

## **RE-RELEASE OF POTENTIAL INFRASTRUCTURE SOLUTION FOR SANDENIA ANNOUNCEMENT**

Cape Lambert Resources Limited (**ASX: CFE**) wishes to notify shareholders of the re-release of the "Potential Infrastructure Solution for Sandenia" announcement initially released to the market on the 19 June 2014. The announcement is being re-released with additional information to comply with exploration target disclosure as required by the JORC Code 2012.

Yours faithfully  
Cape Lambert Resources Limited

Tony Sage  
**Executive Chairman**

Cape Lambert Resources Limited (ASX: CFE) is a fully funded mineral development company with exposure to iron ore, copper, gold, uranium, manganese, lithium and lead-silver-zinc assets in Australia, Europe, Africa and South America.

### **Australian Securities Exchange Code: CFE**

Ordinary shares  
635,727,857

Unlisted Options  
500,000 (\$0.15 exp 30 Sept 2015)

### **Board of Directors**

Tony Sage  
Executive Chairman

Tim Turner  
Non-executive Director

Jason Brewer  
Non-executive Director

Ross Levin  
Non-executive Director

Melissa Chapman  
Company Secretary

### **Key Projects and Interests**

Marampa Iron Ore Project  
Pinnacle Group Assets

### **Cape Lambert Contact**

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## POTENTIAL INFRASTRUCTURE SOLUTION FOR SANDENIA

### Key Points:

- **Rio Tinto announces plans for a multi user port and rail facility to service the Simandou Iron Ore Project.**
- **Rio Tinto's planned development of the Simandou Iron Ore Project potentially provides an infrastructure solution for the Sandenia Iron Ore Project.**

Australian resources and investment company, Cape Lambert Resources Limited (**ASX: CFE**) (**Cape Lambert** or the **Company**) is pleased to announce the opportunity for a potential infrastructure solution for the future development of its 100% owned Sandenia Iron Ore Project in Guinea, West Africa (**Sandenia Project** or **Sandenia**).

The Company notes the recent announcement released by Rio Tinto Limited (**ASX: RIO**) (**Rio Tinto**) and partners on 26 May 2014 in relation to the signing of the Investment Framework (IF) for development of the Simandou South Iron Ore Project in Guinea, West Africa and in particular, the following statements from the announcement;

- "A key feature of the IF is the "multi-user" nature of the transport infrastructure, which means it will be accessible to various Guinean people, and boost the economy through enabling the transport of goods inside and outside Guinea to global export markets opened up by the port."
- "The rail and port will diversify the economy and maximize opportunities in sectors such as horticulture, agriculture, forestry and mining. The multi-user regime within the Investment Framework will allow access to mine producers along the Southern Growth Corridor."

The Sandenia Project may potentially have access to this stated multi user 650km railway and deep water port infrastructure once it has been developed.

Sandenia is located approximately 290km east of the capital of Guinea, Conakry and consists of one exploration permit covering 298km<sup>2</sup>. The corridor for the proposed Trans-Guinean multi user railway is currently designed to run directly through the Sandenia permit with the actual rail alignment crossing the south western corner. The main deposit lies centrally within the corridor and approximately 5km from the rail line (refer Figures 1 and 2).

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Sandenia is an early stage exploration project with five identified targets prospective for enriched oxide with underlying magnetite banded iron formation (**BIF**). From a combination of aeromagnetic interpretation, field mapping, trenching and sampling, a global <sup>1</sup>Exploration Target of 1.2 – 2.0 Bt at 25% - 35% Fe has been estimated.

<sup>1</sup>The estimates of Exploration Target sizes should not be misunderstood as estimates of Mineral Resources. The estimates of Exploration Target sizes are conceptual in nature and there has been insufficient results received from exploration to date to estimate a Mineral Resource in accordance with the JORC Code (2012). It is uncertain if further exploration will result in the determination of a Mineral Resource.

The Exploration Target has been derived and validated from the exploration activities conducted to date on the Sandenia project which were:

- A high resolution airborne magnetic and radiometric geophysical survey.
- 3D modeling of the geophysical magnetic data.
- Field mapping of the project area.
- A trenching program completed during 2012 over interpreted BIF beds identified from geophysics.
- Sampling and mapping of bedrock and the weathered profile from within the trenches.

A series of 3D models were created of the geophysical anomalies using magnetic susceptibility values. Volume and tonnage was calculated for each model and the combined result provided the overall Exploration Target estimation. Target grade was assigned using average assay results from various channel samples that were identified as BIF taken from within the trenches. The ranges used around the quoted target are +/- 25% for the tonnage estimate and +/- 20% for the grade range.

A program of 91 RAB/RC holes drilled at 60° along fences for a total of 3,640m have been planned to test the Exploration Target and specifically:

- Width and grade of the BIF.
- Variability of the BIF units along strike.
- Variations between different BIF units.
- Preliminary geotechnical variations between weathered, transitional and fresh rock.

Initial holes are planned to depths of between 40m and 80m depending on access and drill rig capability. Subsequent exploration drilling will need to test greater depths but this will be reserved for future programs pending the initial results. The company anticipates phase 1 drilling to begin during calendar year 2015 subject to available finance.

Sandenia is approximately 15km south of the Kalia Iron Ore Project (Kalia) which is owned by AIM listed Bellzone Mining plc (**AIM: BZM**). The Sandenia Project is considered to have similarities with Kalia which has a valid mining convention and reserves of 6.16 Bt.

The Company is planning to open discussions with the Guinean government and senior representatives of Rio Tinto with the aim of potentially formulating a framework agreement allowing access to the planned multi user port and rail infrastructure.

Cape Lambert Executive Chairman Mr Tony Sage said “the news recently announced by Rio Tinto and its partners, demonstrates both Rio’s and the Guinean Government’s substantial commitment to developing the nation’s wealth of mineral deposits.” Mr Sage also said “this situation bodes well for

the Company's Sandenia Iron Ore Project and provides a potential transport solution for the export of iron ore from the project once it is developed."

Yours faithfully  
Cape Lambert Resources Limited

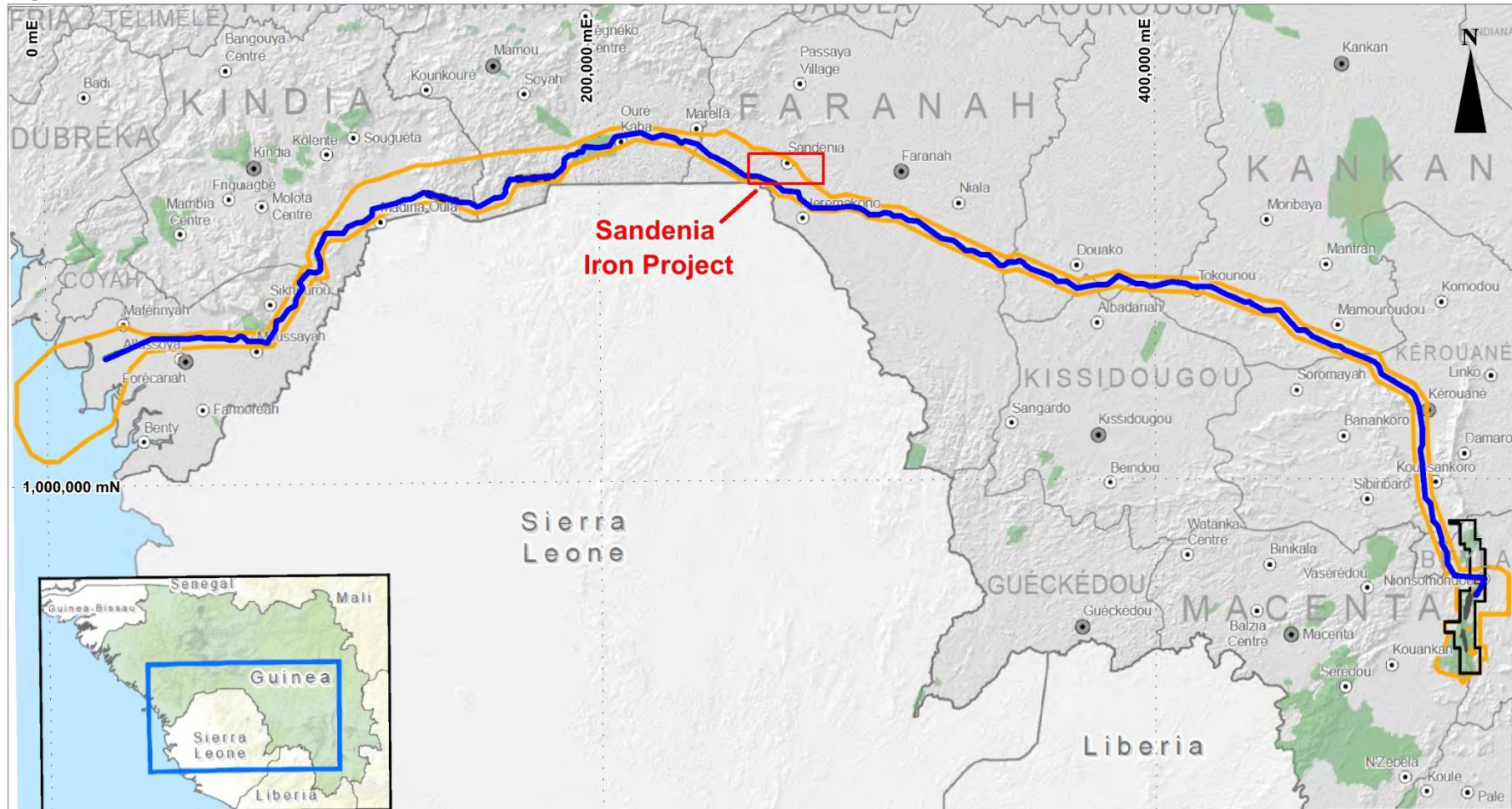
Tony Sage  
**Executive Chairman**

**Competent Person Statement:**

*The contents of this announcement relating to Exploration Targets are based on information compiled by Olaf Frederickson, a member of the Australasian Institute of Mining and Metallurgy. Mr Frederickson is a consultant to Cape Lambert Resources Limited and has sufficient experience relevant to the styles of mineralisation and the deposit under consideration to qualify as a Competent Person, as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Frederickson consents to the inclusion in this announcement of the matters compiled by him in the form and context in which they appear.*



Figure 1



Cape Lambert Resources Ltd

Proposed Trans-Guinean Railway

Date: 12/06/2014

Ref: Rio Tinto Simandou SEIA Reports Vol II Ch 2

Scale: 1:2,000,000

Projection: UTM (WGS84) Zone 29 N

0 20 40 80 kilometres

Proposed Railway

Sandenia Tenement

Rail Corridor



Figure 2

