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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PRELIMINARY PHASE 2 TARGET 1 RC DRILLING RESULTS AND ONGOING METALLURGICAL STUDIES

Highlights

- **Exploration drilling at Target 1 has confirmed and extended the flake graphite mineralisation.**
- **Drilling to commence at Target 5 where previous rock chip samples have graded up to 17.8% TGC and contain coarse flake graphite.**
- **Mapping of Target 5 has shown that the graphite schist horizon extends at least 850 m and is open to the northeast.**

Target 1

Phase 2 RC drilling has confirmed the southern extension of the known mineralisation at Target 1 (Figure 1). All holes of the proposed preliminary RC drilling program have now been completed for a total metreage of 1068 m (Figure 2). Graphitic TGC (Total Graphitic Carbon) assays are pending although geological logging has shown that the graphitic schist thins immediately to the south of the Target 1 resource as evidenced in drill holes T1GRC096 and 97 (Table 1).

The flake graphitic schist expands to the south and bifurcates into two 20 to 30 m wide horizons in drill holes T1GRC098 to 102. The flake graphite schist horizon continues to be strongly developed in drill holes T1GRC103 and 104, 320 m to the southwest and remains open both along strike and at depth. The total strike length drill tested southwest of the announced JORC resource at Target 1 is 1500 m.

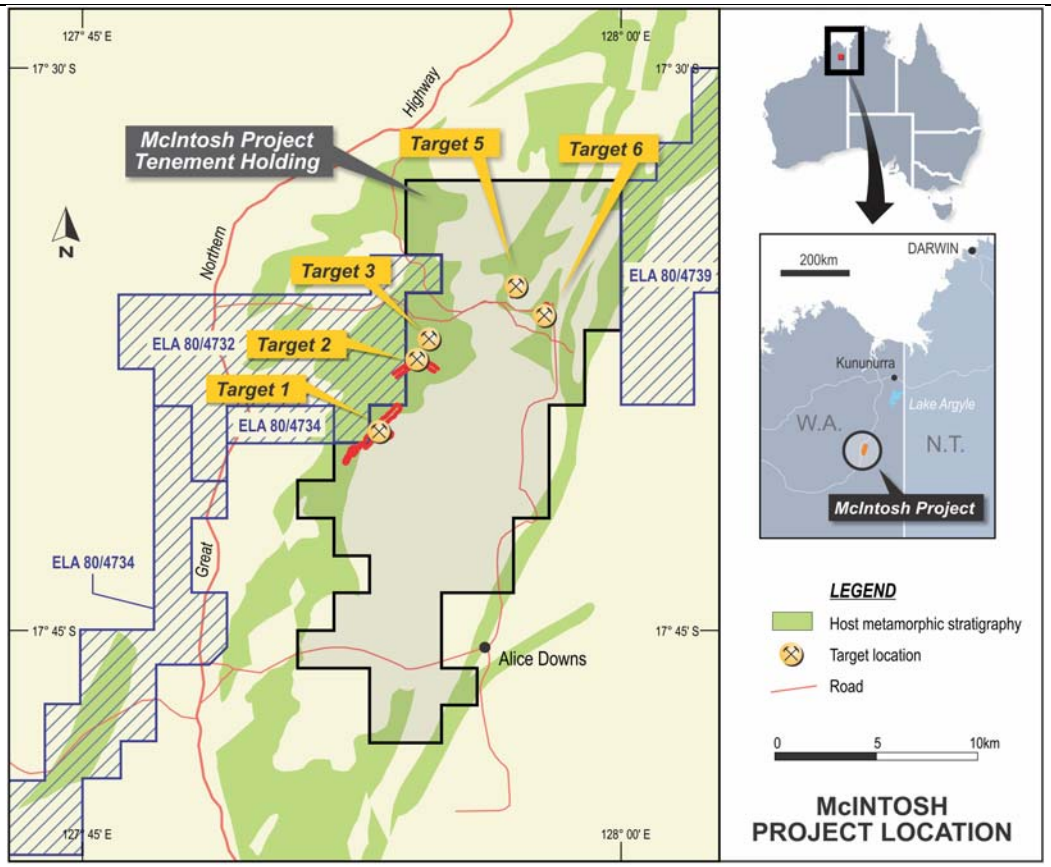

Figure 1 Location of flake graphite Target areas in the McIntosh Project. Lamboo ELA applications – hatched

The intensity of the graphite mineralisation appears to increase to the south. RC splits will be despatched to ALS Laboratories in Brisbane for TC, TGC and TS analysis. The drill hole data will provide the impetus for expanding the JORC resource at Target 1.

Table 1 Phase 2 RC drilling program at Target 1 showing logged graphite intercepts

Hole	East	North	Dip	Azi	EOH(m)	Graphite Intercpt
T1GRC095	382701	8047881	-59	130	90	**42 - 72 m**
T1GRC096	382671	8047909	-60	127	162	**113 - 116 m and 123 - 148 m**
T1GRC097	382355	8047503	-60	128	72	**20 - 55 m**
T1GRC098	382326	8047569	-60	127.5	174	**153 - 159 m**
T1GRC099	382155	8047290	-59	127	60	**0 - 7 m, 15 - 30 m and 33 - 50 m**
T1GRC100	382128	8047317	-60	126	102	**47 - 54 m and 70 - 92 m**
T1GRC101	381942	8047053	-60	127	84	**36 - 69 m**
T1GRC102	381915	8047076	-60	127	144	**63 - 83 m and 100 -131 m**
T1GRC103	381742	8046806	-59	128	60	**0 - 30 m**
T1GRC104	381713	8046833	-60	128.5	120	**50 - 108 m**
Total (m)					**1068**	

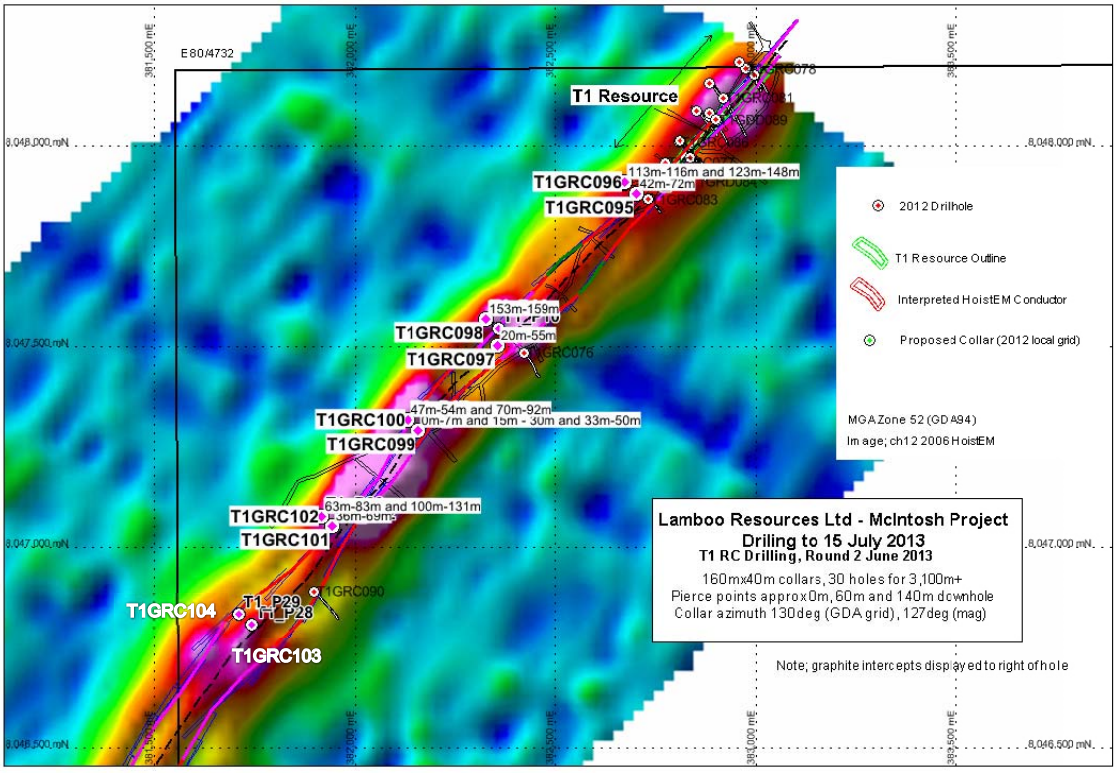

Figure 2 Phase 2 drill hole locations at Target 1 showing the extent of the aerial EM anomaly associated with the flake graphite schist horizon.

Target 5 Geological Mapping

Target 5 has been prepared for preliminary RC drilling with the aim to outline an initial strike length of 1000 m (Figures 1 and 3). Geological mapping has traced a horizon that can be in excess of 50 m wide and extends over a strike length of at least 850 m. The graphitic schist trend has also been defined by a strong aerial EM (Channel 14) anomaly and ground IP traverses, and correlates with the mapped flake graphitic schist horizon (Figure 2).

Planned drilling includes at least 10 holes at 100 m intervals along the mineralised trend. Rock chip samples are particularly encouraging with potential for coarse flake graphite (refer Figures 4A and 4B). Previously announced rock chip assays confirmed grades in excess of 10% TGC (and up to 17.8%) for two samples from Target 5. Additional samples have been taken and will be submitted to Nagrom Laboratories, Perth for analysis.

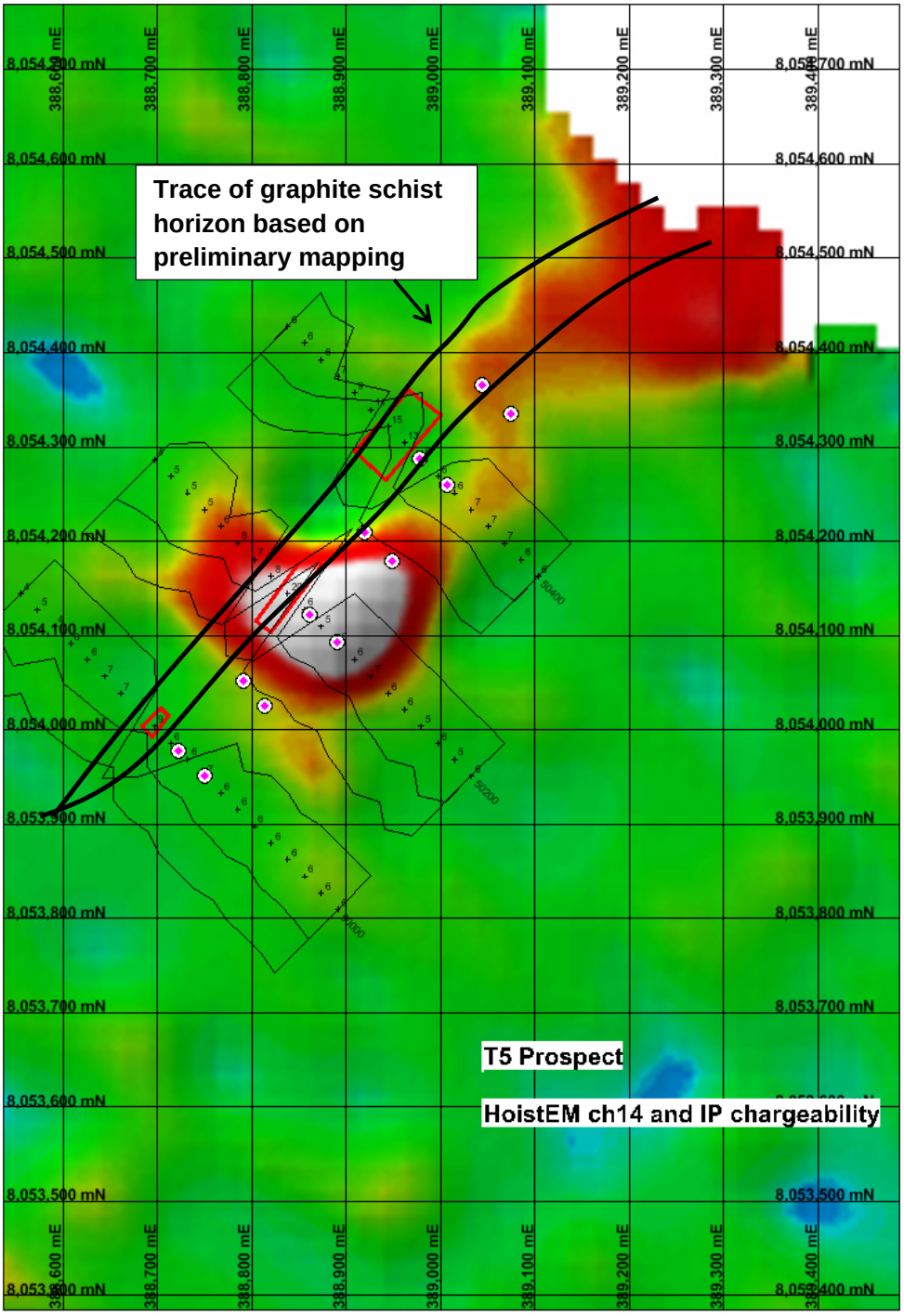

Figure 3 Trace of Target 5 graphite schist horizon traced over at least 850 m and compared with the aerial EM anomaly and ground IP traverses. The flake graphite schist remains open to the northeast.

Figure 4A Rock chip sample clearly showing flake graphite at Target 5. Note that this is a surface sample.

Figure 4B Another rock chip sample from the surface showing the scaly aggregates of coarse flake graphite.

Target 1 Metallurgy

Nagrom Laboratories in Kelmscott were given bulk RC chips (approx. 100 Kg) from Target 1 and performed a negative gravity test using a Wilfy wet table to separate the heavier sulphide component from the flake graphite. The samples were then subject to flotation and achieved aggregate recoveries of 88% for the flake graphite in the rougher float. Float clean-up will necessarily require ongoing re-grind and potential "caustic bake" techniques to establish final concentrate values.

Potential flake graphite purity for Target 1 is being currently examined at CODES, University of Tasmania using innovative laser ablation techniques. The results should be available shortly. This is approach may be more reliable than using the QUEMSCAN at ALS Metallurgy in Perth or the Mineralisation Liberation Analyser ("MLA") at the Geometallurgy Section of ACTLABS Laboratories in Canada.

In addition, samples have been submitted to Yantai Jinyuan Mining Machinery Co., Ltd in Yantai China for further testing. The Chinese Laboratory will assess the best technique to process the Target 1 graphite ore to obtain "medium carbon", "electrical carbon" and "high carbon" products based on their long experience with the commodity. Yantai Jinyuan Mining Machinery Co., Ltd is capable of taking the commodity through to the processing stage and suggest potential end users.

Dr Craig Rugless

Technical Director

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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code 2012 Edition). He consents to the inclusion of this information in the form and context in which it appears in this report.

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

Section 1 Criteria	Commentary
Sampling techniques	Rock chip samples have been taken in the field with the most recent batch awaiting analysis.
Drilling techniques	Reverse circulation (RC) using a 5.5 inch face sampling hammer
Drill sample recovery	RC split samples have been recovered from rotary splitter in a cyclone attached to the rig.
Logging	RC chips were geologically are being logged in the field and will be verified by using a binocular microscope in the office.
Sub-sampling techniques and sample preparation	Sample splits from the drilling rig will be submitted to ALS Laboratory in Brisbane, Queensland. The samples will be riffle split on a 50:50 basis, with one split to be pulverised and analysed for Total Graphitic Carbon (TGC), Total Carbon (TC) and Total Sulphur (TS) using a Leco Furnace, and the other split held as in storage. Rock chip samples will be analysed for Total Graphitic Carbon (TGC), Total Carbon (TC) and Total Sulphur (TS) using a Leco Furnace.
Quality of assay data and laboratory tests	The RC samples that have been collected to submit to the laboratory include a duplicate, sand blank and certified standard at approximately every 25th sample submitted. . The duplicate and standard samples will be statistically analysed to assess any untoward variations in the data.
Verification of sampling and assaying	Verification will be based on the duplicates, standards and blanks used.
Location of data points	Hand-held Garmin 62S and Garmin 76c Global Positioning System ("GPS") units have been employed with typical accuracy of coordinate data to be ±5 metres to locate rock chip sample positions. The map projection used is the Australian Geodetic MGA 94 Zone 52 South.

Section 1 Criteria	Commentary
Data spacing and distribution	Phase 2 RC drillholes at Target 1 occur on 320 m spaced drill traverses. Drill hole hole collars and survey data are listed in Table 1. Rock chip samples at both Targets 5 and 6 are spaced at approximately 20 to 50 m intervals.
Orientation of data in relation to geological structure	RC drill holes are being drilled normally to the strike of the graphitic schist horizons.
Sample security	Samples are 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 Sample Preparatory Laboratory in Wangara. The samples were processed and the pulps despatched to ALS Laboratories in Brisbane. The sample security is considered to be adequate.
Audits or reviews	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
Mineral tenement and land tenure status	*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^2. All granted mining tenements are in good standing and there are no encumbrances, royalties or impediments.
Exploration done by other parties	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.
Geology	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 the McIntosh area appears to be largely upper amphibolite facies with the presence of key minerals such as sillimanite and evidence of original cordierite. 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 & 6. Targets 1,2 and 3 have been drilled to date with additional drilling planned for Targets 1, 5 and 6.

Drill hole Information	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.
Data aggregation methods	All data is handled by an independent database manager in Perth, WA - Rock Solid Pty Ltd.
Relationship between mineralisation widths and intercept lengths	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.
Diagrams	Refer Figure 1 for planned drilling and aerial EM anomaly at Target 1. Refer Figures 2A and 2B for graphite flake size. Refer Figure 3 for the location of the graphitic schist Targets and the IP profiles at Target 6. Refer Figure 4 for Wyndham port facilities.
Balanced reporting	Additional samples collected at Targets 5 and 6 are awaiting analysis and will be reported as soon as results have been received.
Other substantive exploration data	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
Further work	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.