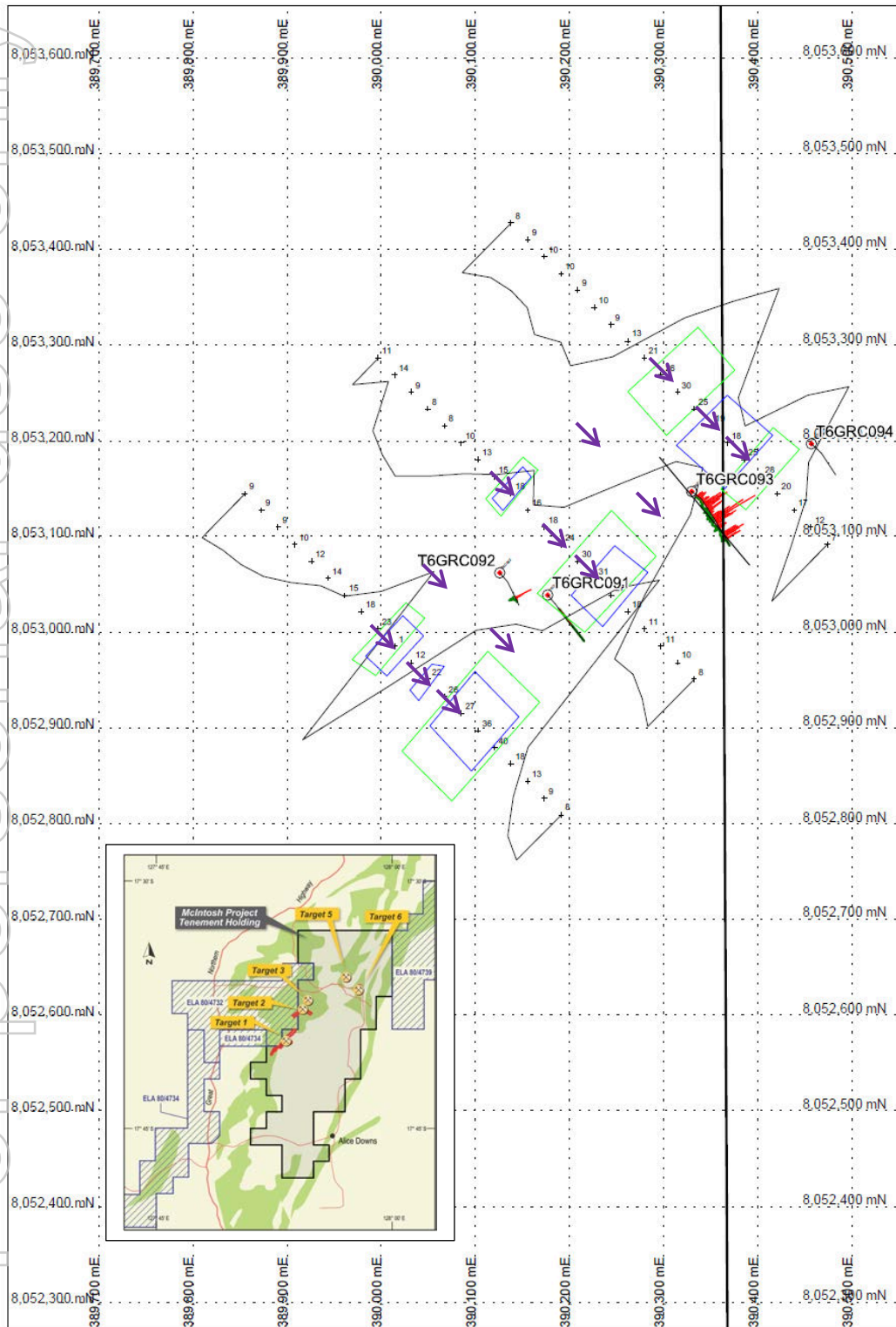
### **Highlights**

- **Drilling at Targets 5 and 6 will follow-up strong ground geophysical IP anomalies that extend over an aggregate strike length of 2,000 metres.**
- **Rock chip samples from Targets 5 and 6 have assayed up to 17.8%TGC and are associated with broad intervals of flake graphite mineralisation based on preliminary drilling.**
- **Port access has been confirmed at Wyndham, in northwest WA and will accommodate production from any planned graphite operation.**

### **Targets 5 and 6**

Lamboo has the opportunity of completing the drilling programs that commenced in the 2012 field season. Preliminary RC drilling of Target 6, undertaken late in the season and based on available access tracks, confirmed the presence of broad zones of flake graphite mineralisation associated with aerial EM anomalies and follow – up ground geophysical IP anomalies.

Previous rock chip samples taken from both Targets 5 and 6 have confirmed the presence of strong flake graphite mineralisation with values up to 17.8% TGC (23.4% TC) and an average value of 7.0% TGC for a total of 15 rock chip samples analysed by Actlabs Laboratories in Canada (Table 1).



**Figure 1: Ground geophysical IP profiles showing the interpreted location of the graphite horizons (as blue boxes) and location of preliminary RC drill holes at Target 6. Inset shows the location of Targets 5 and 6 in the McIntosh Project. Arrows denote proposed drill holes.**

**Table 1: Flake graphite rock chip samples from Targets 5 and 6**

Sample	GDA94 East	GDA94 North	Sample Descriptions	%TGC	%TC	%TS
508453	388764	8054063	Flake graphite schist	5.93	6.44	0.03
508454	390343	8053142	Flake graphite schist	3.95	3.99	0.43
508455	390438	8053173	Strong flake graphite schist (gr>10%)	11.7	11.9	0.04
508456	390453	8053182	Graphite schist - gossanous	3.43	3.45	0.07
508458	388859	8054205	Flake graphite schist	6.24	12.4	0.02
508460	388776	8054207	Flake graphite schist	1.82	9.7	0.02
508461	390408	8053209	Flake graphite schist	8.22	8.34	0.31
508462	390431	8053184	Flake graphite schist	4.28	8.71	0.02
508463	388807	8054143	Flake graphite schist	10.7	13.2	0.03
508464	388872	8054225	Flake graphite schist	9.61	15.1	0.03
508465	390428	8053170	Flake graphite schist	6.66	13.1	0.01
508466	390060	8053007	Flake graphite schist	5.48	5.63	0.76
508467	390389	8053157	Flake graphite schist	3.24	6.59	0.07
508468	390443	8053174	Flake graphite schist	5.75	6.11	0.1
508469	388834	8054146	Strong flake graphite schist (gr>10%)	17.8	23.4	0.04
<b>Averages</b>				<b>7.00%</b>	<b>9.90%</b>	<b>0.13%</b>

TGC – Total Graphitic Carbon, TC – Total Carbon, TS – Total Sulphur (Actlabs Laboratories, Canada).

RC drilling at Targets 5 and 6 will target strong ground IP anomalies and coincident aerial EM anomalies that extend over an aggregate strike length of at least 2 km (Figure 3). Preliminary RC drill hole results at Target 6 completed in the last quarter of 2012, just before the onset of the wet season, intercepted broad zones (up to 101 m downhole, Table 2) of flake graphite with grades in excess of 10% TGC over a 2 m interval in drill hole T6GRC 093 (refer ASX:LMB Announcement 23<sup>rd</sup> January 2013) Table 1). Petrographic analysis confirms the presence of high value, coarse flake graphite (>250 µm) that typically occurs as clumps in the Target 6 graphite mineralisation (refer Figures 2A and 2B).

**Table 2: Target 6 Preliminary Drill hole Intercepts**

Drill Hole	From	To	Interval	TGC wt%	TotC wt%	TotS wt%	Est. graphite content (vol %) using 1.2x factor
<b>T6GRC 091</b>	38m	102m	64m	2.25%	2.39%	3.65%	<b>2.7%</b>
<b>Incl</b>	71m	75m	4m	4.0%	3.37%	5.6%	<b>4.8%</b>
<b>Incl</b>	80m	95m	15m	3.46%	3.48%	4.83%	<b>4.2%</b>
<b>T6GRC 092</b>	60m	62m	2m	3.49%	3.57%	5.72%	<b>4.2%</b>
<b>T6GRC 093</b>	17m	118m	101m	2.25%	2.31%	2.63%	<b>2.7%</b>
<b>Incl</b>	17m	83m	65m	2.51%	2.58%	2.6%	<b>3.0%</b>
<b>Incl</b>	73m	83m	10m	5.35%	5.36%	4.0%	<b>6.42%</b>
<b>Incl</b>	74m	76m	2m	10.78%	10.92%	4.7%	<b>12.9%</b>
<b>Incl</b>	60m	63m	3m	2.99%	2.99%	4.38%	<b>3.6%</b>
<b>T6GRC 094</b>	NA	NA	NA	NA	NA	NA	

NA – Drill hole not analysed.

Volume factor x1.2 based on the sulphide content increasing the SG of the sample.



### Photomicrographs of flake graphite from Target 6 under the polarising microscope

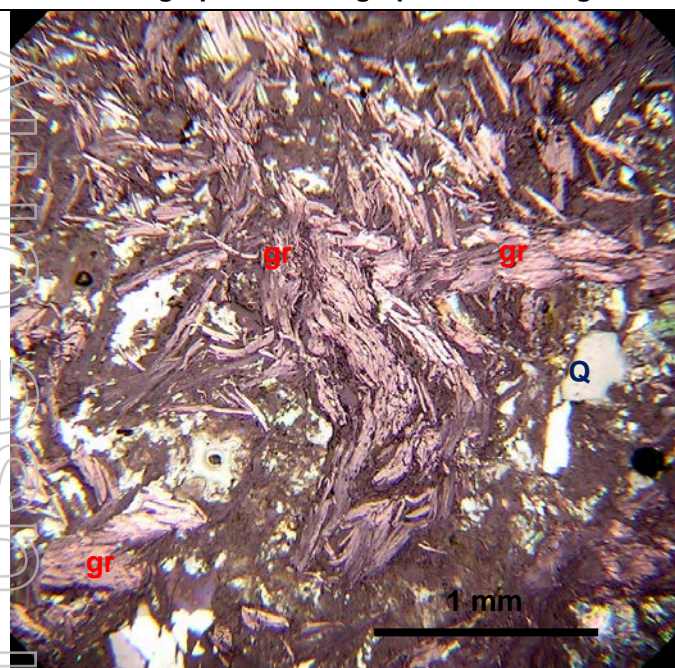


Figure 2A: Target 6 (Sample 508455 - strong flake graphite (gr) aggregates or “clumps” associated with minor quartz in the graphitic schist host. Plane polarised reflected light. Field of view – 3 mm.

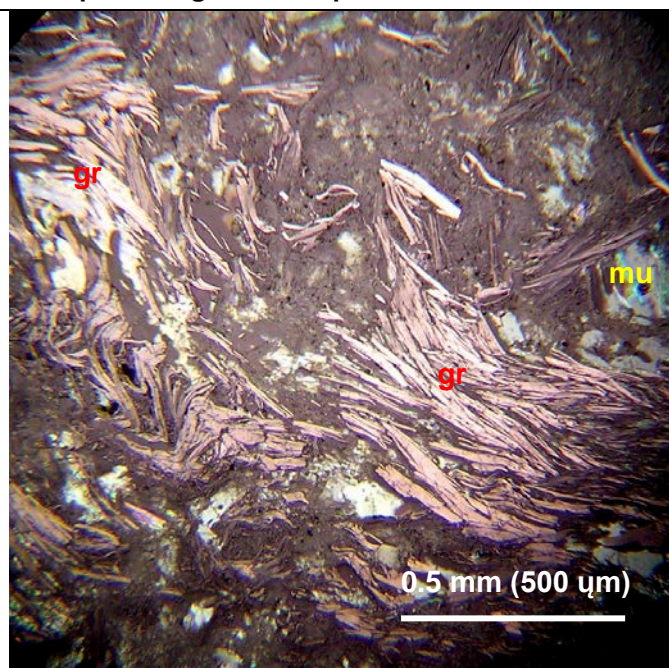


Figure 2B: Target 6 (Sample 508455) – detail of flake graphite aggregates associated with platy muscovite (mu) in the graphitic schist host. Plane polarised reflected light. Field of view – 1.5 mm.

### Target 1

The proposed drilling program will target the strong EM anomaly associated with the graphite mineralisation at Target 1. Drill holes will be sited on traverses at 160 m intervals over the balance of EM anomaly that extends southwest of the estimated JORC resource at Target 1. The drilling program will utilise the co-funded drilling grant awarded to the Company by the WA government and will test the thickness and tenor of the graphite schist horizon, with the aim of adding to the known resource.

An independent geophysical interpretation by consultants Southern Geoscience has indicated that the flake graphite horizon at Target 1 is potentially up to 80 m wide in portions of the anomaly compared with the 40 m widths achieved by previous resource drilling.

An RC drilling rig is currently located near the McIntosh Project and can be mobilised rapidly to site.

The proposed drilling program is designed to test up to 2,000 m of the strike extension south of the Target 1 flake graphite resource and should lead to a greatly increased Target 1 JORC resource (Figure 3).

It is proposed to complete up to ten (10) 160m spaced drill traverses, each comprising three holes with collars 40m apart (refer Figure 3). Drill holes will be prioritised to initially test the most intense portions of the aerial EM anomaly. Drill holes are planned to intersect the upper graphite surface at 0m, 60m and

140m downhole depths with final EOH depths of approximately 30m, 100m and 180m, respectively. Should the graphitic horizon be thicker than anticipated more drilling will be required on each section.

It has been assumed that the target has a tabular, near vertical geometry, offset by only minor faulting and should be amenable to open pit mining. If a more complicated geometry becomes apparent or if parallel units are located more drilling will be required on some sections in order to allow resource modelling.

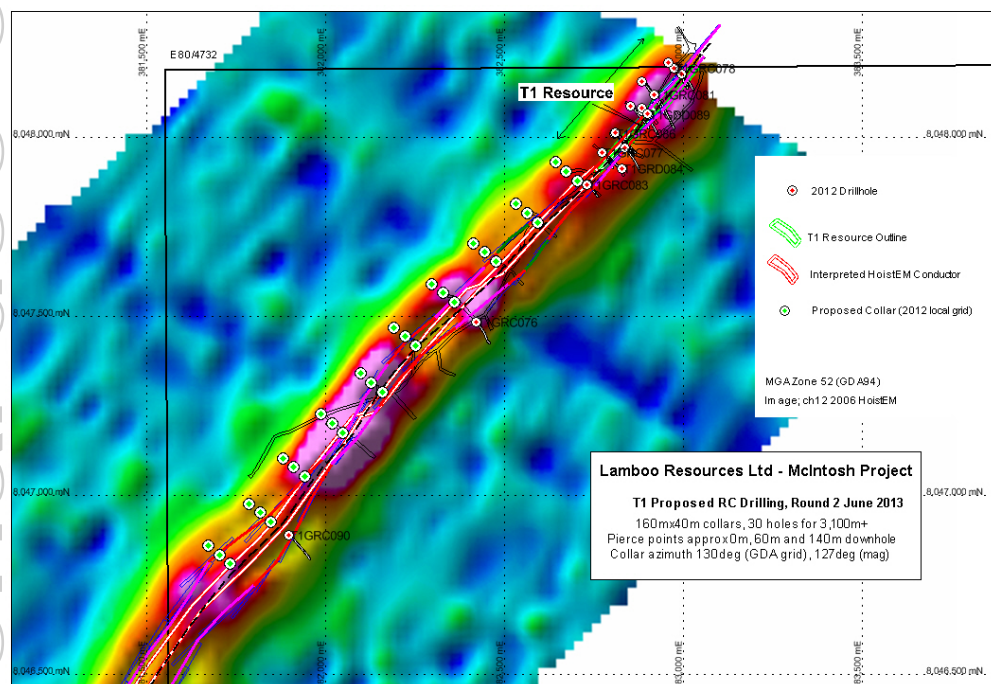


Figure 3  
Proposed RC drilling  
on 160 m spaced  
traverses at Target 1  
based on the  
southwest extension  
of the aerial EM  
anomaly. Priority will  
be given to more  
intense portions of the  
EM anomaly.

## Metallurgy

Metallurgical studies are ongoing with the aim being to produce an upgraded flake graphite product at McIntosh. Work has concentrated on Target 1 with both a metallurgical HQ diamond drill hole core and RC pulps being subject to processes involving conventional flotation and gravity table (Willfly Table) techniques followed by hydrometallurgical leaching. The work to date has been encouraging and will be reported on shortly. The aim is to produce a high grade concentrate of chemically pure flake graphite free of deleterious trace elements.

Production scenarios are being currently assessed for Target 1. The confirmation of a maiden JORC resource has facilitated the application for Mining Leases over the McIntosh target areas and this is expected to be completed, within 12 months, concurrently with the completion of pre-feasibility and feasibility studies. Discussions are currently being held with potential flake graphite off-take partners.





**Figure 4 Loading facilities at the port of Wyndham**

### **Port Access**

As part of the above commercialisation process, the Port of Wyndham have confirmed that the port currently has capacity for Lamboo and it will be capable of handling the estimated graphite production levels with no capital costs to either the port or Lamboo Resources Ltd. There are several existing storage facilities available that will be suitable for bulk ores or bulka bags and the port also has a container park and container handling facilities (Figure 4). For the past eight years the Port has been shipping nickel concentrates and also has a long history of handling cargo in bulka bags. The wharf can safely dock ships with a cargo capacity up to 18,000 tonnes.

Dr Craig Rugless  
Technical Director

### Competent Persons Statement

Information in this "ASX Announcement" relating to Exploration Results and geological data has been compiled by Dr Craig S. Rugless, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Dr Rugless is the Technical Director of Lamboo Resources Ltd. Dr Rugless has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code 2012 Edition). Dr Rugless consents to the inclusion in this ASX Announcement of the matters based on his information in the form and context in which it appears.

## **Appendix – JORC 2012 Criteria**

According to clauses 18 and 19 of the 2012 JORC Code, the criteria in sections 1 and 2 of Table 1 need to be addressed when first reporting new exploration results. These are listed below and comments made on an “if not, why not” basis.

### **Section 1 Sampling Techniques and Data**

<b>Section 1 Criteria</b>	<b>Commentary</b>
<b>Sampling techniques</b>	<p>The RC samples were taken at 1m intervals down the hole. Sample compositing was not employed.</p> <p>The petrology samples are by necessity a small sample. They were selected as a grab sample on the basis of being “typical” of the outcrop from which they were collected.</p> <p>A comprehensive sampling exercise involving numerous samples would be more representative statistically, but this approach was rejected at this early stage of exploration.</p>
<b>Drilling techniques</b>	Reverse circulation (RC) using a 5.5 inch face sampling hammer
<b>Drill sample recovery</b>	Split sample from rotary splitter on a cyclone
<b>Logging</b>	RC chips were geologically logged both in the field and by using a binocular microscope in the office.
<b>Sub-sampling techniques and sample preparation</b>	<p>Sample splits from the drilling rig were submitted to ALS Laboratory in Brisbane, Queensland. The samples were further riffle split on a 50:50 basis and one split was pulverised and analysed for Total Graphitic Carbon (TGC), Total Carbon (TC) and Total Sulphur (TS) using a Leco Furnace.</p> <p>Rock chip samples were analysed for Total Graphitic Carbon (TGC), Total Carbon (TC) and Total Sulphur (TS) using a Leco Furnace.</p>
<b>Quality of assay data and laboratory tests</b>	The RC samples submitted to the laboratory included a duplicate, sand blank and certified standard approximately every 25 <sup>th</sup> sample submitted. . The duplicate and standard samples have been statistically analysed to assess any untoward variations in the data.
<b>Verification of sampling and assaying</b>	Verification was based on the duplicates, standards and blanks used.
<b>Location of data points</b>	<p>Hand-held Garmin 62S and Garmin 76c Global Positioning System (“GPS”) units have been employed with typical accuracy of coordinate data to be <math>\pm 5</math> metres.</p> <p>The map projection used was Australian Geodetic MGA 94 Zone 52 South.</p>
<b>Data spacing and distribution</b>	RC drillholes at Target 6 were reconnaissance and generally collared at 200 m along the strike of the graphitic schist horizon. Rock chip samples at both Targets 5 and 6 were spaced at 20 to 50 m intervals.
<b>Orientation of data in relation to geological structure</b>	RC drill holes were drilled normally to the strike of the graphitic schist horizons.
<b>Sample security</b>	Samples were collected in calico bags and placed in self seal plastic bags prior to being put into bulka bags before being transported by road to ALS Laboratories’ Darwin sample processing centre. The samples were processed and the pulps despatched to ALS Laboratories in Brisbane. The sample security is considered to be adequate.
<b>Audits or reviews</b>	Sampling techniques and data have been handled by an independent data management services in Perth, WA – Rock Solid Data Pty Ltd.



## Section 2 Reporting of Exploration Results

Section 2 Criteria	Commentary
<b>Mineral tenement and land tenure status</b>	<p>Lamboo Resources Limited holds six (6) granted ELs and five (5) ELAs within the McIntosh Project area in the East Kimberley, WA. The tenements cover a total area of 665.3 km<sup>2</sup>.</p> <p>All granted mining tenements are in good standing and there are no encumbrances, royalties or impediments.</p>
<b>Exploration done by other parties</b>	<p>The East Kimberley has been largely explored for base metals and diamonds with no active previous exploration for graphite. Graphite had been noted by Gemutz regionally mapping in the Mabel Downs area for the BMR in 1967, Rugless mapping and RAB drilling in the vicinity of Melon Patch bore, to the east of the Great Northern Highway in 1993 and has been located during nickel exploration by Australian Anglo American Ltd, Panoramic Resources Ltd and Thunderlarra Resources Ltd over the last 20 years.</p>
<b>Geology</b>	<p>Lamboo Resources Ltd recognised the potential for graphite schist horizons to occur in the high grade metamorphic terrain of the Halls Creek Mobile Zonet in the East Kimberley of Western Australia. The host stratigraphy has been mapped as the Tickalara Metamorphics that extend for approximately 130 km along the western side of the major transcurrent Halls Creek Fault. The metamorphic rocks reach granulite metamorphic facies under conditions of high-temperature and high-pressure although the metamorphic grade in the McIntosh area appears to be largely upper amphibolite facies with the presence of key minerals such as sillimanite and evidence of original cordierite.</p> <p>Lamboo has identified graphite schist horizons and accompanying aerial EM anomalies over a strike length in excess of 10 km within the granted tenements with potential for another 25 km strike length of graphite schist in EL applications. The McIntosh target areas contains typical flake graphite and include five (5) identified target areas – Targets 1, 2, 3, 5 &amp; 6. Targets 1,2 and 3 have been drilled to date with additional drilling planned for Targets 1, 5 and 6.</p>
<b>Drill hole Information</b>	<p>A total of 93 RC and diamond drill holes have been completed at Targets 1, 2 and 3 at McIntosh Graphite for a total metreage of 12,200 m.</p>
<b>Data aggregation methods</b>	<p>All data is handled by an independent database manager in Perth, WA - Rock Solid Pty Ltd.</p>
<b>Relationship between mineralisation widths and intercept lengths</b>	<p>There is a close relationship between the graphitic schist unit and Total Graphitic Carbon TGC% assays. The presence of graphitic schist is clearly evident in both the RC chips and diamond drill core so that the assay widths can be clearly related to the geological logs.</p>
<b>Diagrams</b>	<p>Refer Figure 1 for planned drilling and aerial EM anomaly at Target 1.</p> <p>Refer Figures 2A and 2B for graphite flake size.</p> <p>Refer Figure 3 for the location of the graphitic schist Targets and the IP profiles at Target 6.</p> <p>Refer Figure 4 for Wyndham port facilities.</p>
<b>Balanced reporting</b>	<p>All fifteen (15) samples collected at Targets 5 and 6 that have been analysed, have been reported in Table 1.</p>
<b>Other substantive exploration data</b>	<p>All exploration data has been reported and includes 92 RC and diamond drill holes that have resulted in an estimated JORC resource at Target 1</p>
<b>Further work</b>	<p>RC drilling programs are planned for graphitic schist Targets 1, 5 and 6. The drilling program at Target 1 is planned to increase the graphite resource.</p>