

Company Announcements Platform  
Australian Securities Exchange

8 December 2009

Our ref 172/80082015

Dear Sir/Madam

**Notice of change of interests of substantial holder - Cape Lambert Iron Ore Limited**

We enclose, on behalf of African Minerals Limited, an ASIC Form 604 ("Notice of change of interests of substantial holder") in relation to Cape Lambert Iron Ore Limited.

Yours sincerely



**John Elliott, Partner**  
+61 2 9353 4172  
jelliott@claytonutz.com

**Enc**

**Form 604**  
Corporations Act 2001  
Section 671B

**Notice of change of interests of substantial holder**

To Company Name/Scheme Cape Lambert Iron Ore Limited ("CLIO")

ACN/ARSN ACN 095 047 920

**1. Details of substantial holder (1)**

Name African Minerals Limited ("AML") on its own behalf and on behalf of its controlled entities as shown in Annexure A ("Controlled Entities")

ACN/ARSN (if applicable) N/A

There was a change in the interests of the substantial holder on

04 / 12 / 2009

The previous notice was given to the company on

27 / 01 / 2009

The previous notice was dated

23 / 01 / 2009

**2. Previous and present voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary shares	61,000,000	11.65%	85,569,934	15.2%

**3. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
04 / 12 / 2009	AML	Acquisition of 24,569,934 CLIO ordinary shares pursuant to the agreement attached as Annexure B	Pursuant to the agreement attached as Annexure B	24,569,934 ordinary shares	24,569,934
04 / 12 / 2009	Each of the Controlled Entities	Pursuant to the agreement attached as Annexure B	Pursuant to the agreement attached as Annexure B	24,569,934 ordinary shares	24,569,934

**4. Present relevant interests**

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
AML	AML	AML	Pursuant to section 608(1)(a) of the Corporations Act 2001 (Cth)	85,569,934 ordinary shares	85,569,934
Each of the Controlled Entities	AML	AML	Each of the Controlled Entities is an associate of AML within the meaning of section 12(2)(a) of the Corporations Act 2001 (Cth) and has a relevant interest in the shares in which AML has a relevant interest	85,569,934 ordinary shares	85,569,934

**5. Changes in association**

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

**6. Addresses**

The addresses of persons named in this form are as follows:

Name	Address
AML	Victoria Place, 31 Victoria Street, Hamilton, HM10 Bermuda
Each of the Controlled Entities	c/-, Victoria Place, 31 Victoria Street, Hamilton HM10 Bermuda

**Signature**

print name Ian Dickson

capacity General Counsel

sign here



date 7 / 12 / 2009

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
  - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

(8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".

(9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

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## **Annexure A**

This is the Annexure A referred to in the Form 604 (Notice of change of interests of substantial holder) signed by me and dated 7 December 2009.



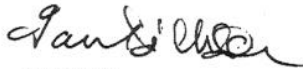
Ian Dickson  
General Counsel  
7 December 2009

### **Controlled Entities**

- Marampa Iron Ore Limited
- Tonkolili Iron Ore Limited
- Gori Hills Nickel Limited
- Nimini Hills Nickel Limited
- Lovetta Uranium Limited
- Sierra Leone Gold Limited
- Sierra Leone Hardrock Limited
- African Railway and Port Services Limited
- African Minerals (UK) Limited
- African Minerals (Guernsey) Limited
- African Minerals Engineering Limited
- White River Resources Limited

## Annexure B

This is the Annexure B referred to in the Form 604 (Notice of change of interests of substantial holder) signed by me and dated 7 December 2009.

A handwritten signature in black ink, appearing to read 'Ian Dickson', with a stylized flourish at the end.

Ian Dickson  
General Counsel  
7 December 2009

**Cape Lambert Iron Ore Limited**

and

**African Minerals Limited**

and

**Marampa Iron Ore Limited**

**Agreement**

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*Handwritten signatures*

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THIS AGREEMENT is made on

2009

**BETWEEN:**

- (1) **CAPE LAMBERT IRON ORE LIMITED** (incorporated under the laws of Australia with Australian Business Number 71 095 047 920) whose registered office is at 18 Oxford Close, Leederville, Western Australia 6007, Australia (**CLIO**);
- (2) **AFRICAN MINERALS LIMITED** (incorporated in Alberta, Canada and continued into Bermuda under the Companies Act 1981 of Bermuda with registered number 34816) whose registered office is at Victoria Place, 31 Victoria Street, Hamilton, HM10, Bermuda (**AML**); and
- (3) **MARAMPA IRON ORE LIMITED** (incorporated in Bermuda with registered number 39699) whose registered office is at Victoria Place, 31 Victoria Street, Hamilton, HM10, Bermuda (**Marampa**).

**IT IS AGREED as follows:**

**1 Interpretation**

- 1.1 In this agreement unless the context requires otherwise the following expressions have the following meanings:

**AIM** means a market operated by the London Stock Exchange;

**AIM Rules** means the AIM Rules for Companies and the AIM Rules for Nominated Advisers;

**AIM Rules for Companies** means the rules of the London Stock Exchange applicable to companies governing admission to and operation of AIM including the guidance notes contained in Part 2 of such rules and the Resources Companies Guidance;

**AIM Rules for Nominated Advisers** means the rules of the London Stock Exchange applicable to Nominated Advisers of companies traded or to be traded on AIM;

**AML** means African Minerals Limited.

**AML Group** means AML and its subsidiaries;

**AML'S Solicitors** means Clyde & Co LLP, 51 Eastcheap, London EC3M 1JP;

**ASX** means ASX Limited;

**AUS\$ or \$ or dollars** means Australian dollars, the lawful currency of Australia;

**Australia** means the Commonwealth of Australia;

**Business Day** means a day other than a Saturday, Sunday or public holiday in England and Wales or Bermuda;

**CA 2006** means the Companies Act 2006 of the UK;

**CLIO Group** means CLIO and its subsidiaries;

**CLIO Option** means the exclusive option granted in favour of CLIO to purchase the Marampa 'A' Shares from AML on the terms and conditions of the First Marampa Agreement;

**CLIO Share** means a fully paid ordinary share in the capital of CLIO;

**CLIO Shareholder Approval** means the approval of CLIO Shareholders in general meeting to the Secondary Transfer in accordance with ASX Listing Rule 10.1, for which the notice of meeting must include an independent expert's report which must state whether the transaction is fair and reasonable to CLIO's shareholders whose votes are not to be disregarded;

**Completion** means the completion of the exercise of the CLIO Option and the performance by the parties of their respective obligations in accordance with clause 4 and includes Initial Completion and Secondary Completion;

**Corporations Act** means the Corporations Act 2001 of Australia;

**Encumbrance** means a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest or other claim, encumbrance or security interest of any kind whatsoever or another type of preferential arrangement (including, without limitation, a title transfer and retention arrangement) having similar effect;


**FATA** means the Foreign Acquisitions and Takeovers Act 1975 of Australia;

**FIRB** means the Foreign Investment Review Board of Australia;

**First Marampa Agreement** means the agreement between the parties dated 1 October 2008 pursuant to which CLIO was issued 43 B ordinary shares in Marampa, was granted the CLIO Option, and agreed to issue 44 million CLIO



ordinary shares to Marampa.

**Initial CLIO Option Shares** means <sup>43</sup>~~45~~ Marampa 'A' Shares. 

**Initial Completion** means completion of the Initial Transfer in accordance with clause 4.3.

**Initial Consideration Shares** means 24,569,934 CLIO Shares.

**Initial Transfer** has the meaning given to that term in clause 3.2(a).

**Marampa 'A' Shares** means the issued ordinary 'A' shares of US\$1.00 each in the capital of Marampa, held by AML, having the rights and restrictions set out in the Marampa Bye-Laws.


**Marampa Bye-Laws** means the Bye-Laws of Marampa.

**Marampa Warranties** means the warranties to be given by Marampa contained or referred to in clause 5 and/or set out in Schedule 1.

**Marampa's Solicitors** means Clyde and Co 52 Eastcheap London, EC3M 1JP, United Kingdom.

**Resources Companies Guidance** means the guidance note for mining, oil and gas companies issued by the London Stock Exchange in March 2006.

**Second Marampa Agreement** means the agreement between the parties dated 22 January 2009 pursuant to which CLIO subscribed for 11 Marampa 'B' Shares in consideration for issuing to Marampa 17,000,000 CLIO Shares.

**Secondary CLIO Option Shares** means <sup>57</sup>~~52~~ Marampa 'A' Shares. 

**Secondary Completion** means completion of the Initial Transfer in accordance with clause 4.4.

**Secondary Consideration Shares** means 32,592,789 CLIO Shares.

**Secondary Transfer** has the meaning given to that term in clause 3.2(b).

**Surviving Provisions** means clauses 1 (**Interpretation**), 11 (**Interest**); 12 (**Withholding and Grossing Up**); 13 (**Waivers**); 16 (**General**); 17 (**Costs**); 20 (**Notices**) and 21 (**Governing Law and Jurisdiction**);

**Taxation or Tax** means any form of taxation, levy, duty, charge, contribution or impost of whatever nature (including any related fine, penalty, surcharge or

interest) imposed by a Tax Authority acting in its capacity as such;

**Tax Authority** means local, municipal, governmental, state, federal or other fiscal, revenue, customs or exercise authority, body or official anywhere in the world; and

**UK** means the United Kingdom of England, Scotland, Wales and Northern Ireland;

**US\$ or US Dollars** means U.S. Dollars, the lawful currency of the United States of America.

- 1.2 Words and phrases not otherwise defined in this agreement have the same meaning (if any) given to them in the First Marampa Agreement.
- 1.3 Unless otherwise stated, references in this agreement to clauses and Schedules are to clauses of and the Schedules to this agreement and references to this agreement include the Schedules.
- 1.4 In this agreement:
- (a) any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the terms of the words preceding those terms; and
  - (b) words importing the singular include the plural, and vice versa, words importing any gender include every gender and references to persons include bodies corporate, unincorporated associations and partnerships.
- 1.5 References in this agreement to statutory provisions shall be construed as references to those provisions as respectively replaced, amended or re-enacted or as their application is modified by other provisions from time to time (whether before or after the date of this agreement) and shall include any provisions of which they are re-enactments (whether with or without modification) and any subordinate legislation made under such provisions save to the extent that any such replacement, amendment or re-enactment which takes effect after the date of this agreement would impose any new or extended obligation or liability on or otherwise adversely affect the rights of any party.
- 1.6 A reference in this agreement to a document **in the agreed form** means in the form of the draft or proof of the document signed for the purposes of identification by or on behalf of each of the parties with such alterations (if any) as may subsequently be agreed by them.

- 1.7 A reference in this agreement to any document being **certified** shall be to such document as is certified as a true and complete copy by:
- (a) in the case of a document relating to **CLIO**, CLIO's Solicitors; or
  - (b) in the case of a document relating to **AML**, AML's Solicitors; or
  - (c) in the case of a document relating to **Marampa**, Marampa's Solicitors.
- 1.8 Whenever used in this agreement, the expression subsidiaries has the meaning given to that term by section 1159 of CA 2006 and shall be deemed to include subsidiary undertakings (as defined by sections 1161 and 1162 of CA 2006).
- 1.9 The Interpretation Act 1978 shall apply to this agreement in the same way as it applies to an enactment.
- 1.10 The headings to the clauses of this agreement are for convenience only and have no legal effect.
- 1.11 In this agreement, references to times of day are to UK time.

## **2 Variation of the First Marampa Agreement**

The parties acknowledge and agree that the First Marampa Agreement shall be varied as follows:

- (a) the reference in clause 4.3 to "30 days" shall be deleted and replaced with "1 days";
- (b) clause 4.4 shall be deleted in its entirety and replaced with the following clause:  
  

*"The CLIO Option may be exercised in respect of all or part only of the CLIO Option Shares";*
- (c) the reference in clause 4.5 to "30 days" shall be deleted and replaced with "1 days"; and
- (d) if there is an inconsistency between this agreement and either the First Marampa Agreement and the Second Marampa Agreement, this agreement shall override those agreements and those agreements shall be deemed to be varied to the extent of the inconsistency.

3 **Exercise of CLIO Option**

3.1 CLIO hereby gives notice to AML and Marampa of the exercise of the CLIO Option in accordance with clause 4 of the First Marampa Agreement (as varied by clause 2 above) (but noting the condition attached to the Secondary Transfer contained in clause 4.2).

3.2 The Parties acknowledge and agree that the consideration payable by CLIO to AML for the exercise of the CLIO Option shall be deemed to be satisfied by the allotment and issue of 57,162,723 CLIO Shares as follows:

(a) 24,569,934 CLIO Shares (**Initial Consideration Shares**) will be allotted and issued to AML in consideration for the transfer by AML to CLIO of ~~48~~ 43 Marampa 'A' Shares (**Initial CLIO Option Shares**) (**Initial Transfer**); and

(b) 32,592,789 CLIO Shares (**Secondary Consideration Shares**) will be allotted and issued to AML in consideration for the transfer by AML to CLIO of ~~52~~ 57 Marampa 'A' Shares (**Secondary CLIO Option Shares**) (**Secondary Transfer**).

3.3 Completion of the above transactions will take place in accordance with clause 4.

3.4 The Parties agree and acknowledge that upon execution of this agreement CLIO's obligation to fund the Feasibility Study by the payment of the Feasibility Study Facility under clause 3 of the First Marampa Agreement shall be immediately extinguished (i.e. CLIO shall have no further obligations to pay any amount towards the Feasibility Study Facility).

4 **Completion**

4.1 Initial Completion shall occur immediately upon execution of this agreement.

4.2 Secondary Completion (and the contract relating to the Secondary Transfer) is subject to and conditional upon CLIO Shareholders approving in general meeting the Secondary Transfer in accordance with ASX Listing Rule 10.1. The parties acknowledge and agree that the meeting to seek and obtain the CLIO Shareholder Approval will be called within 45 days of this agreement (or as soon thereafter as is practicably possible) and:

(a) if the CLIO Shareholder Approval is obtained, Secondary Completion shall occur within 1 day thereafter, or

(b) if the CLIO Shareholder Approval is not obtained, Secondary Completion will not occur and the parties respective interest in Marampa will be:

(i) CLIO – 62.99%; and

(ii) AML – 37.01%,

and the parties will need to contribute to expenditure on that basis.

4.3 At Initial Completion:

(a) AML shall:

(i) deliver to CLIO a duly executed share transfer form in favour of CLIO, in respect of of the Initial CLIO Option Shares; and

(ii) procure that Marampa shall comply with its obligations under clause 4.3(c) and that CLIO shall be registered as holder of the Initial CLIO Option Shares;

(b) CLIO shall:

(i) allot and issue the Initial Consideration Shares to AML, credited as fully paid, with full title guarantee and free from all Encumbrances on terms that they will rank pari passu in all respects with the CLIO ordinary shares then in issue including the right to receive in full all dividends and other distributions declared, paid or made on or after the date of their allotment;

(ii) enter the name of AML into the register of members of CLIO in respect of Initial Consideration Shares;

(iii) issue AML with an undertaking to provide the relevant holding statement in respect of the Initial Consideration Shares to AML as soon as practicable after Initial Completion;

(iv) deliver to AML a certified copy of the minutes of a meeting of the board of directors of CLIO approving:

(A) the allotting and issuing the Initial Consideration Shares;

(B) the lodgement of an Appendix 3B with ASX in relation to application to ASX for the Initial Consideration Shares to be quoted on ASX; and

(C) the lodgement of a "cleansing statement" with ASX pursuant to section 708A(6) of the Corporations Act in relation to the issue of the Initial Consideration Shares;

(v) CLIO shall use its best endeavours to procure that the Initial Consideration Shares are admitted to trading on ASX as soon as practicable and it shall therefore lodge an Appendix 3B with ASX and issue a "cleansing statement" pursuant to section 708A(6) of the Corporations Act in respect of the issue of the Initial Consideration Shares to AML within 1 Business Day of Initial Completion;

(c) **Marampa shall:**

- (i) enter CLIO into the register of members of Marampa in respect of the Initial CLIO Option Shares;
- (ii) deliver to CLIO an extract of the register of members of Marampa, certified by the secretary of Marampa as a true extract, showing CLIO as the registered holder of the Initial CLIO Option Shares;
- (iii) deliver to CLIO evidence of notification of the Bermuda Monetary Authority of the issuance to CLIO of the Initial CLIO Option Shares pursuant to the Exchange Control Act 1972 and the regulations made thereunder; and
- (iv) deliver to CLIO a share certificate in respect of Clío's holding of the Initial CLIO Option Shares.

4.4 At Secondary Completion:

(a) **AML shall:**

- (i) deliver to CLIO duly executed Share transfer form(s) in favour of CLIO, in respect of the Secondary CLIO Option Shares;
- (ii) procure that Marampa shall comply with its obligations under clause 4.4(c) and that CLIO shall be registered as holder of the Secondary CLIO Option Shares;
- (iii) deliver letters of resignation of all directors and officeholders of Marampa nominated by AML such letters of resignation with an acknowledgement from them that they have no claim against Marampa for loss of office;





- (iv) provide, and procure that Marampa or Marampa SL provides, CLIO with all documentation in the possession, custody and control of AML, Marampa or Marampa SL which exclusively relates in any way to the Marampa Project; and
  - (v) provide all documentation and do all necessary acts to place CLIO in effective control of Marampa and the Marampa Project; and
- (b) CLIO shall:
- (i) allot and issue the Secondary Consideration Shares to AML, credited as fully paid, with full title guarantee and free from all Encumbrances on terms that they will rank *pari passu* in all respects with the CLIO ordinary shares then in issue including the right to receive in full all dividends and other distributions declared, paid or made on or after the date of their allotment; or
  - (ii) enter the name of AML into the register of members of CLIO in respect of the Secondary Consideration Shares;
  - (iii) issue AML with an undertaking to provide the relevant holding statement in respect of the Secondary Consideration Shares to AML as soon as practicable after Secondary Completion;
  - (iv) deliver to AML a certified copy of the minutes of a meeting of the board of directors of CLIO approving:
    - (A) the allotting and issuing the Secondary Consideration Shares;
    - (B) the lodgement of an Appendix 3B with ASX in relation to application to ASX for the Secondary Consideration Shares to be quoted on ASX; and
    - (C) the lodgement of a "cleansing statement" with ASX pursuant to section 708A(6) of the Corporations Act in relation to the issue of the Secondary Consideration Shares;
  - (v) CLIO shall use its best endeavours to procure that the Secondary Consideration Shares are admitted to trading on ASX as soon as practicable and it shall therefore lodge an Appendix 3B with ASX and issue a "cleansing statement" pursuant to section 708A(6) of the

Handwritten signatures in black ink, appearing to be initials or names, located at the bottom right of the page.

Corporations Act in respect of the issue of the Secondary Consideration Shares to AML within 1 Business Day of Initial Completion;

(c) **Marampa shall:**

- (i) enter CLIO into the register of members of Marampa in respect of the Secondary CLIO Option Shares;
- (ii) deliver to CLIO an extract of the register of members of Marampa, certified by the secretary of Marampa as a true extract, showing CLIO as the registered holder of the Secondary CLIO Option Shares;
- (iii) deliver to CLIO evidence of notification of the Bermuda Monetary Authority of the issuance to CLIO of the Secondary CLIO Option Shares pursuant to the Exchange Control Act 1972 and the regulations made thereunder; and
- (iv) deliver CLIO with a share certificate in respect of CLIO's holding of the Secondary CLIO Option Shares.

4.5 None of the parties shall be obliged to complete unless the other parties comply with their respective obligations under clause 4.3 and 4.4.

4.6 If the parties are unable to perform any material obligation required to be performed by Marampa or AML, on the one hand, or CLIO on the other (as the case may be) pursuant to the provisions of clause 4.3 and 4.4 before or on the date of Completion (the **Defaulting Party**), Marampa and AML (if the Defaulting Party is CLIO) or CLIO (if the **Defaulting Party** is Marampa or AML) (CLIO or AML/Marampa being, as the case may be, the **Non Defaulting Party**) shall not be obliged to comply with its obligations under clauses 4.3 and 4.4 and may (acting bona fide), in its reasonable discretion, by written notice to the Defaulting Party:

- (a) elect to proceed to Completion on that date, to the extent that the Non Defaulting Party is ready, willing and able to do so, and specify a later date on which the Defaulting Party shall be obliged to complete its outstanding obligations; or
- (b) elect to defer Completion by not more than 5 Business Days to such other date as it may specify in such notice, in which event, the provisions of this clause 4.6 shall apply, mutatis mutandis, and the provisions of clause 4.7 shall also apply, if the Defaulting Party fails or is unable to perform any such obligations on such other date.

- 4.7 If following Completion being deferred pursuant to clause 4.6, at any reconvened Completion (such reconvened Completion to be no earlier than 5 Business Days from the date of a previous Completion), the Defaulting Party fails to comply in all material respects with its obligations pursuant to the provisions of clause 4.3, the Non Defaulting Party may either exercise its rights under clause 4.6 or terminate this agreement other than the Surviving Provisions, in which case none of the parties shall have any claim of any nature whatsoever against any of the other parties under this agreement (save in respect of any rights and liabilities of the parties which have accrued prior to termination or under any of the Surviving Provisions).
- 4.8 If Shareholder Approval is not obtained, as soon as practicable after the relevant shareholder meeting, the parties agree to negotiate and finalise a joint venture agreement to reflect the respective interests of the parties in Marampa.

## 5 Termination

- 5.1 The parties acknowledge and agree:
- (a) to the extension and application of the Restricted Period (as defined in the First Marampa Agreement and applied in the Buy-Back Agreement) from 30 November 2009 until the date of the meeting to seek the CLIO Shareholder Approval;
  - (b) to the extension of the term "Escrow Period" (as that term is defined in the Buy-Back Agreement) from 30 November 2009 until the date of the meeting to seek the CLIO Shareholder Approval.
- 5.2 AML agrees and acknowledges that it will not dispose, transfer, encumber, or otherwise assign any of the:
- (a) CLIO Consideration Shares (being 44,000,000 CLIO Shares issued under the First Marampa Agreement and 17,000,000 CLIO Shares issued under the Second Marampa Agreement); and
  - (b) Initial CLIO Option Shares,
- until:
- (c) the date of the meeting to seek the CLIO Shareholder Approval.

Handwritten signatures of the parties involved in the agreement.

6 **AML and Marampa Warranties**

- 6.1 AML represents and warrants to CLIO that it is the sole legal and beneficial owner of all of the Initial CLIO Option Shares and Secondary CLIO Option Shares which are free of all Encumbrances.
- 6.2 Marampa warrants to CLIO that the information set out in Schedule 1 is true and accurate in all material respects as at the date of this agreement.
- 6.3 Marampa and AML jointly and severally represent and warrant to CLIO that:
- (a) no person has any right or option to subscribe for or otherwise to acquire any further shares in Marampa; and
  - (b) the consent of the Bermuda Monetary Authority is not required to effect the exercise of the CLIO Option by CLIO.
- 6.4 The above warranties shall remain in full force and effect notwithstanding Completion.

7 **CLIO Warranties**

- 7.1 CLIO warrants to Marampa and AML that as at the date of this agreement it is not an Urban Land Corporation (within the meaning of FATA).
- 7.2 CLIO has power under its constitutional documents and all authorisations, approvals, consents and licences required by CLIO have been obtained and become unconditional and are in full force and effect, to permit CLIO to allot and issue the CLIO Consideration Shares to Marampa on the terms of this agreement and to enter into and perform this agreement.
- 7.3 The creation, allotment and issue and the admission to trading on ASX of the CLIO Consideration Shares will comply with the rules and regulations of ASX and all other relevant laws and regulations of Australia.
- 7.4 These warranties shall remain in full force and effect notwithstanding Completion.

8 **Announcements**

- 8.1 Subject to clause 8.2, no announcement, communication or publicity of any kind (an **Announcement**) shall be made or issued by any party to this agreement relating to the subject matter or terms of this agreement without the prior written consent of each of the other parties (such consent not to be unreasonably withheld or delayed nor subject to unreasonable conditions). The parties shall consult

together upon the timing, content, manner and extent of making or issuing any such announcement, communication or publicity and the other parties shall promptly provide such information and comment as the party making or issuing the same may from time to time reasonably request.

8.2 The provisions of clause 8.1 shall not apply to any Announcement, to the extent that it is required to be made or issued:

- (a) by any applicable law order of a court or tribunal of competent jurisdiction, or regulation; or
- (b) by any court or governmental, administrative or regulatory authority or body competent to require the same; or
- (c) by virtue of the rules or regulations of the Bermuda Monetary Authority, the UK's Financial Services Authority, the ASX, the rules of the London Stock Exchange, the AIM Rules or the FIRB,

and the party making the Announcement has provided the other party with at least 2 Business Days notice of the requirement to make the Announcement and a copy of the Announcement.

8.3 If the exception in clause 8.2 applies the party making or issuing the Announcement shall use reasonable endeavours to consult with the other parties in advance as to its form, content and timing.

## 9 Assignment

9.1 Subject to clause 9.2, a party may not (whether at law or in equity) assign, transfer, grant any security interest over, hold on trust or deal in any other manner with the benefit of the whole or any part of this agreement, nor sub-contract any or all of its obligations under this agreement, nor purport to do any of the same without the consent of the other parties (such consent not to be unreasonably withheld).

9.2 Subject to clause 9.3, each of the parties shall on written notice to the other be entitled to assign all or any of their rights under this agreement as follows:

- (a) in the case of each of **Marampa** and **AML**, to any other member of the AML Group; and
- (b) in the case of **CLIO** to any other member of the CLIO Group.



- 9.3 If the assignee under clause 9.2 ceases at any time to be a member of in the case of AML, the AML Group, and in the case of CLIO, the CLIO Group, the assignee must immediately re-assign the assigned rights to the assigning party.

10 **Third Party Rights**

A person who is not a party to this agreement (**third party**) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

11 **Interest**

If a party to this agreement defaults in the payment when due of any sum payable by it under this agreement (whether determined by agreement or pursuant to an order of a court or otherwise) interest shall be payable by that party on such sum from the date when such payment is due until the date of actual payment (as well after as before judgment) at a rate per annum of 4 per cent above the base rate from time to time of HSBC Bank plc. Such interest shall accrue from day to day.

12 **Withholding and Grossing Up**

- 12.1 All payments to be made under this agreement shall be made on demand and free and clear of all deductions or withholdings except to the extent, if any, required by any applicable law.

- 12.2 If any party (the **Paying Party**) is required to make any deduction or withholding from any sum payable by the Paying Party to another party (the **Recipient Party**) the sum payable by the Paying Party in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Recipient Party receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which the Recipient Party would have received and so retained had no such deduction or withholding been made.

- 12.3 If any Tax Authority brings into charge for Taxation any sum payable under this agreement to any party to this agreement, the amount so payable shall be increased by such amount as will ensure that that party is placed in the same net of Tax position the party would have been in had the sum payable not been brought into charge for Taxation.

13      **Waivers**

- 13.1      A waiver by any of the parties of any right or remedy under this agreement is only effective if it is in writing, and any such waiver shall (unless the terms of the waiver expressly provide otherwise) apply only to the party to whom the waiver is addressed and the circumstances in respect of which it is given.
- 13.2      The failure by any of the parties in exercising a right or remedy provided by this agreement or by law does not constitute a waiver by that party of the right or remedy or a waiver of other rights or remedies and no single or partial exercise of any right or remedy will preclude or restrict the further exercise or enforcement of any such right or remedy.
- 13.3      Any waiver of any breach of any provision of this agreement shall not, unless the terms of the waiver expressly provides otherwise, be construed as a waiver of any continuing or subsequent breach of such provision or a modification of that provision.

14      **Variation**

No variation of this agreement or any of the documents referred to in it shall be effective unless it is in writing and signed by or on behalf of each of the parties to this agreement.

15      **Further Assurance**

Each of the parties shall use all reasonable endeavours to do or procure to be done all such further acts and things and execute or procure the execution of all such other documents as the parties may from time to time reasonably require for the purpose of giving the parties the full benefit of the provisions of this agreement.

16      **General**

- 16.1      This agreement shall be binding on and shall enure for the benefit of the successors and permitted assigns of the parties to this agreement.
- 16.2      If any provision of this agreement is held to be illegal, void, invalid or unenforceable (in whole or in part) by any court or administrative body of competent jurisdiction, that provision shall to that extent be deemed not to form part of this agreement but the enforceability of the remainder of this agreement shall not be affected.

17 **Costs**

Each party shall pay its own costs relating to the negotiation, preparation, execution and performance of this agreement and of each document referred to in it.

18 **Entire agreement**

18.1 This agreement together with any document referred to in it, constitutes the entire agreement and understanding between the parties relating to its subject matter and save for the First Marampa Agreement and the Second Marampa Agreement supersedes any and all previous agreements, arrangements and/or understandings (whether written or oral) between the parties relating to such subject matter.

18.2 Each of the parties acknowledges and agrees that:

(a) in entering into this agreement it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) of any person (whether a party to this agreement or not) other than as are expressly set out in this agreement; and

(b) the only remedy available to it under or in respect of this agreement shall be for breach of contract under their respective terms.

18.3 Nothing in this clause 18 shall operate to limit or exclude any liability for fraud.

19 **Counterparts**

This agreement may be executed in any number of counterparts including by facsimile or electronic transmission each of which when executed shall be an original but all the counterparts shall together constitute one and the same instrument.

20 **Notices**

20.1 Any notice or other communication to be given under this agreement shall be in writing in the English language and shall be delivered personally or sent by pre-paid first class post, courier or by fax:

(a) in the case of AML to:

c/o M Q Services Ltd.



Victoria Place

31 Victoria Street

Hamilton HM10

Bermuda

Fax number: 001 441 494 4111

with a copy marked for the attention of: Roderick Forrest, resident Representative, at such fax number as is advised from time to time

(b) in the case of **Marampa** to:

c/o M Q Services Ltd.

Victoria Place

31 Victoria Street

Hamilton HM10

Bermuda

Fax number: 001 441 494 4111

with a copy marked for the attention of: Roderick Forrest, Resident Representative, at such fax number as is advised from time to time

(c) In the case of **CLIO** to:

18 Oxford Close

Leederville

Western Australia 6007

Australia

Marked for the attention of: Tony Sage

Fax number: +61 8 9380 9666

with a copy marked for the attention of: Claire Tolcon, Partner, Steinepreis Paganin at such fax number as is advised from time to time

20.2 In the absence of evidence of earlier receipt, a notice or other communication given under this agreement shall be deemed to have been received:



- (a) if delivered personally, or by courier upon delivery to the address referred to in clause 20.1;
- (b) if sent by pre-paid first class post, at 9.00 am on the second Business Day after the date of posting;
- (c) if sent by fax, when confirmation of its transmission has been recorded by the sender's fax machine if transmitted during normal business hours (9.30 am to 5.30 pm) on any Business Day. A notice given by a fax transmitted after midnight but on or before 9.30 am on any Business Day shall be deemed to be given at 9.30 am on that Business Day and a notice given by a fax transmitted after 5.30 pm but on or before midnight on any Business Day shall be deemed to be given at 9.30 am on the following Business Day.

20.3 In proving the giving of a notice or other communication it shall be sufficient to prove that the envelope containing it was addressed to the address of the relevant party set out in clause 20.1 (or as otherwise notified by that party in accordance with that clause) and delivered either to that address or sent as a pre-paid first class letter or that the notice or other communication was transmitted by fax to the fax number of the relevant party set out in clause 20.1 (or as otherwise notified by that party in accordance with that clause).

20.4 For the purposes of this agreement, notices or other communications shall not be validly given if sent by e-mail.

## 21 Governing Law and Jurisdiction

21.1 This agreement shall be governed by and construed in accordance with English law.

21.2 CLIO irrevocably agrees to submit to the exclusive jurisdiction of the courts of England and Wales over any claim or matter arising under or in connection with this agreement which is initiated by AML or Marampa and agrees that this agreement may be enforced in any court of competent jurisdiction.

21.3 Each of AML and Marampa irrevocably agrees to submit to the exclusive jurisdiction of the courts of Australia over any claim or matter arising under or in connection with this agreement initiated by CLIO and agrees that this agreement may be enforced in any court of competent jurisdiction.

21.4 Nothing in this clause 25 affects the right of any party to service process in any other manner permitted by law.

IN WITNESS whereof this agreement has been entered into the day and year first before written.

A handwritten signature in black ink, appearing to be a stylized name or set of initials, located at the bottom right of the page.

EXECUTED BY )  
CAPE LAMBERT IRON ORE LIMITED )  
(ACN 095 047 920) )  
in accordance with the Corporations Act.

Director

Director/Secretary

Signed by ..... )  
..... )  
duly authorised for and on behalf of )  
**AFRICAN MINERALS LIMITED** )  
executed in accordance with applicable )  
laws

sign here:

Director  
[title of authorised signatory]

print name: VASILE TIMIS

Signed by ..... )  
..... )  
duly authorised for and on behalf of )  
**MARAMPA IRON ORE LIMITED** )  
executed in accordance with applicable )  
laws

sign here:

Director  
[title of authorised signatory]

print name: VASILE TIMIS

## Schedule 1

### Marampa Warranties

The following information in relation to Marampa is true and accurate:

Registered number:	39699
Date of incorporation:	5 March 2007
Place of incorporation:	Bermuda
Authorised share capital:	US\$154.00 divided into 100 A Shares of par value US\$1.00 each and 54 B Shares of par value US\$1.00 each
Issued share capital:	100 A Shares of par value US\$1.00 each; and 54 B Shares of par value US\$1.00 each
Registered office:	Victoria Place, 31 Victoria Street, Hamilton, HM10, Bermuda
Directors:	Frank Timis Jamie Alpen Tony Sage Joe Ariti
Resident Representative:	Roderick Forrest
Secretary:	Nicholas J Hoskins
Assistant Secretary:	M Q Services Ltd.
Accounting reference date:	31 December

Two handwritten signatures in black ink, one appearing to be 'G' and the other 'D'.