



Bidder's Statement

ACCEPT

the Cash Offer

by **Bushveld Minerals Limited,**

(a company incorporated under the laws of Guernsey with Registration Number 54506),

to purchase all of your Ordinary Shares in

Lemur Resources Limited

(ACN 147 241 361)

for a Consideration of **A\$0.06 cash*** per share

THIS IS AN IMPORTANT DOCUMENT, WHICH REQUIRES YOUR IMMEDIATE ATTENTION.

You should read this document carefully. If you are in any doubt as to how to deal with it, please consult your financial or other professional adviser.

If you have any questions in relation to this Bidder's Statement, you should call the Offer Information Line (details of which are outlined in this Bidder's Statement).

* subject to satisfaction of the Minimum Acceptance Condition to the Offer

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Important Information

Bidder's Statement

This Bidder's Statement (the **Bidder's Statement**), dated 29 May 2015, is issued by Bushveld Minerals Limited (Incorporated in Guernsey with Registration Number 54506) under Part 6.5 of the Corporations Act in relation to an off-market offer by Bushveld to acquire Lemur Shares and sets out certain disclosures required by the Corporations Act.

A copy of this Bidder's Statement was lodged with ASIC on 29 May 2015. ASIC takes no responsibility for the contents of this Bidder's Statement. References to "the date of this Bidder's Statement" (or similar) should be read as references to 29 May 2015.

Foreign Jurisdictions

The distribution of this document and the making of the Offer may be restricted by the laws or regulations of foreign jurisdictions. Persons who come into possession of this Bidder's Statement should seek advice and observe these restrictions.

The Offer is not being made, directly or indirectly, in or into and will not be capable of acceptance from within any jurisdiction, if to do so would not be in compliance with the laws of that jurisdiction.

Disclosure Regarding Forward Looking Statements

This Bidder's Statement includes forward-looking statements that have been based on Bushveld's current expectations and predictions about future events including Bushveld's intentions (which include those set out in Section 6). These forward-looking statements are, however, subject to inherent risks, uncertainties and assumptions that could cause actual results, performance or achievements of Bushveld, Lemur and the Combined Entity to differ materially from the expectations and predictions, expressed or implied, in such forward-looking statements.

None of Bushveld, its officers, nor persons named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement makes any representation or warranty (express or implied) as to the accuracy or likelihood of any forward looking statements. You are cautioned not to place reliance on these statements in the event that the outcome is not achieved. The forward looking statements in this Bidder's Statement reflect views held only at the date of this Bidder's Statement.

Disclaimer Regarding Lemur

In preparing the information relating to Lemur contained in this Bidder's Statement, Bushveld has relied on publicly available information relating to Lemur which has not been independently verified by Bushveld or its Directors. Risks may exist in relation to Lemur of which Bushveld is unaware. If any material risks are known to the directors of Lemur, they must be disclosed in the target's statement to be issued by Lemur.

Accordingly, subject to any applicable law, Bushveld makes no representations or warranties (express or implied) as to the accuracy and completeness of such information.

Further information on Lemur may be included in Lemur's target's statement which Lemur is required to provide to all Lemur Shareholders in response to this Bidder's Statement.

Investment Advice

This Bidder's Statement does not take into account the individual investment objectives, financial situation or particular needs of each Lemur Shareholder (or any other person). You may wish to seek independent financial and taxation advice before making a decision as to whether or not to accept the Offer.

Privacy

Bushveld has collected your information from the registers of Lemur for the purposes of making the Offer and administering your acceptance. Bushveld and its share registry may use your personal information in the course of making and implementing the Offer. Bushveld and its share registry may also disclose your personal information to their related bodies corporate and external service providers and may be required to disclose such information to regulators, such as ASIC. If you would like details of information about you held by Bushveld, please contact Bushveld at the address set out in the Corporate Directory.

Defined Terms

A number of defined terms are used in this Bidder's Statement. Unless expressly specified otherwise, defined terms have the meaning given in Section 10.

Internet Sites

Bushveld and Lemur each maintain internet sites. The URL location for Bushveld is www.bushveldminerals.com and for Lemur is www.lemurresources.com. Information contained in or otherwise accessible through these internet sites is not part of this Bidder's Statement. All references to these sites in this Bidder's Statement are for information purposes only.

Estimates and Assumptions

Unless otherwise indicated, all references to estimates, assumptions and derivations of the same in this Bidder's Statement are references to estimates, assumptions and derivations of the same by Bushveld's management. Management estimates reflect and are based on views as at the date of this Bidder's Statement, and actual facts or outcomes may materially differ from those estimates or assumptions.

Effect of Rounding

Figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Bidder's Statement may be subject to the effect of rounding. Accordingly, the actual figures may vary from those included in this Bidder's Statement.

Currencies

In this Bidder's Statement, references to "Australian dollars", "AUD", "\$", "A\$" or "cents" are to the lawful currency of Australia, references to "£", "British Pound Sterling" or "pence" are to the lawful currency of the United Kingdom and references to "South African Rand", "ZAR", "Rand" or "R" are to the lawful currency of the Republic of South Africa.

This Bidder's Statement may contain conversions of relevant currencies to other currencies for convenience. These conversions should not be construed as representations that the relevant currency could be converted into the other currency at the rate used or at any other rate. Conversions that have been calculated at the date of this Bidder's Statement (or any other relevant date) may not correspond to the amounts shown in the

historic or future financial statements of Bushveld or Lemur in respect of which different exchange rates may have been, or may be, used.

Maps and Diagrams

Any diagrams and maps appearing in this Bidder's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in charts, maps, graphs and tables is based on information available at the date of this Bidder's Statement.

Queries

You should contact your legal, financial or professional adviser if you are unsure about how to deal with this Bidder's Statement.

If you have any enquires about the Offer, please contact the Bushveld Information Line on 1300 723 520 (local call charges apply) from within Australia or +61 3 9415 4067 (normal call charges apply) from outside Australia between 9.00am and 5.00pm (AEST) Monday to Friday or contact your professional financial adviser.

Key Dates and contacts

KEY DATES

Announcement Date	20 May 2015
Date this Bidder's Statement is lodged with ASIC	29 May 2015
Date of Offer	12 June 2015
Offer Closes (unless otherwise extended)	7.00pm (AEST) on 17 July 2015

Note: The closing date for the Offer may change as permitted by the Corporations Act

KEY CONTACTS

If you have any enquires about the Offer, please contact the Bushveld Offer Information Line on the numbers shown below or contact your professional financial adviser:

Australian share registrar for the Offer:	Computershare Investor Services Pty Limited
Bushveld Offer Information Line:	1300 723 520 (local call charges apply) from within Australia +61 3 9415 4067 (normal call charges apply) from outside Australia

Letter to Lemur Shareholders



29 May 2015

Dear Lemur Shareholder

A\$0.06 cash Offer for your Lemur Shares

On behalf of the Directors of Bushveld Minerals Limited (**Bushveld**), I am pleased to enclose an offer by Bushveld to acquire all of your shares in Lemur Resources Limited (**Lemur**) (**Offer**).

On 20 May 2015 (**Announcement Date**), Bushveld announced its intention to make an off-market takeover offer for all of the fully paid ordinary shares in the capital of Lemur which Bushveld does not currently own. Bushveld currently has a Relevant Interest in 115,197,097 Lemur Shares representing approximately 63.6% of Lemur's current fully paid ordinary share capital.

The Directors of Bushveld believe the Offer is a fair proposition for Lemur Shareholders and represents the best opportunity for Lemur shareholders to receive a certain cash return for their investment.

By accepting the Offer you will, subject to the terms and conditions of the Offer, receive A\$0.06 for each of your Lemur Shares.

The Offer represents a premium of:

- 3.45% to Lemur's closing share price on the ASX of A\$0.058 on 19 May 2015;
- 7.52% to Lemur's one month VWAP on the ASX of A\$0.056 to 19 May 2015;
- 21.14% to Lemur's three month VWAP on the ASX of A\$0.050 to 19 May 2015; and
- 37.32% to Lemur's twelve month VWAP on the ASX of A\$0.044 to 19 May 2015.

The Offer is conditional upon satisfaction of a Minimum Acceptance Condition, being that at or before the end of the Offer Period, Bushveld becomes entitled to proceed to compulsory acquisition of outstanding Lemur Shares in accordance with Part 6A.1 of the Corporations Act.

In addition, Lemur Shareholders should consider the following factors when evaluating whether to accept the Offer:

- If the Minimum Acceptance Condition is satisfied, Bushveld intends to cause Lemur to apply for removal from the Official List of the ASX. The reasons for which include:
 - The lack of liquidity in Lemur's Shares;
 - The high administrative costs associated with being listed on the ASX;
 - The negative sentiment towards junior resource companies on the ASX, which the Board of Bushveld considers likely to continue over the short to medium term;
 - The need to focus capital markets efforts through Lemur's parent company, Bushveld Minerals Limited;
- The Offer presents Lemur shareholders who might not wish to hold shares in an unlisted public company an opportunity to exit for a certain value;
- Lemur shareholders will receive AU\$0.06 per share reflecting a premium to its share price over the past 12 months; and

- Uncertainty about the global commodity outlook, particularly for bulk commodities such as coal, while significant risks remain to the realisation of value in the Imaloto coal project which is a sole project of Lemur.

As announced on 20 May 2015, Bushveld has been advised that certain Lemur Shareholders, who together hold approximately 10% of the issued capital of Lemur, intend to accept the Offer within ten days after commencement of the Offer Period in the absence of a superior proposal being publicly announced before the end of that ten day period.

I encourage you to read this important document carefully. The Offer is open for your acceptance until 7:00pm (AEST) on 17 July 2015, unless extended. If you wish to accept the Offer, you should follow the instructions on the relevant Transfer and Acceptance Form enclosed.

If you have any questions about the Offer, please contact the Bushveld Offer Information Line on 1300 723 520 (local call charges apply) from within Australia or +61 3 9415 4067 (normal call charges apply) from outside Australia between 9.00am and 5.00pm (AEST) Monday to Friday, or contact your professional financial adviser.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian Watson'.

Ian Watson
Non-Executive Chairman

How do I accept the Offer?

Below is a summary of the ways in which you can accept the Offer. Full details are set out in Section 9.4.

How to accept the Offer will depend on whether you hold Your Shares in an Issuer Sponsored Holding or a CHES Holding.

Acceptance Forms must be received in sufficient time to be acted upon before the end of the Offer Period. You should read Section 9.4, which contains full details on how to accept the Offer.

Issuer Sponsored Holding

(Holdings with Securityholder Reference Number beginning with "I")

If Your Shares are held on Lemur's issuer sponsored subregister (such holding will be evidenced by an "I" appearing next to your Securityholder Reference Number on the attached Transfer and Acceptance Form).

To accept this Offer, you must

- (a) complete and sign the attached Transfer and Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (b) return it, together with any other documents required, to the address indicated on the form so that it is received before the date the Offer closes, unless it is extended.

CHES Holdings

(Holdings with Holding Identification Number beginning with "X")

If Your Shares are held in a CHES Holding (such holdings will be evidenced by an "X" appearing next to your Holder Identification Number on the attached Transfer and Acceptance Form), you may accept the Offer by either of the following ways:

- (a) If you are a Participant, either
 - (i) Initiate acceptance of this Offer in accordance with the ASX Settlement Operating Rules before the Offer closes, or
 - (ii) Sign and complete the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at the address shown on the Acceptance Form in sufficient time to instruct Controlling Participant to initiate acceptance on your behalf;
- (b) If you are not a Participant, Instructing your Controlling Participant (normally your broker) to accept the Offer on your behalf. If you are a Participant, acceptance of the Offer must be initiated in accordance with the requirements of Rule 14.14 of the ASX Settlement Operating Rules,

so that your acceptance is received before the Offer closes.

Corporate Directory

Directors	Mr Ian Watson (<i>Non-Executive Chairman</i>) Mr Fortune Mojapelo (<i>Chief Executive Officer</i>) Mr Anthony Viljoen (<i>Non-Executive Director</i>) Mr Geoff Sproule (<i>Finance Director</i>) Mr Jeremy Friedlander (<i>Non-Executive Director</i>)	
Registered Office & Principal Place of Business	<i>Registered Office</i> 18-20 Le Pollet St Peter Port Guernsey GY1 1WH	<i>Principal Place of Business</i> Block A 24 Fricker Road Illovo, 2116 Johannesburg South Africa
Company Website	www.bushveldminerals.com	
Ticker Code	BMN (AIM)	
AIM Advisors	AIM Broker Brandon Hill Capital Limited* 1 Tudor Street London EC4Y 0AH United Kingdom	AIM Nominated Advisor Strand Hanson Limited* 26 Mount Row Mayfair London W1K 3SQ
Legal Advisers to the Company	<i>As to Australian law</i> Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street Perth WA 6000 Australia	<i>As to UK law</i> Fieldfisher Riverbank House 2 Swan Lane London EC4R 3TT United Kingdom
	<i>As to Guernsey law</i> Carey Olsen PO Box 98 Carey House Les Banques St Peter Port Guernsey GY1 4BZ	
Share Registrar	<i>Australian Share Registrar for the Offer</i> Computershare Investor Services Pty Limited* Level 11, 172 St Georges Terrace Perth WA 6000 Australia	<i>To the Company</i> Capita Registrars Limited* The Registry 34 Beckenham Road Beckenham Kent, BR3 4TU United Kingdom

* These entities have been named for information purposes and were not included in preparation of the Bidder's Statement.

Table of Contents

1.	SUMMARY OF THE OFFER.....	12
2.	WHY YOU SHOULD ACCEPT THE OFFER	14
3.	PROFILE OF BUSHVELD	18
4.	PROFILE OF LEMUR	21
5.	SOURCES OF CASH CONSIDERATION	25
6.	BUSHVELD'S INTENTIONS REGARDING LEMUR.....	26
7.	AUSTRALIAN TAX CONSIDERATIONS	29
8.	ADDITIONAL INFORMATION.....	32
9.	THE TERMS AND CONDITIONS OF THE OFFER	37
10.	DEFINITIONS AND INTERPRETATION	47
	ANNEXURE A – LEMUR ASX ANNOUNCEMENTS	51

1. SUMMARY OF THE OFFER

The information in this Section is a summary of the Offer only and is qualified by the information set out elsewhere in this Bidder's Statement.

You should read this Bidder's Statement in its entirety and the separate target's statement, which will be sent to you directly by Lemur before deciding how to deal with your Lemur Shares. The detailed terms of the Offer are set out in Section 9.

If you have any questions about the Offer, please contact the Bushveld Offer Information Line on 1300 723 520 (local call charges apply) from within Australia or +61 3 9415 4067 (normal call charges apply) from outside Australia between 9.00am and 5.00pm (AEST) Monday to Friday or your professional financial adviser. Calls to these numbers may be recorded.

Who is Bushveld?	<p>Bushveld is a mineral exploration and development company with a portfolio of vanadium and titanium bearing magnetite and tin assets in Southern Africa. The Company owns the Bushveld Vanadium Project, P-Q Iron Ore and Titanium Project and the Mokopane Tin Project, all located on the northern limb of the Bushveld Complex, South Africa. Bushveld was admitted to the AIM Market of the London Stock Exchange on 26 March 2012.</p> <p>Please refer to Section 3 for further information on Bushveld.</p>
What is Bushveld offering to buy?	<p>Bushveld is offering to buy all Lemur Shares it does not currently own, including any Lemur Shares that are issued during the Offer Period due to the conversion of Lemur Options, on the terms set out in this Bidder's Statement.</p> <p>You may only accept the Offer in respect of all the Lemur Shares held by you.</p>
What will you receive if you accept the Offer?	<p>If you accept the Offer, subject to satisfaction of the conditions of the Offer, you will receive A\$0.06 for each of your Lemur Shares.</p>
Do the Directors of Bushveld have any securities in, or potential conflicts of interest in relation to Lemur?	<p>Mr Fortune Mojapelo is a non-executive director of Lemur and Mr Anthony Viljoen is the Chief Executive Officer of Lemur who is also a non-executive director of Bushveld. Mr Viljoen holds 4,000,000 Lemur Shares.</p>
When will you receive your Consideration?	<p>If you accept the Offer, and the Offer is, or becomes unconditional, you will be paid on the earlier of:</p> <ul style="list-style-type: none"> (a) one month after you have validly accepted the Offer or the contract resulting from when its acceptance becomes unconditional (whichever is later); and (b) 21 days after the end of the Offer Period, provided that the Offer has become unconditional. <p>Full details of when payments will be made are set out in Section 9.7 of this Bidder's Statement.</p>

How long will the Offer remain open?	The Offer opens on 12 June 2015. Unless withdrawn or extended in accordance with the Corporations Act, the Offer is scheduled to close at 7:00pm (AEST) on 17 July 2015.
Can the Offer Period be extended?	The Offer Period can be extended at Bushveld's election, up to a maximum Offer Period of 12 months. Lemur Shareholders will be sent written notice of any extension, and the extension will be announced to the ASX.
Are there conditions to the Offer?	<p>The Offer is subject to Bushveld obtaining sufficient acceptances under the Offer so that at or before the end of the Offer Period, Bushveld becomes entitled to proceed to compulsory acquisition of outstanding Lemur Shares in accordance with Part 6A.1 of the Corporations Act.</p> <p>The full terms and conditions of the Offer are set out in Section 9.</p>
Is there an offer in respect of my Lemur Options?	<p>Bushveld is not making a separate offer to holders of Lemur Options.</p> <p>The holders of any Lemur Options which are converted into Lemur Shares which are issued during the Offer Period are able to accept the Offer in respect of such Lemur Shares, provided their acceptance is received during the Offer Period.</p>
What are the tax implications of accepting the Offer?	A general summary of the Australian tax consequences for Lemur Shareholders who accept the Offer is set out in Section 7. This summary is expressed in general terms only and is not intended to provide taxation advice for your specific circumstances. Lemur Shareholders should seek their own taxation advice in relation to the Offer.
What happens if I do not accept the Offer?	<p>If Bushveld becomes entitled to compulsorily acquire your Lemur Shares, it intends to do so.</p> <p>If your Lemur Shares are compulsorily acquired by Bushveld, it will be on the same terms as the Offer. However, you will receive your consideration later than the Lemur Shareholders who choose to accept the Offer.</p> <p>If the Offer becomes unconditional but Bushveld does not become entitled to compulsorily acquire your Lemur Shares under the Corporations Act but successfully applies to have Lemur delisted from the Official List of the ASX, you may become a minority Lemur shareholder in an unlisted public Company which may materially reduce the liquidity of your Lemur Shares.</p>

2. WHY YOU SHOULD ACCEPT THE OFFER

2.1 Summary of reasons to accept the Offer

Bushveld believes you should **ACCEPT** the Offer for the following reasons:

(a)	The Offer represents a premium to Lemur's historical trading value
(b)	The Offer provides a <u>certain</u> outcome for your Lemur Shares through a 100% cash consideration
(c)	If the Offer is successful and you accept you will avoid future operating and project development risks associated with Lemur's Imaloto Project
(d)	There is no alternative proposal and it is unlikely that there will be a competing proposal
(f)	Bushveld is confident that the Minimum Acceptance Condition will be satisfied
(f)	There is low liquidity in Lemur Shares
(g)	The trading price of Lemur may fall if the Offer is unsuccessful

The above is only a headline summary of some of the reasons why you should accept the Offer. Each of the reasons is explained below.

If you wish to accept this Offer, you must return the signed Transfer and Acceptance Form by 7:00 pm (AEST) on 17 July 2015 (unless extended).

2.2 Detailed reasons why you should ACCEPT the Offer

(a) The Offer represents a premium to Lemur's historical trading value

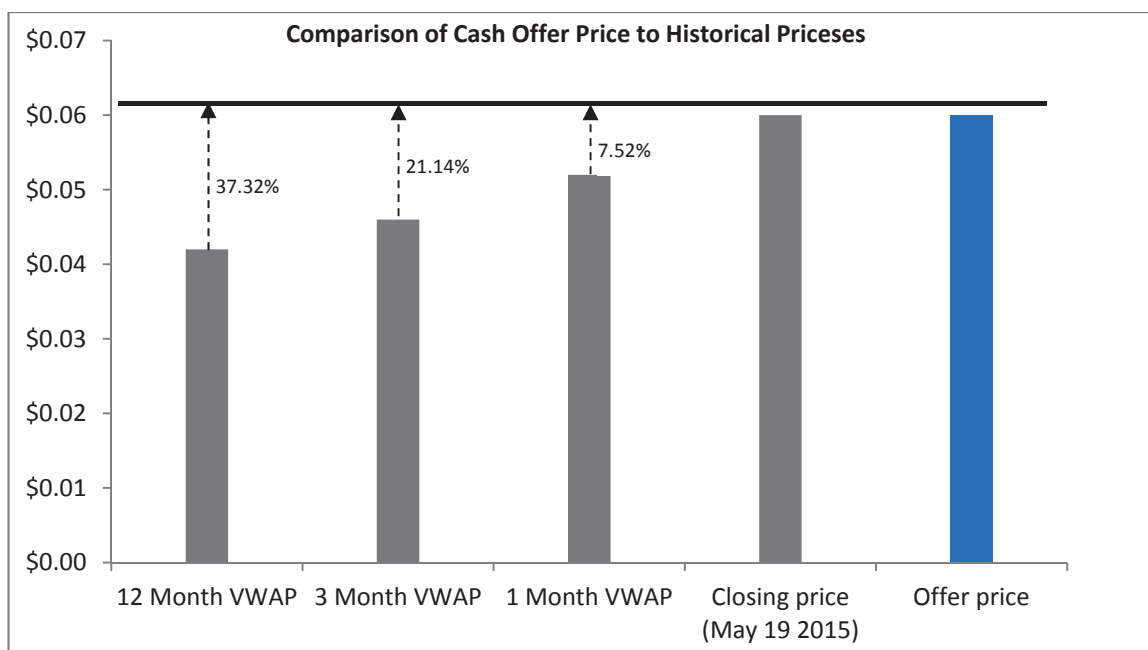
The Offer represents a premium of:

- 3.45% to Lemur's closing share price on the ASX of A\$0.058 on 19 May 2015;
- 7.52% to Lemur's one month VWAP on the ASX of A\$0.056 to 19 May 2015;
- 21.14% to Lemur's three month VWAP on the ASX of A\$0.050 to 19 May 2015; and
- 37.32% to Lemur's twelve month VWAP on the ASX of A\$0.044 to 19 May 2015.

Notes:

1. Calculated using the number of Lemur Shares on issue prior to the announcement of the Offer and assuming that all existing Lemur Options are cancelled and no other Lemur Shares are issued.

The following chart shows the premium of the Offer in comparison with Lemur's closing share price on the date immediately prior to the announcement of the Offer and with the volume weighted average share prices over the last 12 months.



(b) The Offer provides a certain outcome for your Lemur Shares through a 100% cash consideration

If you accept the Offer and the Offer becomes unconditional, you will:

- be able to sell the entirety of Your Shares and be paid a certain value of A\$0.06 cash for each of these Lemur Shares;
- not incur any brokerage fees which you will likely incur if you sell your Lemur Shares on market; and
- be paid your cash payment on the earlier of:
 - one month after you have validly accepted the Offer or the contract resulting from when its acceptance becomes unconditional (whichever is later); and
 - 21 days after the end of the Offer Period, provided that the Offer has become unconditional.

(c) If the Offer is successful and you accept you will avoid future operating and project development risks associated with Lemur's Imaloto Project

There are material risks associated with Lemur's mining projects, which include:

- Political risk: There are political risks inherent in a young democracy that is still building its governance capacity and this directly affects mining efforts in the country;
- Licensing risk: The Independent Power Licence (**IPP**) that Lemur has been negotiating with the Madagascar government is key to unlocking the value of the Imaloto Project;
- Litigation risk: an ongoing litigation in respect of a further key licence to the Imaloto project presents project development risks; and
- The current low export thermal coal prices potentially threaten the viability of many coal assets.

In addition to the specific risks associated with developing and funding Lemur's mining projects, there are also inherent risks associated with holding shares in an ASX listed entity such as Lemur.

The certainty of Bushveld's cash Offer should be weighed against the risks and uncertainties of remaining a Lemur Shareholder.

(d) There is no alternative proposal and it is unlikely that there will be a competing proposal

The emergence of another bidder is unlikely considering that Bushveld already holds approximately 63.6% of Lemur Shares, a controlling position that ensures that no third party can secure control of Lemur, a material deterrent for any prospective bidders.

(e) Bushveld is confident that the Minimum Acceptance Condition will be satisfied

Bushveld is confident that the Minimum Acceptance Condition can be satisfied given:

- (a) Bushveld's current shareholding in Lemur of approximately 63.6%;
- (b) the certain nature of the Offer;
- (c) the fact that Lemur shareholders holding approximately 10% have advised Bushveld that they intend to accept the Offer within ten days after the commencement of the Offer Period in the absence of a superior proposal being publicly announced before the end of that ten day period; and
- (d) the unlikelihood of an alternative offer materializing.

(f) There is low liquidity in Lemur Shares

Bushveld has a Relevant Interest in approximately 63.6% of the issued shares in Lemur.

Bushveld's Offer will allow Lemur's Shareholders to dispose of all of their Lemur Shares, and to realise full cash consideration and certain value for all of those shares. Such opportunities have been limited to date with historical turnover of Lemur Shares equal to:

- a daily average volume of approximately 498,090 Lemur Shares (or approximately 0.27% of Lemur Shares on issue) for the 5 trading days prior to the announcement of the Offer; and
- a daily average volume of approximately 482,223 Lemur Shares (or approximately 0.24% of Lemur Shares) for the 12 months prior to the announcement of the Offer.

In the absence of the Offer, there is no guarantee that Lemur Shareholders would be able to liquidate part or all of their shareholding in Lemur on market in a single transaction.

Furthermore, in the likely situation that Bushveld secures enough Lemur Shares to satisfy the Minimum Acceptance Condition, Bushveld intends to apply to delist Lemur from the ASX. If this occurs, any remaining Lemur Shareholders will be unable to sell their Lemur Shares on market, which will further reduce the liquidity of Lemur Shares.

(g) The trading price of Lemur may fall if the Offer is unsuccessful

As mentioned above, the Offer is at a premium to the historical trading prices of Lemur Shares prior to announcement of the Offer.

If the Minimum Acceptance Condition is not reached and there are subsequently no other alternative offers or proposals for Lemur Shares, there is a risk that Lemur's share price may fall and trade at levels lower than the prices immediately prior to the announcement of the Offer.

3. PROFILE OF BUSHVELD

3.1 Overview of Bushveld

(a) Introduction

Bushveld is an AIM-listed mineral exploration and development company focused on exploring and developing mineral projects on the Bushveld Complex in South Africa. Bushveld's primary projects (excluding its investment in Lemur) are the Bushveld Vanadium Project, the Bushveld PQ Project and the Mokopane Tin Project, all located on the northern limb of the Bushveld Complex. It is Bushveld's intention to establish strong vanadium, titanium and iron ore, and tin operations comprising attractive deposits with the potential for rapid development.

(b) Corporate Information

Bushveld was incorporated on 5 January 2012 in Guernsey to be the holding company of Bushveld Resources Limited (**Bushveld Resources**) and Greenhills Resources Limited (**Greenhills**) and their respective subsidiaries. Following the takeover bid for Lemur Resources in 2013, Bushveld also added Lemur as a subsidiary, of which it currently holds approximately 63.6% of the issued share capital. The Company was listed on the AIM Market of the London Stock Exchange on 26 March 2012.

The current corporate structure of the Bushveld Group is shown in the diagram below.

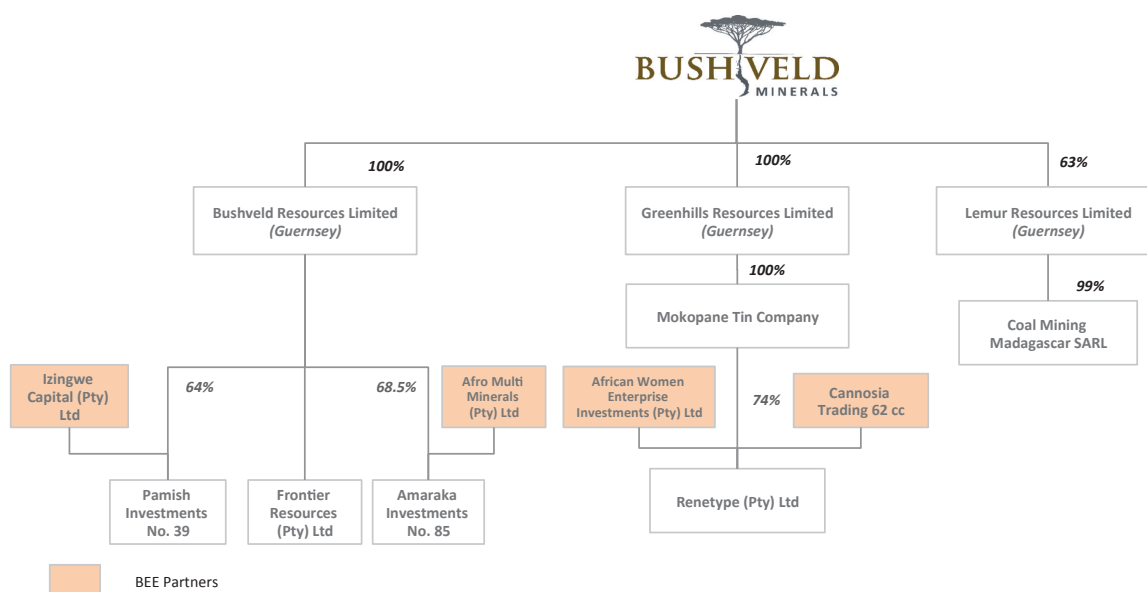


Figure 1- Bushveld Group Structure

3.2 Overview of Bushveld's Activities

This Section contains a summary of Bushveld's activities. Further information on Bushveld can be obtained from Bushveld's website (www.bushveldminerals.com).

Bushveld's key projects are structured through three primary subsidiaries:

- **Bushveld Resources Limited** (100% held) – comprising the Bushveld Vanadium Project and the Bushveld PQ Iron & Titanium Project
- **Greenhills Resources Limited** (100% held) – comprising the tin projects: Mokopane Tin Project and Marble Hall Tin Project

- **Lemur Resources Limited** (63.6%) – comprising the Imaloto Coal Project

More details in respect of Bushveld Minerals' effective interests in the projects can be seen in Figure 1 above.

3.3 Publicly Available information about Bushveld

Further information about Bushveld is available in electronic form from www.bushveldminerals.com. Information contained on this website does not form part of the Bidder's Statement.

3.4 Directors of Bushveld

Details of the responsibilities and experience of the Bushveld Directors (as at the date of this Bidder's Statement) are set out in Bushveld's Annual Review 2014, a copy of which is available from Bushveld's website www.bushveldminerals.com.

The Company's management team has a track record of identifying, developing and managing mineral exploration projects. They have extensive experience in exploration and mining geology, mining engineering and metallurgy on the African continent and in particular the Bushveld Complex. A brief summary of the Bushveld Board is set out below.

Mr Ian Watson, Non-Executive Chairman

Mr Watson trained as a mining engineer and has considerable experience in the African mining sector. His previous roles include Managing Director of Northam Platinum, CEO of Platmin Limited, CEO of International Ferro Metals (SA) and Consulting Engineer at Gold Fields Limited. Currently, he is a non-executive director of Shaft Sinkers (Pty) Ltd.

Mr Fortune Mojapelo, Chief Executive Officer

Mr Mojapelo is a mining entrepreneur and founding shareholder of VM Investment Company (Pty) Ltd, a principal investments and advisory company focusing on mining projects in Africa. Mr Mojapelo has played a leading role in the origination, establishment and project development of several junior mining companies in Africa including New Kush Exploration and Mining (gold in South Sudan), Greenhills (tin), Bushveld Resources (iron ore), New Horizon Minerals (iron ore), Bushveld Platinum Limited (platinum group metals) and Eagle Resources Limited (uranium). Mr Mojapelo graduated from the University of Cape Town with a BSc (Actuarial Science). He has previously worked at the global consulting firm McKinsey & Company as a strategy consultant, where he worked on corporate strategy and organisational development in several sectors in South Africa and Nigeria. Mr Mojapelo is a non-executive director on the board of Lemur.

Mr Anthony Viljoen, Executive Director

Mr Viljoen is a mining entrepreneur and founding shareholder and director of VM Investment Company (Pty) Ltd, a principal investments and advisory company focused on mining. Mr Viljoen has been involved in the establishment and project development of a number of junior mining companies across Africa, including New Kush Exploration and Mining (gold in South Sudan), Lemur (coal), Greenhills (tin), New Horizon Minerals (iron ore), Frontier Platinum Resources and Eagle Uranium. Mr Viljoen graduated from the University of Natal, Pietermaritzburg with a Bachelor of Business and Agricultural Economics and a Post Graduate Diploma in Finance Banking and Investment Management. Mr Viljoen is currently studying towards a Masters degree in African Development Finance through the University of Stellenbosch. Mr Viljoen has previously worked at Deutsche Bank, Barclays Capital in London and Loita Capital Partners, a pan African investment-banking firm. Mr Viljoen is the Chief Executive Officer of Lemur.

Mr Geoff Sproule, Finance Director

Mr Sproule is a chartered accountant with more than 40 years' experience in various financial management roles. He is a former partner of auditing firm Deloitte & Touche, South Africa. Mr Sproule's directorships include the property related J H Issacs Group of Companies.

Mr Jeremy Friedlander, Non-Executive Director

Mr Friedlander has a BA LLB from the University of Cape Town and practised as an attorney after completing his Articles in Cape Town. He joined the Old Mutual as a legal advisor and in 1993 established McCreedy Friedlander, which became one of the premier property agencies in South Africa and negotiated an association with Savills. In 1998 he listed McCreedy Friedlander as part of a financial services group on the Johannesburg Stock Exchange and shortly afterwards relocated to London. In the United Kingdom, Mr Friedlander has been involved in a number of property transactions. More recently he was a director of Onslow Resources (a company with oil and gas interests in Namibia and Yemen). He is the business development director of a number of Avana companies involved in uranium, coal, gold, oil and gas and industrial minerals. Over the past six years he has been involved in the establishment of a number of natural resource projects predominantly in Africa and South America.

4. PROFILE OF LEMUR

4.1 Disclaimer

This overview of Lemur and all financial information concerning Lemur contained in this Bidder's Statement has been prepared by the Company using publicly available information. The information in this Bidder's Statement concerning Lemur has not been independently verified. The Company does not, subject to any applicable laws, make any representation or warranty, express or implied, as to the accuracy or completeness of this information. The information on Lemur is not considered to be comprehensive.

Further information relating to Lemur's business is included in Lemur's Target Statement, which Lemur must provide to Lemur Shareholders in response to this Bidder's Statement.

4.2 Overview of Lemur

Lemur was incorporated as an Australian public company limited by shares on 8 November 2010, and was listed on the ASX on 24 August 2011. The company had a market capitalisation of approximately A\$10.5 million as at 19 May 2015, the last trading day before the Announcement Date.

Lemur is engaged in the exploration and development of coal projects in Madagascar. The company plans to develop a thermal coal mine at its 99% owned Imaloto Coal Project in the Imaloto Coal Basin of Madagascar. The Imaloto Coal Project has a defined JORC-compliant Mineral Resource of 135.7 million gross tonnes in situ.¹

4.3 Publicly Available information

Due to Lemur being listed on the ASX, it is obliged to comply with the ASX continuous disclosure requirements. As such, a substantial amount of information concerning Lemur has previously been notified to ASX.

The ASX announcements made in relation to Lemur since 1 May 2014 (the date of Lemur's last Annual Report) and the date of this Bidder's Statement are listed in Appendix A.

4.4 Lemur's Board of Directors

As at the date of this Bidder's Statement, the directors of Lemur are:

1. Mr Anthony Viljoen – Chief Executive Officer
2. Mr Ryan Rockwood – Executive Director
3. Mr Fortune Mojapelo – Non-Executive Director
4. Ms Shannon Coates – Non Executive Director

¹ As announced by Lemur on 29 July 2014.

4.5 Information about Lemur Securities

According to documents provided by Lemur to the ASX, at the date of this Bidder's Statement, Lemur's issued securities consisted of those set out in the following table:

Lemur Shares	Number
Listed fully paid ordinary shares on issue	181,250,001
Total Shares	181,250,001
Lemur Options	Number
Unlisted Lemur Options with an exercise price of A\$0.15, expiring 15 November 2017	500,000
Total Options	500,000

4.6 Substantial Shareholders

Based on substantial shareholder notices, the substantial shareholders of Lemur are:

Lemur Shareholder	Number of Lemur Shares	% of Lemur Shares
Bushveld ¹	114,697,097	63.3%
Adam Rankine-Wilson ²	10,088,450	5.57%

Notes

1. As set out in Section 8.2(a), Bushveld acquired an additional 500,000 Lemur Shares in an on-market trade on 26 March 2015.
2. Bushveld has been advised that the holder of these Lemur Shares intends to accept the Offer within ten days after commencement after the Offer Period in the absence of a superior proposal being publicly announced before the end of that ten day period.

As at the date of this Bidder's Statement, Bushveld has voting power of approximately 63.6% in Lemur Shares.

4.7 Overview of Lemur's Projects

Lemur is the 100% shareholder of Coal of Madagascar Limited (**COM**), which is the 99% shareholder of the Malagasy registered company, Coal Mining Madagascar SARL (**CMM**). CMM has a number of concession blocks in South West Madagascar covering the Imaloto Coal Basin.

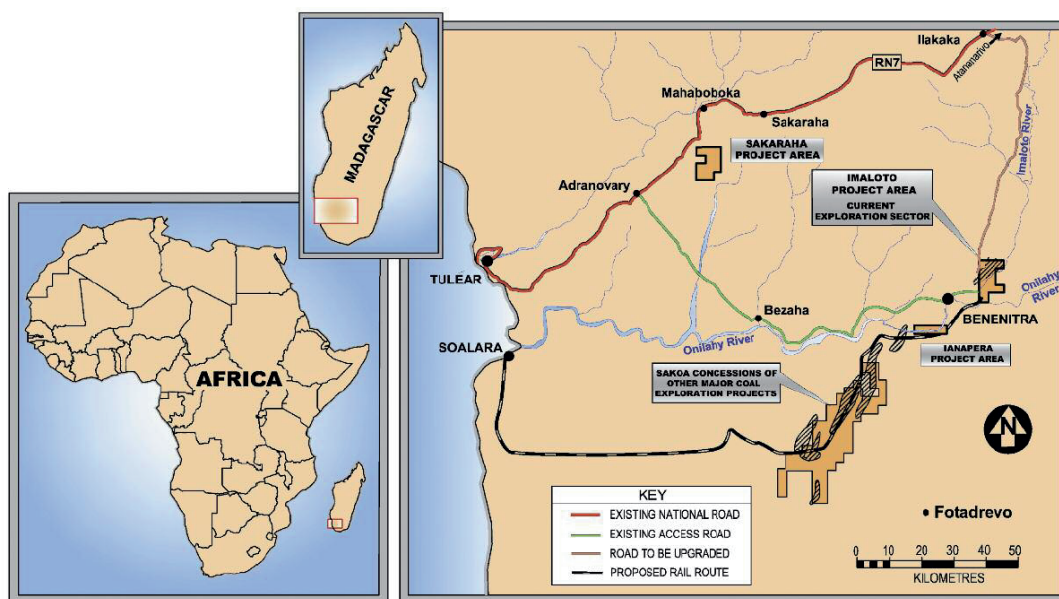


Figure 2 - Location of Lemur's Projects

(a) Imaloto Coal Project and Extension (Lemur 99%)

The Imaloto Coal Project was acquired by Lemur in May 2011 through the acquisition of COM and is the main focus of Lemur. The Imaloto Coal Project and extension (the **Imaloto Coal Project**) comprises four exploration permits and one mining permit covering 81.25km² in the Imaloto Coal Basin, which is the northern-most coalfield in the greater Sakoa Basin of South West Madagascar. The Imaloto Coal Project area lies approximately 20km north-west of the town of Benenitra, between the north-south flowing Imaloto River and the west-east flowing Onilahy River.

A restated Mineral Resource statement for the project, announced on ASX on 29 July 2014, on the basis of 159 boreholes that were drilled between February 2009 and December 2012, stated a JORC-compliant Mineral Resource of 135.7 million Gross Tonnes in Situ ("GTIS") of which 68% is Measured (91% of the resource is in the Measured and Indicated resource categories).²

A scoping study for mining, processing and logistics, showing production of up to 1.5 Mtpa, with a life of mine of 19 years was completed and announced in September 2013. A project NPV of US\$36m (10% discount rate) was obtained with a Phase 1 low capital expenditure of US\$12m.³

Lemur executed a Memorandum of Understanding with Jiro sy Rano Malagasy ("Jirama"), the Madagascar Government's state-owned electricity company to build, own and operate a 45 MW (3 x 15 MW) coal-fired thermal power station within a 10km of the Imaloto Coal Project, together with a transmission line to Tuléar. Electricity generated would be utilized for the town of Tuléar as well as several mining operations in reasonable proximity to the station. Negotiations are under way with the Madagascar Government's Ministry of Energy and the Ministry of Strategic Resources for the formal award of the IPP licence.

(b) Lemur's Other Coal Projects

Lemur has two other coal projects that are in the very early stages of exploration. They are

² As announced by Lemur on 29 July 2014.

³ As announced by Lemur on 26 September 2013.

- (i) **Sakaraha Coal Project (Lemur 99%)** - comprising one 62.5km² exploration permit and located approximately 90km north west of the Imaloto Coal Project. Previous exploration activity has identified evidence of bituminous coal deposits in the project area.
- (ii) **Ianapera Coal Project (Lemur 99%)** – comprising one 25km² exploration permit and located approximately 17km south west of the Imaloto Coal Project. The Ianapera Coal Project has been identified as a potential outlying coal area, which requires further exploration.

4.8 Lemur's Balance Sheet

Lemur released its financial results for the six months to 30 June 2014 to the ASX on 04 September 2014. The financial results announcement is available via the ASX.

4.9 Lemur's website

Lemur maintains a website, www.lemurresources.com, which contains further information about Lemur and its operations.

5. SOURCES OF CASH CONSIDERATION

5.1 Total consideration under the Offer

The consideration for the acquisition by Bushveld of the Lemur Shares to which the Offer relates will be satisfied by the payment of \$0.06 cash (in Australian dollars) per Lemur Share.

As at the date of this Bidder's Statement, there are 181,250,001 Lemur Shares on issue, of which Bushveld has a relevant interest in 115,197,097 Lemur Shares. The maximum number of Lemur Shares which could be acquired by Bushveld under the Offer is therefore 66,052,904 (assuming that the 500,000 Lemur Options with an exercise price of \$0.15 will not be exercised). Accordingly, the maximum cash amount, which may be required by Bushveld to settle the acceptances under the Offer, is approximately \$3.963 million.

5.2 Funding for the maximum Consideration amount

Bushveld has secured the following funding for the Consideration amount:

- (a) the amount of up to £2.6 million (or A\$5.148 million, assuming an A\$:£ exchange rate of 1.98 as at 22 May 2015) from Riveridge Limited. Riveridge Limited has a 5.2% relevant interest in the shares of Bushveld Minerals. The funding is in the form of a direct, unsubordinated and unsecured loan note repayable within 6 months of drawdown, unless Riveridge Limited elects to convert the note into Bushveld Shares and must be drawn down on or before 30 September 2015. The draw down can be made following the satisfaction of the Minimum Acceptance Condition; and
- (b) the amount of up to £2.2 million (or A\$4.356 million, assuming an A\$:£ exchange rate of 1.98) from Darwin Strategic Limited. The funding is in the form of a senior, unsecured loan facility repayable by the maturity date of 28 November 2015, unless Darwin Strategic Limited elects to convert the facility into Bushveld Shares and must be drawn down on or before the date that is 20 AIM trading days prior to maturity date, which is expected to be on or around 2 November 2015. The draw down can be made once the Company has a relevant interest in excess of 75% of all Lemur Shares in issue so long as Lemur holds a cash balance of \$12 million.

Having regard to the matters set out in this Section, Bushveld is of the opinion that it will be able to satisfy its Consideration obligations under the Offer, as well as its costs associated with the Offer.

The Offer is not subject to any financing defeating conditions.

5.3 No hedging

There are no hedging arrangements in place for movements in exchange rates in respect of the financing arrangements described in this Section. However, Bushveld expects that the funds available under those arrangements will be more than sufficient to pay the total Consideration as well as any associated transacting costs incurred by Bushveld, even in the event of a material adverse movement in exchange rates.

6. BUSHVELD'S INTENTIONS REGARDING LEMUR

6.1 Introduction

This Section sets out Bushveld's intentions in relation to the following:

- The continuation of the business of Lemur
- Any major changes to the business of Lemur
- The future employment of the present employees of Lemur

6.2 Bushveld's intentions regarding Lemur

6.2.1 Overview

Bushveld intends to review the business of Lemur in respect of the manner in which it is currently conducted. Section 6.2 sets out the intentions of the Company on the basis of facts and information concerning Lemur, its business and the general business environment, which is known to Lemur at the time of preparing this Bidder's Statement. However, the Company will only reach final decisions in light of material facts and circumstances at the relevant time. Accordingly, the statements set out in Section 6.2 are statements of current intentions only which may vary as new information becomes available or circumstances change.

6.2.2 Intention upon becoming entitled to compulsorily acquire any outstanding Lemur Shares in accordance with the Corporations Act

This Section describes the Company's intentions if it becomes entitled to proceed to compulsory acquisition of outstanding Lemur Shares in accordance with Part 6A.1 of the Corporations Act.

(a) Corporate Matters – Compulsory acquisition and delisting of Lemur

The Company intends to:

- (i) if entitled to do so, proceed with the compulsory acquisition of any Lemur Shares not already owned by Lemur and any other Lemur securities on issue which it is entitled to compulsorily acquire in accordance with Part 6A.1 of the Corporations Act;
- (ii) consider applying for Lemur to be removed from the Official List of the ASX; and
- (iii) consider proceeding with the compulsory acquisition of any Lemur Options which have not been exercised and that have not expired or lapsed. Alternatively, the Company may pursue other arrangements to acquire or cancel those Lemur Options.

(b) Composition of the Board

It is the Company's current intention, in the event that the Minimum Acceptance Condition is satisfied, to continue efforts to reflect in the organisation structure of the Combined Entity, those Lemur personnel whose skills are highly regarded and who have extensive knowledge of Lemur's assets. At this time, the Company has not determined which Lemur Board members, if any, will be replaced and which new directors will be introduced.

(c) Strategic Review

Subject to what is disclosed elsewhere in this Section, the Company intends to undertake a detailed review of Lemur's activities, assets and liabilities to evaluate their prospects, strategic relevance, funding requirements, financial performance and fit/synergies with the broader assets in Bushveld. This may lead to modification of some of Lemur's existing projects and activities. This strategic review will provide the main platform for the Company to identify and assess the specific areas that may provide benefits to the Company and the expected costs and time frames.

Upon completion of this review, Bushveld will determine the financial and other resources necessary to optimise the development of Lemur's assets, particularly the Imaloto Coal Project.

(d) Corporate Office and Employees

Subject to the strategic review, the Company intends to continue to conduct the Lemur business. The Company will, however, continue current efforts of centralising the corporate head office of Lemur by incorporating those functions performed by it, such as company secretarial, financial management and accounting, into the administrative structure of the Bushveld, which is based in Johannesburg, South Africa.

Lemur and its Subsidiaries do not have a significant number of employees, however, some of these employees may undertake functions that will be centralised in the Combined Entity. Some job losses may occur as a result, however, the incident, extent and timing of such job losses cannot be predicted in advance. As a result of implementation of Bushveld's intentions in regards to corporate matters (discussed above) it is likely that certain operational and administrative functions, for example those relating to the maintenance of Lemur's ASX listing and those relating to the performance of certain of Lemur administrative functions will become redundant. The Company intends to discuss employment arrangements with the existing personnel in line with their contractual and other legal entitlements.

(e) Balance Sheet Date and Accounting Policy

Lemur's financial year-end for the preparation of financial statements was changed in November 2014 (announced on ASX 19 November 2014), from 31 December to 28 February to align it with the financial year end of Bushveld, as the parent company. The Company intends to conduct a review of Lemur's other accounting policies with a view to adopting the Company's accounting policies.

6.2.3 Intentions upon not becoming entitled to compulsorily acquire any outstanding Lemur Shares in accordance with the Corporations Act

Whilst Bushveld reserves its right to declare the Offer free from any conditions, including the Minimum Acceptance Condition, this Section describes the Company's intentions if, pursuant to the completion of this Offer, the Company is not entitled to proceed to compulsory acquisition in accordance with Part 6A.1 of the Corporations Act.

The Company already controls approximately 63.6% of the shares of Lemur, sufficient to exercise control over the management and operations of Lemur. However, the Company may, at the conclusion of the Offer Period, not be entitled to compulsorily acquire all outstanding Lemur Shares. The Company's intentions in those circumstances are as follows:

(a) Listing on the Official List of the ASX

The Company intends to apply to discontinue Lemur's listing on the Official List of the ASX. Under the current market conditions, and in considerations of the costs associated with maintaining a listed company on the ASX, the Company would seek to have Lemur delisted. Shareholders of Lemur are alerted that in this circumstance the liquidity of Lemur Shares may be materially decreased.

(b) General

The Company will implement the intentions detailed in Section 6.2.2 above to the extent that it is economically feasible and subject to the requirements of the Corporations Act and any applicable law.

(c) Active Major Shareholder

Subject to the Corporations Act and the above mentioned general considerations, Bushveld would continue to be actively involved in determining Lemur's capital management policies and influencing or controlling the strategic direction of the business of Lemur. Additionally, if Bushveld receives acceptances under the Offer that bring its voting power to more than 75% of Lemur Shares, it will be

in a position to cast the votes required for a 'special resolution' at a meeting of Lemur members. This would enable it to pass resolutions, for example, to amend the Lemur constitution.

(d) Composition of the Board

The Company may, subject to the Corporations Act and the constitution of Lemur, seek to revise the composition of the Lemur Board to better reflect the majority position of Bushveld through a proportionate representation of Bushveld on the Board of Lemur. At this time, the Company has not determined which Lemur Board members, if any, will be replaced and which new directors will be introduced.

(e) Elimination of Duplication

To the extent that activities and functions, including management, presently carried out by the Company and Lemur will be duplicated, such duplication will be eliminated where it is economically efficient to do so.

(f) Remaining Lemur Shareholders

If the Company does not satisfy the Minimum Acceptance Condition, then Lemur Shareholders should be aware that if they do not accept the Offer they may become a "locked-in" minority after the end of the Offer Period (i.e. if the Company holds a majority of Lemur Shares but is not entitled to compulsorily acquire the remaining Lemur Shares).

(g) Dividends and Funding

Lemur does not currently pay dividends. The payment of dividends by Lemur is at the discretion of the Lemur Board, the majority of which will comprise the Company's nominees. The Company has not formed an intention about retaining or varying the current dividend policy of Lemur (through its nominees on the board of Lemur), and will do so when the strategic review in Section 6.2.2(c) is completed.

(h) Limitations in Giving Effect to Intentions

There may be limitations to the Company's intentions as outlined in this Section due to the legal obligations of Lemur's directors to have regard to the best interests of Lemur and its shareholders, including the rights of minority shareholders, and the requirements of the Corporations Act and other applicable laws, and the ASX Listing Rules relating to transactions between related parties. The Company may require legal and financial advice before deciding what action to take in connection with the intentions outlined in this Section.

6.2.4 Intentions generally

Subject to the matters described in this Section 6.2 and elsewhere in this Bidder's Statement, and, in particular, the completion of the strategic review of Lemur's operations, it is the intention of Bushveld, on the basis of the facts and information concerning Lemur that are known to it and the existing circumstances affecting the assets and operations of Lemur as at the date of this Bidder's Statement, that the business of Lemur will be conducted in materially the same manner as at the date of this Bidder's Statement.

7. AUSTRALIAN TAX CONSIDERATIONS

7.1 Introduction

The following summary is a general description of the Australian tax consequences for Lemur Shareholders who accept the Offer and dispose of their Lemur Shares to Bushveld in accordance with the Offer. This information relates only to those Lemur Shareholders who hold their Lemur Shares on capital account. This information relates only to Lemur Shares and not to other rights held over Lemur Shares.

The summary is based on taxation law and practice in effect at the date of the Offer. It is not intended to be an authoritative or comprehensive analysis of the taxation laws of Australia, nor does it consider any specific facts or circumstances that may apply to particular shareholders. Lemur Shareholders should seek independent advice regarding the taxation consequences of accepting the Offer or otherwise disposing of their Lemur Shares.

Further, it does not deal with the taxation consequences of disposing of Lemur Shares which may have been issued under an employee share scheme and which may be subject to specific tax provisions, nor with the taxation consequences for Lemur Shareholders who acquired (or are deemed to have acquired) their Lemur Shares prior to 20 September 1985.

The Australian tax consequences for Lemur Shareholders of disposing of their Lemur Shares will depend on a number of factors including (but not limited to as this list is not exhaustive):

- (a) whether they are an Australian resident or non-resident for tax purposes;
- (b) whether they hold their Lemur Shares on capital or on revenue account, or as trading stock;
- (c) when they acquired their Lemur Shares; and
- (d) whether they are an individual, a company or a trustee of a complying superannuation entity.

Given the complexity of the taxation legislation, Lemur Shareholders should seek independent taxation advice regarding the tax consequences of disposing of Lemur Shares given the particular circumstances which apply to them.

7.2 Australian resident Lemur Shareholders

Acceptance of the Offer by a Lemur Shareholder will result in the disposal of Lemur Shares by the Lemur Shareholder. This disposal will constitute a capital gains tax (CGT) event and the Lemur Shareholder will need to calculate their capital gain or capital loss on the date the Offer is accepted.

In the event Lemur Shares are compulsorily acquired, those Lemur Shareholders will need to calculate their capital gain or capital loss on the date their Lemur Shares are acquired by Bushveld.

A capital gain will arise if the capital proceeds from Bushveld exceed the cost base of their Lemur Shares. A capital loss will arise if the capital proceeds are less than the reduced cost base of their Lemur shares.

The cost base or reduced cost base of the Lemur Shares would generally be the amount paid by the relevant Lemur Shareholder to acquire their Lemur Shares as well as costs associated with the acquisition and disposal of their Lemur Shares (such as brokerage).

Net capital gain

Subject to the CGT reductions discussed below, capital gains and capital losses of a taxpayer in a year of income are aggregated to determine whether the taxpayer has a net capital gain or loss for that

period. Any net capital gain after applying available brought forward losses is included in a taxpayer's assessable income and is subject to income tax.

Capital losses

Capital losses may only be offset against capital gains realised in the same income year. A net capital loss for an income year can be carried forward to be offset against capital gains in future income years.

Circumstances in which capital gains may be reduced

A Lemur Shareholder who is an individual, complying superannuation entity or a trust may have the option of applying either the indexation method or the CGT discount (refer below) to calculate the capital gain arising from the disposal of their Lemur Shares, but cannot apply both.

Indexation

If a Lemur Shareholder acquired (or is deemed to have acquired) their Lemur Shares at or before 11.45 am on 21 September 1999, the cost base of their Lemur Shares may be indexed for inflation, by reference to changes in the Consumer Price Index from the calendar quarter in which their Lemur Shares were deemed to be acquired until the calendar quarter ended 30 September 1999. Indexation adjustments are taken into account only for the purposes of calculating a capital gain, not a capital loss.

CGT discount

A Lemur Shareholder who makes a capital gain as a result of accepting the Offer or under a compulsory acquisition of their Lemur Shares and does not choose or is unable to choose to apply the indexation method referred to above, may be eligible for the CGT discount.

Broadly, the CGT discount can reduce a Lemur Shareholder's capital gain if that Lemur Shareholder has held the relevant Lemur Shares for at least 12 months prior to disposal. The CGT discount applies after the Lemur Shareholder applies available losses against their capital gains for the income year.

Where the CGT discount applies the amount of the discount is determined by the legal status of the Lemur Shareholder:

- (i) individuals: subject to CGT on 50% of net capital gains;
- (ii) complying superannuation entities: subject to CGT on two-thirds of net capital gains; and
- (iii) trustees: The rules relating to the application of the CGT discount to trustees are complex and any trustee liable for tax a capital gain from the disposal of Lemur Shares should obtain specific advice on this matter.

Generally companies are not entitled to the CGT discount.

The rules relating to indexation and the application of the CGT discount to a capital gain depends on the particular circumstances of the Lemur Shareholder or the entity liable for tax on a capital gain. Lemur Shareholders and any other entity liable for tax on a capital gain on the disposal of Lemur Shares should therefore seek independent taxation advice in relation to these matters.

7.3 Non-Australian resident Lemur Shareholders

Lemur Shareholders who are not Australian tax resident will generally be subject to CGT on the disposal of their Lemur Shares through acceptance of the Offer or compulsory acquisition if:

- (i) together with their associates, they directly or indirectly own at least 10% or more (by value) of the shares in Lemur:
 - (a) at the time of the disposal; or
 - (b) throughout a 12 month period beginning no earlier than 24 months before the time of the disposal and ending no later than the time of the disposal; and
- (ii) if more than 50% of the value of Lemur's assets is attributable to Australian real property, subject to the terms of any applicable double tax agreement.

It is imperative that non-resident Lemur Shareholders seek independent taxation advice in relation to this matter.

7.4 GST and Stamp Duty

Bushveld will pay the stamp duty (if any) payable in Australia on the transfers of Lemur Shares under the Offer. No GST should be payable on the transfer of the Lemur Shares as a supply of shares is input taxed (exempt) from GST in Australia. Lemur Shareholders should seek independent taxation advice on this matter.

A Lemur Shareholder may be charged GST on third party costs (such as advisor fees) incurred in relation to their participation in the Offer. A Lemur Shareholder may be entitled to input tax credits for such GST paid, but should seek independent taxation advice on this matter.

8. ADDITIONAL INFORMATION

8.1 Bushveld's Interest in Lemur Shares

As at the date of this Bidder's Statement:

- Bushveld's voting power in Lemur was approximately 63.6%;
- Bushveld has a Relevant Interest in 115,197,097 Lemur Shares; and
- Bushveld has no Relevant Interest in Lemur Options.

8.2 Acquisitions of Lemur Shares by Bushveld and its Associates

(a) Previous Four Months

On 26 March 2015, Bushveld purchased 500,000 Lemur Shares in an on market trade for a price of \$0.043355 per Lemur Share. Other than this purchase, neither Bushveld nor any Associate of Bushveld has provided, or agreed to provide, consideration for Lemur Shares under any purchase or agreement during the period beginning four months before the date of this Bidder's Statement ending on the day immediately before the date of this Bidder's Statement.

(b) Period During Takeover Offer

Neither Bushveld nor any Associate of Bushveld has provided, or agreed to provide, consideration for Lemur Shares under any purchase or agreement during the period starting on the date of this Bidder's Statement and ending on the date immediately before the date of the Takeover Offer.

8.3 No Escalation Agreements

Neither Bushveld nor any Associate of Bushveld has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

8.4 Collateral Benefits

(a) Previous Four Months

Other than as disclosed in Section 8.2(a) above, during the period beginning four months before the date of this Bidder's Statement and ending on the day immediately before the date of this Bidder's Statement, neither Bushveld nor any Associate of Bushveld gave, or offered to give or agreed to give, a benefit to another person that was likely to induce the other person, or an Associate of that person, to:

- (i) accept the Takeover Offer; or
- (ii) dispose of their Lemur Shares,

and which is not offered to all holders of Lemur Shares under the Takeover Offer.

(b) Period During Takeover Offer

During the period starting on the date of this Bidder's Statement and ending on the date immediately before the date of the Takeover Offer, neither Bushveld nor any Associate of Bushveld gave, or offered to give or agreed to give, a benefit to another person that was likely to induce the other person, or an Associate of that person, to:

- (i) accept the Takeover Offer; or
- (ii) dispose of their Lemur Shares,

and which is not offered to all holders of Lemur Shares under the Takeover Offer.

8.5 Effect of Offer on Lemur Options

The Offer does not extend to the Lemur Options. However, the Offer extends to all Lemur Shares that are issued during the period from the Record Date to the end of the Offer Period due to the exercise of the Lemur Options.

Bushveld may elect to make private treaty offers to holders of Lemur Options to acquire or cancel their options subject to the Offer becoming or being declared unconditional.

If not all the Lemur Options are exercised (or otherwise cancelled or acquired by Bushveld pursuant to private treaty agreements or other arrangements), and Bushveld is entitled to compulsorily acquire any outstanding Lemur Shares, Bushveld presently intends to seek to compulsorily acquire or cancel any outstanding Lemur Options pursuant to Part 6A.1 of the Corporations Act, although it reserves the right not to do so.

8.6 Interests and Benefits Relating to the Offer

Other than as set out below or elsewhere in this Bidder's Statement, no:

- (a) director or proposed director of Bushveld;
- (b) person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement; or
- (c) promoter of Bushveld,

(together, the **Interested Persons**) has, or had within two years before the date of this Bidder's Statement, any interest in:

- (d) the formation or promotion of Bushveld; or
- (e) any property acquired or proposed to be acquired by Bushveld in connection with its formation or promotion or in connection with the Offer.

8.7 Disclosure of Fees and Benefits Received by Certain Persons

Other than as set out below or elsewhere in this Bidder's Statement, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- (a) to a director or proposed director of Bushveld to induce them to become, or to qualify as, a director of Bushveld; or
- (b) for services provided by an Interested Person in connection with the formation or promotion of Bushveld or the Offer.

8.8 Expenses of the Offer

The total amount of cash that Bushveld may become obliged to pay to satisfy all expenses incurred by Bushveld and relating to the Offer will be provided from Bushveld's existing cash balances.

Bushveld estimates it will incur fees for services provided in connection with the Offer, including for legal, taxation, financial advisers, share register and ASX and other professional fees, in the amount of approximately A\$300,000 (excluding GST).

8.9 Disclosure of interests of directors

The Directors of Bushveld have the following interests in Bushveld securities and Lemur securities (either held directly, held by entities controlled by them or held by entities of which they are directors) as at the date of this Bidder's Statement.

Bushveld Director	Bushveld Shares	Lemur Shares	Lemur Options
Mr Ian Watson	500,000	Nil	Nil
Mr Fortune Mojapelo	9,660,000 ³	Nil	Nil
Mr Anthony Viljoen	9,826,667 ³	4,000,000	Nil
Mr Geoff Sproule	1,500,000	Nil	Nil
Mr Jeremy Friedlander	1,250,000	Nil	Nil

Notes:

1. This table includes interests held by related parties of the Directors.
2. Bushveld has no options on issue as at the date of this Bidder's Statement
3. VM Investment Company (Pty) Limited currently holds 8,160,000 Ordinary Shares in Bushveld. Both Mr Mojapelo and Mr Viljoen beneficially own 50% each of VMI and as such each has an indirect interest in Bushveld through this one shareholding. In addition, Mr Anthony Viljoen was awarded 1,666,667 restricted shares in Bushveld in lieu of bonuses, while Mr Fortune Mojapelo purchased 500,000 shares and was awarded 1,000,000 shares in lieu of bonuses.

8.10 Fees and Benefits of Directors

The Articles of Bushveld provide that the Directors may be paid for their services as Directors a sum not exceeding £500,000 in aggregate or such higher sum per annum as may be determined by Bushveld in general meeting, to be divided among the Directors in such rate as the board determines.

The annual remuneration¹ of the Directors for the last financial year and the current financial year is as follows:

Director	2014 Financial Year ²	2015 Financial Year ³
Mr Ian Watson	79,200	79,200
Mr Fortune Mojapelo	214,499	307,559
Mr Anthony Viljoen	198,000	122,101
Mr Geoff Sproule	193,050	258,390
Mr Jeremy Friedlander	49,500	103,950

Notes:

1. The remuneration figures include bonus awards, in cash and where in shares converted to cash equivalent based on the closing share price on the day prior to the award of the bonus
2. A\$ equivalent amounts converted at exchange rate on 22 May 2015 of 1£=A\$1.98.
3. A\$ equivalent amounts converted at exchange rate on 22 May 2015 of 1£=A\$1.98.
4. In South Africa, there is no compulsory superannuation, and the above remuneration does not include superannuation.

Bushveld's financial year-end is 28 February.

Directors, companies associated with the Directors and/or their Associates are also reimbursed for all reasonable expenses incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of Bushveld and other miscellaneous expenses.

The remuneration of Directors is reviewed annually by Bushveld. The figures for the 2015 Financial Year are current as at the date of this Bidder's Statement.

8.11 Material Litigation

Bushveld is not aware of any material litigation or threatened, or other legal proceedings in relation to Bushveld.

8.12 Status of Conditions

The conditions of the Offer are set out in Section 9. Bushveld will use all reasonable endeavours to ensure the Conditions are satisfied as soon as possible after the date of this Bidder's Statement.

As at the date of this Bidder's Statement, Bushveld is not aware of any events which would result in a breach or inability to satisfy the Conditions.

Bushveld will give a notice of the status of the Conditions in accordance with the Corporations Act on the date set out in Section 9.10 (subject to extension if the Offer Period is extended).

8.13 Consents

Each of the parties referred to in this Section 8.13:

- (a) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Bidder's Statement other than a reference to its name and a statement included in this Bidder's Statement with the consent of that party as specified in this Section; and
- (b) has not caused or authorised the issue of this Bidder's Statement.

Each of the following has consented to being named in this Bidder's Statement in the capacity as noted below and have not withdrawn such consent prior to the lodgement of this Bidder's Statement with ASIC:

- (a) Steinepreis Paganin as Australian legal advisers to the Company in relation to the Offer;
- (b) Fieldfisher as UK legal advisers to the Company in relation to the Offer;
- (c) Carey Olsen as Guernsey legal advisers to the Company in relation to the Offer;
- (d) Computershare Investor Services Pty Limited as Australian share registrar for the Offer;
- (e) Strand Hanson as nominated adviser to the Company; and
- (f) Brandon Hill Capital Limited as AIM Broker to the Company.

This Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or on the company announcement platform of the ASX. Under the Class Order 13/521, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Bidder's Statement. If you would like to receive a copy of any of these reports or statements free of charge, please contact the Bushveld Information Line 1300 723 520 (local call charges apply) from within Australia or +61 3 9415 4067 (normal call charges apply) from outside Australia between 9.00am and 5.00pm (AEST) Monday to Friday.

As permitted by ASIC Class Order 13/523, this Bidder's Statement may include or be accompanied by certain statements fairly representing a statement by an official person or from a public official document or a published book, journal or comparable publication.

In addition, as permitted by ASIC Class Order 07/429, this Bidder's Statement contains ASX share price trading information sourced from the ASX without its consent.

8.14 Other Material Information

There is no other information material to the making of a decision by a holder of Lemur Shares whether or not to accept the Offer being information that is known to Bushveld and which has not previously been disclosed to Lemur Shareholders other than as is contained elsewhere in this Bidder's Statement.

8.15 Expiry Date

No securities will be issued on the basis of this Bidder's Statement after the date which is 13 months after the date of this Bidder's Statement.

8.16 Date for Determining Holders

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom this Bidder's Statement is sent is the Record Date.

9. THE TERMS AND CONDITIONS OF THE OFFER

Set out below are the Terms of the Offer.

9.1 General Terms

- (a) Bushveld offers to acquire all of Your Shares, together with all Rights attached to them, on the following terms and conditions set out in this Offer.
- (b) The Consideration being offered by Bushveld for the acquisition of all of Your Shares is \$0.06 cash, subject to the terms and conditions set out in this Offer.
- (c) The Offer is dated 12 June 2015.

9.2 Offer Period

- (a) Unless withdrawn, this Offer will remain open for acceptance during the period commencing on the date of this Offer and ending at 7:00pm (AEST) on the later of:
 - (i) 17 July 2015; or
 - (ii) any date to which the Offer Period is extended, in accordance with the Corporations Act.
- (b) Bushveld reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.
- (c) If, within the last 7 days of the Offer Period, the Offer is varied to improve the consideration offered, then the Offer Period will automatically be extended so that it ends 14 days after the relevant events in accordance with section 624(2) of the Corporations Act.

9.3 Who May Accept

- (a) An Offer in this form and bearing the same date is being made to each person registered as a holder of Lemur Shares on Lemur's register of members at 7:00pm (AEST) on the Record Date.
- (b) The Offer also extends to each person who, during the period from the Record Date until the end of the Offer Period, becomes registered as a holder of Lemur Shares due to the conversion of, or exercise of rights conferred by options that are on issue at the Record Date and any person who becomes registered, or is entitled to be registered as the holder of Your Shares during the Offer Period.
- (c) A person who:
 - (i) is able during the Offer Period to give good title to a parcel of Lemur Shares; and
 - (ii) has not already accepted this Offer which relates to those Lemur Shares,may accept as if an Offer from Bushveld on terms identical with this Offer had been made to that person in relation to those Lemur Shares.
- (d) If, at the time the Offer is made to you, or at any time during the Offer Period, another person is registered as the holder of some or all of Your Shares, then:
 - (iii) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to that other person in respect of those Lemur Shares;

- (iv) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to you in respect of any other Lemur Shares you hold to which the Offer relates; and
 - (v) this Offer will be deemed to have been withdrawn immediately at that time.
- (e) If at any time during the Offer Period you are registered as the holder of one or more parcels of Lemur Shares as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate and distinct offer on the same terms and conditions as this Offer has been made in relation to each of those parcels and any parcel you hold in your own right. To validly accept the Offer for each distinct parcel, you must comply with the procedure in section 653B(3) of the Corporations Act. If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement and/or the Acceptance Form, or if you have any questions or queries on the Offer or how to fill out the Acceptance Form, please contact the Bushveld Information Line 1300 723 520 (local call charges apply) from within Australia or +61 3 9415 4067 (normal call charges apply) from outside Australia between 9.00am and 5.00pm (AEST) Monday to Friday.
- (f) This Offer is not registered in any jurisdiction outside Australia (unless an applicable foreign law treats it as registered as a result of the Bidder's Statement being lodged with ASIC). The Offer is not registered in New Zealand, but is being made in New Zealand pursuant to the Securities Act (Overseas Companies) Exemption Notice 2002. It is your sole responsibility to satisfy yourself that you are permitted by any foreign law applicable to you to accept this Offer and to comply with any other necessary formality and to obtain any necessary governmental or other consents.
- (g) If Your Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee you should contact that nominee for assistance in accepting this Offer.

9.4 How to Accept this Offer

- (a) You may only accept this Offer in respect of all (and not a lesser number) of Your Shares. For example, if you have 10,000 Lemur Shares and you wish to accept the Offer, you may only accept this Offer in respect of 10,000 Lemur Shares.
- (b) You may accept this Offer at any time during the Offer Period.
- (c) **Lemur Shares held in your name on Lemur's issuer sponsored subregister**
- To accept this Offer for Lemur Shares held in your name on Lemur's issuer sponsored subregister (in which case your Securityholder Reference Number will commence with 'I'), you must:
- (i) complete and sign the Transfer and Acceptance Form in accordance with the terms of this Offer and the instructions on the Transfer and Acceptance Form; and
 - (ii) ensure that the Transfer and Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Transfer and Acceptance Form) is received before the end of the Offer Period, at the address shown on the Transfer and Acceptance Form.
- (d) **Lemur Shares held in your name in a CHESS Holding**
- (i) If Your Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X') and you are not a Participant, you should instruct your Controlling Participant (this is normally the stockbroker either through whom you bought Your Shares or through whom you ordinarily acquire shares on the ASX) to initiate acceptance of this Offer on your

behalf in accordance with the ASX Settlement Operating Rules before the end of the Offer Period.

- (ii) If Your Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X') and you are a Participant, you should initiate acceptance of this Offer in accordance with the ASX Settlement Operating Rules before the end of the Offer Period.
- (iii) Alternatively, to accept this Offer for Lemur Shares held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), you may:
 - (A) sign and complete the Transfer and Acceptance Form in accordance with the terms of this Offer and the instructions on the Transfer and Acceptance Form;
 - (B) ensure that it (including any documents required by the terms of this Offer and the instructions on the Transfer and Acceptance Form) is received at the address shown on the Transfer and Acceptance Form in sufficient time to instruct your Controlling Participant to initiate acceptance on your behalf, before the end of the Offer Period.
- (iv) If Your Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), you must comply with any other applicable ASX Settlement Operating Rules.

(e) **Transfer and Acceptance Form and Other Documents**

- (i) The Transfer and Acceptance Form forms part of the Offer. The requirements on the Transfer and Acceptance Form must be observed in accepting the Offer.
- (ii) For your acceptance to be valid you must ensure that your Transfer and Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Transfer and Acceptance Form) are posted or delivered in sufficient time for it to be received by Bushveld at the address shown on the Transfer and Acceptance Form before the end of the Offer Period.
- (iii) The postage and transmission of the Transfer and Acceptance Form and other documents is at your own risk.
- (iv) When accepting the Offer, you must also forward for inspection:
 - (A) if the Transfer and Acceptance Form is executed by an attorney, a certified copy of the power of attorney; and
 - (B) if the Transfer and Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased Lemur Shareholder, the relevant grant of probate or letters of administration.

9.5 Validity of Acceptances

- (a) Subject to this Section, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in Section 9.4.
- (b) Bushveld may, in its sole discretion, at any time deem any Transfer and Acceptance Form it receives to be a valid acceptance in respect of Your Shares even if a requirement for acceptance has not been complied with.
- (c) Bushveld may at any time in its sole discretion:

- (i) treat the receipt by it of a Transfer and Acceptance Form during the Offer Period (or in an envelope post-marked before the expiry of the Offer Period) as a valid acceptance notwithstanding that one or more of the other requirements for a valid acceptance have not been complied with and without further communication to you; and
 - (ii) where you have satisfied the requirements for acceptance in respect of only some of your Lemur Shares, treat the acceptance as a valid acceptance in respect of all of your Lemur Shares.
- (d) In respect of any part of an acceptance treated by it as valid, Bushveld will provide you with the relevant consideration in accordance with Section 9.7, and the exercise of Bushveld's rights under this Section will be conclusive and only evidenced by its so doing. The payment of consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Bushveld.
- (e) This Section is not a condition of this Offer.

9.6 The Effect of Acceptance

- (a) Subject to Section 9.8, once you have accepted this Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you. In addition, you will be unable to withdraw your acceptance of the Offer or otherwise dispose of Your Shares, except as follows:
- (i) if, by the times specified in Section 9.6(b), the Minimum Acceptance Condition has not been fulfilled or waived, the Offer will automatically terminate and Your Shares will be returned to you; or
 - (ii) if the Offer is varied in accordance with the Corporations Act in a way that postpones for more than one month the time when Bushveld has to meet its obligations under the Offer, and, at the time, the Offer is still subject to the Minimum Acceptance Condition you may be able to withdraw your acceptance in accordance with section 650E of the Corporations Act.
- (b) The relevant time for the purposes of Section 9.6(a) in relation to the Minimum Acceptance Condition is the end of the Offer Period.
- (c) By following the procedures described in Sections 9.4 and 9.5, you will be deemed to have:
- (i) accepted this Offer (and any variation to it) in respect of the Lemur Shares registered in your name to which this Offer relates, regardless of the number of Lemur Shares specified in the Transfer and Acceptance Form;
 - (ii) agreed to the terms of the Offer and, subject to the Minimum Acceptance Condition being fulfilled or waived, agreed to transfer to Bushveld all of your Lemur Shares and all of the Rights attached to those Lemur Shares;
 - (iii) authorised Bushveld to complete the Transfer and Acceptance Form by correcting any errors in or omissions from the Transfer and Acceptance Form as may be necessary:
 - (A) to make the Transfer and Acceptance Form an effective acceptance of this Offer; and/or
 - (B) to enable registration of the transfer to Bushveld of your Lemur Shares;
 - (iv) irrevocably authorised and directed Lemur to pay to Bushveld or to account to Bushveld for all dividends and other distributions and entitlements which are

declared, paid or which arise or accrue after the date of this Offer in respect of your Lemur Shares (subject to Bushveld accounting to you for any dividends, distributions or entitlements received by it if your acceptance of this Offer is validly withdrawn pursuant to section 650E of the Corporations Act or the contract resulting from that acceptance becomes void);

- (v) represented and warranted to Bushveld that:
 - (A) Bushveld will acquire good title to and beneficial ownership of all of your Lemur Shares free from all mortgages, charges, liens, encumbrances (whether legal or equitable) and other third party interests of any kind;
 - (B) you have paid Lemur all amounts which are due in respect of your Lemur Shares;
 - (C) all of your Lemur Shares are fully paid; and
 - (D) you have full power and capacity to accept the Offer and to sell and transfer the legal and beneficial ownership of your Lemur Shares (together with all rights attached to them) to Bushveld;
- (vi) represented and warranted to Bushveld that the making by Bushveld to you, and your acceptance, of this Offer is lawful under any Foreign Law which applies to you, to the making of this Offer, and to your acceptance of this Offer;
- (vii) with effect from the later of acceptance of the Offer and the date that any contract resulting from that acceptance becomes, or is declared unconditional, appointed (and agreed not to revoke that appointment) Bushveld and each of its directors, secretaries and other officers from time to time severally as your agent and true and lawful attorney, with power to do all things which you could lawfully do concerning Your Shares or in exercise of any right or power derived from the holding of Your Shares including, without limitation:
 - (A) attend and vote in respect of Your Shares at any and all meetings of Lemur;
 - (B) requisition or join with other holders of Lemur Shares in requisitioning and/or convening a meeting of the members of Lemur;
 - (C) demand a poll for any vote to be taken at any meeting of Lemur Shareholders;
 - (D) propose or second any resolutions to be considered at any, and all meetings of Lemur Shareholders;
 - (E) execute all forms, transfers, assignments, notices, instruments (including instruments appointing a director of Bushveld as a proxy in respect of all or any of Your Shares and a transfer form for Your Shares), proxies, consents, agreements and resolutions relating to Your Shares;
 - (F) request Lemur to register in the name of Bushveld or its nominee Your Shares which you hold on any register of Lemur; and
 - (G) do all things incidental or ancillary to the foregoing,

and to have agreed that in exercising the powers conferred by that power of attorney, the attorney shall be entitled to act in the interests of Bushveld as the beneficial owner and intended registered holder of Your Shares in respect of which you have accepted this Offer and to have further agreed to do all such acts, matters and things that Bushveld may require to give effect to the matters

the subject of this paragraph (including the execution of a written form of proxy to the same effect as this paragraph which complies in all respects with the requirements of the constitution of Lemur) if requested by Bushveld. This appointment is irrevocable and terminates upon registration of a transfer to Bushveld of Your Shares;

- (viii) with effect from the later of acceptance of the Offer and the date that any contract resulting from that acceptance becomes, or is declared unconditional, agreed not to vote in person at any general meeting of Lemur or to exercise (or purport to exercise) in person, by proxy or otherwise, any of the powers conferred on Bushveld and the directors, secretaries and other officers of Bushveld by Section 9.6(c)(vii);
 - (ix) irrevocably authorised Bushveld to notify Lemur on your behalf that your place of address for the purposes of serving notices in respect of Your Shares is the address specified by Bushveld in the notification;
 - (x) represented and warranted to Bushveld that, unless you have notified it in accordance with Section 9.3, Your Shares do not consist of a separate parcel of shares;
 - (xi) agreed, subject to the Minimum Acceptance Condition being fulfilled or freed, to execute all such documents, transfers and assurances, and do all such acts, matters and things that Bushveld may consider necessary or desirable to convey Your Shares registered in your name and Rights to Bushveld; and
 - (xii) agreed to indemnify Bushveld in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your HIN or SRN or in consequence of the transfer of Your Shares to Bushveld by Lemur without product of your HIN or SRN.
- (d) The representations, warranties, undertakings and authorities referred to in this Section will (unless otherwise stated) remain in force after you receive the consideration for Your Shares and after Bushveld becomes the register as the holder of them.

9.7 Payment of Consideration

- (a) Subject to the terms of this Offer and the Corporations Act, Bushveld will provide the consideration for Your Shares on or before the earlier of:
 - (i) one month after the date of your acceptance or, if this Offer is subject to a defeating condition when you accept this Offer, within one month after this Offer becomes unconditional; and
 - (ii) 21 days after the end of the Offer Period.
- (b) Under no circumstances will interest be paid on the consideration to which you are entitled to under the Offer, regardless of any delay in providing the consideration or any extension of the Offer.
- (c) Bushveld will pay to you the Consideration for Your Shares by cheque in Australian dollars. The cheque will be sent to you at your address as recorded on the copy of the Lemur register of members held by Bushveld immediately prior to the preparation of the cheque, by ordinary mail, or in the case of addresses outside Australia, by airmail.
- (d) Where the Transfer and Acceptance Form requires an additional document to be given with your acceptance (such as a power of attorney):
 - (i) if that document is given with your acceptance, Bushveld will provide the consideration in accordance with Section 9.7;

- (ii) if that document is given after acceptance and before the end of the Offer Period while this Offer is subject to a defeating condition, Bushveld will provide the consideration by the end of whichever of the following periods ends earlier:
 - (A) within one month after this Offer become unconditional; or
 - (B) 21 days after the end of the Offer Period;
 - (iii) if that document is given after acceptance and before the end of the Offer Period while this Offer is not subject to a defeating condition, Bushveld will provide the consideration due to you on or before the earlier of:
 - (A) one month after that document is given to Bushveld; and
 - (B) 21 days after the end of the Offer Period; and
 - (iv) if that document is given after the end of the Offer Period, and the Offer is not subject to a defeating condition, Bushveld will provide the consideration within 21 days after that document is given. However, if at the time the document is given, the Offer is still subject to a defeating condition that relates only to the happening of an event of circumstances referred to in section 652C(1) or (2) of the Corporations Act, Bushveld will provide the consideration for you within 21 days after the Offer becomes unconditional.
- (e) If Bushveld becomes entitled to any Rights as a result of your acceptance of this Offer, it may require you to give to Bushveld all documents necessary to vest title to those Rights in Bushveld, or otherwise to give Bushveld the benefit or value of those Rights. If you do not do so, or if you have received or are entitled to receive (or any previous holder of Your Shares has received or is entitled to receive) the benefit of those Rights, Bushveld will be entitled to deduct the amount (or an amount equal to the value, as reasonably assessed by Bushveld) of those Rights from any consideration otherwise payable to you under this Offer. If Bushveld does not, or cannot, make such a deduction, you must pay that amount to Bushveld, except to the extent that Bushveld elects to waive its entitlement to those Rights.
- (f) If any amount (the withholding amount) is required, under any Australian law or by any Government Agency, to be:
 - (i) withheld from any consideration otherwise payable to you under this Offer and paid to a Government Agency; or
 - (ii) retained by Bushveld out of any consideration otherwise payable to you under this Offer,

the payment or retention by Bushveld of the withholding amount (as applicable) will constitute full discharge of Bushveld's obligation to pay the consideration to you to the extent of the withholding amount.
- (g) If, at the time you accept the Offer, any of the following:
 - (i) Banking (Foreign Exchange) Regulations 1959 (Cth);
 - (ii) Autonomous Sanctions Act 2001 (Cth);
 - (iii) Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth);
 - (iv) Charter of the United Nations (Sanctions – Al-Qaida and the Taliban) Regulations 2008 (Cth);
 - (v) Charter of the United Nations (Sanctions - Iraq) Regulations 2008 (Cth); or
 - (vi) any other law of Australia,

require that an authority, clearance or approval of the Reserve Bank of Australia, the Australian Taxation Office or any other government authority be obtained before you receive any consideration for Your Shares, or would make it unlawful for Bushveld to provide any consideration to you for Your Shares, you will not be entitled to receive any consideration for Your Shares until all requisite authorities, clearances or approvals have been received by Bushveld.

9.8 Conditions of this Offer

- (a) The Offer and any contract that results from acceptance of the Offer is subject to the fulfilment of the Minimum Acceptance Condition.
 - (i) **Minimum Acceptance Condition:** At or before the end of the Offer Period, Bushveld
 - (A) having a Relevant Interest in such number of Lemur Shares which represents at least 90% of the aggregate of all Lemur Shares then on issue; and
 - (B) having acquired such number of Lemur Shares which represents at least 75% of the Lemur Shares that Bushveld offered to acquire under the Offer.
- (b) The Minimum Acceptance Condition operates as a condition subsequent and is for the benefit of Bushveld alone and may only be relied upon by Bushveld.
- (c) The non-fulfilment of any condition subsequent does not, until the end of the Offer Period, prevent a contract to sell Your Shares from arising, but entitles Bushveld by written notice to you, to rescind the contract resulting from your acceptance of this Offer.

9.9 Freeing the Offer of the Minimum Acceptance Condition

- (a) Bushveld may free this Offer, and any contract resulting from its acceptance, from the Minimum Acceptance Condition by giving notice to Lemur declaring the Offer to be free from the relevant conditions specified in accordance with section 650F of the Corporations Act. This notice may be given not less than 7 days before the end of the Offer Period.
- (b) If, at the end of the Offer Period the Minimum Acceptance Condition has not been fulfilled and Bushveld has not declared the Offer (or it has not become) free from those conditions, all contracts resulting from the acceptance of the Offer will be automatically void.
- (c) Subject to the provisions of the Corporations Act, Bushveld alone will be entitled to the benefit of the Minimum Acceptance Condition and any breach or non-fulfilment thereof may be relied upon only by Bushveld.

9.10 Notice of Status of Conditions

The date for giving the notice required by section 630(1) of the Corporations Act is 10 July 2015, subject to extension in accordance with section 630(2) if the Offer Period is extended.

9.11 Withdrawal of Offer

Bushveld may withdraw this Offer at any time before you accept it, but only with the consent in writing of ASIC (which consent may be given subject to such conditions, if any, as are imposed by ASIC). If ASIC gives such consent, Bushveld will give notice of the withdrawal to the ASX and to Lemur and comply with any other conditions imposed by ASIC.

9.12 Variation

Bushveld may vary this Offer in accordance with the Corporations Act.

9.13 Stamp Duty or Other Costs

- (a) All costs and expenses of the preparation, dispatch and circulation of this Offer and any stamp duty payable in respect of the transfers will be paid by Bushveld.
- (b) As long as Your Shares are registered in your name and you deliver them directly to Bushveld, you will not incur any brokerage in connection with your acceptance of this Offer.

9.14 Governing Law

This Offer and any contract that results from your acceptance of this Offer is governed by the laws in force in Western Australia.

9.15 Date of Offer

This Offer is dated 12 June 2015.

This Bidder's Statement is dated 29 May 2015 and was approved pursuant to a unanimous resolution passed at a meeting of the directors of Bushveld.

Signed for and on behalf of
Bushveld Minerals Limited

A handwritten signature in black ink, consisting of stylized, overlapping loops and a final dot, representing the name Fortune Mojapelo.

Fortune Mojapelo
Chief Executive Officer

10. DEFINITIONS AND INTERPRETATION

Definitions

In this Bidder's Statement (including its annexure), unless the context otherwise requires:

\$, AUD or A\$ means Australian dollars.

£ means British pounds sterling.

Acceptance means a valid acceptance received from a Lemur Shareholder in connection with the Bushveld Offer.

AEST means Australian Eastern Standard Time.

AIM means the market of that name operated by the London Stock Exchange plc.

Announcement Date means 20 May 2015, being the date the Offer was announced on AIM.

Articles means the articles of incorporation of Bushveld adopted by special resolution on 12 March 2012, and as amended from time to time.

Associate(s) has the meaning given in chapter 6 of the Corporations Act.

ASIC means the Australian Securities and Investments Commission.

ASX means the licensed securities exchange operated by ASX Limited ACN 008 624 691 or the Australian Securities Exchange (as the context requires).

ASX Settlement Corporation means ASX Settlement Pty Ltd ABN 49 008 504 532.

ASX Settlement Operating Rules means the operating rules of the ASX Settlement Facility (as defined in Rule 1.1.1 and Rule 1.1.2 of the ASX Settlement Operating Rules) in accordance with Rule 1.2 which govern, inter alia, the administration of the CHESS subregisters.

Australian Registrar means Computershare Investor Services Pty Limited, the Australian share registrar for the Offer.

Bidder's Statement means this document including the Annexure being the statement of the Company under Part 6.5 of the Corporations Act relating to the Offer.

Bushveld or Company means Bushveld Minerals Limited (Incorporated and Registered in Guernsey with registration number 54506).

Bushveld Group means Bushveld and its Subsidiaries.

Bushveld Resources means Bushveld Resources Limited, a company incorporated and registered in Guernsey with registered number 48984.

Bushveld Share means a fully paid ordinary share in Bushveld.

Bushveld Shareholder means a holder of a Bushveld Share.

CGT means capital gains tax as defined in the *Income Tax Assessment Act 1997*.

CHESS means Clearing House Electronic Subregister System as defined in Rule 2.3.1 of the ASX Settlement Operating Rules.

CHESS Holding means a number of Lemur Shares which are registered on Lemur's share register being a register administered by the ASX Settlement Corporation and which records uncertified holdings of shares.

CMM means Coal Mining Madagascar SARL, a company incorporated in accordance with the laws of the Republic of Madagascar under registration number 43301813.

COM means Coal of Madagascar Limited, a company incorporated in accordance with the laws of Guernsey under registration number 48810.

Combined Entity means Bushveld and its Subsidiaries.

Company or **Bushveld** means Bushveld Minerals Limited (Incorporated and Registered in Guernsey with registration number 54506).

Condition means the Minimum Acceptance Condition.

Consideration means the Offer consideration of \$0.06 per Lemur Share.

Controlling Participant in relation to Your Shares has the same meaning as in the ASX Settlement Operating Rules.

Corporations Act means the Australian *Corporations Act 2001* (Cth).

Director means a director of Bushveld as at the date of this Bidder's Statement.

Foreign Law means a law of a jurisdiction other than Australia.

Foreign Shareholder means any Lemur Shareholder whose address, as entered in the register of members of Lemur, is in a jurisdiction other than Australia (and its external Territories) and New Zealand, unless Bushveld otherwise determines after being satisfied that it is not unlawful, not unduly onerous and not unduly impracticable to make the Offer to a Lemur Shareholder in the relevant jurisdiction and to issue Bushveld Shares to such a Lemur Shareholder on acceptance of the Offer, and that it is not unlawful for such a Lemur Shareholder to accept the Offer in such circumstances in the relevant jurisdiction.

Greenhills means Greenhills Resources Limited, a company incorporated and registered in Guernsey with registered number 52682.

GST means Goods and Services Tax.

Imaloto Coal Project means the Imaloto Coal Project and Extension as described in Section 0(a).

Interested Persons has the meaning provided in Section 8.6.

Issuer Sponsored Holding means a holding of Lemur Shares on Lemur's issuer sponsored subregister.

JORC Code means the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Lemur means Lemur Resources Limited (ACN 147 241 361).

Lemur Board means the board of directors of Lemur.

Lemur Option means an option to acquire a Lemur Share.

Lemur Share means a fully paid ordinary share in the capital of Lemur.

Lemur Shareholders means all persons who hold Lemur Shares.

London Stock Exchange or LSE means the London Stock Exchange plc.

Mineral Resources has the meaning given in the JORC Code.

Minimum Acceptance Condition means as defined in Section 9.8(a)(i).

Mt means million tonnes.

Offer means the off-market takeover offer by Bushveld of A\$0.06 for each Lemur Share held on the terms and conditions set out in this Bidder's Statement.

Offer Period means the period during which the Offer is open for acceptance.

Official List of the ASX means the official list of entities that the ASX has admitted and not removed.

Ordinary Share means a fully paid ordinary share in the capital of the relevant company.

Participant means an entity admitted to participate in the Clearing House Sub-register System under Rule 4.3.1 and 4.4.1 of the ASX Settlement Operating Rules.

Record Date means the date set by Bushveld under section 633(2) of the Corporations Act, being 7:00pm (AEST) on 29 May 2015.

Relevant Interest has the meaning given in section 9 of the Corporations Act.

Rights means all accreditations, benefits and rights attaching to or arising from Lemur Shares directly or indirectly at or after the Announcement Date (including, but not limited to, all dividends and all rights to receive dividends and to receive or subscribe for shares, stock units, notes or options declared, paid, or issued by Lemur).

Subsidiary means a subsidiary within the meaning given to that term in section 9 of the Corporations Act.

Takeover Offer means the same as Offer above.

Takeovers Panel means the Takeovers Panel established under section 171 of the *Australian Securities and Investments Commission Act 2001* (Cth).

Transfer and Acceptance Form means the form of acceptance for the Offer enclosed with this Bidder's Statement or alternatively any acceptance form sent to a Lemur Shareholder by the Australian Registrar in relation to the Offer, as the context requires.

UK means the United Kingdom of Great Britain and Northern Ireland.

VMI means VM Investment Company (Proprietary) Limited a company incorporated and registered in South Africa with registration number 2007/009061/07.

VWAP means volume weighted average price of 'on-market' trades on the ASX and AIM (i.e. normal trades, cross trades, stabilisation trades and short sell trades).

US\$ means United States dollars.

Your Shares means the Lemur Shares (a) in respect of which you are registered, or entitled to be registered, as holder in the register of shareholders of Lemur at the opening of business (AEST) on the Record Date, or (b) to which you are able to give good title at the time you accept this Offer during the Offer Period.

ZAR or Rand means the South African Rand.

Interpretation

The following rules of interpretation apply unless intention appears or the context requires otherwise:

- (a) a reference to a time is a reference to Australian Eastern Standard Time (AEST) time, unless otherwise stated;
- (b) headings are for convenience only and do not affect interpretation;
- (c) the singular includes the plural and conversely;
- (d) a reference to a Section is to a section of this Bidder's Statement;
- (e) a gender includes all genders;
- (f) where a word or phrase is defined, the other grammatical forms have a corresponding meaning;
- (g) \$, or cents is a reference to the lawful currency in Australia, unless otherwise stated;
- (h) a reference to a person includes a body corporate, an unincorporated body or other entity and conversely;
- (i) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (j) a reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it;
- (k) a reference to any instrument or document includes any variation or replacement of it;
- (l) a term not specifically defined in this Bidder's Statement has the meaning given to it (if any) in the Corporations Act;
- (m) a reference to a right or obligation of any two or more persons confers that right, or imposes that obligation, as the case may be, jointly and individually;
- (n) a reference to you is to a person to whom the Offer is made; and
- (o) the words 'include', 'including', 'for example' or 'such as' are not used as, nor are they to be interpreted as, words of limitation, and, when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

ANNEXURE A – LEMUR ASX ANNOUNCEMENTS

Lemur has lodged the following announcements with ASX since the lodgement of last annual report on 1 May 2014.

Date Lodged	Description of Document
29/05/2015	Takeover Offer by Bushveld Minerals Limited – Take No Action
22/05/2015	Listing Rule 3.8A – ASIC Form 484
21/05/2015	Takeover Offer from Bushveld Minerals Ltd
15/05/2015	Final share buy-back notice - Appendix 3F
15/05/2015	Daily share buy-back notice - Appendix 3E
14/05/2015	Daily share buy-back notice - Appendix 3E
13/05/2015	Daily share buy-back notice - Appendix 3E
12/05/2015	Listing Rule 3.8A - ASIC Form 484
12/05/2015	Daily share buy-back notice - Appendix 3E
11/05/2015	Daily share buy-back notice - Appendix 3E
08/05/2015	Daily share buy-back notice - Appendix 3E
05/05/2015	Daily share buy-back notice - Appendix 3E
01/05/2015	Daily share buy-back notice - Appendix 3E
30/04/2015	Daily share buy-back notice - Appendix 3E
29/04/2015	Daily share buy-back notice - Appendix 3E
28/04/2015	Daily share buy-back notice - Appendix 3E
27/04/2015	Daily share buy-back notice - Appendix 3E
24/04/2015	Daily share buy-back notice - Appendix 3E
21/04/2015	Daily share buy-back notice - Appendix 3E
20/04/2015	Daily share buy-back notice - Appendix 3E
17/04/2015	Daily share buy-back notice - Appendix 3E
16/04/2015	Daily share buy-back notice - Appendix 3E
15/04/2015	Daily share buy-back notice - Appendix 3E
14/04/2015	Listing Rule 3.8A - ASIC Form 484
14/04/2015	Daily share buy-back notice - Appendix 3E

10/04/2015	Daily share buy-back notice - Appendix 3E
09/04/2015	Daily share buy-back notice - Appendix 3E
07/04/2015	Daily share buy-back notice - Appendix 3E
01/04/2015	Quarterly Activities and Cashflow Report
01/04/2015	Daily share buy-back notice - Appendix 3E
31/03/2015	Daily share buy-back notice - Appendix 3E
30/03/2015	Daily share buy-back notice - Appendix 3E
27/03/2015	Daily share buy-back notice - Appendix 3E
19/03/2015	Daily share buy-back notice - Appendix 3E
17/03/2015	Lemur acquires Zaaipplaats tin project
27/02/2015	Listing Rule 3.8A - ASIC Form 484
25/02/2015	Daily share buy-back notice - Appendix 3E
23/02/2015	Daily share buy-back notice - Appendix 3E
20/02/2015	Daily share buy-back notice - Appendix 3E
17/02/2015	Daily share buy-back notice - Appendix 3E
12/02/2015	Daily share buy-back notice - Appendix 3E
11/02/2015	Update on Permit 4578
06/02/2015	Daily share buy-back notice - Appendix 3E
05/02/2015	Daily share buy-back notice - Appendix 3E
02/02/2015	Listing Rule 3.8A - ASIC Form 484
30/01/2015	Quarterly Activities and Cashflow Report
14/01/2015	Daily share buy-back notice - Appendix 3E
13/01/2015	Daily share buy-back notice - Appendix 3E
08/01/2015	Daily share buy-back notice - Appendix 3E
19/12/2014	Listing Rule 3.8A - ASIC Form 484
15/12/2014	Daily share buy-back notice - Appendix 3E
11/12/2014	Daily share buy-back notice - Appendix 3E
08/12/2014	Corporate Presentation

26/11/2014	Investor Event
24/11/2014	Lemur implements on-market share buyback
19/11/2014	Change of Financial Year End
19/11/2014	Permit 4578 Update
29/10/2014	Quarterly Activities and Cashflow Report
31/07/2014	Quarterly Activities and Cashflow Report
29/07/2014	Coal Mineral Resource updated to JORC 2012

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