



ASX ANNOUNCEMENT

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CHAIRMAN'S ADDRESS TO ANNUAL GENERAL MEETING

Dear fellow Shareholders,

It is coming up to 12 months since I joined the board of Lamboo and if I was to use one word to describe the past year, I would say "Rewarding". The team has worked very hard to clean up the past and prepare the company for a bright future. We have spoken about challenges/problems a lot and how they were addressed but they are now well and truly in our rear vision mirror. We have seen potential in McIntosh far beyond the results we had for the first Scoping Study. The team believed the T4 and T6 targets to be far superior after the VTEM survey was conducted and we have been rewarded.

I would just like to say thank you to shareholders and the team for the patience and work to get us to where we are today.

So where are we today? Well I believe in a good position to capitalise on the future flake graphite advanced applications, whether it be for batteries or graphene.

Over the past 6 months the Lamboo team have drilled a number of high priority exploration targets, which Tony will present today. The significance of those targets to the company's future success should be very clear.

- a) We hit our best holes to date;
- b) We had our best metallurgical results on the bulk samples of T4 and T6 reaching +97% TC concentrates using simple floatation, gravity and magnetic separation techniques (*with no acid or chemical leaching). These results were achieved on first pass test work and we believe with some optimisation work (also with no acid) we can achieve even higher purities. We have recently received even have better results than this;



- 2 -

- (c) We expect to announce an upgraded JORC resource in January which will be of significance;
- (d) We are confident we can achieve a battery grade spherical graphite product (which may also be produced on-site); and
- (e) We now have commercial samples of our concentrate and associated data to re-engage our offtake partners and potential future partners.

We also have further upside potential with additional targets still to be drilled in the future at our tenements around McIntosh; namely Black Rock and Panton.

On top of this we still need to further investigate the Ni/Cu potential anomaly that exists at McIntosh, Tony will provide more information here, but it certainly provides an exciting future potential upside.

The Strategy Lamboo adopted early in 2015 was very clear:

- 1) Right the ship - that is clean up the problems in the Company.
- 2) Refinance the Company post Hengda.
- 3) Improve the economics of McIntosh by exploring the potential the VTEM highlighted.
- 4) Rebuild the Trust of our Shareholders by delivering on our commitments.

It was about stabilising the company and building a path forward. We didn't over market or over hype the company because we believed that post data being released on an upgraded McIntosh resource we really have a story to tell.

Lamboo is now faced with 2 highly compelling Graphite stories in both McIntosh and South Korea, a still unexplored Ni/Cu potential resource and the molybdenum project at Valla. It is highly important though, that Lamboo stays focused. Bringing 4 projects forward in the current mining climate, and with the small team we have, would be very risky.

Going forward, with the information we now have on our recent exploration, the strategy is further elaborated

- 1) Build the biggest Flake Graphite Resource in Australia.
- 2) Bring McIntosh into Production.
 - a) Financing
 - b) Native Title
 - c) Sales Agreements
- 3) Investigate strategic options for all non-core assets.
- 4) Focus on educating the market on the McIntosh project including the value of having an Australian based resource with low impurities.

We are now working on the implementation of these 4 strategic goals for CY16.



- 3 -

Timing wise, interest is intensifying in high end flake graphite. With the low impurities of our product we believe we are very well positioned to capitalise on these opportunities. Timing wise like most other markets the hype is well ahead of the demand and having product for batteries today, we believe, would be premature. We see several large projects now in development for battery factories in both North America and Asia focused on both Electric Vehicles and localised Grid Storage. We also see many top companies and universities investigating the amazing potential graphene has. I have seen everything from water purification to a display that can be rolled up like a poster to night vision goggles using graphene, this young industry definitely looks to have massive potential. And having a resource in a stable, sustainable region like Australia is very enticing to these new high tech customers.

In the coming months Lamboo will focus on bringing together the economics around McIntosh given the new data now available including an updated JORC, further bulk sample results and further studies highlighting the new economics of the project. We will additionally update everyone on both the options for financing the project and sales off takes. Tony is actually just back from a successful trip around North Asia.

We are planning to also give an update around strategic options for our very exciting non-core assets as well as announcing some strengthening to the company's Board to further support moving the McIntosh project towards production. Of course focusing on getting the Lamboo story out so that everyone else starts to see what we do is very much in focus.

It has been a very rewarding 2015, not without many challenges, but with each hurdle we jumped we have come closer to achieving our goals. We have several great projects, with an obvious company-defining project. It is now our goal to fully exploit this potential so that our stakeholders can not only enjoy being part of a successful company but also the rewards that this success will bring with it.

Regards

Neville Miles

Chairman