31 July 2012

QUARTERLY REPORT – 30 June 2012

Please find attached the Quarterly Activities Report and Appendix 5B for the period ended 30 June 2012.

Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman

Cape Lambert is an Australian domiciled, mineral investment company. Its current investment portfolio is geographically diverse and consists of mineral assets and interests in mining and exploration companies.

The Company continues to focus on investment in early stage resource projects and companies, primarily in iron ore, copper and gold. Its "hands on" approach is geared to add value and position assets for development and/or sale.

The Board and management exhibit a strong track record of delivering shareholder value.

Australian Securities Exchange
Code: CFE

Ordinary shares
689,108,792

Unlisted Options
7,800,000 ($0.45 exp 30 Nov 2012)

Board of Directors

Tony Sage	Executive Chairman
Tim Turner	Non-executive Director
Brian Maher	Non-executive Director
Ross Levin	Non-executive Director

Claire Tolcon
Company Secretary

Key Projects and Interests

Marampa Iron Ore Project
Pinnacle Group Assets
International Goldfields Limited

Cape Lambert Contact

Tony Sage
Executive Chairman

Eloise von Puttkammer
Investor Relations

Phone: +61 8 9380 9555
Email: info@capelam.com.au

Australian Enquiries

Professional Public Relations
David Tasker
Phone: +61 8 9388 0944
Mobile: +61 433 112 936
Email: david.tasker@ppr.com.au

UK Enquiries

Tavistock Communications
Emily Fenton / Jos Simson
Phone: +44 (0)207 920 3150
Mobile: +44 (0)7899 870 450

HIGHLIGHTS

Corporate

- At 30 June 2012, the Company had approximately A$88.4 million in cash at bank.
- Entered into binding terms sheet to sell the Leichhardt Copper Project for A$25million cash.
- Receipt of Notice of Amended Tax Assessment and Penalty Notice from the Australian Taxation Office (**ATO**), with discussions ongoing in respect to the notices. No recovery action instigated by the ATO in respect to the amounts claimed in the notices.
- Supreme Court of Western Australia issued a decision ordering Metallurgical Corporation of China Limited to pay the disputed amount of A$80 million into an escrow account pending the resolution of the dispute between the Company and MCC Australia Sanjin Mining Pty Ltd and its parent company, Metallurgical Corporation of China Limited.
- Company acquired 19.81% interest in ASX listed Global Strategic Metals NL (ASX: GSZ) via a subscription of shares totalling A$1.961million.
- The planned IPO listing of Marampa on the Alternate Investment Market board of the London Stock Exchange was deferred until at least Q4 2012, following the summer holidays in the northern hemisphere. Consistent with the Company's business model, the Company continues to respond to interest from third parties for an asset sale of the Marampa Project.

Projects

Marampa Iron Ore Project

- Drilling to obtain bulk samples for design level metallurgical testwork completed.
- Optimised locked cycle metallurgical testwork on Matukia fresh material achieves 66% Fe concentrate grade with low levels of deleterious element.
- Bateman Engineering commenced a scoping study to determine capital and operating costs for a staged 15Mtpa project development that aligns with the transport solutions of the binding Heads of Agreement signed with African Minerals Limited (refer ASX Announcement dated 16 April 2012).

Pinnacle Group Assets (Kukuna and Sandenia Iron Projects)

- Significant iron intersections were received from trenching work at Kukuna including 88m at 39.9% Fe from trench KUTR049.
- Preliminary metallurgical testwork has confirmed that the specular hematite at Kukuna is recoverable using wet high intensity magnetic separation.

Rokel Iron Ore Project

- Significant iron intersections were received from trenching work at Kumrabai including 108m at 40.2% Fe from trench METR007.

Leichhardt Copper Project

- Copper recoveries from two column leach tests of Mt Watson transitional mineralisation achieve 92%.

CORPORATE

Strategy and Business Model

Cape Lambert Resources Limited (**Cape Lambert** or the **Company**) (**ASX: CFE**) is an Australian domiciled, resources and investment company, with interests in a number of resource projects and companies.

Through strategic acquisitions and subscriptions to convertible notes the Company has exposure to iron ore, copper, gold, uranium and phosphate assets in Australia, Greece, Africa and South America (refer Figure 1).

The Company's strategy is to acquire and invest in undervalued and/or distressed mineral assets and companies (**Assets**), and to add value to those Assets through a hands on approach to management, exploration and evaluation to enable the Assets to be converted into cash at a multiple, and to retain exposure to the Assets through a production royalty and/or equity interest. As Assets are converted into cash, the Company intends to follow a policy of distributing surplus cash to Shareholders.

Investments and Divestments

Global Strategic Metals NL (Global)

On 29 June 2012, the Company became a cornerstone investor in Global Strategic Metals NL (ASX: GSZ) (**Global**) via a subscription of 28,019,365 shares, representing a 19.81% interest in Global, together with 5,600,000 free attaching options exercisable at 7 cents each on or before 29 June 2014. In addition, the Company's nominated representatives Mr Tony Sage and Mr Declan Kelly were appointed as non-executive chairman and non-executive director, respectively, of Global.

Global is an Australian based exploration and mining company listed on the ASX and the open market of the Frankfurt Stock Exchange with an 80% interest in the Austrian Lithium Project, which is located in Carinthia, 270km south of Vienna.

Leichhardt Copper Project

During the quarter, the Company entered into a binding terms sheet to sell its wholly owned subsidiary Cape Lambert Leichhardt Pty Ltd, the holder of the Leichhardt Copper Project located 100km north east of Mt Isa, in consideration for A$25million cash.

Completion of the sale is subject to, and conditional on, due diligence to the satisfaction of the purchaser, execution of formal documentation and all governmental and third party consents and authorisations being obtained in respect of the transaction.

Pursuant to the terms of the binding terms sheet, the consideration payable by the purchaser for the acquisition of the Leichhardt Copper Project is:

(a) A$10million payable to the Company on settlement of the transaction; and

(b) A$15million payable to the Company on 31 January 2014 (**Second Tranche**).

The purchaser is proposing to refurbish the Leichhardt Copper Project to produce copper cathode using its knowhow and contractors (**Refurbishment**). The purchaser shall prepare and provide to the Company a Refurbishment plan, which shall be agreed with the Company prior to the commencement of the Refurbishment for the purpose of measuring any cost overrun. If the Refurbishment cost is more than A$12million, the Company will be responsible for the cost overrun to a maximum of 20% (ie $2.4million). Any cost overrun (up to a maximum of A$2.4million) shall be deducted from the Second Tranche if the cost is incurred prior to 31 January 2014.

Due diligence is expected to be completed by mid to late August 2012 and completion of the transaction is scheduled for mid-September 2012.

Marampa Iron Ore Project ("Marampa")

As reported in previous quarterly reports, the Company commenced the process of pursuing an initial public offering (**IPO**) and listing of Marampa on the Alternate Investment Market board of the London Stock Exchange.

The capital raising will enable the Company to sell down between 60%-75% of its interest in Marampa and for Marampa to raise working capital to enable the completion of environmental permitting, grant of a mining licence agreement, project financing and the commencement of pre-construction activities for a first stage development of between 2-4Mtpa of concentrate production and to complete a feasibility study for an expanded stage 2 development.

During the quarter, having regard to the uncertainty and volatile nature of world capital markets, the Company deferred the IPO until at least Q4 2012, following the summer holidays in the northern hemisphere. However, consistent with the Company's business model, during the deferral period, the Company continues to respond to interest received from third parties in respect to a possible asset level sale of the Marampa Project.

Legal Action and Disputes

ATO Notice of Amended Tax Assessment and Associated Penalty Notice

In May 2012, the Company received a Notice of Amended Assessment from the Australian Taxation Office (**ATO**), together with an associated penalty notice (**Amended Assessment**). The Amended Assessment results from an audit by the ATO as referred to in the Company's 2011 half yearly report and relates specifically to the belief of the ATO that:

- tax should have been paid on the contingent proceeds arising from the transaction in which the Company sold its Cape Lambert Iron Ore Project in August 2008 to MCC. The Company has not yet received the contingent proceeds from MCC and these contingent proceeds are currently the subject of legal action (refer to ASX Announcement dated 2 May 2012);

- the Company recognised a tax deduction resulting from the acquisition of the CopperCo Group of assets completed in June 2009, which the Commissioner believes should have been recognised in a later year rather than the 2009 year (i.e. the deduction is a valid deduction but was recognised in 2009 rather than a later year) (**CopperCo Deductions**). In the event that the ATO's belief is upheld, the Company can utilise the CopperCo Deductions in future years; and

- a shortfall interest charge and penalty applies.

On a non-cash basis, the net Amended Assessment amount (i.e. Amended Assessment minus the CopperCo Deductions which remains as an available future tax deduction), is $25,707,944 (excluding penalties).

During the quarter, the Company met with an ATO Assistant Commissioner and it was agreed that the parties would continue to discuss the issues underlying the Amended Assessment with a view to achieving a resolution. The ATO has not taken any action to recover the amount claimed under the Amended Assessment and the parties continue with their discussions. Although it remains optimistic of a resolution through ongoing discussions, the Company has advised the ATO that it strongly contests all the amounts assessed and, if the issues cannot be resolved in further discussions, the Company will vigorously defend its position. To this end, the Company has lodged an objection in relation to the Amended Assessment.

MCC Legal Action

On 8 September 2010, Cape Lambert announced that it had commenced legal action against MCC Australia Sanjin Mining Pty Ltd (**MCC Sanjin**), and its parent company Metallurgical Corporation of China Limited (collectively **MCC**) to recover the final A$80 million payment from the sale of the Cape Lambert magnetite iron ore project in mid-2008 pursuant to an agreement between the parties (**MCC Agreement**). In accordance with the terms of the MCC Agreement, Cape Lambert received payments totalling A$320 million in 2008, with the final payment due on the grant of mining approvals, or if MCC has not used its reasonable endeavours to procure the mining approvals, within two years.

Legal proceedings were instigated in the Supreme Court of Western Australia after discussions between MCC and Cape Lambert to resolve the non-payment proved unsuccessful.

Pursuant to the terms of the MCC Agreement, the Company instigated mediation proceedings in Singapore in an attempt to resolve the dispute. During the quarter, the Company attended mediation proceedings, however the proceedings concluded without the parties reaching agreement.

On 27 June 2012, the Company announced that the Supreme Court of Western Australia had given reasons for its decision, ordering that Metallurgical Corporation of China Ltd (which had signed a guarantee in respect of MCC Mining (Western Australia) Pty Ltd and MCC Sanjin's obligations under the MCC Agreement) to pay the disputed amount of A$80million into an escrow account pending the resolution of the dispute between the parties (as contemplated in the MCC Agreement).

The Company is awaiting orders being made by the Supreme Court of Western Australia in respect of the payment of the A$80million into an escrow account and the determination of the dispute via arbitration proceedings in Singapore.

The Company remains confident that it will be successful in establishing that the final payment is due and payable by MCC.

Change in Corporate Office and Personnel

During the quarter, the Company changed its registered office to 32 Harrogate Street, West Leederville. Also during the quarter Chief Financial Officer Fiona Taylor and General Manager Joe Ariti ceased their engagement with the Company, with Melissa Chapman and Jeff Hamilton assuming the roles of Chief Financial Officer and General Manager of Operations, respectively.

PROJECTS

Marampa (100% interest)

Marampa is a hematite iron ore project at development and permitting stage, and is located 90km northeast of Freetown, Sierra Leone, West Africa ("Marampa" or "Marampa Project") (refer Figure 2). Marampa comprises a 305.18km^2 granted exploration licence (EL46/2011) held by Marampa Iron Ore (SL) Limited, which is indirectly, a wholly owned subsidiary of Cape Lambert.

Marampa has a total JORC Mineral Resource of 680 million tonnes ("Mt") at 28.2% Fe (above a cut-off grade of 15% Fe) covering four deposits (Gafal, Matukia, Mafuri and Rotret) (refer ASX Announcement 7 July 2011).

Exploration

In Q4 2011, independent consulting geologists, SRK Consulting ("SRK") were commissioned to undertake a structural review of, and geologically model, the specularite quartz schist ("SQS") mineralisation of the Matukia, Gafal, Mafuri and Rotret resource deposits. This study utilised the significant dataset collected from existing diamond drill core and resulted in the generation of a more refined, structurally controlled, geological interpretation. This interpretation highlighted several areas warranting further drill testing that could potentially significantly add to the resource base.

By combining these new targets with additional mineralisation potential previously identified in nearby prospects, an updated Exploration Target[1], estimated at between 300–570 million tonnes at 21% - 32% Fe (refer ASX Announcement dated 13 July 2012), has been generated for the Marampa Project.

A drill program aimed at testing the fold structures identified by SRK, and to confirm the re-interpretation that is the basis for the increased exploration target, is in the planning stage. Results from this work will be utilised in planning for a full resource definition infill drilling program.

Drilling

A total of 4622.9m from 42 holes of metallurgical diamond drilling, to provide sufficient samples of both oxide and fresh SQS mineralisation from each of the resource deposits, was completed during the quarter.

Hole locations for this program were designed to provide additional infill data to increase confidence in the existing mineral resource. Drill hole locations and assay results are shown in Figure 3 and Table 1 respectively. Significant intercepts from the program include:

- MPDD116: 42m at 42.8% Fe from surface;
- MPDD129: 78m at 33.1% Fe from surface;
- MPDD130: 90m at 28.1% Fe from 84m; and
- MPDD130: 141m at 28.6% Fe from 238m.

A total of 974 samples of half core (oxide and fresh combined) for metallurgical testing, and 99 samples for unconfined compressive strength tests were dispatched to Amdel Laboratories in Perth.

[1] The estimates of Exploration Target sizes should not be misunderstood as estimates of Mineral Resources. The estimates of Exploration Target sizes are conceptual in nature and there has been insufficient exploration to define a Mineral Resource in accordance with the JORC Code (2004). It is uncertain if further exploration will result in the determination of a Mineral Resource.

Metallurgy

Metallurgical test work continued during the quarter, which is inclusive of evaluation of metallurgical variability of oxide and fresh ore types at each of the resource deposits. The program also includes assessment of comminution response, amenability to wet scrubbing for the near-surface oxide ore, response to locked cycle Wet High Intensity Magnetic Separation ("WHIMS") tests, as well as material handling property evaluations, filtration testing and transportable moisture limit determinations.

The results of completed locked cycle testing on two composite samples of fresh mineralisation from the Matukia deposit are presented in Table 2.

Table 2: Results from Locked Cycle Testing

Composite Sample	Feed Grade % Fe	Concentrate Grade					Mass Recovery %	Iron Recovery %
		Fe %	SiO_2 %	Al_2O_3 %	P %	S %		
Matukia Fresh - Cluster 2	33.1	66.0	2.17	0.74	0.008	0.003	43.4	86.5
Matukia Fresh - Cluster 6	33.2	66.0	2.25	0.66	0.009	0.004	44.1	87.8

Technical Studies

During the quarter Bateman Engineering were appointed to manage a 15Mtpa Scoping Study ("Study") as a follow on from the 10Mtpa Scoping Study completed in September 2011. This Study is being undertaken to align the proposed development of Marampa with iron concentrate transport arrangements outlined in the binding Heads of Agreement with African Minerals Limited (refer ASX Announcement dated 16 April 2012). Similar to the 10Mtpa Scoping Study, the Study will evaluate a staged project development, with Stage 1 comprised of mining and processing of the soft, shallow, higher-grade oxide mineralisation to produce 2.5Mtpa of iron concentrate, to be followed by development of Stage 2, increasing output to 15Mtpa utilising the harder fresh mineralisation The key objectives of the Study are to determine the likely capital and operating costs and development schedule for each of the stages. The Study is due for completion during Q3 2012.

Environmental and Social Impact Assessment

Preparation of the Environmental and Social Impact Assessment study continued, with the objective being to complete the study during Q3 2012 ready for lodgement.

Additional environmental baseline surveys are planned for Q3 2012, which include:

- River hydrology studies; and
- A post wet season rural livelihoods survey.

Pinnacle (100% interest)

The key Pinnacle assets are the Kukuna Iron Ore Project located in Sierra Leone ("Kukuna Project" or "Kukuna") and the Sandenia Iron Ore Project located in the Republic of Guinea ("Sandenia Project" or "Sandenia") (refer Figure 2).

Kukuna Project – Sierra Leone

The Kukuna Project is located 120km northeast of Freetown in the northwest of Sierra Leone and consists of one exploration licence covering 68km^2 (refer Figure 2). The licence is located 70km due north of the Marampa Project and Pepel Infrastructure and comprises rocks that correlate with the Marampa Group stratigraphy known to host specular hematite mineralisation.

Exploration

During the quarter, SRK completed a draft structural and geological mapping report of the Kukuna Iron Prospect using results from an IP survey, drilling, trenching and mapping observations. This initial work resulted in a number of interpreted N-S orientated prospective zones for hosting SQS. As a result of additional magnetic data from previous surveys being utilised by SRK, the zones were interpreted as being offset by a series of WSW-ENE trending faults. These new findings have necessitated re-interpretation of the geological 3D model. The final SRK report, which will detail the structural mapping, geological modeling and provide an estimation of the exploration target size at Kukuna, is anticipated in the forthcoming quarter.

Drilling and Trenching

A total of 14,558.4m of diamond drilling from 68 holes has been completed to date at the Kukuna Prospect, with drill hole locations and assay results shown in Figure 4 and Table 3 respectively. Holes were generally drilled on 800m section intervals over targets generated from an earlier IP survey. Drilling to date has not covered the entire indicated strike length.

A trenching program consisting of 6,752.3m from 59 trenches was completed late last quarter. This program was intended to help define potential targets for follow up scout and infill drilling and to provide additional information for exploration target size estimation. During the program, fragments of SQS were logged within a layer of transported material of variable thickness that appears pervasive over the area tested. Trench locations and assay results are shown in Figure 4 and Table 4 respectively, with many of the trenches returning significant assay results, including:

- KUTR003: 44m at 42.5% Fe;
- KUTR007: 183.7m at 32.2% Fe;
- KUTR010: 92m at 36.5% Fe;
- KUTR047: 134.4m at 33.3% Fe;
- KUTR049: 88m at 39.9% Fe;
- KUTR055: 52m at 36.4% Fe; and
- KUTR055B: 46m at 37% Fe.

A program to obtain samples from the shallow transported sediment for initial sighter metallurgical test work from a number of trenches spread evenly over the tested area is being planned.

Metallurgy

Sighter metallurgical test work continued during the quarter on diamond drill sample composites with the aim to assess beneficiation performance using low intensity magnetic separation (“LIMS”) and WHIMS.

Preliminary rougher tests highlight that at a relatively coarse grind size of 212um, it is possible to recover a significant proportion of the iron as a high grade concentrate early in a process flowsheet by using LIMS. A LIMS process step would reduce the proportion of material requiring further grinding to 106um for subsequent processing stages. The preliminary test work has confirmed that as with Marampa ores, the specular hematite at Kukuna is recoverable using a multistage WHIMS circuit.

Sandenia Project – Guinea

The Sandenia Project is located 290km east northeast of Conakry in the central south of the Republic of Guinea and comprises two exploration permits covering 608km^2 (refer Figure 2). The Sandenia permits contain rocks prospective for iron mineralisation, similar to those hosting the 6.16Bt Kalia deposit owned by Bellzone Mining plc located on the contiguous permit to the north.

Trenching

During the quarter, a 2,500 linear metre trenching program in 9 trenches recommenced, with a total of 344m excavated in 6 trenches. Banded Iron Formation (BIF) has been intersected in 5 of the trenches and assays are pending.

Metal Exploration Limited (100% interest)

Metal Exploration (Mauritius) Limited, a wholly owned subsidiary of Cape Lambert, holds 13 granted exploration licences and four applications in Sierra Leone covering approximately 2,900km^2. This land package covers the region 70km to the north and south of Marampa and is referred to as the Rokel Iron Ore Project ("Rokel" or "Rokel Project").

Rokel Iron Ore Project (100% interest)

The Rokel Project is prospective for discovery of hematite schist deposits geologically similar to those at Marampa and is located proximal to the existing Pepel Infrastructure (refer Figure 2). Regional mapping has identified a number of prospective areas which are progressively being followed up with targeted exploration (refer Figure 5).

Exploration

Regional mapping commenced at the Karena Prospect (located due north of Kumrabai), where SRK identified float occurrences of SQS during their reconnaissance mapping program completed in the previous quarter. Line cutting in the area to improve access has commenced ahead of trenching and drilling programs.

Trenching

The trenching program at Kumrabai (located approximately 2km east of the Marampa Project) was completed during the quarter. An additional 2,167.2 linear metres in 30 trenches was excavated and sampled, bringing the total to 2,622.4m from 36 trenches. Many of the trenches have intersected SQS over a strike length of 7km, with an average width of 44m. Assay results received during the quarter and trench locations are shown in Table 5 and Figure 6 respectively. Significant intercepts received to date include:

- METR001: 107.6m at 39.6% Fe;
- METR007: 108m at 40.2% Fe; and
- METR017: 90m at 40.2% Fe.

Australis Exploration Limited (100% interest) ("Australis")

Australis holds a portfolio of mineral rights, tenements and subsidiaries (refer Figure 7), which presently comprise:

- Nine granted Exploration Licences totalling 3,100km^2 in the east of the Northern Territory, considered prospective for rock phosphate;
- Fifteen granted Exploration Permit Minerals ("EPM") in North Queensland over 5,700km^2, prospective for rock phosphate mineralisation; and

- 100% of Mojo Mining Pty Ltd, which holds 15 granted EPM's ("Mojo Project" or "Mojo") totalling approximately 1,770km^2, centred on the township of Boulia, Queensland and prospective for large Mt Isa style base metal mineralisation beneath cover sediment.

Work during the June quarter consisted of site visits to field check areas targeted for rock phosphate mineralisation on the Northern Territory leases and to locate and assess access to two potential drill sites on the Mojo leases. These sites, as identified from a combination of airborne and ground geophysical surveys, are considered the best locations from which to collar litho-stratigraphic drill holes within the Mojo tenements. These holes will test the geological model postulated for the Mojo tenements (refer ASX Quarterly Report dated 30 April 2012) and determine the prospectivity of the underlying Proterozoic rocks in the region to host Mt Isa style mineralisation.

Leichhardt Copper Project (100% interest) ("Leichhardt")

Leichhardt, which is currently on care and maintenance, is located approximately 100km northeast of Mt Isa (refer Figure 7) in the highly prospective Eastern Succession of the Mt Isa Inlier and is presently under a due diligence process for its sale.

Mineral Resources

The mineral resource estimate update for the Mt Watson deposits continued by Snowden, with the documentation received late in the reporting period. The report is currently being reviewed and assessed.

Metallurgical Test Work

Bacterially assisted column leach tests on 3 representative composite samples of Mt Watson transitional ore continued throughout the quarter. Progressive copper recoveries after leaching for 140 days in the three column tests are 59.2%, 92.7% and 92.6%. Copper recoveries in all column tests have essentially plateaued and therefore this test work program will be terminated and finalised during Q3 2012.

Competent Person:
The contents of this Report relating to Exploration Results are based on information compiled by Dennis Kruger, a Member of the Australasian Institute of Mining and Metallurgy. Mr Kruger is a consultant to Cape Lambert and has sufficient experience relevant to the style of mineralisation and the deposit under consideration and to the activity he is undertaking to qualify as a Competent Person, as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Kruger consents to the inclusion in this report of the matters compiled by him in the form and context in which they appear.

Competent Person:
The contents of this Report relating to Mineral Resources and Ore Reserves are based on information compiled by Olaf Frederickson, a Member of the Australasian Institute of Mining and Metallurgy. Mr Frederickson is a consultant to Cape Lambert and has sufficient experience relevant to the style of mineralisation and the deposit under consideration and to the activity he is undertaking to qualify as a Competent Person, as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Frederickson consents to the inclusion in this report of the matters compiled by him in the form and context in which they appear.

Competent Person:
The information in this Report that relates to Metallurgical Test Results is based on information reviewed and compiled by Mr Mike Wort, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Wort is a consultant to Cape Lambert and has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves". Mr Wort consents to the inclusion in this report of the information in the form and context in which it appears.

Figure 1: Group Structure June 2012

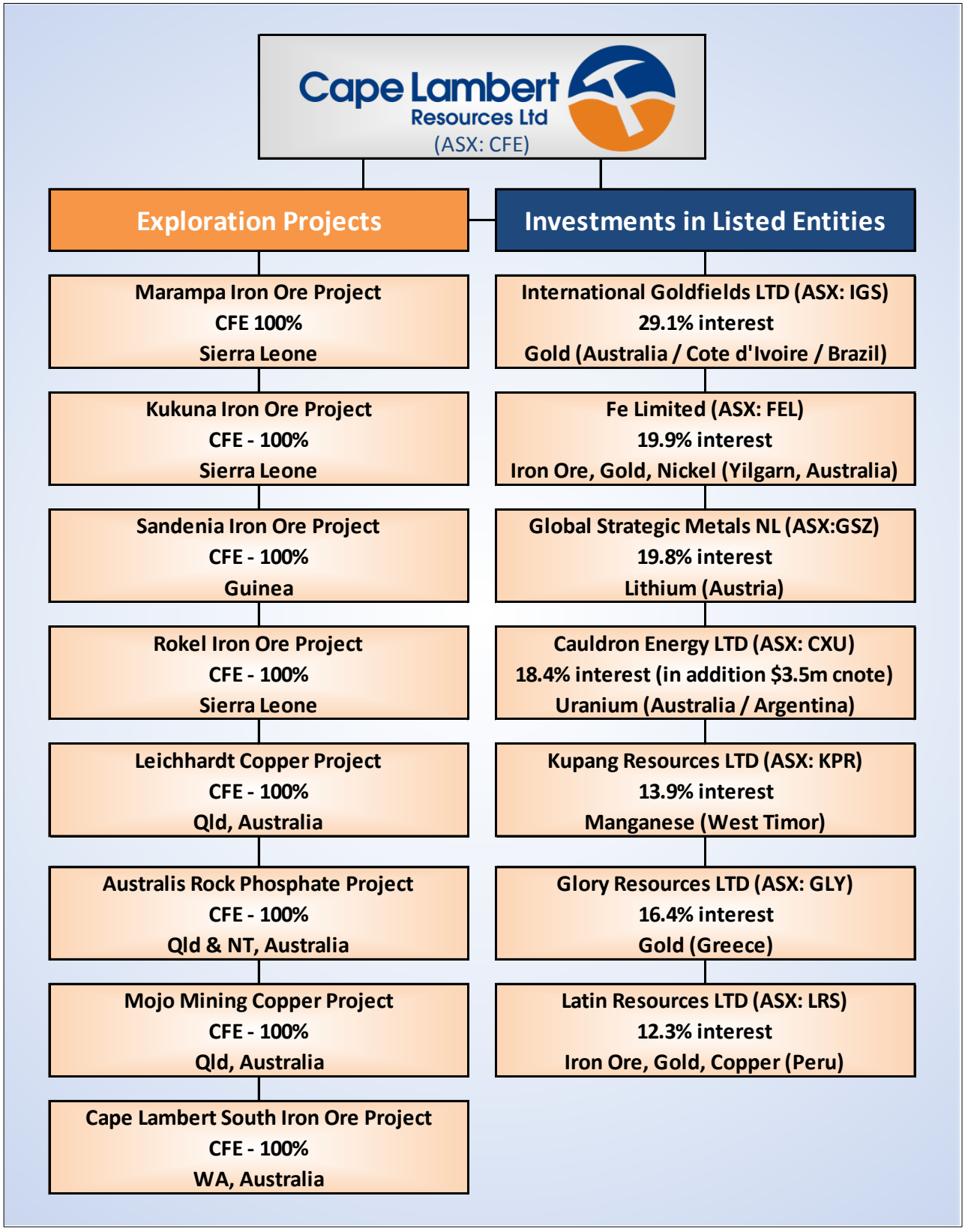

Figure 2: Cape Lambert West African Iron Ore Interests

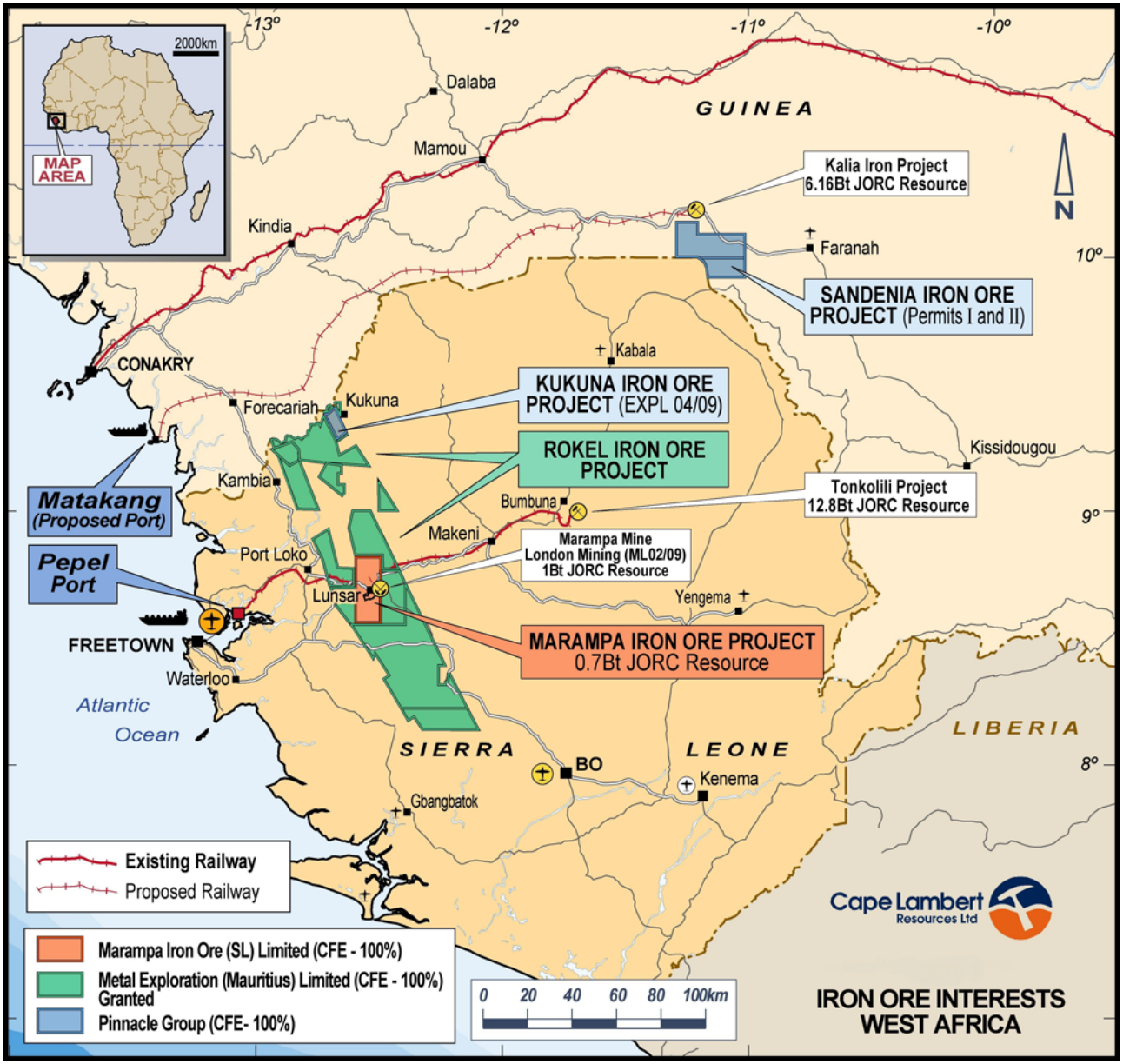

Figure 3: Marampa Metallurgical Drill Hole Location Plan

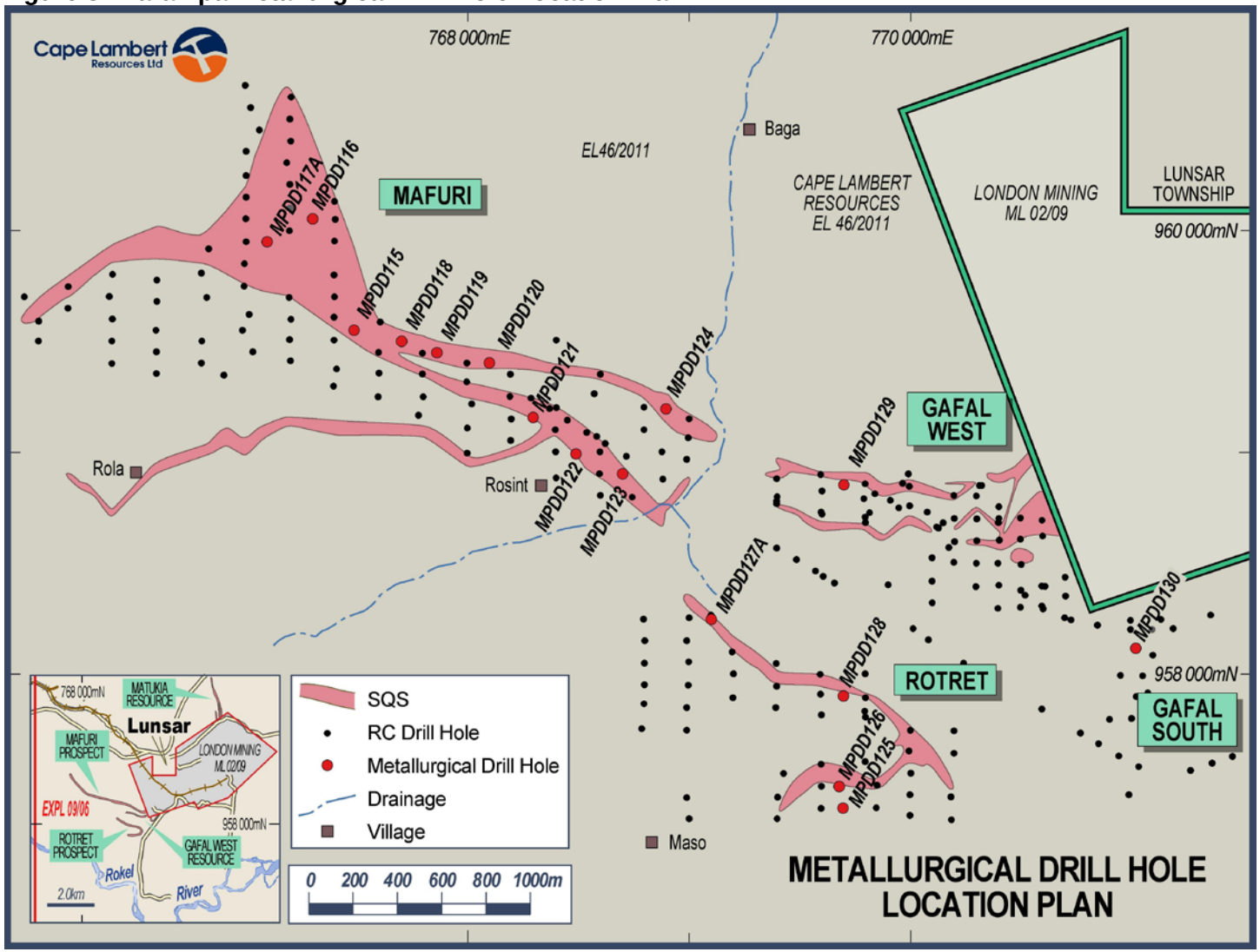

Figure 4: Kukuna Drill Hole and Trench Location Plan

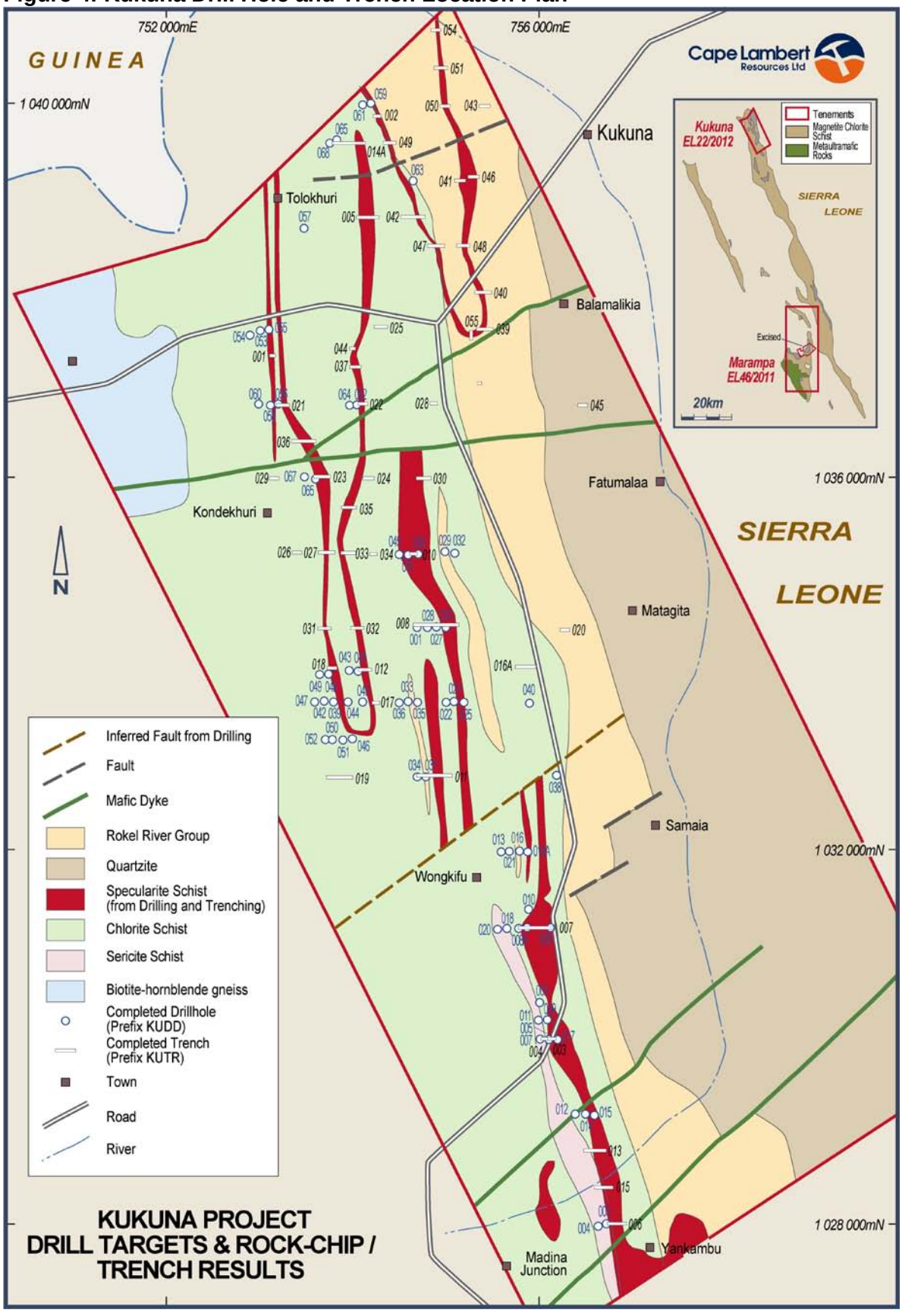

Figure 5: Rokel Prospect Location Plan

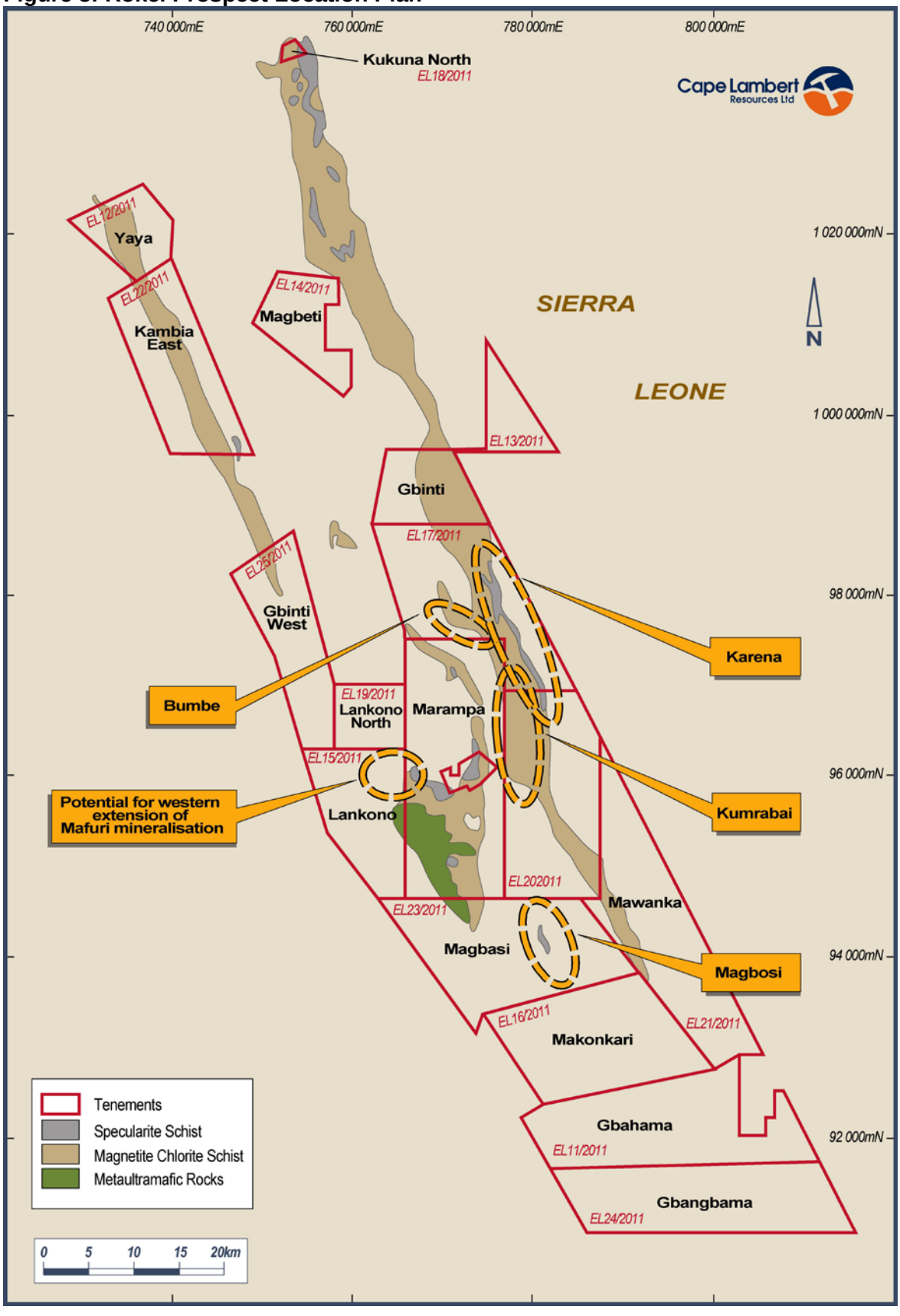

Figure 6: Kumrabai Prospect Trench Location Plan

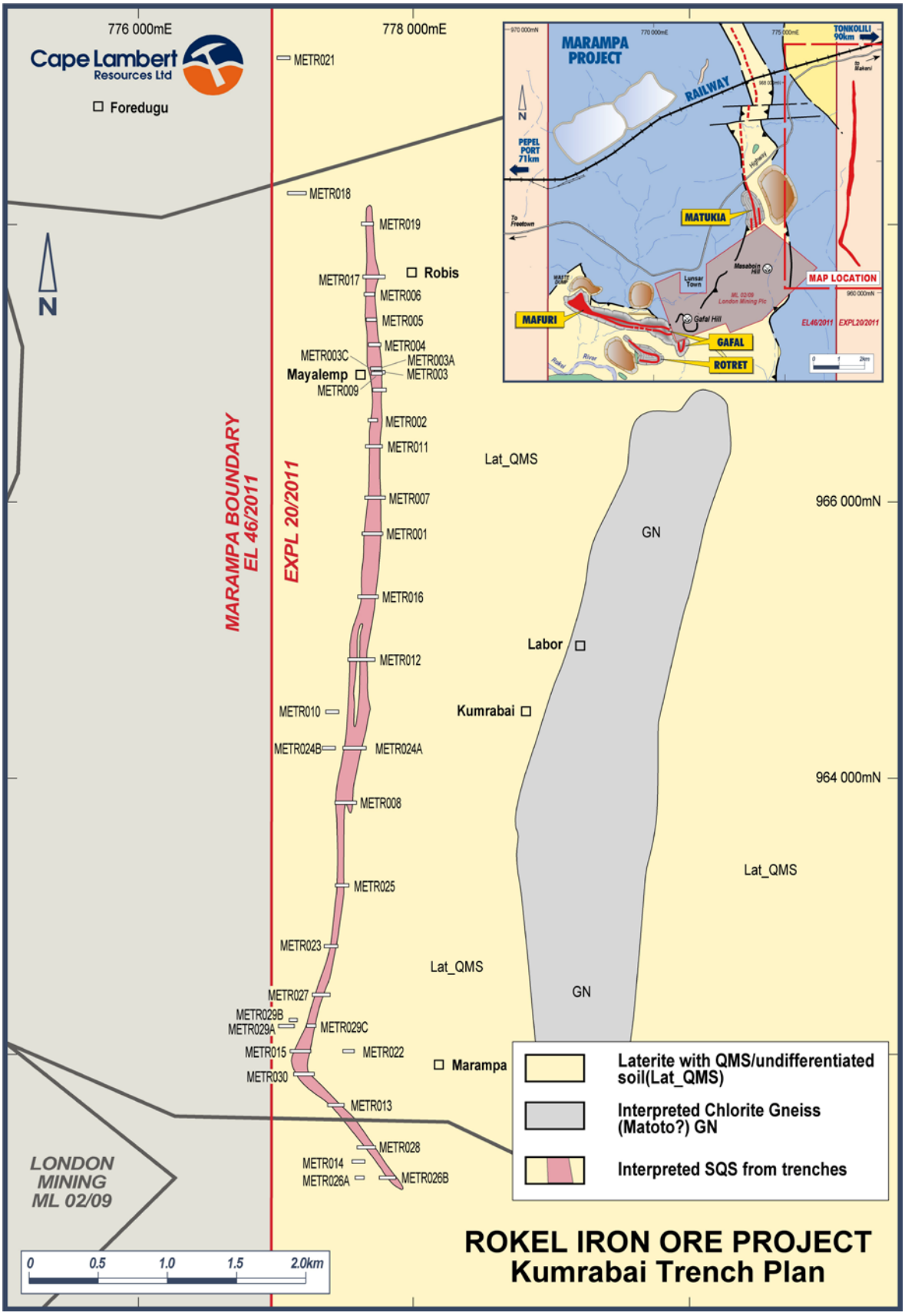

Figure 7: Northern Territory and Queensland Interests

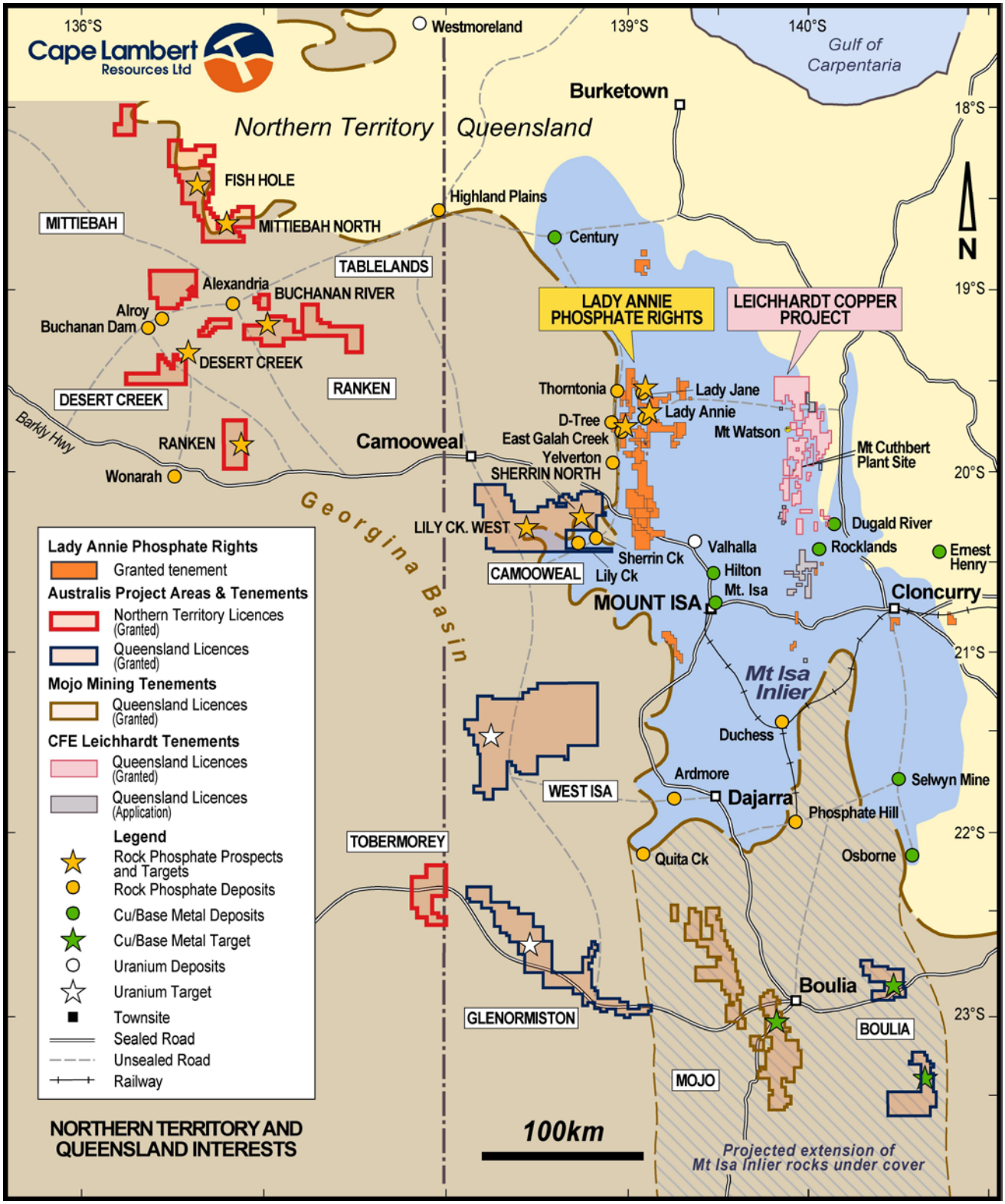

Table 1: Marampa Metallurgical Drill Intersections

Hole Details								Intersection			Head Assay						Ore Type
Hole ID	Prospect	Easting	Northing	RL	Dip	Azimuth	E.O.H.	From	To	Length	Fe	Al_2O_3	SiO_2	P	S	LOI	
		UTM WGS84 Zone 28N			*Degrees*		*m*	*m*	*m*	*m*	*%*	*%*	*%*	*%*	*%*	*%*	
MPDD115	MAFURI	767493	959549	90	-60	0	61.8	0.0	2.4	2.4	35.7	10.3	30.6	0.05	0.03	6.1	Laterite
								2.4	34.6	32.2	25.4	8.0	48.2	0.04	0.00	2.2	Oxide
								34.6	52.0	17.4	23.8	6.7	47.2	0.11	0.00	2.6	Fresh
MPDD116	MAFURI	767305	960052	116	-60	0	50.1	0.0	5.1	5.1	40.0	9.0	25.9	0.05	0.04	6.7	Laterite
								5.1	24.0	20.0	45.2	4.5	27.9	0.03	0.01	1.7	Oxide
								24.0	42.0	18.0	40.5	3.0	35.2	0.11	0.00	0.5	Fresh
MPDD117A	MAFURI	767100	959949	106	-60	0	70.3	0.0	8.0	8.0	43.2	8.2	23.6	0.03	0.05	5.0	Laterite
								8.0	44.0	36.0	29.0	7.5	46.1	0.03	0.01	2.2	Oxide
								52.0	68.0	16.0	24.3	6.2	43.9	0.09	0.00	4.7	Fresh
MPDD118	MAFURI	767705	959500	90	-60	0	20.0	0.0	20.0	20.0	41.7	4.8	31.1	0.02	0.01	2.0	Oxide
MPDD119	MAFURI	767865	959449	72	-60	0	32.0	2.4	12.0	9.6	34.4	5.4	40.7	0.07	0.00	1.5	Oxide
								12.0	26.0	14.0	29.3	4.8	37.3	0.08	0.00	3.4	Fresh
MPDD120	MAFURI	768103	959402	83	-60	0	42.3	0.0	2.5	2.5	34.1	10.5	33.9	0.03	0.04	5.6	Laterite
								2.5	14.0	11.5	27.6	8.4	47.1	0.03	0.01	2.7	Oxide
								14.0	28.0	14.0	33.8	5.2	39.8	0.05	0.00	1.2	Fresh
MPDD121	MAFURI	768300	959157	91	-60	0	43.0	0.0	6.7	6.7	26.8	16.7	34.1	0.06	0.08	9.1	Laterite
								6.7	28.0	21.3	29.4	7.9	45.3	0.04	0.01	2.5	Oxide
MPDD122	MAFURI	768496	958997	96	-60	0	65.0	0.0	2.0	2.0	32.2	9.7	36.0	0.06	0.04	6.6	Laterite
								2.0	50.0	48.0	26.0	8.1	48.7	0.12	0.01	2.4	Oxide
								50.0	65.0	15.0	26.2	6.0	48.6	0.24	0.00	1.4	Fresh
MPDD123	MAFURI	768702	958901	79	-60	0	32.0				*No Significant Assays*						
MPDD124	MAFURI	768908	959193	90	-60	0	34.9	0.0	4.4	4.0	32.9	17.8	31.9	0.03	0.03	6.6	Laterite
								4.4	20.6	16.2	28.0	44.8	46.7	0.02	0.00	2.4	Oxide
								20.6	34.9	14.3	35.0	59.9	40.4	0.07	0.00	1.2	Fresh
MPDD129	GAFAL	769701	958850	97	-60	360	82.9	0.0	6.7	6.7	40.3	11.1	23.2	0.04	0.05	6.3	Laterite
								6.7	23.2	16.5	29.3	9.4	43.2	0.03	0.01	3.0	Oxide
								23.2	78.0	54.8	33.3	4.3	38.5	0.09	0.00	2.9	Fresh
MPDD130	GAFAL	771021	958121	89	-60	90	379.0	84.0	174.0	90.0	28.1	5.9	45.4	0.24	0.00	2.1	Fresh
								190.0	200.0	10.0	21.1	7.4	52.5	0.36	0.00	1.5	Fresh
								238.0	379.0	141.0	28.6	5.4	45.4	0.24	0.00	2.0	Fresh
MPDD125	ROTRET	769701	957400	87	-60	360	130.3	0.0	2.0	2.0	35.2	9.3	32.4	0.06	0.04	6.5	Laterite
								2.0	16.2	14.2	25.0	11.6	46.4	0.04	0.01	4.1	Oxide
								88.0	130.3	42.3	18.9	7.5	55.7	0.26	0.00	1.1	Fresh
MPDD126	ROTRET	769680	957498	86	-60	360	60.6	35.2	60.6	25.4	17.7	8.5	57.3	0.24	0.00	1.1	Fresh

Hole Details								Intersection			Head Assay						Ore Type
Hole ID	Prospect	Easting	Northing	RL	Dip	Azimuth	E.O.H.	From	To	Length	Fe	Al_2O_3	SiO_2	P	S	LOI	
		UTM WGS84 Zone 28N			*Degrees*		*m*	*m*	*m*	*m*	*%*	*%*	*%*	*%*	*%*	*%*	
MPDD127A	ROTRET	769102	958248	91	-90	90	25.4	0.0	2.4	2.4	34.4	9.8	32.9	0.06	0.04	6.4	Laterite
								2.4	25.4	23.0	28.9	8.4	45.4	0.04	0.00	2.7	Oxide
MPDD128	ROTRET	769701	957898	91	-60	0	65.0	22.6	65.0	42.4	27.1	7.1	49.4	0.08	0.00	2.2	Oxide

Lower cut-off 15% Fe, minimum intersection 8m, maximum 5m of internal waste.

Hole collars surveyed by DGPS
Sample intervals are 2m composites except for some diamond holes where certain sample lengths were varied to fit lithological boundaries
Chemical analysis by X-ray Fluorescence Spectrometry (XRF) by Ultra Trace Limited at Canning Vale laboratory, Perth Australia.

Table 3: Kukuna Drill Hole Intersections

Hole Details							Intersection			Head Assay						Ore Type
Hole ID	Easting	Northing	RL	Dip	Azimuth	E.O.H.	From	To	Length	Fe	Al_2O_3	SiO_2	P	S	LOI	
	UTM WGS84 Zone 28N			Degrees		m	m	m	m	%	%	%	%	%	%	
KUDD022	755000	1033598	94	-60	90	317.5	172.0	182.0	10.0	24.6	6.3	47.8	0.33	0.01	2.3	Fresh
KUDD023	755101	1033601	99	-60	90	196.8	22.0	34.0	12.0	28.9	6.4	46.5	0.18	0.00	2.1	Oxide
							34.0	128.0	94.0	23.8	6.5	48.0	0.32	0.02	3.1	Fresh
KUDD024	755001	103405	103	-60	90	220.1	0.0	2.1	2.1	37.9	10.6	26.0	0.17	0.04	7.2	Laterite
							2.1	12.1	10.0	25.3	12.4	42.7	0.08	0.02	4.9	Oxide
							26.2	44.0	17.8	19.8	6.8	49.6	0.22	0.09	5.0	Fresh
KUDD025	755197	1033596	94	-60	90	208.9	*No significant assays*									
KUDD026	754501	1035190	111	-60	90	356.6	0.0	4.0	4.0	44.2	10.7	16.8	0.09	0.05	7.6	Laterite
							4.0	19.5	15.5	33.0	9.0	37.9	0.04	0.01	3.0	Oxide
							29.1	37.8	8.7	25.3	7.8	50.8	0.04	0.00	2.3	Oxide
							37.8	68.0	30.2	21.8	7.6	51.4	0.16	0.01	2.3	Fresh
KUDD027	754900	1034400	106	-60	90	172.0	0.0	1.5	1.5	30.4	14.8	30.8	0.08	0.05	8.9	Laterite
							1.5	8.1	6.6	17.5	14.6	50.5	0.03	0.03	6.4	Oxide
							26.1	68.0	41.9	23.1	6.8	49.3	0.31	0.03	2.9	Fresh
KUDD028	754802	1034399	103	-60	90	251.1	36.1	58.0	21.9	19.7	7.8	54.2	0.27	0.00	1.7	Fresh
							76.0	100.0	24.0	21.9	6.2	45.7	0.28	0.06	5.8	Fresh
							138.0	146.0	8.0	17.1	7.4	58.0	0.26	0.00	2.2	Fresh
KUDD029	754999	1035215	108	-60	90	209.1	*No significant assays*									
KUDD030	754701	1035191	117	-60	90	198.5	0.0	7.5	7.5	33.5	14.5	27.3	0.05	0.03	7.4	Laterite
							7.5	42.2	34.7	24.7	8.7	49.5	0.08	0.00	2.5	Oxide
							42.2	76.0	33.8	22.9	6.8	50.3	0.31	0.00	2.2	Fresh
KUDD031	754601	1035189	115	-60	90	341.4	0.0	2.0	2.0	37.8	11.7	24.1	0.08	0.03	8.1	Laterite
							2.0	26.0	24.0	23.7	1.1	47.6	0.07	0.01	3.9	Oxide
							40.0	48.0	8.0	20.3	9.3	54.2	0.14	0.00	2.4	Oxide
							48.0	150.0	102.0	21.5	7.4	51.2	0.22	0.02	2.5	Fresh
							304.0	326.0	22.0	19.9	8.1	52.5	0.23	0.05	2.0	Fresh
KUDD032	755101	1035215	106	-60	90	141.6	*No significant assays*									
KUDD033	754603	1033601	108	-60	90	149.5	92.0	106.0	14.0	20.8	7.4	52.4	0.14	0.00	2.6	Fresh
							118.0	149.5	31.5	17.2	8.4	56.5	0.11	0.01	2.2	Fresh
KUDD034	754703	1032799	100	-60	90	195.5	*No significant assays*									
KUDD035	754698	1033598	100	-60	90	212.4	68.0	78.0	10.0	21.7	7.4	52.2	0.18	0.00	2.1	Fresh
							84.0	110.0	26.0	20.4	7.4	52.8	0.21	0.00	2.6	Fresh
							130.0	140.0	10.0	22.2	7.3	50.3	0.28	0.02	2.4	Fresh
KUDD036	754499	1033599	112	-60	90	257.4	44.5	54.5	10.0	21.4	8.2	55.8	0.02	0.00	2.2	Oxide
							200.0	210.0	10.0	16.1	8.7	57.3	0.12	0.01	1.9	Fresh
							218.0	238.0	20.0	26.9	5.7	44.7	0.28	0.01	2.8	Fresh
KUDD037	754774	1032801	102	-60	90	293.1	122.0	130.0	8.0	15.4	9.3	58.9	0.08	0.00	1.5	Fresh

Hole Details							Intersection			Head Assay						Ore Type
Hole ID	Easting	Northing	RL	Dip	Azimuth	E.O.H.	From	To	Length	Fe	Al_2O_3	SiO_2	P	S	LOI	
	UTM WGS84 Zone 28N			Degrees		m	m	m	m	%	%	%	%	%	%	
KUDD038	756198	1032809	122	-60	90	311.3	0.0	8.0	8.0	29.2	21.0	22.6	0.11	0.04	11.0	Laterite
							8.0	14.0	6.0	18.4	25.2	32.7	0.09	0.02	10.5	Oxide
KUDD039	753800	1033600	107	-60	90	107.1	60.0	84.0	24.0	25.5	6.6	49.0	0.32	0.00	1.5	Fresh
KUDD040	755902	1033593	111	-60	90	242.4	0.0	6.0	6.0	27.3	19.4	26.8	0.13	0.04	9.8	Laterite
							6.0	14.5	8.5	21.6	9.7	47.5	0.31	0.01	6.6	Oxide
KUDD041	754069	1033939	105	-60	90	164.1	0.0	5.3	5.3	38.3	12.2	24.4	0.03	0.03	6.0	Laterite
							5.6	82.1	76.8	22.9	9.6	51.5	0.03	0.00	2.7	Oxide
							82.1	87.0	4.9	23.1	7.3	51.9	0.02	0.01	1.5	Fresh
KUDD042	753698	1033604	107	-60	90	166.1	0.0	9.2	9.2	22.0	15.9	41.6	0.12	0.03	8.2	Laterite
							86.0	118.0	32.0	18.4	7.7	56.0	0.16	0.00	2.0	Fresh
							126.0	134.0	8.0	23.0	6.7	49.3	0.27	0.01	2.7	Fresh
KUDD043	753972	1033940	96	-60	90	170.3	96.0	114.0	18.0	27.5	6.6	46.9	0.14	0.00	1.0	Fresh
							144.0	166.0	22.0	21.9	7.5	52.9	0.14	0.00	1.2	Fresh
KUDD044	753962	1033590	94	-60	90	233.0	*No significant assays*									
KUDD045	754110	1033599	94	-60	90	140.2	*No significant assays*									
KUDD046	753999	1033195	108	-60	90	173.3	0.0	9.5	9.5	34.9	13.1	28.4	0.02	0.03	6.6	Laterite
							162.0	173.3	11.3	15.6	8.6	59.7	0.10	0.01	0.8	Fresh
KUDD047	753599	1033599	97	-60	90	297.3	172.0	196.0	24.0	18.1	7.9	55.0	0.14	0.01	2.7	Fresh
							204.0	214.0	10.0	24.5	7.2	47.7	0.25	0.00	2.1	Fresh
							248.0	288.0	40.0	20.0	7.6	52.7	0.17	0.05	2.1	Fresh
KUDD048	753747	1033900	102	-60	90	119.1	0.0	7.5	7.5	34.8	10.0	47.5	0.07	0.02	5.2	Laterite
							7.5	15.0	7.5	24.4	9.2	50.0	0.05	0.01	3.3	Oxide
							44.0	52.0	8.0	25.8	7.0	45.5	0.21	0.01	2.7	Fresh
KUDD049	753648	1033900	97	-60	90	200.0	118.0	156.0	38.0	18.5	7.9	55.6	0.10	0.01	2.1	Fresh
KUDD050	753801	1033200	105	-60	90	98.3	0.0	9.8	9.8	23.1	19.1	35.8	0.06	0.06	9.3	Laterite
KUDD051	753899	1033200	107	-60	90	296.3	0.0	9.0	9.0	27.9	17.7	30.5	0.04	0.05	9.5	Laterite
KUDD052	753699	1033199	105	-60	90	146.7	0.0	10.5	10.5	22.2	18.7	37.7	0.05	0.03	7.5	Laterite
KUDD053	752998	1037588	99	-60	90	219.1	*No significant assays*									
KUDD054	752902	1037534	98	-60	90	260.1	*No significant assays*									
KUDD055	753102	1037597	95	-60	90	117.5	*No significant assays*									
KUDD056	753198	1036780	96	-60	90	147.1	49.3	59.0	9.7	21.0	8.8	55.7	0.03	0.01	2.2	Oxide
KUDD057	753476	1038679	75	-60	90	173.1	0.0	4.0	4.0	21.1	13.0	46.2	0.05	0.04	8.1	Laterite
							4.0	10.0	6.0	9.1	15.6	62.3	0.02	0.01	4.5	Oxide
KUDD058	753103	1036782	95	-60	90	171.5	108.0	122.0	14.0	20.6	8.6	51.8	0.09	0.25	2.4	Fresh
KUDD059	754200	1040001	123	-60	90	155.0	0.0	8.0	8.0	37.4	16.4	19.2	0.08	0.03	9.4	Laterite
							8.0	12.0	4.0	42.7	13.3	16.5	0.08	0.04	7.2	Oxide
							52.0	62.0	10.0	22.3	6.2	56.6	0.09	0.01	2.0	Oxide
							62.0	76.0	14.0	27.9	4.7	48.8	0.34	0.00	1.8	Fresh

Hole Details							Intersection			Head Assay						Ore Type
Hole ID	Easting	Northing	RL	Dip	Azimuth	E.O.H.	From	To	Length	Fe	Al_2O_3	SiO_2	P	S	LOI	
	UTM WGS84 Zone 28N			Degrees		m	m	m	m	%	%	%	%	%	%	
KUDD060	752989	1036782	91	-60	90	250.3	No significant assays									
KUDD061	754101	1039999	119	-60	90	176.1	0.0	8.0	8.0	35.0	19.7	18.0	0.10	0.05	10.9	Laterite
							8.0	14.0	6.0	16.5	25.6	38.5	0.04	0.04	11.2	Oxide
							118.0	132.0	14.0	23.6	5.0	51.0	0.23	0.01	3.3	Fresh
KUDD062	754051	1036782	103	-60	90	199.3	0.0	8.0	8.0	23.3	15.4	41.1	0.04	0.03	7.9	Laterite
							32.0	40.0	8.0	13.8	11.1	62.1	0.02	0.00	3.1	Oxide
KUDD063	754651	1039201	104	-60	90	157.0	0.0	8.0	8.0	32.9	17.5	23.0	0.08	0.04	9.0	Laterite
							8.0	18.0	10.0	16.8	21.0	37.2	0.21	0.02	9.8	Oxide
KUDD064	753967	1036787	102	-60	90	163.3	78.0	86.0	8.0	17.3	10.3	57.2	0.04	0.00	2.4	Oxide
KUDD065	753841	1039625	97	-60	90	216.9	0.0	8.0	8.0	29.9	12.7	34.4	0.07	0.04	7.6	Laterite
KUDD066	753601	1036002	94	-60	90	176.5	14.0	56.0	42.0	23.9	7.9	52.1	0.10	0.00	2.2	Oxide
KUDD067	753499	1036021	89	-60	90	220.4	50.0	72.0	22.0	24.3	7.2	49.9	0.29	0.00	1.7	Fresh
KUDD068	753753	1039597	93	-60	90	248.1	0.0	6.0	6.0	29.2	19.2	25.4	0.16	0.06	11.2	Laterite
							6.0	22.0	16.0	20.8	10.1	51.1	0.12	0.02	6.4	Oxide

Lower cut-off 15% Fe, minimum intersection 8m, maximum 5m of internal waste.
Hole collars surveyed by DGPS
Sample intervals are 2m composites.
Chemical analysis by X-ray Fluorescence Spectrometry (XRF) by Ultra Trace Limited at Canning Vale laboratory, Perth Australia.

Table 4: Kukuna Trench Intersections

Trench Details							Intersection			Head Assay						Ore Type
Trench ID	Easting	Northing	RL	Dip	Azimuth	E.O.T.	From	To	Length	Fe	Al_2O_3	SiO_2	P	S	LOI	
	UTM WGS84 Zone 28N			Degrees		m	m	m	m	%	%	%	%	%	%	
KUTR001	753123	1037313	58	0	85	32.0	4.0	32.0	28.0	25.0	13.7	41.3	0.04	0.02	7.1	Oxide
KUTR002	754243	1039893	90	0	85	32.0	0.0	32.0	32.0	44.9	12.7	13.4	0.14	0.05	8.0	Oxide
KUTR003	756122	1029981	89	0	85	44.0	0.0	44.0	44.0	42.5	11.7	18.2	0.08	0.04	7.3	Oxide
KUTR004	756092	1030008	87	0	88	23.0	0.0	23.0	23.0	41.5	11.2	20.3	0.07	0.03	6.9	Oxide
KUTR005	758016	1026190	82	0	60	17.0	0.0	17.0	17.0	43.7	10.4	19.1	0.03	0.02	5.1	Oxide
KUTR006	756700	1028000	88	0	90	229.7	2.0	22.0	20.0	15.3	17.1	50.5	0.01	0.03	6.7	Oxide
							32.0	229.7	197.7	31.9	16.0	27.7	0.04	0.04	7.1	Oxide
KUTR007	755770	1031200	104	0	90	353.2	0.0	41.7	41.7	31.3	16.5	28.0	0.05	0.04	8.1	Oxide
							48.6	92.4	43.8	38.7	13.4	22.3	0.04	0.03	6.3	Oxide
							98.3	282.0	183.7	32.2	12.9	25.5	0.05	0.03	6.1	Oxide
							308.0	341.0	33.0	28.9	15.9	21.6	0.11	0.05	9.7	Oxide
KUTR008	754672	1034424	92	0	90	450.0	132.0	150.0	18.0	15.6	15.3	41.3	0.03	0.03	6.8	Oxide
							237.0	250.0	13.0	24.1	11.0	29.0	0.11	0.04	6.7	Oxide
							256.0	287.0	31.0	29.6	10.6	29.0	0.12	0.04	5.7	Oxide
							296.0	324.7	28.7	30.5	13.0	33.6	0.08	0.04	6.4	Oxide
							346.0	390.0	44.0	20.5	15.4	44.4	0.07	0.03	6.3	Oxide
							414.0	450.0	36.0	26.3	11.6	41.3	0.14	0.04	6.3	Oxide
KUTR009	754245	1038801	109	0	90	173.5	0.0	173.5	173.5	31.4	17.9	22.2	0.06	0.05	9.5	Oxide
KUTR010	754608	1035200	114	0	90	161.7	0.0	18.0	18.0	40.3	12.2	21.0	0.04	0.04	5.9	Oxide
							38.0	130.0	92.0	36.5	13.0	24.8	0.04	0.04	6.4	Oxide
							139.0	161.7	22.7	31.8	14.4	28.8	0.04	0.03	6.3	Oxide
KUTR011	754728	1032816	96	0	90	317.0	38.0	46.0	8.0	17.4	16.9	48.1	0.02	0.02	7.7	Oxide
							54.0	187.0	133.0	19.0	16.0	47.1	0.03	0.02	7.0	Oxide
							195.0	221.0	26.0	15.8	19.6	46.3	0.03	0.03	7.9	Oxide
							231.0	245.0	14.0	15.6	19.5	46.7	0.02	0.02	7.6	Oxide
KUTR012	754070	1033956	104	0	90	99.2	0.0	99.2	99.2	33.4	13.7	21.2	0.03	0.03	6.6	Oxide
KUTR013	756500	1028800	98	0	90	198.5	0.0	18.0	18.0	16.6	18.3	46.7	0.05	0.03	7.2	Oxide
							24.0	46.0	22.0	15.2	19.4	47.4	0.03	0.03	7.3	Oxide
							54.0	89.0	35.0	35.8	9.8	30.7	0.08	0.03	6.5	Oxide
							100.0	158.0	58.0	30.5	11.7	36.4	0.04	0.02	5.3	Oxide
KUTR014A	753800	1039600	86	0	90	317.0	0.0	70.0	70.0	27.5	13.3	26.4	0.07	0.05	8.0	Oxide
							198.0	274.0	76.0	28.3	15.0	34.8	0.05	0.04	7.9	Oxide
							283.0	317.0	34.0	36.2	15.6	22.2	0.07	0.05	9.1	Oxide
KUTR015	756620	1028400	101	0	90	160.0	20.0	158.0	138.0	31.4	14.1	30.2	0.09	0.04	7.6	Oxide
KUTR016A	755777	1033996	121	0	90	104.0	0.0	36.0	36.0	33.7	17.6	18.1	0.15	0.04	10.7	Oxide

Trench Details							Intersection			Head Assay						Ore Type
Trench ID	Easting	Northing	RL	Dip	Azimuth	E.O.T.	From	To	Length	Fe	Al_2O_3	SiO_2	P	S	LOI	
	UTM WGS84 Zone 28N			Degrees		m	m	m	m	%	%	%	%	%	%	
							46.0	104.0	58.0	39.3	14.1	13.6	0.10	0.04	12.3	Oxide
KUTR017	754254	1033597	106	0	90	25.0	0.0	25.0	25.0	24.9	15.8	38.3	0.03	0.04	8.3	Oxide
KUTR018	753726	1033961	98	0	90	87.0	0.0	8.5	8.5	31.1	14.9	29.4	0.08	0.05	8.8	Oxide
							18.0	26.0	8.0	33.3	11.0	33.5	0.14	0.02	6.2	Oxide
							62.0	86.0	24.0	21.4	12.0	50.0	0.02	0.01	4.3	Oxide
KUTR019	753742	1032792	81	0	90	242.3	0.0	23.8	23.8	19.0	21.2	38.8	0.08	0.03	8.9	Oxide
							44.6	92.5	47.9	16.9	19.5	43.7	0.11	0.03	8.1	Oxide
							180.2	190.2	10.0	17.5	19.9	42.7	0.05	0.03	8.3	Oxide
							218.8	226.8	8.0	19.4	20.1	39.9	0.04	0.02	8.4	Oxide
							232.8	240.8	8.0	16.5	19.8	44.3	0.03	0.02	7.2	Oxide
KUTR020	756203	1034398	121	0	90	49.1	0.0	49.1	49.1	32.4	21.1	17.7	0.11	0.06	11.7	Oxide
KUTR021	753226	1036791	98	0	90	74.3	0.0	74.3	74.3	22.0	16.8	41.8	0.04	0.03	7.2	Oxide
KUTR022	754061	1036796	106	0	90	80.0	0.0	79.0	79.0	23.3	14.8	42.2	0.04	0.03	7.3	Oxide
KUTR023	753639	1036018	100	0	90	101.1	12.0	26.0	14.0	29.5	14.9	33.1	0.02	0.04	7.6	Oxide
							40.0	52.9	12.9	25.1	16.0	38.5	0.02	0.03	7.1	Oxide
							68.3	101.1	32.8	34.2	14.1	27.2	0.07	0.04	7.0	Oxide
KUTR024	754124	1035996	93	0	90	48.0	4.0	26.0	22.0	15.3	11.3	59.0	0.02	0.01	4.7	Oxide
KUTR025	754263	1037616	86	0	90	93.6	62.0	88.0	26.0	25.3	15.8	28.4	0.09	0.03	8.6	Oxide
KUTR026	753376	1035208	113	0	90	49.0	0.0	49.0	49.0	24.3	20.0	32.8	0.07	0.05	9.2	Oxide
KUTR027	753652	1035218	111	0	90	137.7	0.0	38.0	38.0	16.9	21.0	42.8	0.03	0.03	8.6	Oxide
							46.0	62.1	16.1	16.1	20.6	44.6	0.03	0.03	8.7	Oxide
							70.0	91.8	21.8	12.0	16.1	36.7	0.02	0.02	6.8	Oxide
							107.2	133.2	26.0	16.1	19.1	46.7	0.03	0.03	8.4	Oxide
KUTR028	754848	1036813	101	0	90	50.0	0.0	50.0	50.0	30.9	19.3	22.6	0.10	0.04	11.0	Oxide
KUTR029	753096	1036002	96	0	90	102.9	92.0	102.9	10.9	15.6	19.2	47.9	0.02	0.02	7.5	Oxide
KUTR030	754701	1036023	90	0	90	98.3	32.0	42.0	10.0	16.0	17.5	48.4	0.02	0.02	6.6	Oxide
KUTR031	753649	1034393	94	0	90	98.5	10.3	20.3	10.0	19.3	18.7	42.3	0.04	0.03	7.6	Oxide
							27.8	71.8	44.0	22.4	13.9	45.8	0.03	0.02	5.8	Oxide
							89.8	98.5	8.7	12.4	12.9	61.7	0.01	0.01	5.3	Oxide
KUTR032	753998	1034402	87	0	90	138.3	6.0	68.0	62.0	27.8	11.3	41.6	0.03	0.01	5.4	Oxide
							104.9	114.0	9.1	15.7	13.4	55.4	0.05	0.02	7.3	Oxide
KUTR033	753855	1035200	74	0	90	123.0	24.0	40.0	16.0	18.8	18.8	43.1	0.05	0.02	7.9	Oxide
							108.0	123.0	15.0	18.5	14.7	49.0	0.08	0.03	7.9	Oxide
KUTR034	754200	1035200	73	0	90	50.0	*No significant assays*									
KUTR035	753887	1035680	84	0	90	126.7	0.0	39.4	39.4	25.0	15.6	38.4	0.06	0.03	7.5	Oxide
							58.8	108.0	49.2	33.5	14.2	28.8	0.05	0.03	6.8	Oxide
							118.0	126.7	8.7	15.1	14.5	54.9	0.05	0.01	5.6	Oxide
KUTR036	753385	1036400	74	0	90	188.3	0.0	188.3	188.3	31.7	12.8	26.8	0.03	0.03	6.4	Oxide

Trench Details							Intersection			Head Assay						Ore Type
Trench ID	Easting	Northing	RL	Dip	Azimuth	E.O.T.	From	To	Length	Fe	Al_2O_3	SiO_2	P	S	LOI	
	UTM WGS84 Zone 28N			Degrees		m	m	m	m	%	%	%	%	%	%	
KUTR037	753980	1037200	78	0	90	92.1	0.0	82.0	82.0	25.0	14.8	39.8	0.05	0.03	6.4	Oxide
KUTR038	754095	1032800	75	0	90	73.9	*No significant assays*									
KUTR039	755318	1037599	113	0	90	150.6	0.0	150.6	150.6	32.9	15.4	27.7	0.04	0.04	7.4	Oxide
KUTR040	755325	1037998	117	0	90	129.7	0.0	102.0	102.0	25.8	17.5	34.4	0.09	0.04	8.7	Oxide
KUTR041	755108	1039199	82	0	90	80.7	36.0	56.0	20.0	19.5	10.8	54.5	0.03	0.02	4.1	Oxide
							62.0	80.7	18.7	24.9	13.2	43.2	0.03	0.01	4.3	Oxide
KUTR042	754538	1038799	111	0	90	206.5	0.0	48.6	48.6	31.9	19.5	22.3	0.08	0.05	10.7	Oxide
							69.6	198.0	128.4	36.8	16.4	20.4	0.07	0.04	8.8	Oxide
KUTR043	755295	1040002	107	0	90	82.4	0.0	82.4	82.4	25.2	27.9	19.1	0.07	0.06	14.9	Oxide
KUTR044	753988	1037407	86	0	90	24.3	0.0	8.0	8.0	17.8	15.6	49.0	0.07	0.02	7.2	Oxide
KUTR045	756430	1036801	87	0	90	49.4	*No significant assays*									
KUTR046	755252	1039243	94	0	90	80.0	0.0	80.0	80.0	32.2	14.1	31.4	0.04	0.03	6.8	Oxide
KUTR047	754827	1038498	115	0	90	134.4	0.0	134.4	134.4	32.3	15.7	23.4	0.10	0.04	9.1	Oxide
KUTR048	755136	1038495	100	0	90	106.0	26.0	106.0	80.0	26.3	18.0	32.1	0.10	0.04	10.1	Oxide
KUTR049	754327	1039599	113	0	90	102.6	0.0	88.0	88.0	39.9	13.3	19.9	0.09	0.04	7.8	Oxide
KUTR050	754946	1039992	90	0	90	80.9	22.0	80.9	58.9	23.6	18.3	36.4	0.02	0.03	7.7	Oxide
KUTR051	754890	1040401	86	0	90	96.3	4.0	24.0	20.0	20.4	17.8	42.1	0.03	0.03	7.9	Oxide
							30.0	96.3	66.3	19.8	18.1	42.5	0.03	0.02	7.9	Oxide
KUTR052A	753792	1040422	101	0	90	83.4	0.0	83.4	83.4	29.7	23.7	18.7	0.08	0.05	13.3	Oxide
KUTR052B	753912	1040395	103	0	90	62.6	0.0	46.0	46.0	37.0	12.7	26.0	0.06	0.02	6.1	Oxide
KUTR053	754822	1041200	75	0	90	40.3	0.0	40.3	40.3	27.6	18.1	29.0	0.04	0.04	9.9	Oxide
KUTR054	754852	1040799	87	0	90	71.3	0.0	71.3	71.3	24.7	17.0	36.3	0.04	0.03	8.2	Oxide
KUTR055	755287	1037504	115	0	0	80.0	0.0	62.0	62.0	33.2	13.9	30.0	0.04	0.03	7.1	Oxide
KUTR056A	753523	1040815	87	0	90	91.7	0.0	38.0	38.0	21.4	10.5	52.5	0.05	0.01	4.0	Oxide
							46.0	91.7	45.7	29.1	7.4	45.8	0.03	0.01	3.2	Oxide
KUTR056B	753684	1040800	90	0	90	106.3	0.0	60.0	60.0	29.1	11.2	38.3	0.06	0.04	6.9	Oxide

Lower cut-off 15% Fe, minimum intersection 8m, maximum 5m of internal waste.
Trenches surveyed by DGPS
Sample intervals are 2m composites.
Chemical analysis by X-ray Fluorescence Spectrometry (XRF) by Ultra Trace Limited at Canning Vale laboratory, Perth Australia.

Table 5: Kumrabai Trench Intersections

Trench Details							Intersection			Head Assay						Ore Type
Trench ID	Easting	Northing	RL	Dip	Azimuth	E.O.T.	From	To	Length	Fe	Al_2O_3	SiO_2	P	S	LOI	
	UTM WGS84 Zone 28N			*Degrees*		*m*	*m*	*m*	*m*	*%*	*%*	*%*	*%*	*%*	*%*	
METR001	777640	965760	112	0	90	107.6	0.0	107.6	107.6	39.6	12.0	23.4	0.04	0.03	6.0	Oxide
METR002	777685	966581	102	0	90	62.6	0.0	62.6	62.6	40.0	8.1	25.4	0.04	0.01	3.9	Oxide
METR003	777711	966947	85	0	90	15.0	0.0	15.0	15.0	34.7	10.6	31.1	0.09	0.02	6.1	Oxide
METR003A	777707	966945	104	0	90	25.0	0.0	25.0	25.0	32.0	11.9	33.4	0.06	0.02	5.9	Oxide
METR003B	777756	966919	83	0	90	13.5	0.0	13.5	13.5	20.3	17.2	43.2	0.05	0.03	7.5	Oxide
METR003C	777723	966947	105	0	90	23.6	0.0	23.6	23.6	39.5	8.8	28.6	0.05	0.02	3.6	Oxide
METR004	777683	967127	106	0	90	50.0	0.0	46.0	46.0	27.3	12.9	38.0	0.05	0.03	6.4	Oxide
METR005	777669	967310	105	0	90	29.3	0.0	29.3	29.3	29.8	10.2	30.7	0.08	0.02	5.8	Oxide
METR006	777653	967494	103	0	90	30.3	0.0	30.3	30.3	43.7	9.2	21.6	0.05	0.02	4.6	Oxide
METR007	777662	966021	108	0	90	108.0	0.0	108.0	108.0	40.2	10.9	24.1	0.05	0.03	5.4	Oxide
METR008	777449	963820	109	0	90	100.7	0.0	100.7	100.7	27.0	12.8	36.1	0.03	0.03	5.9	Oxide
METR009	777715	966794	92	0	90	62.4	0.0	60.0	60.0	36.3	11.6	29.2	0.04	0.03	5.4	Oxide
METR010	777375	964480	83	0	90	48.9	0.0	48.9	48.9	21.8	15.0	43.9	0.03	0.02	7.1	Oxide
METR011	777665	966397	104	0	90	79.2	14.0	79.2	65.2	37.3	10.8	28.8	0.03	0.02	4.5	Oxide
METR012	777531	964852	97	0	90	129.9	0.0	38.0	38.0	23.0	15.1	41.8	0.03	0.02	6.3	Oxide
							46.0	110.0	64.0	33.0	10.4	35.3	0.02	0.01	4.0	Oxide
METR013	777399	961627	86	0	90	78.5	12.0	52.0	40.0	30.4	9.0	41.2	0.02	0.02	4.3	Oxide
							58.0	68.0	10.0	21.7	17.6	40.4	0.06	0.01	5.9	Oxide
METR014	777568	961218	94	0	90	53.2	0.0	53.2	53.2	20.2	15.7	46.0	0.02	0.03	6.7	Oxide
METR015	777124	962018	102	0	90	100.4	0.0	100.4	100.4	36.9	11.2	28.6	0.03	0.03	4.7	Oxide
METR016	777606	965303	104	0	90	102.0	0.0	102.0	102.0	33.8	12.3	31.3	0.03	0.02	5.6	Oxide
METR017	777643	967620	104	0	90	119.2	0.0	90.0	90.0	40.2	9.3	26.5	0.07	0.02	4.6	Oxide
METR018	777105	968224	79	0	90	90.2	0.0	34.0	34.0	17.0	15.4	50.9	0.02	0.03	7.1	Oxide
							64.0	90.2	26.2	27.1	12.7	40.4	0.02	0.02	5.5	Oxide
METR019	777635	968002	75	0	90	49.1	2.0	49.1	47.1	27.9	10.8	41.4	0.04	0.02	5.5	Oxide
METR020	776880	967621	78	0	90	187.2	4.0	128.0	124.0	24.0	13.2	43.4	0.01	0.02	5.6	Oxide
							136.0	144.0	8.0	23.3	13.2	45.1	0.02	0.02	5.3	Oxide
							150.0	166.0	16.0	25.7	11.7	43.9	0.01	0.01	4.0	Oxide
							174.0	182.0	8.0	15.7	12.9	56.1	0.01	0.02	4.9	Oxide
METR021	777020	969207	77	0	90	48.5	0.0	48.5	48.5	29.2	12.3	37.9	0.02	0.02	5.4	Oxide
METR022	777502	962020	74	0	90	43.3				*No Significant Assays*						Oxide
METR023	777370	962792	79	0	90	54.0	0.0	54.0	54.0	27.5	11.8	40.8	0.03	0.03	5.3	Oxide
METR024A	777501	964214	81	0	90	115.6	0.0	115.6	115.6	31.8	11.9	34.6	0.03	0.03	5.7	Oxide

Trench Details							Intersection			Head Assay						Ore Type
Trench ID	Easting	Northing	RL	Dip	Azimuth	E.O.T.	From	To	Length	Fe	Al_2O_3	SiO_2	P	S	LOI	
	UTM WGS84 Zone 28N			*Degrees*		*m*	*m*	*m*	*m*	*%*	*%*	*%*	*%*	*%*	*%*	
METR024B	777354	964212	71	0	90	50.3	0.0	50.3	50.3	25.7	13.0	41.6	0.02	0.03	6.2	Oxide
METR025	777441	963220	77	0	90	56.2	0.0	54.0	54.0	29.6	11.8	37.9	0.03	0.02	5.0	Oxide
METR026A	777597	961103	66	0	90	24.2	4.0	24.2	20.2	25.3	9.4	46.3	0.04	0.05	6.5	Oxide
METR026B	777769	961101	76	0	90	110.2	0.0	110.2	110.2	24.7	14.3	40.8	0.03	0.03	6.1	Oxide
METR027	777286	962433	78	0	90	79.2	0.0	32.0	32.0	30.2	12.5	35.0	0.03	0.02	5.1	Oxide
							54.0	79.2	25.2	17.2	11.8	39.1	0.03	0.04	6.2	Oxide

Lower cut-off 15% Fe, minimum intersection 8m, maximum 5m of internal waste.
Trenches surveyed by DGPS
Sample intervals are 2m composites.
Chemical analysis by X-ray Fluorescence Spectrometry (XRF) by Ultra Trace Limited at Canning Vale laboratory, Perth Australia.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

CAPE LAMBERT RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
71 095 047 920	30 June 2012

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (12 months) $A'000
	Cash flows related to operating activities		
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for		
	(a) exploration and evaluation	(6,001)	(30,702)
	(b) development	-	-
	(c) production & care & maintenance costs	-	-
	(d) administration	(2,231)	(8,946)
1.3	Dividends received	-	-
1.4	Interest and similar items received	1,316	2,438
1.5	Interest and other costs of finance paid	(44)	(107)
1.6	Income taxes paid	-	-
1.7	Other	-	-
	Net operating cash flows	**(6,960)**	**(37,317)**
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	(7,571)
	(c) other fixed assets	(1,030)	(2,900)
	(d) controlled entity	-	(5,000)
	(e) associate	(2,110)	(4,140)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	257	3,155
	(c) other fixed assets	-	-
	(d) controlled entities	-	-
	(e) associate	-	72,219
1.10	Loans to other entities	(174)	(1,289)
1.11	Loans repaid by other entities	-	100
1.12	Other: Cash backing security for performance / other bonds & bank guarantees released	28	610
	Other: Cash backing security for performance / other bonds & bank guarantees provided	(81)	(131)
	Other: Payment of transaction related and business development costs	(642)	(7,853)
	Other: Cash balances disposed on sale of subsidiary	-	(93)
	Net investing cash flows	**(3,752)**	**47,107**

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

		Current quarter $A'000	Year to date (12 months) $A'000
1.13	**Total operating and investing cash flows (carried forward)**	**(10,712)**	**9,790**
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	2,790
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other: repayment of loans by external entity	-	32,661
	Net financing cash flows	**-**	**35,451**
	Net (decrease) in cash held	**(10,712)**	**45,241**
1.20	Cash at beginning of quarter/year to date	99,086	43,096
1.21	Exchange rate adjustments to item 1.20	38	75
1.22	**Cash at end of quarter**	**88,412**	**88,412**

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	227,000
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

$227,000 payment of executive and non-executive director fees.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available
Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	7,807
4.2	Development	-
4.3	Production	-
4.4	Administration	2,500
	Total	**10,307**

+ See chapter 19 for defined terms.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	8,119	14,023
5.2	Deposits at call	80,293	85,063
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	88,412	99,086

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Australis Exploration Pty Ltd			
		EL 23608	50% area reduction	100%	100%
		EL 23609	50% area reduction	100%	100%
		EL 23610	50% area reduction	100%	100%
		EL 23611	50% area reduction	100%	100%
		EL 23614	50% area reduction	100%	100%
		Cape Lambert Leichhardt Pty Ltd			
		EPM 13577	Surrendered	100%	Nil
		EPM 13600	Surrendered	100%	Nil
6.2	Interests in mining tenements acquired or increased	Australis Exploration Pty Ltd			
		EPM 17778	Granted	-	100%
		EPM 17779	Granted	-	100%
		Cape Lambert Leichhardt Pty Ltd			
		EPM 17688	Granted	-	100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference** +**securities** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+**Ordinary securities**	689,108,792	689,108,792		
7.4	Changes during quarter (a) Increases through issues	-	-	-	-
	(b) Increases through exercise of share options	-	-	-	-
	(c) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	+**Convertible debt securities** (*description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	7,800,000	7,800,000	N/A	N/A
7.8	Issued during quarter	-	-		
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	**Debentures** *(totals only)*	-	-	-	-
7.12	**Unsecured notes** *(totals only)*	-	-	-	-

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: Claire Tolcon Date: 31 July 2012
Company Secretary

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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