

## Iron impurities not an issue: Cape Lambert

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**CAPE Lambert Iron Ore says tests at an international research centre have confirmed that production at the company's namesake iron ore project in Western Australia's Pilbara has not been affected by silica.**

In a statement, the Perth-based company said a reverse flotation silica reduction metallurgical test program was carried out at the Iron Ore Processing Research Institute in Germany.

Results showed that silica levels were reduced from a worst-case level of 8.3% to 4.8% – suitable for blast furnace pellet feed.

The test program also confirmed that iron recovery levels at the project were maintained with minimal loss to iron units.

The additional expense associated with installing a reverse floatation circuit is estimated to be less than 5% of the total concentrator capital cost, with minimal impact on operating costs.

"The tests showed that by employing reverse flotation, a worst-case primary magnetite concentrate produced from the Cape Lambert resource assaying 63.1 percent iron and 8.3 percent silica could be improved to 66.4 percent iron and 4.8 percent silica, with greater than 91 percent iron recovery," Cape Lambert chairman Ian Burston said.

"Importantly, the tests were conducted on 50 kilograms of concentrate produced from a 150 kilograms composite sample utilising the proposed Cape Lambert flow sheet."

Burston expects primary concentrate silica levels to be further reduced through additional test work and the use of pneumatic flotation rather than the tank flotation technique.

"I hope these results put to bed any doubts the market may have about Cape Lambert's ability to produce a saleable final concentrate at less than 5 percent silica," he added.

Cape Lambert remains on track with the development of its namesake iron ore project.

The resource at the project stands at 1.56 billion tonnes grading 31.2% iron, and in June the company will confirm a further resource upgrade.

The company intends to eventually develop an iron ore mine producing at least 15 million tonnes per annum of concentrate for a plus 20-year mine life.

Shares in Cape Lambert closed unchanged at 32c and has risen 0.5c this morning to 32.5c.



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