

## Gabonese iron ore assets – Cape Lambert 20% free carried interest

### Highlights:

- Leveraged through a 20% free carried interest in an approximate 1,560km<sup>2</sup> land position in an emerging iron ore region in the Republic of Gabon, central West Africa.
- Land position comprises two recently granted exploration licences; drill ready Baniaka, and Mafoungui, which are both proximal to rail transport solutions via the Trans-Gabon railway, and nearby hydropower.
- Remaining 80% interest held by private company, Genmin Group, which is also the operator and manager of the Projects.
- Baniaka is the most advanced project with a defined 30km magnetic anomaly.
- An Exploration Target<sup>1</sup> of 1.5 to 2.1 billion tonnes at a grade of 28-43% Fe, inclusive of 250 million to 350 million tonnes of oxide (potential DSO and beneficiable DSO) at a grade of 40-60% Fe has been determined for approximately 16km of the Baniaka magnetic anomaly.
- Rock chip float samples collected at Baniaka during a March 2013 field reconnaissance returned best results of:
  - 66.4% Fe, 1.4% SiO<sub>2</sub>, 1.1% Al<sub>2</sub>O<sub>3</sub> and 0.08% P;
  - 65.6% Fe, 1.6% SiO<sub>2</sub>, 1.3% Al<sub>2</sub>O<sub>3</sub> and 0.09% P; and
  - 65.3% Fe, 1.8% SiO<sub>2</sub>, 1.2% Al<sub>2</sub>O<sub>3</sub> and 0.13% P.

Cape Lambert Resources Limited (ASX: CFE) (**Cape Lambert** or the **Company**) is pleased to advise the market as to the progress of its interest in a land position, totaling approximately 1,560km<sup>2</sup>, in an emerging iron ore region in the Republic of Gabon, central West Africa (**Gabon**) (refer Figure 1).

Cape Lambert acquired this interest by entering in to an agreement with the Genmin Group (**Genmin**) late in 2012 over exploration applications Cape Lambert had made on two prospective land positions in Gabon during 2012 (**Projects**).

Genmin is a private company founded by former DMC Mining, African Iron and Territory Resources director, Joe Ariti, former DMC Mining director Kim Bischoff and former African Iron CFO and Company Secretary, Shane Volk.

<sup>1</sup> The estimates of Exploration Target sizes mentioned in this Announcement should not be misunderstood or misconstrued as estimates of Mineral Resources. The estimates of Exploration Target sizes are conceptual in nature and there has been insufficient exploration completed to date to determine the quantity and grade, or to estimate a Mineral Resource in accordance with the JORC Code (2004) guidelines. Further, it is uncertain if future exploration will result in the determination of a Mineral Resource.

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  
687,283,792

Unlisted Options  
11,710,000 (\$0.29 exp 22 Nov 2013)

### 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

Pursuant to the terms of the agreement, Genmin agreed to fund, manage and progress the exploration applications to grant and to subsequently fund, manage and progress the exploration activities and studies on the Projects in return for an 80% interest in the Projects. Cape Lambert holds a 20% interest in the Projects and is free carried to “decision to mine”.

The Projects comprises two exploration tenements located near Franceville in south-east Gabon known as Baniaka (774km<sup>2</sup>) and Mafoungui (789km<sup>2</sup>) (refer Figure 2). The exploration licences were granted late in 2012.

Cape Lambert Executive Chairman, Mr Tony Sage, said “its 20% free carried interest in the Projects in a highly prospective iron ore region, which hosts Exxaro’s Mayoko, Xstrata’s Zanaga and Equatorial’s Mayoko-Moussondji projects, proximal to established rail and power infrastructure with a large Exploration Target and excellent potential for early DSO production.”

### **Exploration Setting**

The Baniaka and Mafoungui iron ore projects are situated in the Archaean Chaillu Massif in south-east Gabon. The Chaillu Massif extends south into the Republic of Congo where it hosts the Mayoko (Exxaro Resources), Mayoko-Moussondji (Equatorial Resources) and Zanaga (Xstrata/Zanaga Iron Ore Company) iron ore deposits. Previous regional geological mapping in south-east Gabon by Bureau de Recherches Geologiques et Minieres (BRGM – French Geological Survey) identified several occurrences of banded iron formation (BIF) associated with greenstone belts within the Baniaka and Mafoungui exploration licences.

Genmin acquired medium resolution (250-500m line spacing) airborne magnetic data covering Baniaka and part of Mafoungui from the Gabon Ministry of Industry and Mines early in 2013. Processed images of the magnetic data covering Baniaka shows two major curvilinear magnetic anomalies with an aggregate strike length of approximately 30km. The strongest anomalies have peak amplitudes of 4,000 to 5,000nT, typically diagnostic of BIF, with a strike length of approximately 16km, and an additional strike of approximately 14km of low amplitude and/or remnant anomalies. The southern anomaly covers the Tsengue, Bingamba and Bambono prospects. The northern anomaly covers the Ngaila, Kopa and Lenzoubi prospects (refer Figure 3).

### **Geological Mapping and Sampling**

Genmin geologists completed a program of reconnaissance geological mapping and geochemical sampling at Baniaka during February – March 2013. A total of 39 rockchip geochemical samples were collected during the program. Mapping and sampling focused on the Bingamba prospect but some field traverses were also undertaken to the Tsengue, Kopa and Bambono prospects (refer Figure 3). The area has extensive vegetation and windblown sand cover. A total of 13 outcrops of BIF were located during the mapping program, plus more than 30 occurrences of iron mineralisation located in slope and creek deposits.

This mapping program confirmed the occurrence of BIF along the trends shown by the airborne magnetic survey data, and defined the potential for transported and in-situ weathered and enriched iron ore in the oxide zone, overlying primary magnetite BIF at depth. Rockchip geochemistry results are shown in Table 1 with sample locations shown in Figure 3. The geological mapping and geochemistry indicate potential for the following iron ore mineralisation:

- transported iron ore located under soil/loess cover on top of and down the flanks of ridges that has been eroded from the buried weathered BIF (30-58% Fe, beneficiable DSO);

- high-grade supergene cap iron ore (laterite, canga, massive), and also potential for hypogene high-grade iron ore in fold closures and in faults (46-66% Fe, potential DSO and bDSO);
- weathered friable and hard hematite BIF (28-48% Fe, fines and concentrate), and
- primary magnetite BIF inferred at depth >50m.

Assessment of 1:200,000 scale geological mapping by BRGM and of preliminary airborne geophysical survey data at Mafoungui shows five iron ore targets that are planned for assessment.

### Exploration Target - Baniaka

Data processing and interpretation of the airborne geophysical survey data, and 2.5D modeling of the high amplitude magnetic anomalies at Baniaka has been completed by independent Perth-based geophysical consultants, Core Geophysics.

The geophysical modeling was utilised to estimate an Exploration Target for Baniaka. Petrophysical, geological and structural constraints were applied to the geophysical modeling from field observations and measurements supplied by Genmin geologists. Grade ranges were applied from the rockchip geochemistry results.

The best-fit geophysical models of the high amplitude airborne analytic signal magnetic data were obtained using a magnetic susceptibility of  $SI = 1.0$ . A total of 27 models were generated with modeled widths of the BIF source varying from 25 to 300m, with an average of 125m.

An Exploration Target<sup>2</sup> estimate covering the 16km strike of high amplitude magnetic responses is 1.5 to 2.1 billion tonnes at 28 to 43% Fe with a breakdown as follows:

- Oxide: 250 – 350 million tonnes from 10 to 50m below surface at 40-60% Fe (includes laterite, cap and BIF material, excludes colluvium); and
- Primary: 1.1 – 1.7 billion tonnes at 25-35% Fe, from 50 to 250m below surface.

During the geological mapping program, a few occurrences of massive hematite material were noted coincident with magnetic low zones along the magnetic strike. Further ground exploration is planned to evaluate the low amplitude magnetic anomaly trends, as this may represent additional oxide exploration potential.

### Infrastructure Proximity

Baniaka and Mafoungui are located within approximately 30km and 15km respectively of the standard gauge, 25 tonne axle load Trans-Gabon railway, which is owned by government agency L'Office du Chemin de Fer Transgabonais and operated by SETRAG through a 30 year concession granted in November 2005. The Trans-Gabon railway is publicly accessible, with current utilisation comprising passengers and general freight (15%), timber (20%) and manganese ore (3.5Mtpa – 65%).

The Trans-Gabon railway connects the port of Owendo, near Gabon's capital Libreville with Franceville over a distance of approximately 648km.

<sup>2</sup> The estimates of Exploration Target sizes mentioned in this Announcement should not be misunderstood or misconstrued as estimates of Mineral Resources. The estimates of Exploration Target sizes are conceptual in nature and there has been insufficient exploration completed to date to determine the quantity and grade, or to estimate a Mineral Resource in accordance with the JORC Code (2004) guidelines. Further, it is uncertain if future exploration will result in the determination of a Mineral Resource.

The Baniaka project is also located within 10km of the 160MW Grand Poubara Hydroelectric Project located on the Ogooue River, which is currently being constructed by Sinohydro and is expected to be commissioned in the second half of 2013. Grand Poubara is planned to be expanded by an additional 120MW in 2016, increasing total capacity to 280MW.

### **Planned Work**

A program of scout diamond drilling, and further geological mapping and trenching is planned to commence at Baniaka during the second half of 2013 in the upcoming dry season. The scout diamond drilling program is designed to test the high amplitude and magnetic low BIF zones at the Bingamba prospect (refer Figure 3). Geological mapping and sampling will be expanded to cover the Tsengue west and Lenzoubi prospects at Baniaka, and iron ore targets at Mafoungui.

Yours faithfully  
Cape Lambert Resources Limited

Tony Sage  
**Executive Chairman**

### **Competent Person's Statement:**

*The information in this Announcement that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Kim Bischoff, a member of The Australasian Institute of Mining and Metallurgy. Mr Bischoff is a director of Genmin Iron Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that 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 Announcement of the matters based on the information in the form and context in which it appears*

### **About Genmin:**

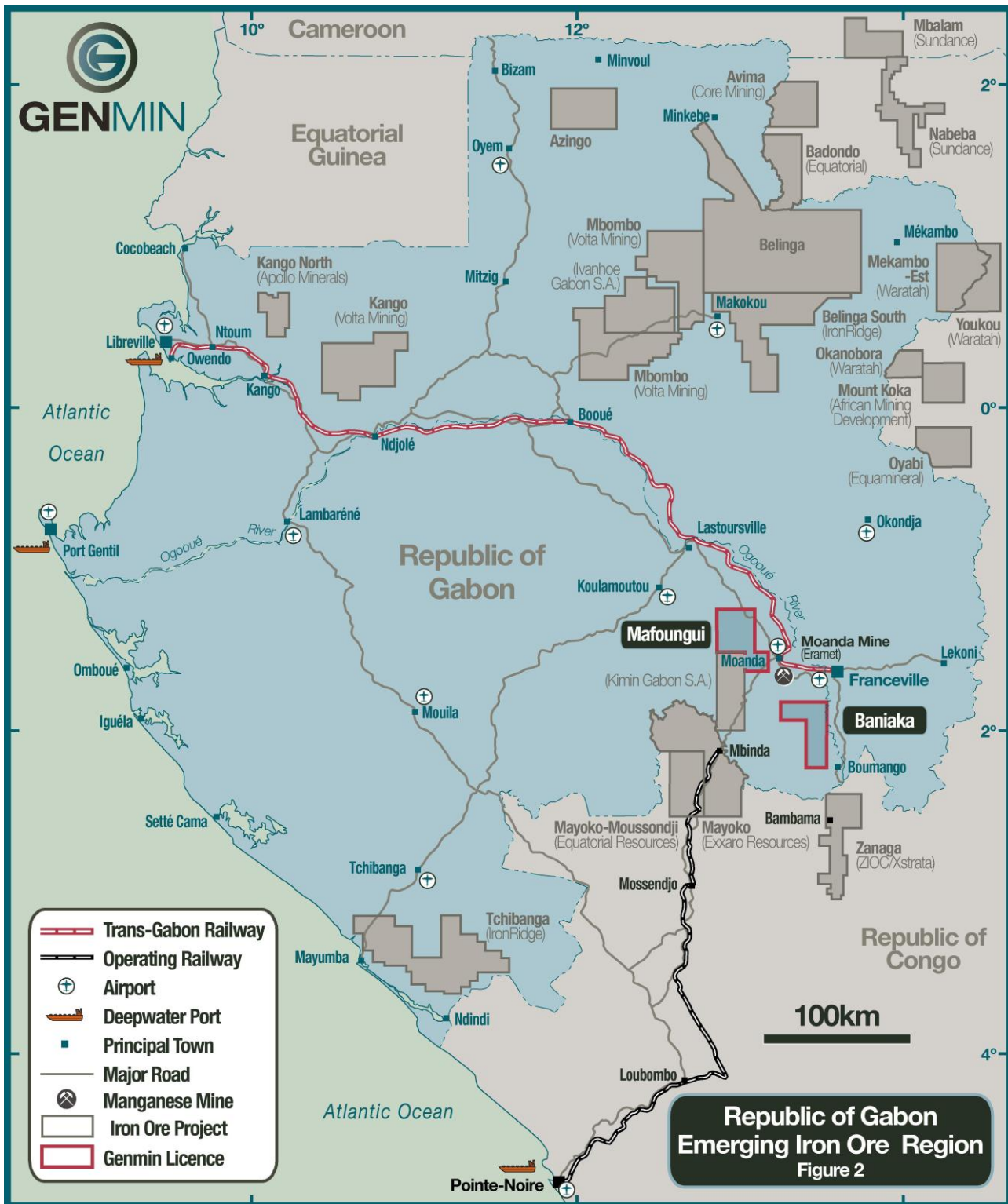
Genmin is a private company domiciled in Australia, which formed in 2012 with the aim of building a globally diversified minerals and energy portfolio by acquiring and/or investing in carefully selected mineral and energy assets, and through the application of modern exploration and resource development techniques and hands-on management to grow the value of these assets for the benefit of shareholders and stakeholders.

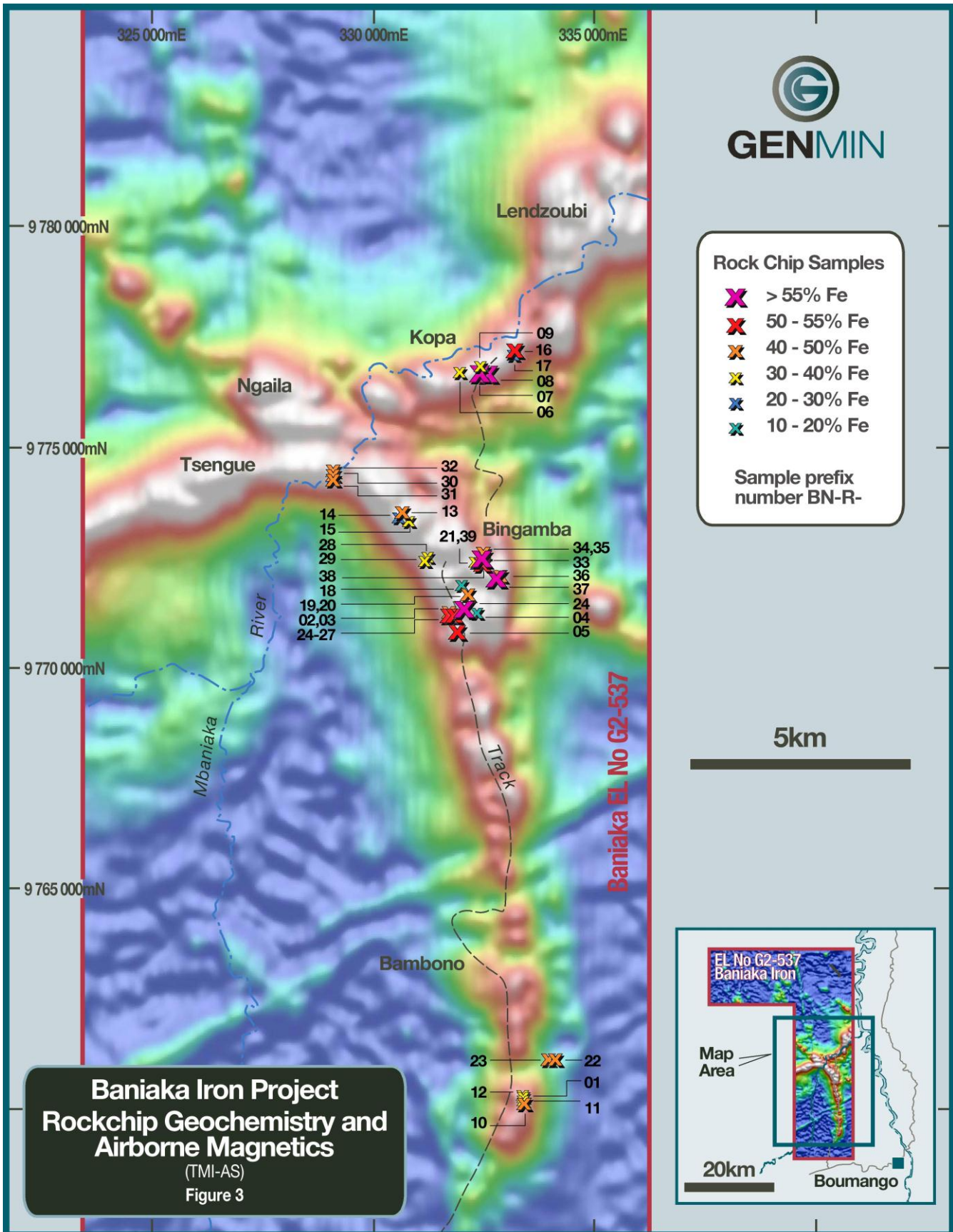
Genmin has 19 founding shareholders comprising:

- Founding Directors - 40%;
- Institutions – 30%; and
- Private Investors – 30%

Genmin's founding directors, Joe Ariti, Kim Bischoff and Shane Volk are qualified mineral industry professionals and hold 40% of issued capital. They bring in aggregate more than 80 years of project and corporate experience in the minerals sector including expertise in mineral exploration, development, financing and company management covering Africa, Southeast Asia, Australasia and South America.







**Table 1: Baniaka Project Rockchip Geochemistry Results**

Sample No.	Prospect	Sample Location			Rock Type	Fe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	P	S	MnO	TiO <sub>2</sub>	LOI
		mE	mN	mRL		%	%	%	%	%	%	%	
BN-R-02	Bingamba S	331982	9771231	557	Colluvium	57.8	5.8	2.9	0.29	0.05	0.02	0.07	7.6
BN-R-05	Bingamba S	331934	9770895	564	Colluvium	54.2	6.1	6.9	0.17	0.06	0.06	0.18	8.7
BN-R-03	Bingamba S	331982	9771218	557	Colluvium	29.8	33.6	14.2	0.04	0.07	X	0.39	8.9
BN-R-22	Bambono S	333820	9761389	574	Laterite	48.4	7.1	9.1	0.13	0.08	0.04	0.60	13.0
BN-R-23	Bambono S	333966	9761377	569	Laterite	43.7	12.6	11.5	0.09	0.09	0.08	0.38	12.1
BN-R-10	Bambono S	333281	9760388	591	Laterite	43.0	20.0	9.8	0.03	0.08	0.04	0.37	8.1
BN-R-29	Bingamba S	331226	9772426	558	Laterite	39.5	18.5	15.3	0.04	0.06	X	0.51	8.9
BN-R-17	Kopa E	333222	9777071	459	Laterite	28.8	29.9	18.6	0.02	0.07	0.02	0.44	9.3
BN-R-08	Kopa	332517	9776711	527	HG Cap	66.4	1.4	1.1	0.08	0.01	0.02	0.21	2.6
BN-R-07	Kopa	332517	9776711	527	HG Cap	65.6	1.6	1.3	0.09	0.01	0.04	0.20	3.1
BN-R-33	Bingamba S	332478	9772338	508	HG Cap	65.3	1.8	1.2	0.13	0.01	0.07	0.03	3.5
BN-R-24	Bingamba S	331810	9771180	539	HG Cap	57.0	6.8	4.7	0.19	0.05	0.03	0.16	6.4
BN-R-37	Bingamba S	332724	9772007	537	HG Cap	55.3	5.3	3.6	0.13	0.02	0.10	0.07	11.3
BN-R-25	Bingamba S	331782	9771186	544	HG Cap	54.0	13.3	2.7	0.19	0.05	0.02	0.05	6.3
BN-R-16	Kopa E	333232	9777126	458	HG Cap	53.6	10.7	3.6	0.18	0.04	0.75	0.07	7.7
BN-R-38	Bingamba S	332675	9771995	530	HG Cap	51.8	17.7	2.0	0.08	0.03	0.19	0.03	5.8
BN-R-26	Bingamba S	331754	9771175	589	HG Cap	51.7	18.1	1.6	0.24	0.02	X	0.06	5.8
BN-R-21	Bingamba S	332443	9772230	503	HG Cap	49.3	19.4	3.4	0.15	0.10	0.01	0.05	5.9
BN-R-13	Bingamba N	330679	9773381	538	HG Cap	47.9	18.2	5.5	0.15	0.04	0.03	0.09	6.7
BN-R-19	Bingamba S	332155	9771625	522	HG Cap	46.3	17.2	9.0	0.06	0.02	X	0.57	5.5
BN-R-36	Bingamba S	332881	9772030	520	BIF	47.5	23.4	2.1	0.25	0.03	0.02	0.04	5.9
BN-R-30	Tsengue E	329092	9774427	508	BIF	45.2	31.5	0.8	0.03	0.03	0.10	0.01	2.5
BN-R-35	Bingamba S	332508	9772379	491	BIF	42.6	36.2	0.7	0.02	0.02	0.03	0.01	2.2
BN-R-12	Bambono S	333289	9760398	575	BIF	38.3	39.3	1.6	0.02	0.05	0.03	0.04	3.7
BN-R-01	Bambono S	333285	9760388	559	BIF	37.9	43.4	0.5	0.06	-	0.06	X	1.5
BN-R-11	Bambono S	333281	9760388	591	BIF	34.4	42.5	4.1	0.04	0.03	0.08	0.04	3.9



Sample No.	Prospect	Sample Location			Rock Type	Fe	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	P	S	MnO	TiO <sub>2</sub>	LOI
		<i>mE</i>	<i>mN</i>	<i>mRL</i>									
BN-R-06	Kopa	332467	9776693	524	BIF	32.2	49.7	1.8	0.05	0.01	0.01	0.05	2.3
BN-R-14	Bingamba N	330697	9773421	550	BIF	28.1	53.9	3.0	0.03	0.02	0.04	0.02	2.6
BN-R-27	Bingamba S	331753	9771189	540	BIF	48.5	26.1	0.7	0.14	0.03	0.18	0.01	3.1
BN-R-31	Tsengue E	329097	9774309	491	BIF	47.1	29.6	1.0	0.04	0.02	0.19	0.02	1.2
BN-R-32	Tsengue E	329093	9774310	485	BIF	43.8	35.7	0.7	0.04	0.01	0.04	0.01	0.8
BN-R-28	Bingamba S	331198	9772387	559	BIF	39.9	36.3	3.3	0.08	0.02	0.05	0.01	3.0
BN-R-15	Bingamba N	330806	9773333	543	BIF	37.3	45.3	0.4	0.04	-	0.12	X	0.8
BN-R-09	Kopa	332446	9776773	501	BIF	36.5	46.3	0.8	0.03	-	0.63	0.02	-0.6
BN-R-39	Bingamba S	332407	9772234	502	BIF	35.9	47.3	0.8	0.05	-	0.02	0.01	0.1
BN-R-34	Bingamba S	332534	9772536	534	Si BIF	25.0	63.0	0.4	0.03	0.01	0.03	X	0.8
BN-R-18	Bingamba S	332044	9771826	524	Si BIF	14.1	78.9	0.3	0.02	-	0.03	0.01	0.6
BN-R-04	Bingamba S	332349	9771207	567	Si BIF	12.7	80.5	0.6	0.04	0.01	0.01	0.02	0.7
BN-R-20	Bingamba S	332137	9771606	525	Si BIF	9.2	84.8	0.8	0.01	0.02	X	0.02	1.0

Notes:

- Sample weights 1-3kg. Assayed at Genalysis Laboratories, Perth WA; elements by XRF, LOI thermal gravimetric analyser at 1,000 degrees C; X = below detection limit; - = not detected.
- Survey with handheld Hema or Garmin GPS; reference system UTM WGS84 Zone 33S.
- HG Cap means High-Grade Cap.
- BIF means Banded Iron Formation.
- Si BIF means Siliceous Banded Iron Formation.