

## Company Presentation

Cape Lambert Resources Limited is pleased to attach a copy of the presentation which will be delivered by Company executives in London this week.

Yours faithfully  
Cape Lambert Resources Limited

Claire Tolcon  
**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  
571,849,603

Unlisted Options  
7,850,000 (\$0.45 exp 30 Sep 2011)

### 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  
Sappes Gold Project  
African Iron Limited  
International Goldfields Limited

### Cape Lambert Contact

Tony Sage  
Executive Chairman

Eloise von Puttkammer  
Investor Relations

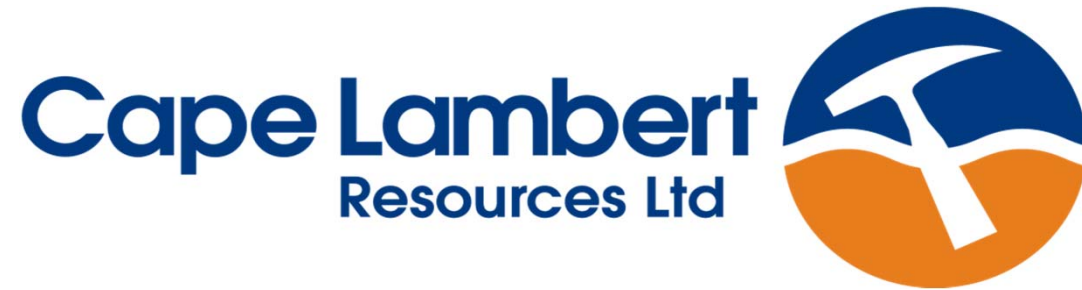
Phone: +61 8 9380 9555  
Email: [info@capelam.com.au](mailto:info@capelam.com.au)

### Australian Enquiries

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

### UK Enquiries

Tavistock Communications  
Emily Fenton / Jos Simson  
Phone: +44 (0)20 7429 6603  
Mobile: +44 (0)7899 870 450



# **Market Update**

## **July 2011**

**Tony Sage**  
**Executive Chairman**

# Disclaimer

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This presentation contains forecasts and forward looking information. Such forecasts, projections and information are not a guarantee of future performance, involve unknown risks and uncertainties. Actual results and developments will almost certainly differ materially from those expressed or implied. Cape Lambert has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this presentation. Accordingly, to the maximum extent permitted by applicable laws, Cape Lambert makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for, the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission, from any information, statement or opinion contained in this presentation.

Throughout this presentation all figures are quoted in Australian dollars (A\$) 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.

# Progressive Global Mining Company

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- ▶ Australian mineral investment company, listed on ASX (CFE)
- ▶ Geographically diverse portfolio of mineral assets and interests in mining and exploration companies
- ▶ Cash and receivables of A\$150 million<sup>1</sup> at 31 March 2011, no bank debt and fully funded
- ▶ Convertible notes of A\$7.9 million maturing inside 18 months
- ▶ Deferred consideration receivable from sale of Lady Annie (A\$5 million) triggered by the achievement of certain production milestones
- ▶ Directors hold approximately 6.7% of the Company

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<sup>1</sup> Legal Action has commenced to recover the final A\$80 million owing from MCC.



# Strong Track Record

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- ▶ Strong track record of delivering shareholder value
  - ▶ February 2011, on market buy-back completed, 54 million shares bought back for A\$32 million
  - ▶ July 2010, A\$44 million fully franked special dividend payment
  - ▶ 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\$1.2 billion
  - ▶ May 2006, in specie distribution of International Goldfields Limited (now International Petroleum Limited), Market Cap now A\$266 million

# Business Model and 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 realisation occurs

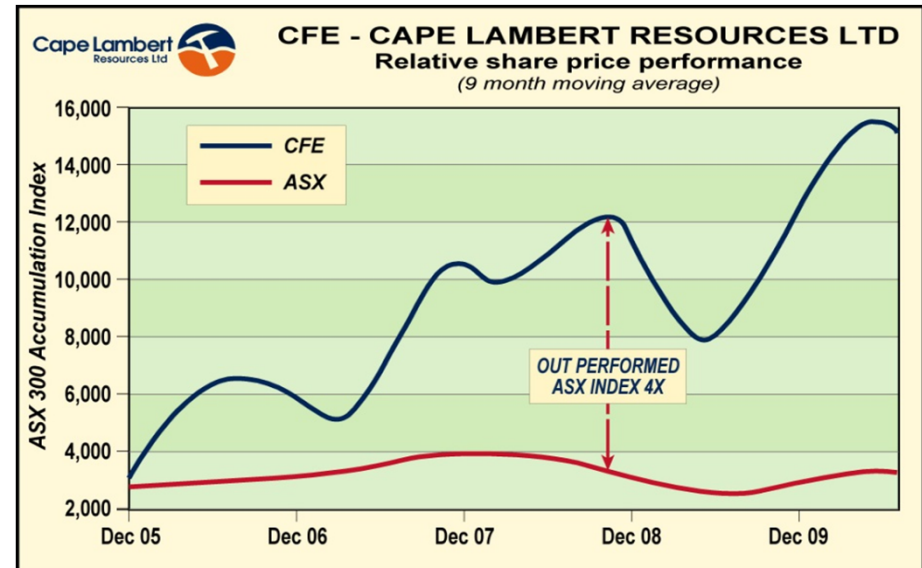
# Corporate Snapshot

Capital Structure	
Ordinary shares (ASX: CFE)	572M
Market Cap at \$0.46	\$263M
Unlisted options (\$0.45 exp 30 Sep 2011)	7.8M
Cash and receivables <sup>1</sup>	\$158M
Securities (marked-to-market)	\$55M
Enterprise value	\$50M

Shareholding	
Directors	6.7%
Top 20	64.5%
African Minerals Limited	21.3%
Aust & NZ Institutions	5.4%
Asian Institutions	10.3%
UK & European Institutions	8.6%

<sup>1</sup>Includes convertible notes.

## Share Price Performance



## Average Daily Trading Volume

2011 (year to date)	2.2 million
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# Strong Board and Management

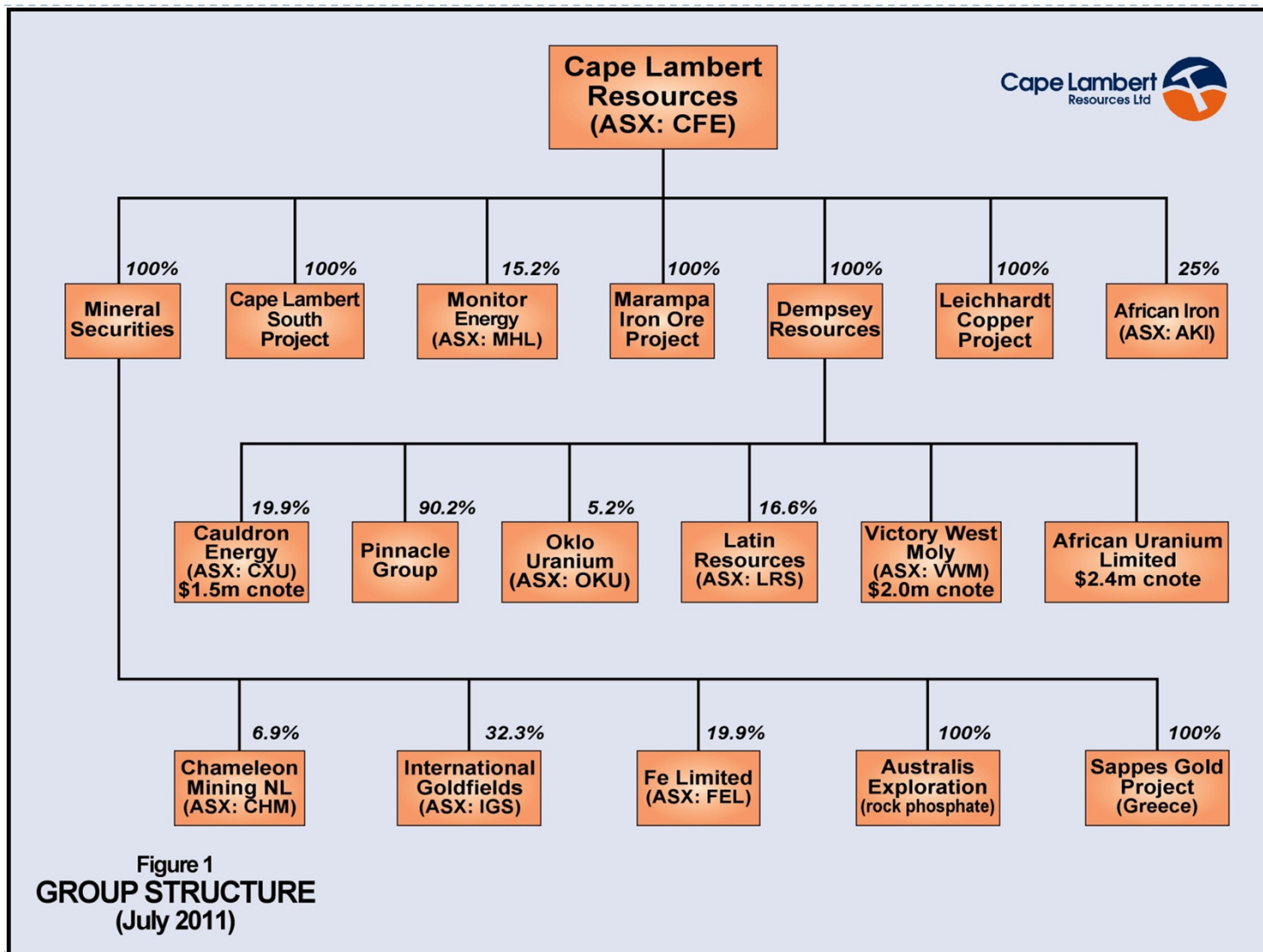
## Directors

- Tony Sage** *Executive Chairman*  
Over 25 years experience in corporate advisory, funds management and capital raisings.
- Tim Turner** *Non-Executive Director*  
Over 25 years experience in management and business consultancy and a partner in an accountancy practice.
- Brian Maher** *Non-Executive Director*  
Mining engineer with over 40 years experience in the mining industry working in Australia, Liberia, Guyana & the Philippines.
- Ross Levin** *Non-Executive Director*  
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.

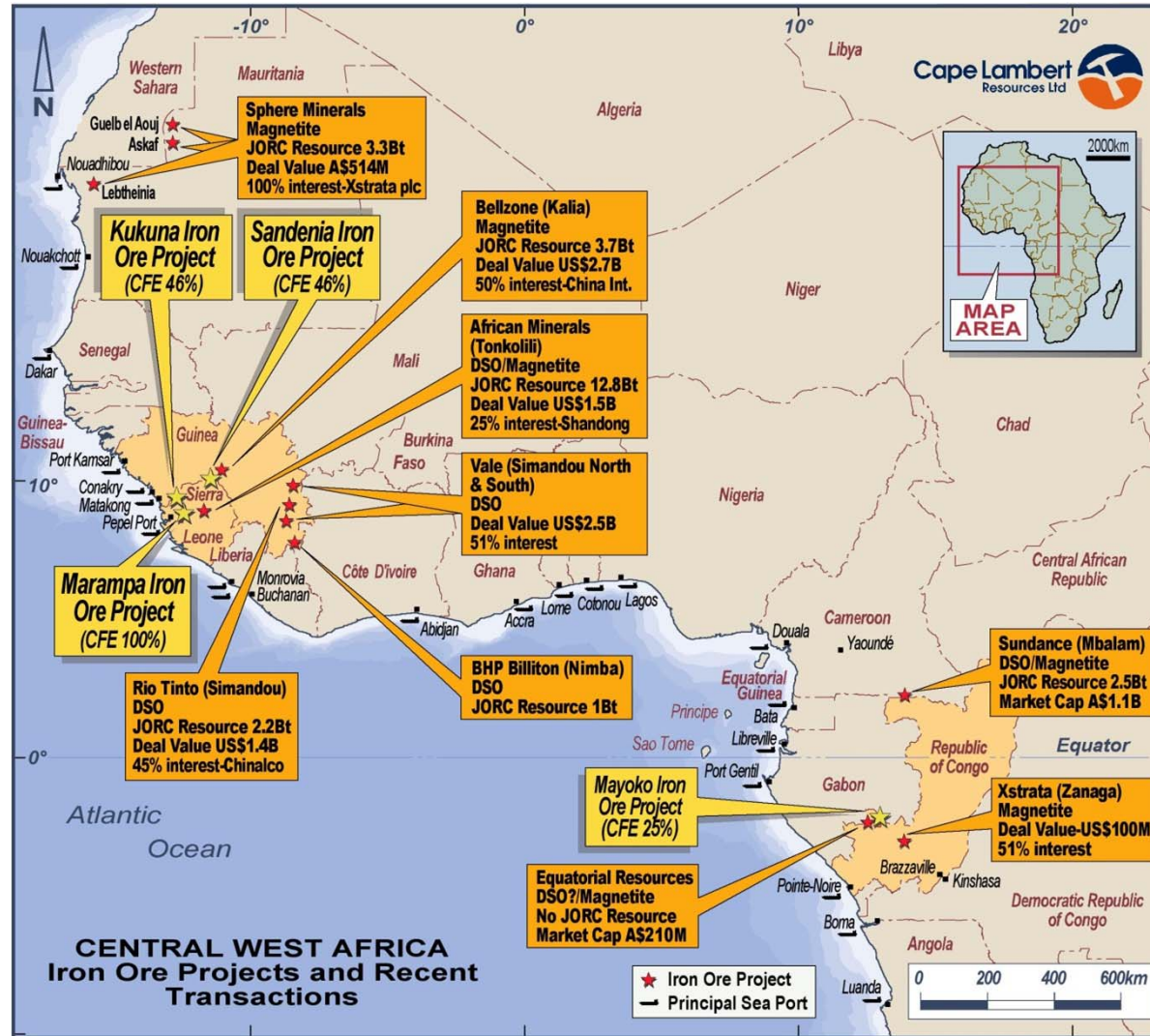
## Key Management

- Joe Ariti** *General Manager*  
Metallurgist with over 25 years experience in the mining industry working in Australia, Indonesia, PNG and Africa.
- Fiona Taylor** *Chief Financial Officer*  
Chartered accountant with over 13 years experience in both commerce and professional practice in South Africa, Australia and the UK.
- Kim Bischoff** *GM – Exploration*  
Geologist with 28 years experience in exploration, development and mining, working in Australia, Southeast Asia and Africa.
- Claire Tolcon** *Company Secretary / Legal Counsel*  
Lawyer with 13 years experience primarily in the areas of equity capital markets, mergers and acquisitions, corporate governance and mining and resources.

# Group Structure



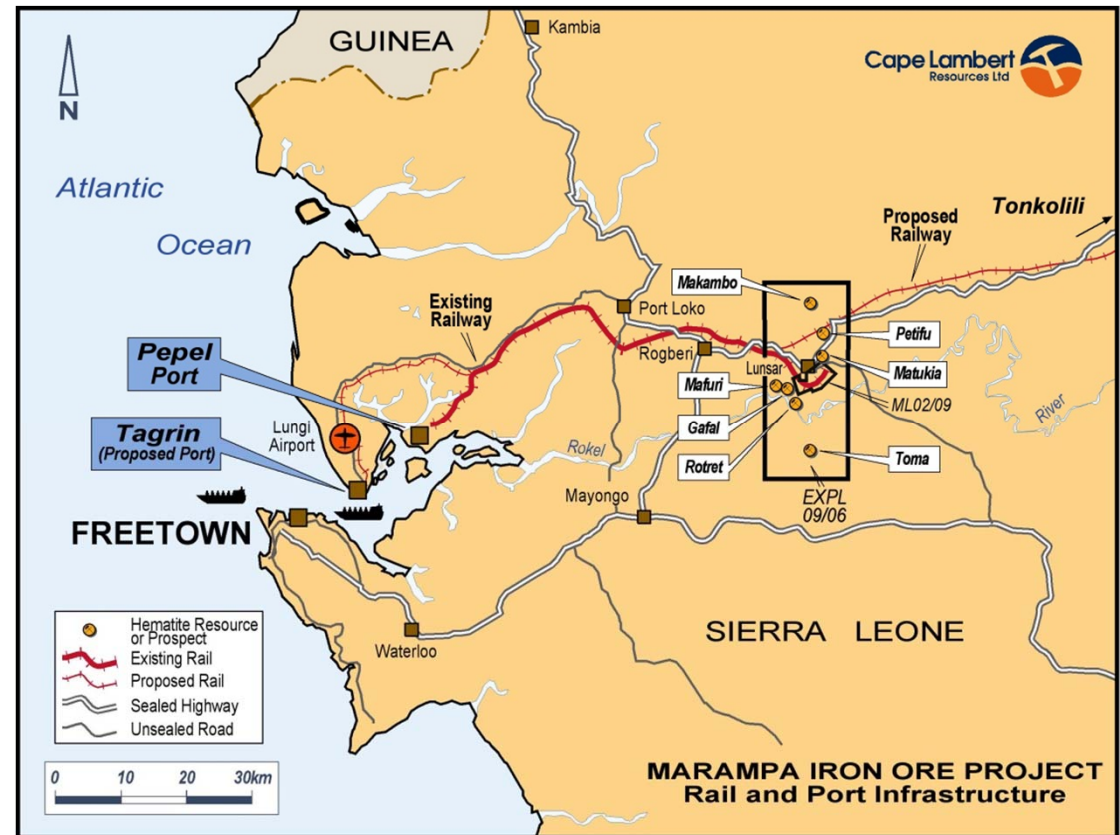
# West African Emerging Iron Ore Business – The Next Pilbara





# Marampa Iron Ore Project (CFE: 100%)

- ▶ Specular hematite, operated from 1933-1977.
- ▶ Access to existing 84km heavy haulage railway (~3km from main deposits) to Pepel port on Atlantic coast provides significant time and cost savings.
- ▶ JORC resource of 680Mt at 28.2% Fe, which supports 10Mtpa of hematite concentrate production for >20 years.
- ▶ Large land position (309km<sup>2</sup>):
  - ▶ sufficient for mine development ,
  - ▶ prospective for defining additional resources.
- ▶ High quality hematite concentrate .
- ▶ Scoping study for 5Mtpa, standalone open pit mining development complete:
  - ▶ Initial capital investment estimated at US\$655 million, with pre-tax NPV<sub>8</sub> US\$715 million at FoB price of US\$100 /dmt.
- ▶ 10Mtpa upgrade study in progress.



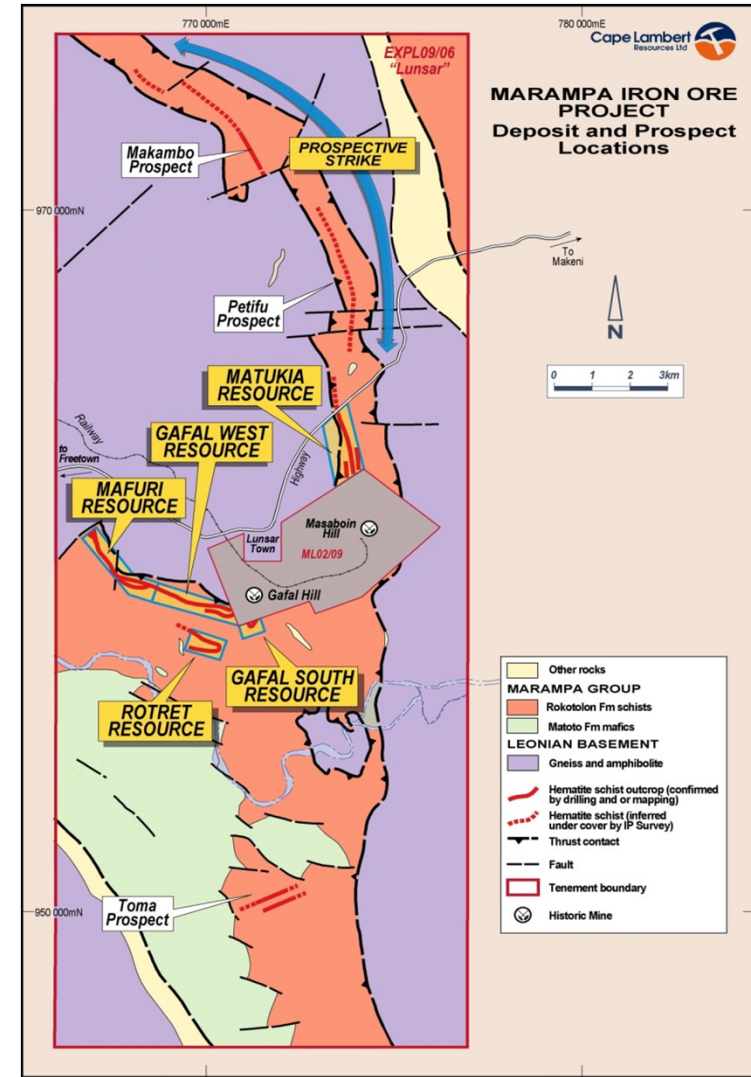
# Marampa Iron Ore Project continued



- ▶ Total Mineral Resource of 680 million tonnes at 28.2% Fe covers 4 deposits comprising:
  - ▶ Total Indicated - 261 million tonnes at 28.7% Fe (38% of total), and
  - ▶ Total Inferred - 419 million tonnes at 27.9% Fe
- ▶ Potential to increase resource inventory at the Mafuri, Makambo, Petifu and Toma prospects.
- ▶ Metallurgical test work completed on bulk composite samples from Matukia and Gafal:
  - ▶ Simple WHIMS technology,
  - ▶ Coarse primary grind size ( $P_{80}$  440 micrometers) significantly reduces power costs
  - ▶ High mass yield and iron recoveries, and low in deleterious elements

- ▶ Potential production start 2012-13 ramping up to 10Mtpa

	Head grade Fe %	Mass %	Fe Rec. %	Fe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	P %
Typical WHIMS concentrate	30.1	44	94	64	4.0	1.2	-

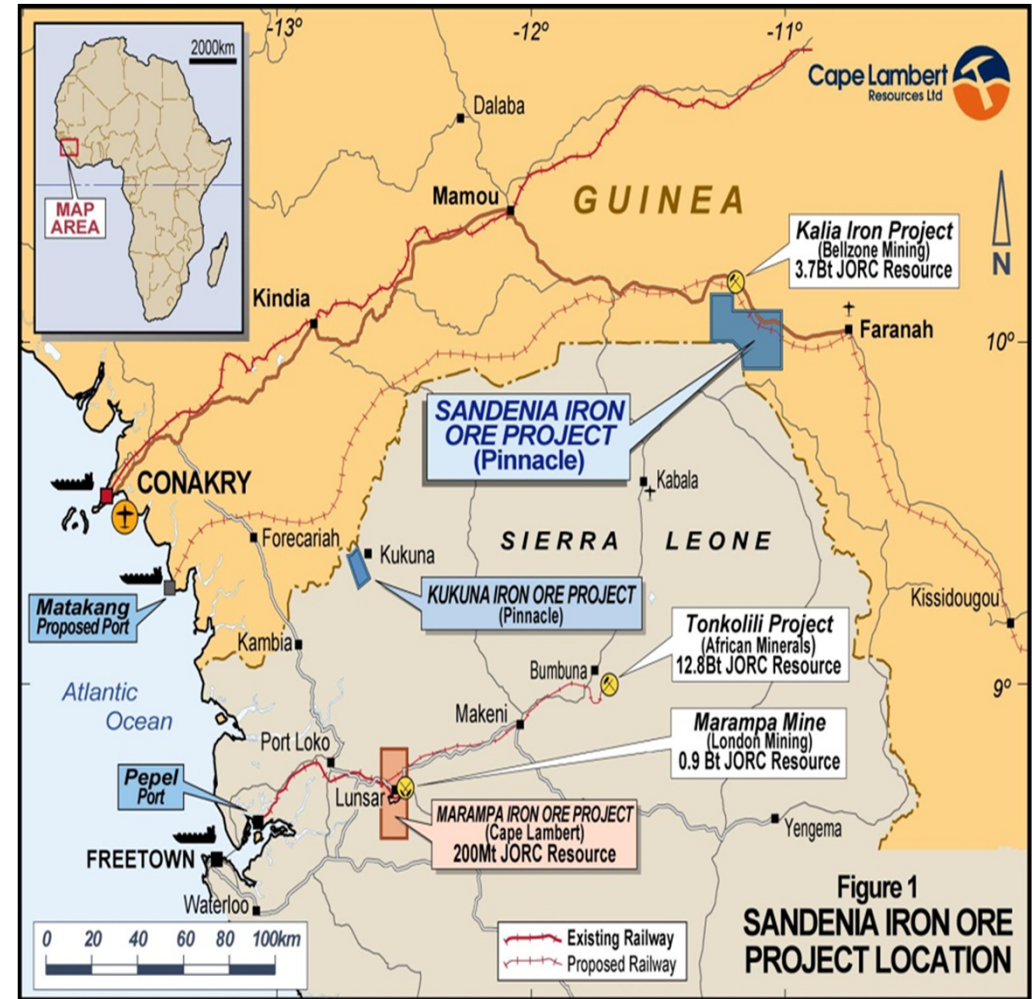




# Pinnacle Group Assets (Iron Ore) (CFE: 90.2% & Manager)

## Kukuna, Sierra Leone

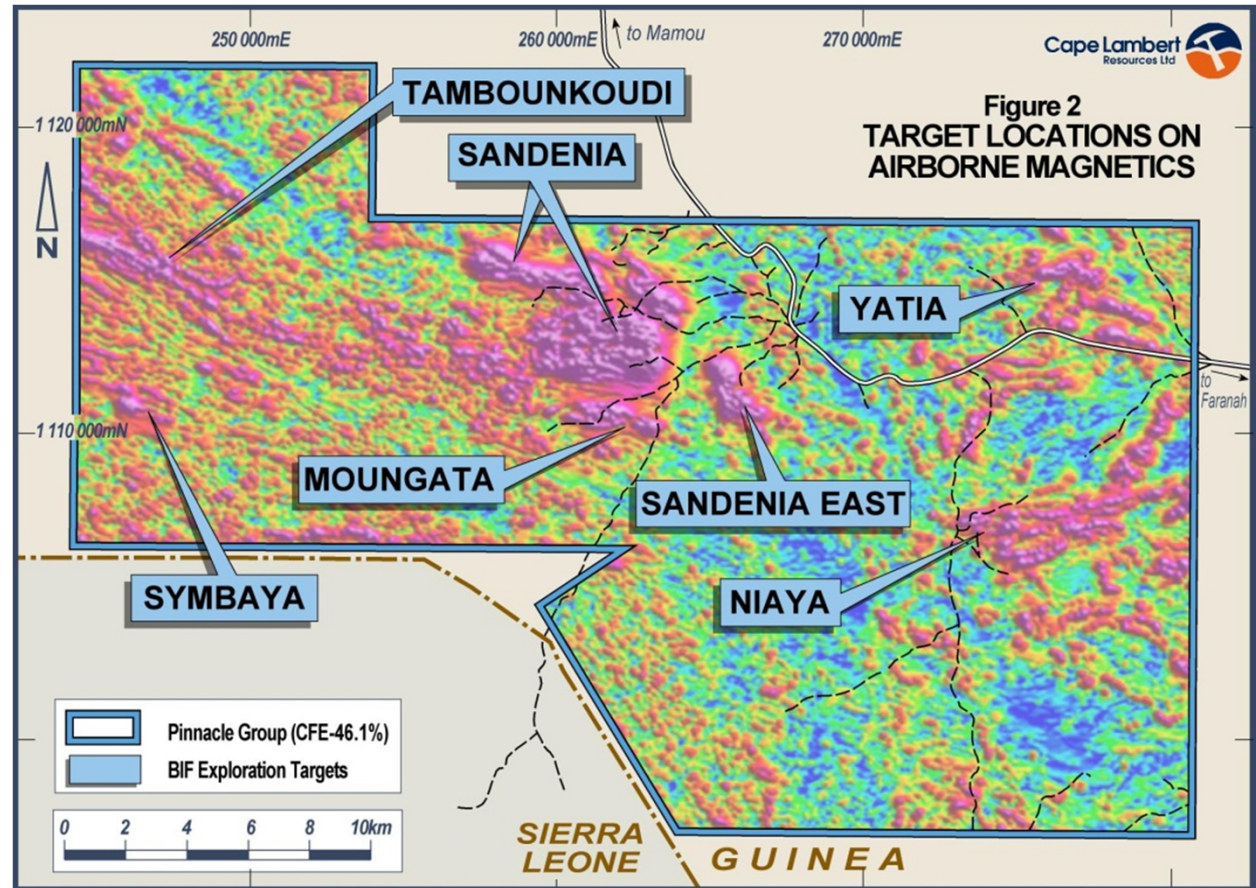
- ▶ 68km<sup>2</sup> granted licence with potential to define large specular hematite deposits under laterite cover analogous to Marampa.
- ▶ 80km from Pepel-Lunsar railway and Atlantic Coast.
- ▶ Geological mapping by SRK, ground geophysics (IP) and initial trenching completed.
- ▶ Defined 3 drill targets with aggregate prospective strike of approx. 17km.
- ▶ Exploration target of 1-2 billion tonnes at 30-40% Fe of hematite schist.
- ▶ Drill rig now in Sierra Leone and mobilising to site.



# Pinnacle Group Assets continued

## Sandenia, Guinea

- ▶ Two exploration permits (total 608km<sup>2</sup>) prospective for iron ore.
- ▶ Adjacent to Bellzone's 3.7 billion tonne Kalia iron ore project.
- ▶ Seven exploration targets prospective for enriched oxide and fresh magnetite BIF identified with in-situ iron grades of up to 48% Fe at surface.
- ▶ Prospect-scale mapping completed at Sandenia and Sandenia East targets.
- ▶ Drilling in 2H-2011.



# Sappes Gold Project

(CFE: 100%)

- ▶ 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 80koz pa over 7 years (in dore and flotation concentrate) for a cash operating cost of A\$330 per oz
  - ▶ Development capital circa. A\$100M
  - ▶ Pre-tax NPV<sub>(8%)</sub> ≈ A\$176 million (A\$1330/oz)
- ▶ Historical permitting delays, but now progressing:
  - ▶ Feasibility Study Update (no cyanide usage)- Completed December 2010
  - ▶ Preliminary Environmental Impact study - Lodged December 2010





## Other Key Assets

Asset	Interest	Commodity	Stage	Location
African Iron Ltd (ASX:AKI)	25%	Iron Ore	Exploration, near term production	Republic of Congo, Africa
Australis	100%	Rock Phosphate	Exploration	Qld/NT, Australia
Leichhardt	100%	Copper	Exploration	Qld, Australia
Cauldron Energy Ltd (ASX:CXU)	19.9%	Uranium	Exploration	Australia/Argentina
Fe Ltd (ASX:FEL)	19.9%	Iron Ore	Exploration	Yilgarn WA, Australia
International Goldfields Ltd (ASX:IGS)	28.67%	Gold	Exploration	Australia/Cote d'Ivoire/Brazil
Latin Resources Ltd (ASX:LRS)	15.42%	Iron Ore & Gold	Exploration	Peru
Monitor Energy Ltd (ASX: MHL)	14.37%	Energy	Exploration	Kyrgyzstan/SA, Australia

# Value Proposition

Asset	A\$ Value
Cash at 31 March 2011	70M
Cash Receivables and Convertible Notes <sup>1</sup>	88M
Equities (mark-to-market) <sup>2</sup>	55M
Marampa (100%) <sup>3</sup>	500M?
Sappes (100%) <sup>4</sup>	50M?
Australis (100%)	?
Pinnacle (90.2%)	?
Cape Lambert South (100%)	?
	<b>++763M</b>

Notes:

- 1.Cash receivables include 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 7 June 2011.
- 3.Marampa value based on "asking price" in respect of a trade sale.
- 4.Sappes value based on approximately 30% of estimated NPV in updated Feasibility Study (December 2010).

# Attributes

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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*”.

**Cape Lambert**  
Resources Ltd



**[www.capelam.com.au](http://www.capelam.com.au)**

***Corporate Office***

18 Oxford Close  
Leederville, Western Australia 6007  
Australia

***Postal Address:***

P.O. Box 144  
West Perth, Western Australia 6872  
Australia

Telephone +61 8 9380 9555

Facsimile +61 8 9380 9666

Email [info@capelam.com.au](mailto:info@capelam.com.au)

