

## Company Presentation

Cape Lambert Resources Limited is pleased to attach a copy of the presentation which will be delivered by Company executives at the Shareholder Information Evening to be held tonight, 1 September 2010.

Yours faithfully  
Cape Lambert Resources Limited

Eloise von Puttkammer  
**Company Secretary**

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  
625,759,256

### Board of Directors

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

Eloise von Puttkammer  
Company Secretary

### Key Projects and Interests

Marampa Iron Ore Project  
Pinnacle Group Assets  
Sappes Gold Project  
DMC Mining Limited  
Corvette Resources Limited

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**Market Update  
September 2010**

# Disclaimer



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Throughout this presentation all figures are quoted in A\$ dollars unless otherwise stated.

You should not act or refrain from acting in reliance on this presentation material. This overview of the Company does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of Cape Lambert’s prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision.

Information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves is based on previous announcements made by Cape Lambert (or other relevant parties) to the ASX.

This presentation does not constitute financial product advice (nor investment, tax, accounting or legal advice) and has been prepared without taking account of any person’s investment objectives, financial situation or particular needs.

# At a Glance



- ▶ Australian mineral investment company, listed on ASX,
- ▶ Geographically diverse portfolio of mineral assets, and interests in mining and exploration companies,
- ▶ Cash assets of A\$135 million at 30 June 2010, no bank debt and fully funded,
- ▶ Cash receivable of A\$80 million due in second half of 2010, plus convertible notes of A\$11.6 million maturing inside 18 months,
- ▶ Deferred consideration receivable from sale of Lady Annie A\$5 million triggered by the achievement of certain production milestones,
- ▶ Post 30 June 2010, cash outgoing of approximately A\$76.4 million to fund fully franked 7cent per share dividend and DMC Mining off-market takeover,
- ▶ Directors & management hold 6.3% of the Company,
- ▶ Track record of delivering shareholder value.
  - ▶ July 2010, A\$44 million fully franked special dividend.
  - ▶ October 2008, A\$100 million capital/dividend payment.
  - ▶ October 2007, in specie distribution of Global Iron Limited (now African Petroleum Corporation Limited), Market Cap now A\$930 million.
  - ▶ May 2006, in specie distribution of International Goldfields Limited (now International Petroleum Limited), Market Cap now A\$280 million.

# Business Model & Strategy

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- ▶ Leverage off strong balance sheet (cash reserves) and relationships,
- ▶ Invest in early stage resource projects and companies that are considered undervalued or distressed,
- ▶ Assets and investments are primarily iron ore, copper, gold and uranium,
- ▶ Add value through a “hands on” approach,
- ▶ Position assets for ultimate sale,
- ▶ Regularly distribute cash to shareholders via dividend payments as asset realisations occur.

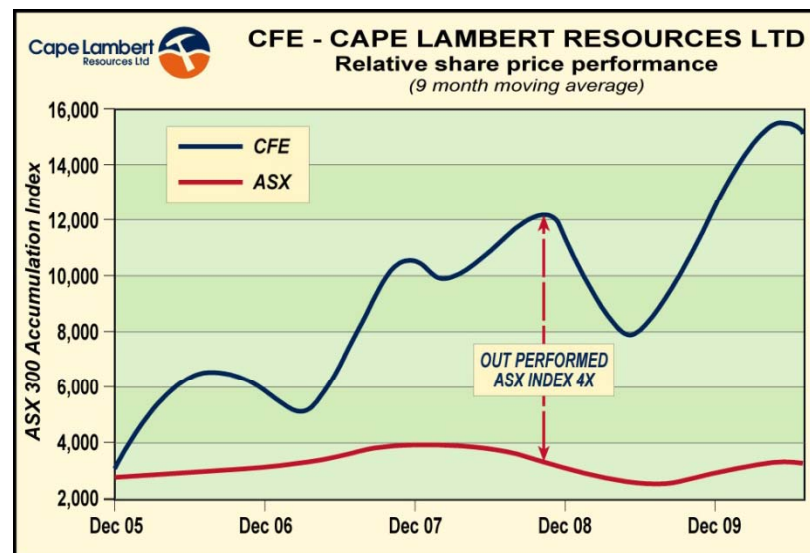
# Corporate



## Capital Structure

Ordinary shares (ASX: CFE)	625M
Market Cap at \$0.35	\$219M
Cash & receivables	\$227M
Dividend outgoing	\$(44M)
DMM outgoing	\$(32M)
Enterprise value	\$68M
Shareholding	
<i>Directors &amp; management</i>	6.3%
<i>Top 20</i>	57%

## Share Price Performance



Substantial Shareholders	Holding (%)
African Minerals	18.9%
UK & European Institutions	7.4%
Australian Institutions	5.4%
USA Institutions	3.2%
Directors & Management	6.3%

# Directors & Management



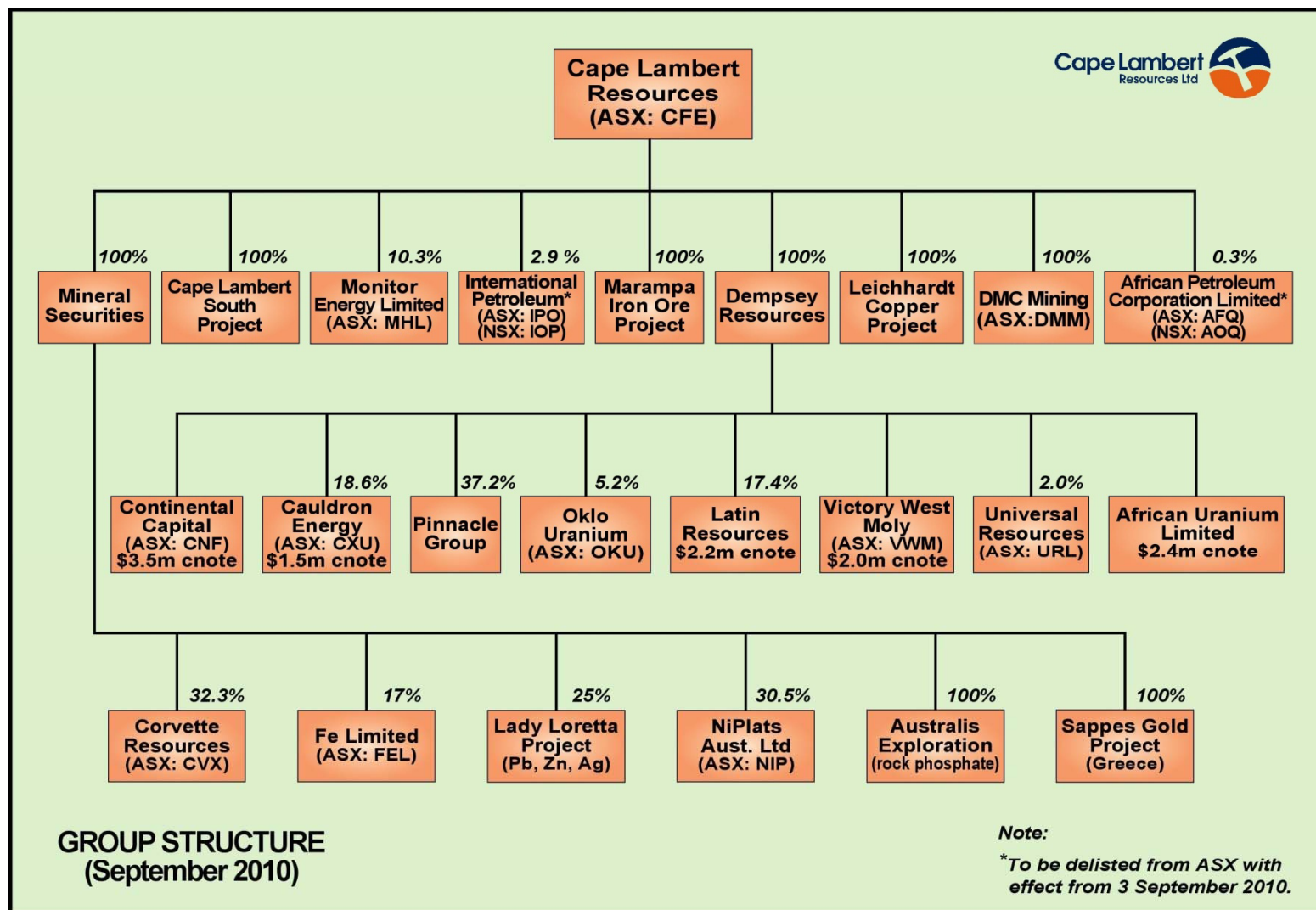
## Directors

Tony Sage	<i>Executive Chairman</i> Over 25 years experience in corporate advisory, funds management and capital raisings.
Tim Turner	<i>Non-Executive Director</i> Over 25 years experience in management and business consultancy and a partner in an accountancy practice.
Brian Maher	<i>Non-Executive Director</i> Mining engineer with over 40 years experience in the mining industry working in Australia, Liberia, Guyana & the Philippines.
Ross Levin	<i>Non-Executive Director</i> Holds degrees in both Law and Economics, extensive experience in acquisitions, corporate restructuring, and takeovers and is currently a senior partner in the commercial division of Rigby Cooke Lawyers.

## Key Management

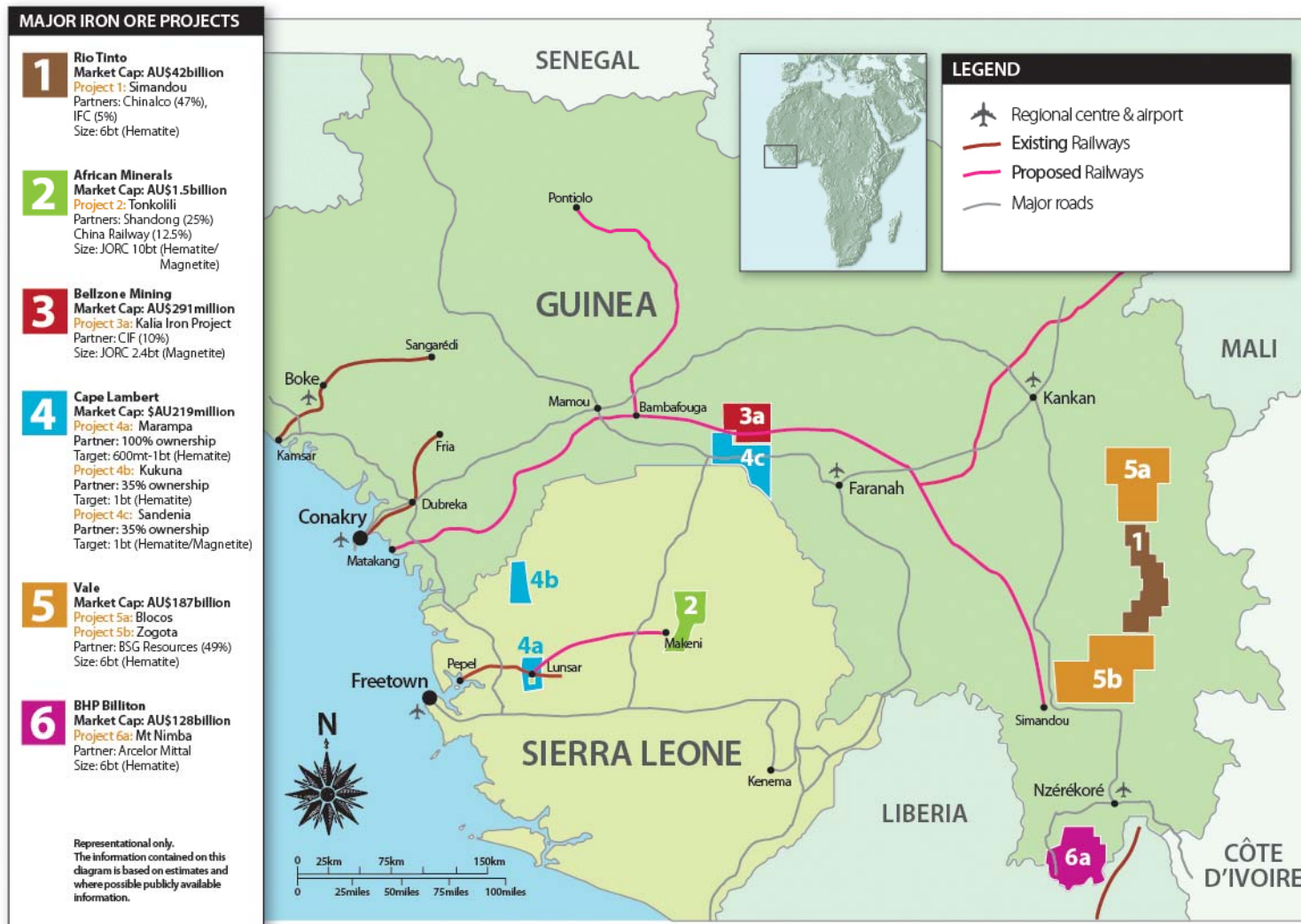
Joe Ariti	<i>General Manager</i> Metallurgist with over 25 years experience in the mining industry working in Australia, Indonesia, PNG & Africa.
Fiona Taylor	<i>Chief Financial Officer</i> Chartered accountant with over 13 years experience in both commerce and professional practice in South Africa, Australia and the UK.
Kim Bischoff	<i>GM – Exploration</i> Geologist with 26 years experience in exploration, development and mining working in Australia, Southeast Asia and Africa.
Simon McDonald	<i>Head of M&amp;A</i> Simon has extensive experience in capital markets and has spent the last decade as a professional investor for Merrill Lynch, Lehman Brothers and Commerzbank.

# Group Structure





# Central West African Emerging Iron Ore Business

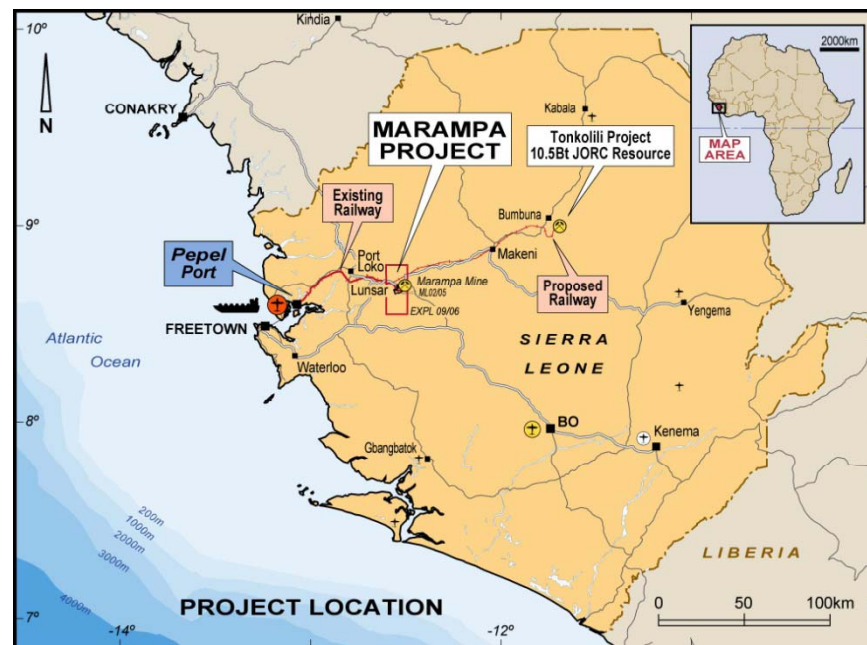


# Marampa Iron Ore Project

(100% ownership)



- ▶ Specular hematite, operated from 1933 to 1977,
- ▶ Proximal to existing mineral railway that connects to Pepel Port - refurbishment in progress by African Minerals,
- ▶ CFE has initial 2Mtpa access and 33% ownership of existing railway & Pepel Port,
- ▶ 7 hard rock drill targets defined, resource drilling in progress at Gafal West and Matukia prospects (total advance of  $\approx$  13,000m),
- ▶ Bench scale metallurgical test work completed on Gafal West composite samples – high iron and mass recoveries utilising WHIMS,
- ▶ Hard rock target size  $\pm$  700M-1Billion tonnes,
- ▶ Maiden JORC resource targeted for year end.



Rougher WHIMS Test Work (p125u)	Mass %	Fe Rec. %	Fe%	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P %
0-50m Feed – 30% Fe	43	90.5	63.2	5.8	1.8	0.03
50-200m Feed – 28% Fe	43	92.3	61.1	7.4	1.8	0.04

# Pinnacle Group Assets (37.2% ownership and Manager)



- ▶ Iron ore prospects in Sierra Leone & Guinea and coal in Sierra Leone,
- ▶ Kukuna, Sierra Leone,
  - ▶ 68km<sup>2</sup> granted licence, with >10km of prospective formation with outcropping enriched specular hematite,
  - ▶ SRK completed geological mapping and defined 5 target areas; trenching and IP surveys in progress to define drill targets.
- ▶ Brown coal, Sierra Leone,
  - ▶ 3,300km<sup>2</sup> in 3 blocks prospective for brown coal – potential feed stock for power generation.
- ▶ Sandenia, Guinea,
  - ▶ two exploration permits (total 608km<sup>2</sup>) prospective for iron ore,
  - ▶ adjacent to Bellzone's 2.4 billion tonne Kalia magnetite project,
  - ▶ Airborne geophysics survey in progress.

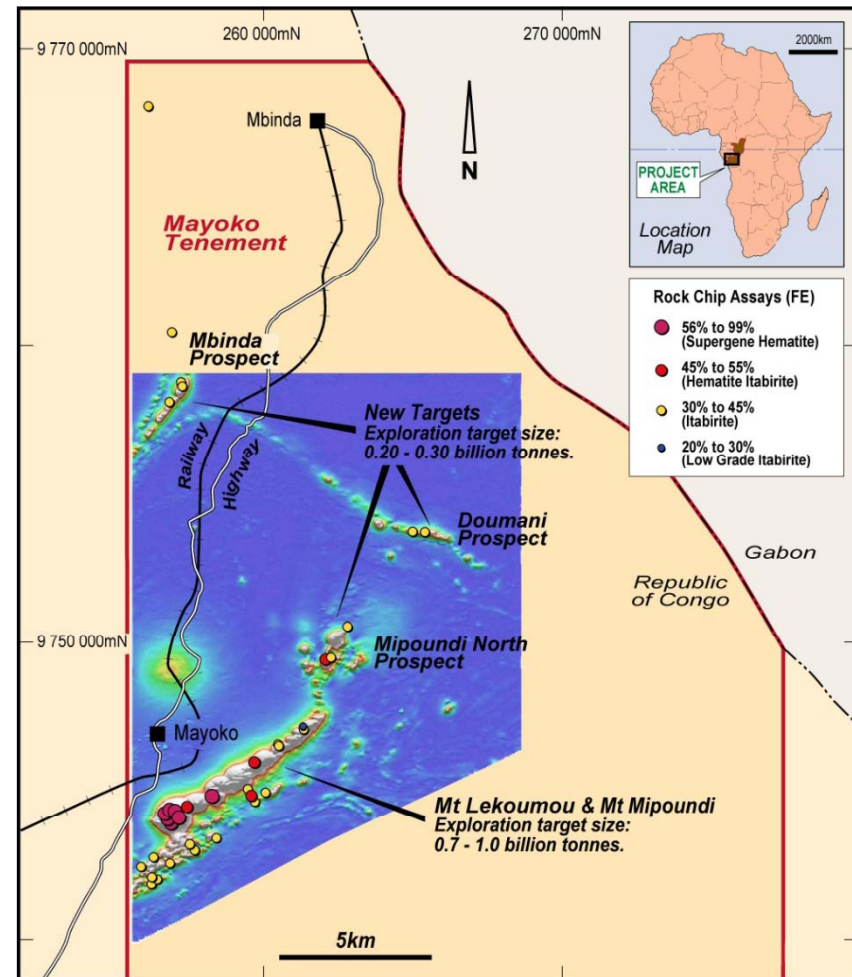




# DMC Mining Limited (100% Ownership)



- ▶ Compulsory acquisition of DMC completed,
- ▶ Within 3km of railway that connects to Atlantic coastal seaport at Point Noire,
- ▶ 6 targets with exploration target size  $\pm$  0.9 - 1.3 billion tonnes of itabirite iron ore,
- ▶ Historical, Inferred Mineral Resource of 33Mt at 56% Fe of enriched hematite at Mt Lekoumou,
- ▶ Phase I drilling completed July 2010 – total advance of 3,687m (18 holes),
  - ▶ 8 drill traverses on 800m cross sections over Mts Lekoumou-Mipoundi,
  - ▶ Drilling confirms enriched hematite (55-61% Fe) overlying transition (40-55% Fe) and fresh magnetite BIF (30-40% Fe),
  - ▶ Head assaying and DTR analyses in progress.



# Sappes Gold Project (100% Ownership)



- ▶ 100% Ownership,
- ▶ Project based on developing;
  - ▶ High-grade, underground Viper resource (total Mineral Resource – 1Mt at 21.4 g/t Au),
  - ▶ Small, open pit on St Demetrios mineralisation (total Mineral Resource – 0.8 Mt at 3.4 g/t Au).
  - ▶ Planned production of 100koz pa over 5 years (in dore and flotation concentrate) for a cash operating cost of A\$430 per oz,
  - ▶ Development capital circa. A\$120M,
  - ▶ Pre-tax NPV<sub>(10%)</sub> ≈ A\$200 million (A\$1420/oz).
- ▶ Historical permitting delays, but now targeting;
  - ▶ Feasibility Study Update (no cyanide usage)- Completion September 2010.
  - ▶ Preliminary Environmental Impact study- Lodgement October 2010.

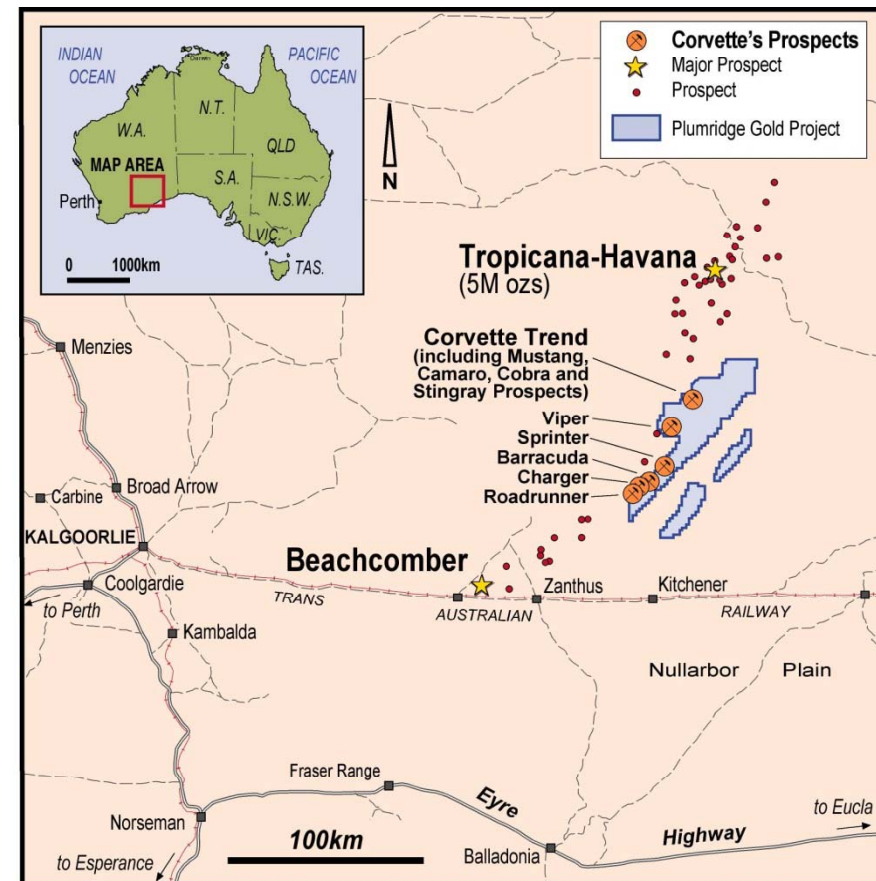


# Corvette Resources – Gold

(Hold 32.3% - ASX: CVX)



- ▶ Plumridge Gold Project comprising strategic tenement holding of 2,300km<sup>2</sup> in emerging Albany-Fraser gold province,
  - ▶ Province hosts the 5 million oz Tropicana-Havana deposit (70km north along strike),
  - ▶ Extensive anomalous gold in soil/calcrete at Corvette trend (12km), Viper (1km) and southern anomalies (total 15km),
  - ▶ Numerous, encouraging high-grade RC and diamond gold intersections in the Corvette trend requiring follow-up, other anomalies untested,
  - ▶ AngloGold & Independence Group committed to a feasibility study around a A\$520 million investment to produce 360k oz gold pa over 10 years.
- ▶ Strong cash position (A\$26m) at 30 June 2010 – fully funded programs/business development.



# Other Key Assets



Asset	Interest	Commodity	Stage	Location
Lady Loretta	25%	Pb-Zn-Ag	Preproduction	Qld, Australia
Fe Limited	17%	Iron Ore	Exploration	Midwest, WA
Cauldron	18.6%	Uranium	Exploration	Australia/Argentina
Leichhardt	100%	Copper	Operations	Qld, Australia
Australis	100%	Rock Phosphate	Exploration	Qld/NT, Australia
Monitor Energy	10.3%	Oil & Gas	Production	Trinidad

# Value Proposition



Asset	A\$ Value
Cash	\$135M
Outgoings (dividend & DMC acquisition)	\$(76)M
Cash Receivables / Con notes	\$92M
Equities (mark-to-market)	\$47M
Marampa (100%)	\$500M?
Mayoko (80%)	\$100M?
Sappes (100%)	\$50M?
Australis (100%)	?
Pinnacle (37.2%)	?
Lady Loretta (25%)	?
Cape Lambert South (100%)	?
<b>Total</b>	<b>++800M</b>

Notes:

- 1.Cash receivables relates to the final payment to be received in respect of the sale of the Cape Lambert project and repayment of convertible notes.
- 2.Equities were marked-to-market on 15 July2010.
- 3.Marampa value based on "asking price" in respect of a trade sale.
- 4.Sappes value based on the preferred value determined by the Independent Expert in CopperCo Limited's ASX release dated 30 June 2008 "*Prospectus to acquire all the issued shares in Mineral Securities Limited*".



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## **Competent Persons Statement**

The Metallurgical information in this presentation is based on information compiled by GV Ariti who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Ariti has sufficient experience which is relevant to the style of mineralisation and 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, Mineral Resources and Ore Reserves”. Mr. Ariti consents to the inclusion in this report of the matters based on his information in the form and the context in which it appears.

The Exploration information in this presentation is based on information compiled by K Bischoff who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Bischoff has sufficient experience which is relevant to the style of mineralisation and 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, Mineral Resources and Ore Reserves”. Mr. Bischoff consents to the inclusion in this report of the matters based on his information in the form and the context in which it appears.

## **Mineral Resources**

*Sappes Gold Project* - Mineral Resources quoted in this presentation in respect of Sappes are based on previous announcements made to ASX Limited by CopperCo Limited, specifically ASX release dated 30 June 2008 “*Prospectus to acquire all the issued shares in Mineral Securities Limited*”.

## **Exploration Target Size Statements**

Target sizes quoted in this presentation are conceptual in nature and in respect of the target sizes quoted, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Target sizes referred to in this presentation refer to potential tonnages of iron ore mineralisation that have been estimated using available exploration information including historic and contemporary geological mapping, geochemical sampling of outcrops, pits and trenches, wide spaced diamond drill holes and modelling of ground and airborne geophysical survey data.

## **Production and Cost Information**

*Sappes Gold Project* – Production rates, capital and operating costs quoted in this presentation in respect of Sappes are based on previous announcements made to ASX Limited by CopperCo Limited, specifically ASX release dated 30 June 2008 “*Prospectus to acquire all the issued shares in Mineral Securities Limited*”.