

● **Cape Alumina Limited (ASX:CBX)**  
: **Developing Cape York Bauxite Projects**

: Cairns & Mining Conference 2013  
: 12 June 2013



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Technical information about exploration targets and ore resources on any Cape Alumina project in this Presentation had been compiled by Neil McLean, who is an employee of Cape Alumina Limited, a fellow of the Australian Institute of Mining and Metallurgy (F. AusIMM) and is a competent person and has relevant experience to the mineralisation being reported on to qualify as a Competent Person as defined by the Australasian Code for Reporting of Minerals Resources and Reserves. Neil McLean consents to the inclusion in the presentation of the matters based on the information in the form and context in which it appears. The resource information in this Presentation has been released to the Australian Securities Exchange (ASX).



# Cape Alumina - Why Invest?

## RIGHT COMMODITY

- Bauxite and aluminum are “late cycle” commodities with demand forecast to peak later in the development cycle than iron ore and steel
- Demand is forecast to grow as the emerging economies continue to industrialise and demand grows in key sectors including transportation, construction, power, packaging and consumer products
- Cost-effective access to large, high quality, economic bauxite resources is becoming increasingly difficult for the world’s bauxite producers

## RIGHT LOCATION

- Western Cape York has high-quality, export-grade bauxite, with a high alumina content when compared to other Australian bauxite provinces
- Large exploration tenement holdings in the world-renowned western Cape York bauxite province – 1,900 km<sup>2</sup>
- Shallow, free-digging bauxite with minimal overburden thickness and very low strip ratios
- Located close to coastal waters and international shipping routes

## RIGHT PROJECTS

- JORC compliant bauxite resources of 202.4 Mt high-quality, export-grade bauxite (refer to slide 11 for resource details) defined within the Pisolite Hills and Bauxite Hills Mine and Port projects
- In October 2012, the Queensland Government declared Pisolite Hills a ‘significant project’. Terms of Reference for the EIS were released in December 2012
- The Cape Alumina consortium is short listed in the tender for the Aurukun bauxite deposit and has a leading position. Aurukun has over 600 Mt of bauxite resources

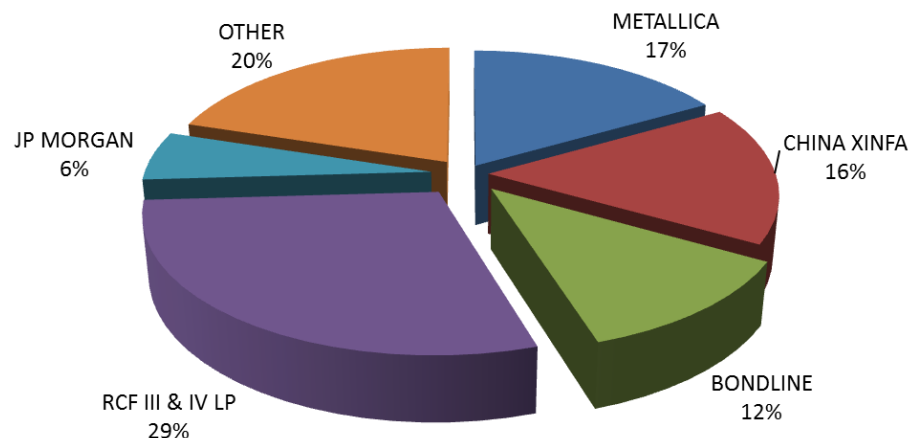
# Company Overview

## Capital Structure (ASX:CBX)

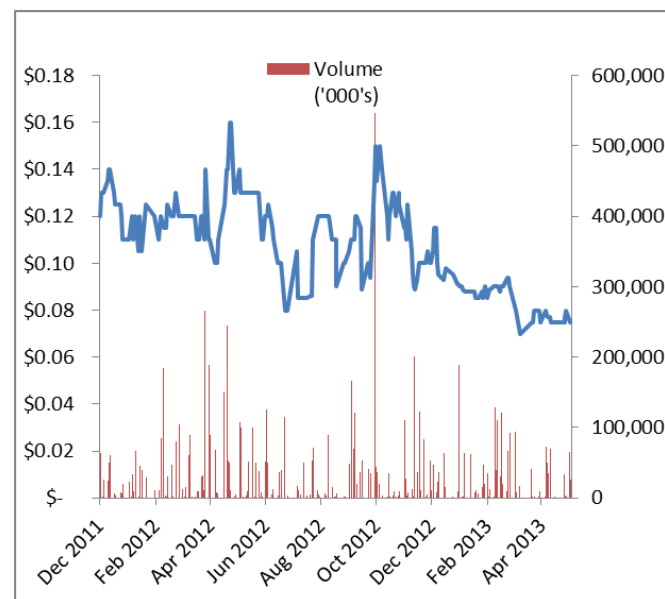
Share Price (7 May 2013)	\$	0.07
Shares On Issue	m	179
<b>Market Capitalisation</b>	<b>\$m</b>	<b>12.5</b>
Cash (31 March 2013)	\$m	3.0
Convertible Note	\$m	5.0

<b>Enterprise Value</b>	<b>\$m</b>	<b>14.5</b>
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## Ownership



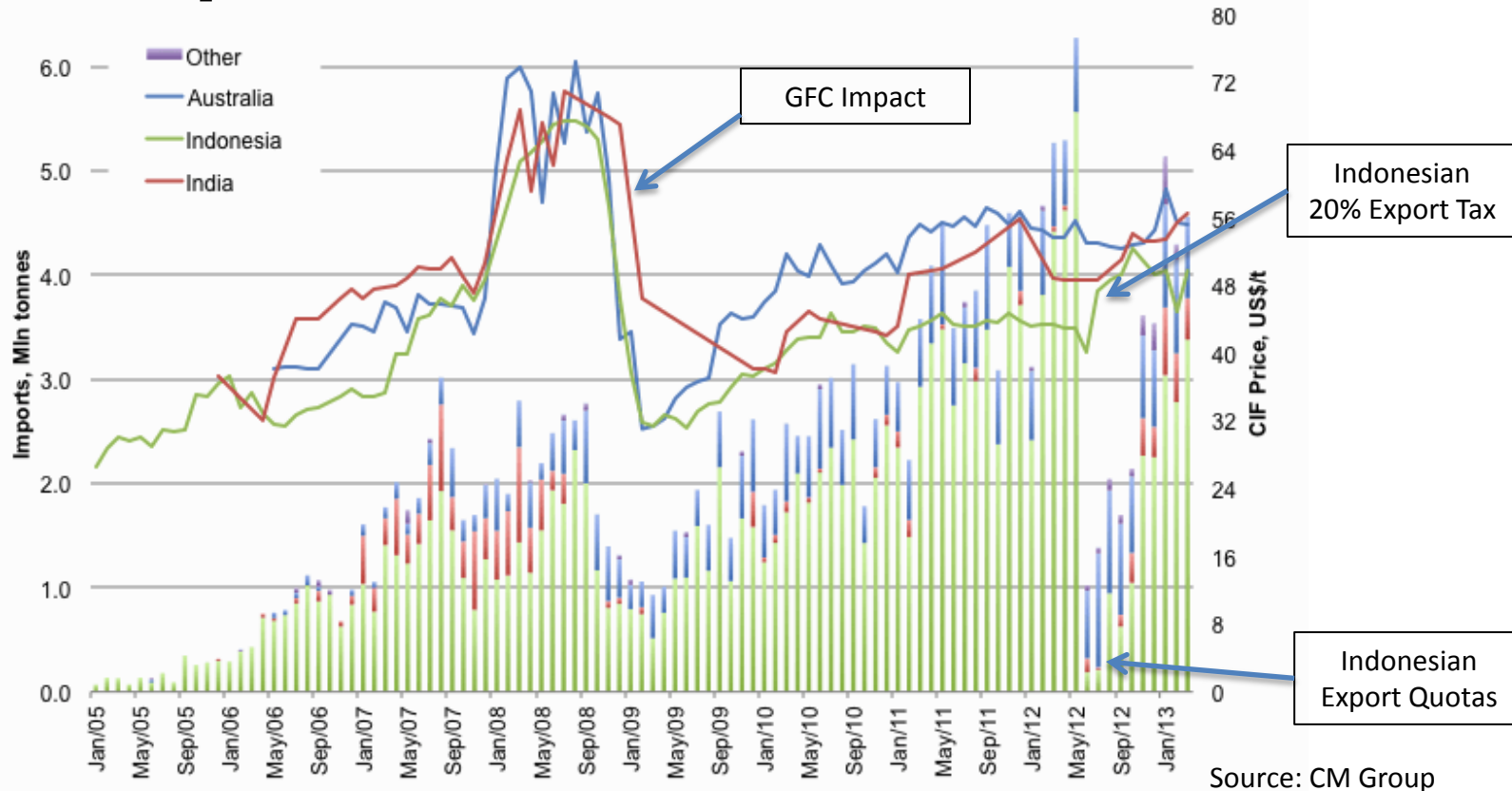
## Share Price Performance



## Experienced Board & Management

- |                 |                                      |
|-----------------|--------------------------------------|
| George Lloyd    | • <i>Chairman</i>                    |
| Graeme Sherlock | • <i>Managing Director</i>           |
| Rennie Fritschy | • <i>Non-Executive Director</i>      |
| Jijun Liu       | • <i>Non-Executive Director</i>      |
| Peter Nicholson | • <i>Non-Executive Director</i>      |
| Scott Waddell   | • <i>Company Secretary &amp; CFO</i> |

# Chinese Imported Bauxite Volumes & Prices

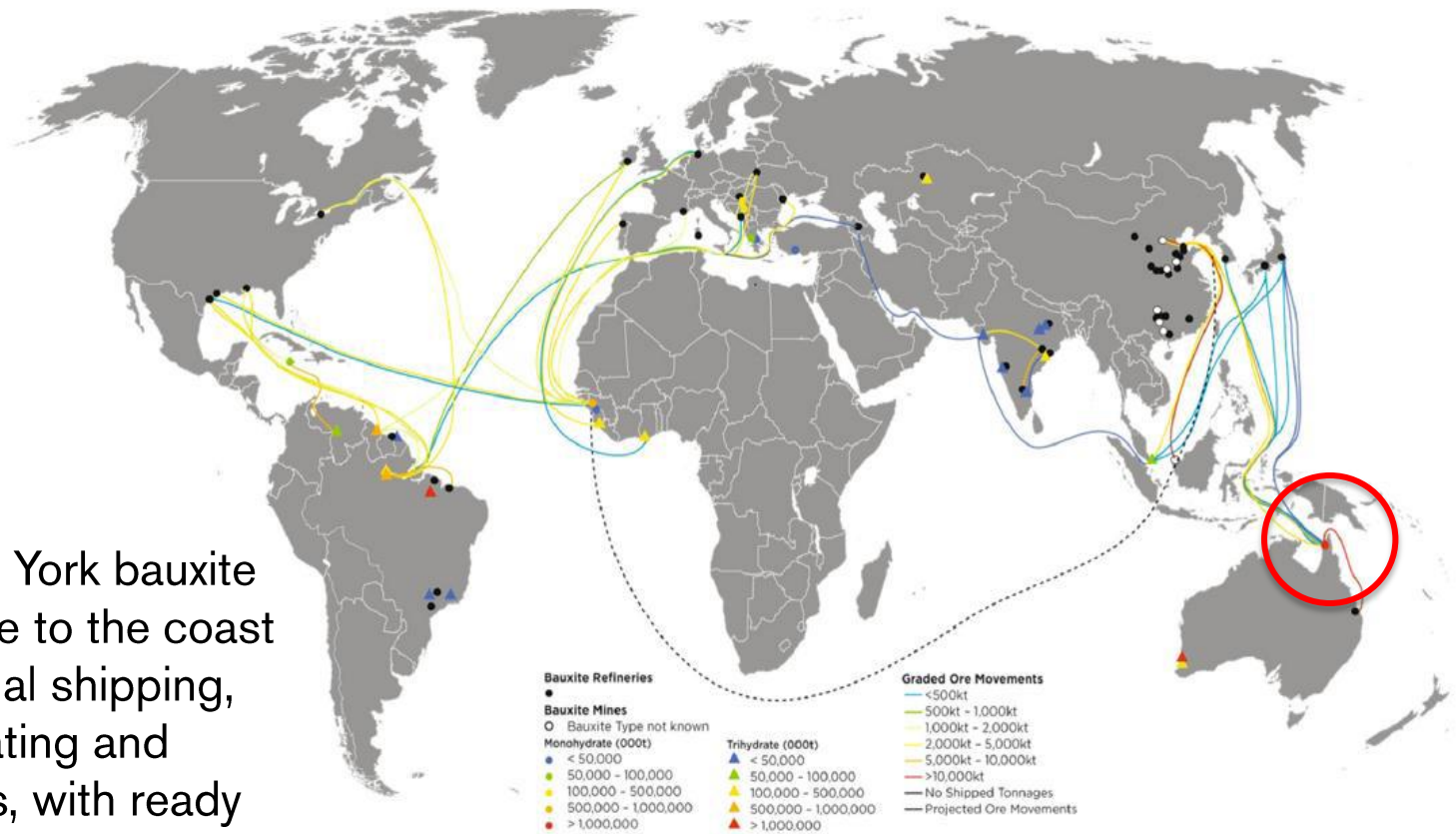


- Chinese imports have grown dramatically over the past five years
- Indonesia has legislated to ban bauxite exports from January 2014. In the interim a 20% export tax has been implemented as well as export restrictions



# Global Bauxite Shipping Route

Western Cape York bauxite is located close to the coast and international shipping, lowering operating and transport costs, with ready access to ship-borne trade to China or the Middle East

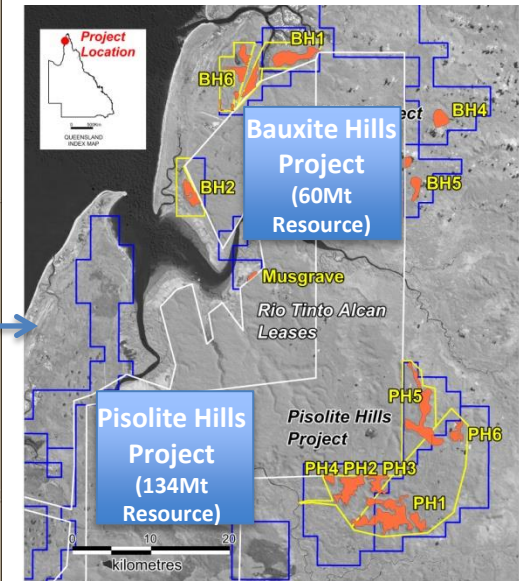
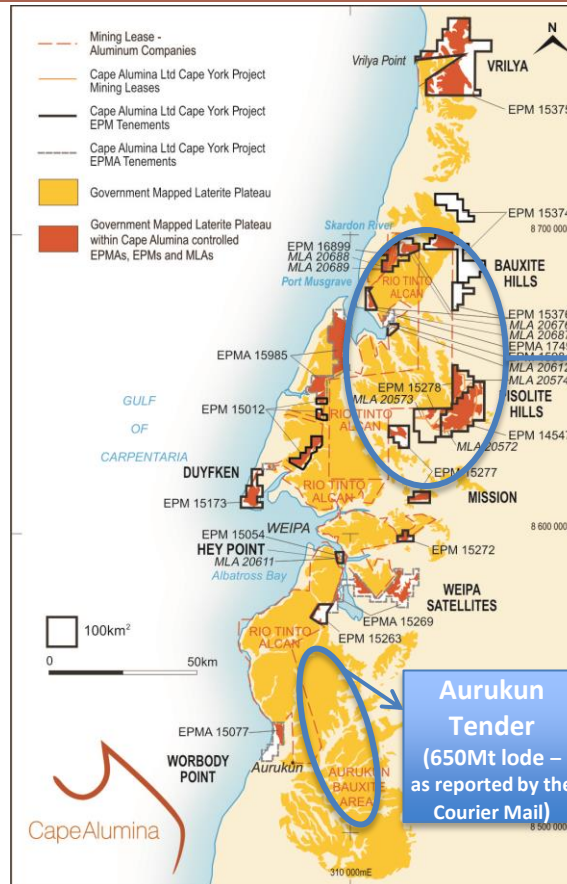


Source: Alufer

# Western Cape York – a natural supplier

## Key Features of Western Cape York bauxite

- Export-grade bauxite which contains a high alumina content compared to other Australian bauxite provinces (outside the Weipa region)
- Very shallow, free-digging bauxite with minimal overburden thickness and very low strip ratios
- Bauxite plateaus are located close to coastal waters lowering transport and operating costs
- Cape Alumina has three main projects being the Aurukun tender, Pisolite Hills project and Bauxite Hills project



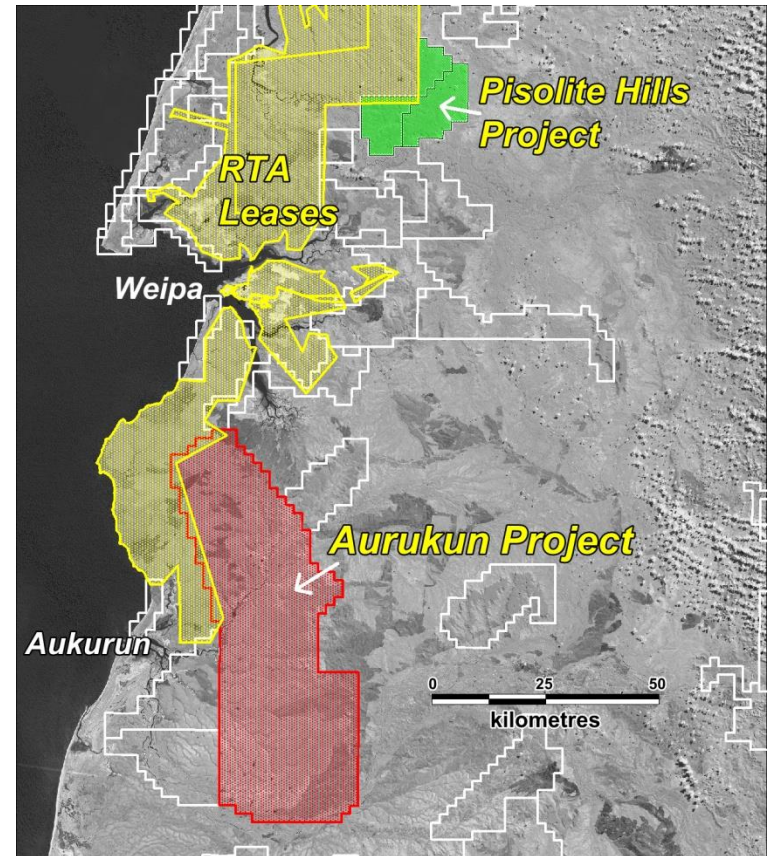


# Aurukun tender

## Project Summary

- • • ● Cape Alumina short-listed to tender for the Aurukun bauxite deposit on Cape York
- • • ● **650Mt** of bauxite resources reported (Courier Mail, April 2013) at Aurukun, resource potential not fully established
- • • ● Cape Alumina consortium includes Noble Group as a partner
- • • ● Potential to yield up to **10Mt** per annum (Mtpa) of dry-product bauxite over a **30 year** period
- • • ● Located on elevated, open, dry bauxite plateaux **close to coastal waters**
- • • ● Cape Alumina's development of the Aurukun Project is subject to the consortium being the successful tenderer, which is expected to be announced in late 2013

## Project Location





# Aurukun tender (Continued)

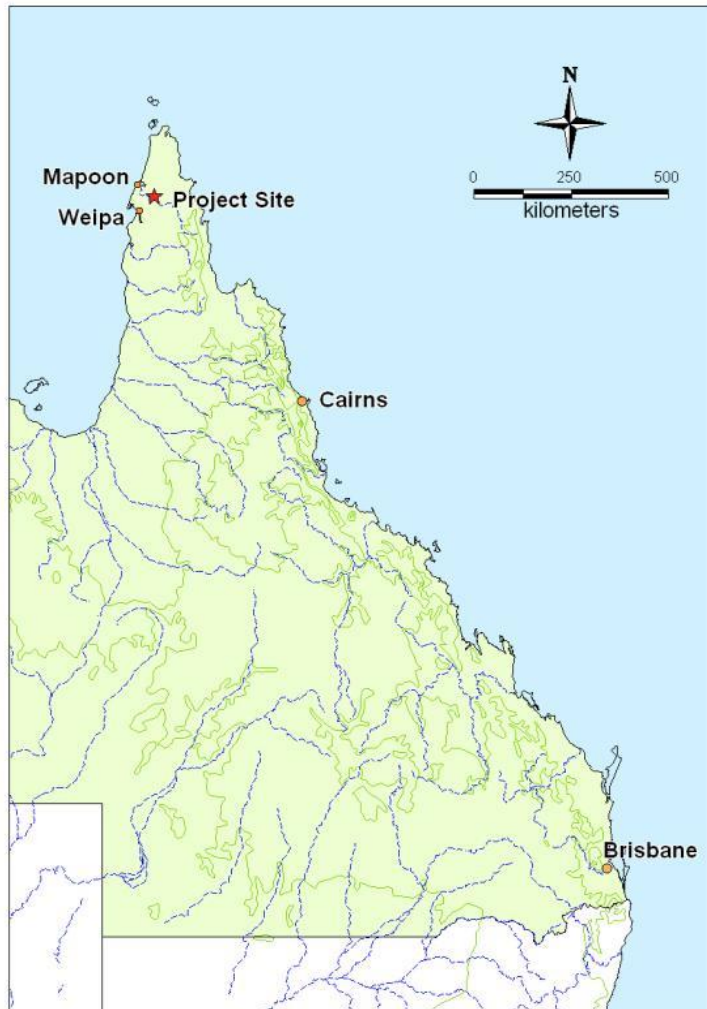
## Project Summary

- • • ● Cape Alumina has a strong relationship with the Traditional Land Owners and Aboriginal people of western Cape York
- • • ● The Cape Alumina consortium will bring a new, independent and non-vertically integrated company into the western Cape York bauxite market. This is important for the future and timely development of the Aurukun bauxite resource
- • • ● Cape Alumina has partnered with Noble Group, Asia's largest diversified commodities trader
- • • ● The Cape Alumina consortium will be motivated to drive production and reach maximum output to meet international demand

## Example of transshipment



# Location of the Pisolite Hills project



- • • ● Pisolite Hills is located on an elevated, open, dry bauxite plateau approximately **50 kilometres** north-east of **Weipa** and **40 kilometres** south-east of the community of **Mapoon**.
- • • ● Located close to coastal waters and international shipping potentially lowering transport capital and operating costs, with ready access to ship-borne trade
- • • ● On the 2nd of **October 2012**, the Queensland Government declared Pisolite Hills a '**significant project** for which an Environmental Impact Statement (EIS) is required' under section 26 (1) (a) of the *State Development and Public Works Organisation Act 1971*.

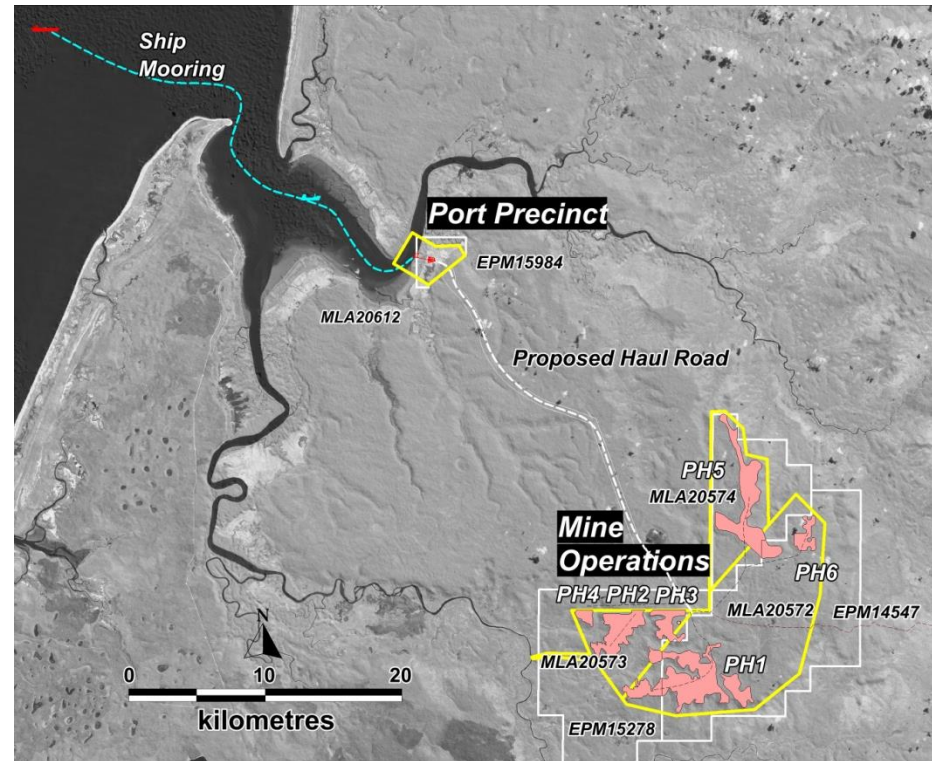


# Pisolite Hills mine and port project (CBX 100%)

## Project Summary

- • • ● **134.6Mt\*** JORC-Code-compliant resource
- • • ● High-quality, **export-grade** bauxite
- • • ● More than 63% of resources in the '**Measured**' and '**Indicated**' categories
- • • ● Potential to yield up to **7Mt** per annum (Mtpa) of dry-product bauxite over a **15 year** period
- • • ● Located on elevated, open, dry bauxite plateaux **close to coastal waters**
- • • ● Subject to the successful completion of all environmental studies and the granting of all necessary State and Commonwealth government permits, Cape Alumina expects to commence **construction in mid 2014** followed by first **production in late 2014**

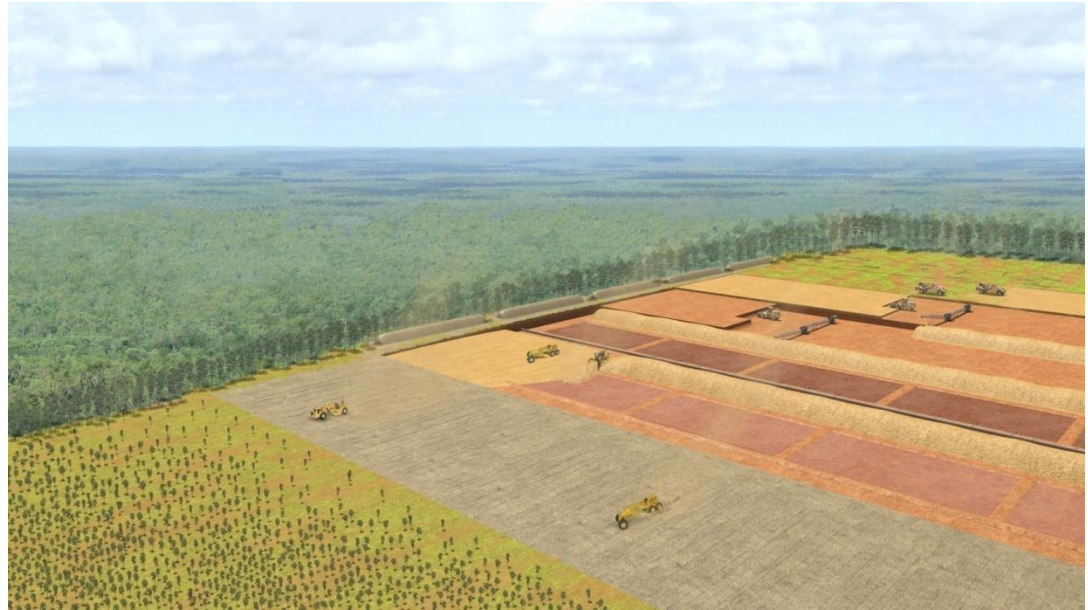
## Project Location



\*The 134.6 Mt of *in-situ* bauxite at Pisolite Hills is expected to yield 88.9 Mt (20.1 Mt Measured + 39.5 Mt Indicated + 29.3 Mt Inferred) of bauxite on a dry-product basis at average beneficiated grade of 53.1 per cent  $\text{Al}_2\text{O}_3$  and 12.3 per cent  $\text{SiO}_2$  (7.5 per cent reactive silica at 150 degrees Celsius)

# Environment, social and economic impacts

- • • ● Extensive environmental impact studies have been completed (32 in total) ensuring operations **protect the area's ecosystems.**
- • • ● The project would create or sustain more than **1,700 jobs** over the mine's 15-year life, many of these in Far North Queensland.
- • • ● The boost to the **Far North** Queensland economy alone would be more than **\$600 million** in NPV terms and **1,300 jobs.**
- • • ● It is proposed to use **Cairns** as a Fly-in, Fly-out (**FIFO**) base for the workforce not sourced locally.
- • • ● The project will also be a boon for the Traditional Land Owners and **Aboriginal people of Mapoon** and other western Cape York communities providing them with a rare opportunity to gain **social and economic independence and prosperity.**



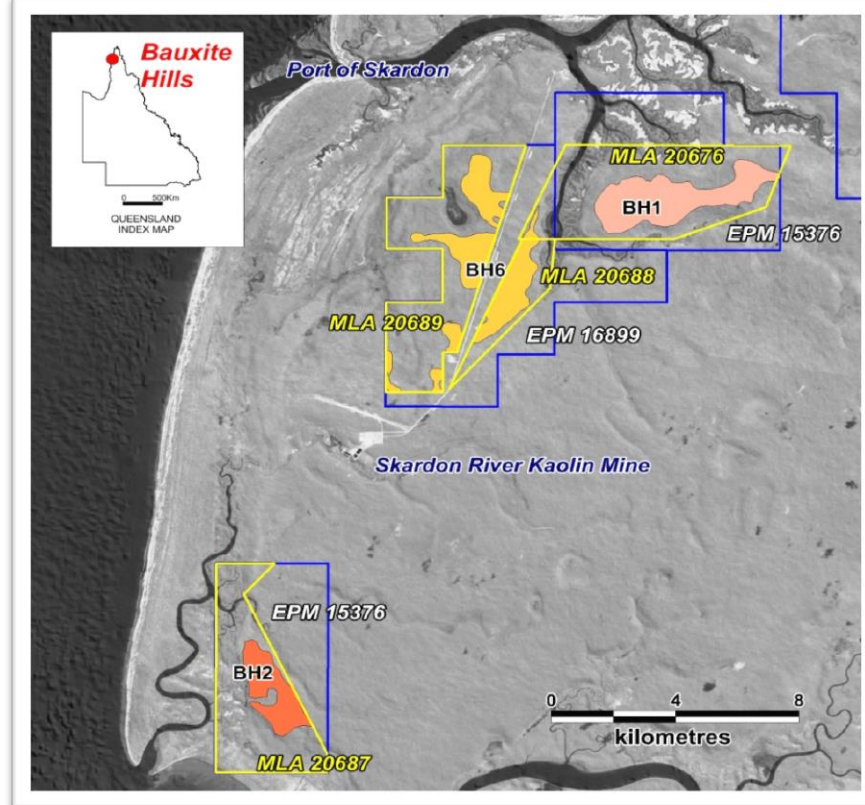


# Bauxite Hills mine and port project (CBX 100%)

## Project Summary

- • • • 60Mt\* JORC-Code-compliant resource
- • • • High quality, export grade bauxite
- • • • Potential to yield up to 5Mt per annum (Mtpa) of dry-product bauxite over a 10 year period
- • • • Located approximately 95 km north of Weipa on western Cape York
- • • • Location is only five km south-east of the existing port at Skardon River
- • • • Bauxite is well suited for use in low and high temperature alumina refineries
- • • • PFS completed in 2012, which confirmed the technical and economic feasibility of the project

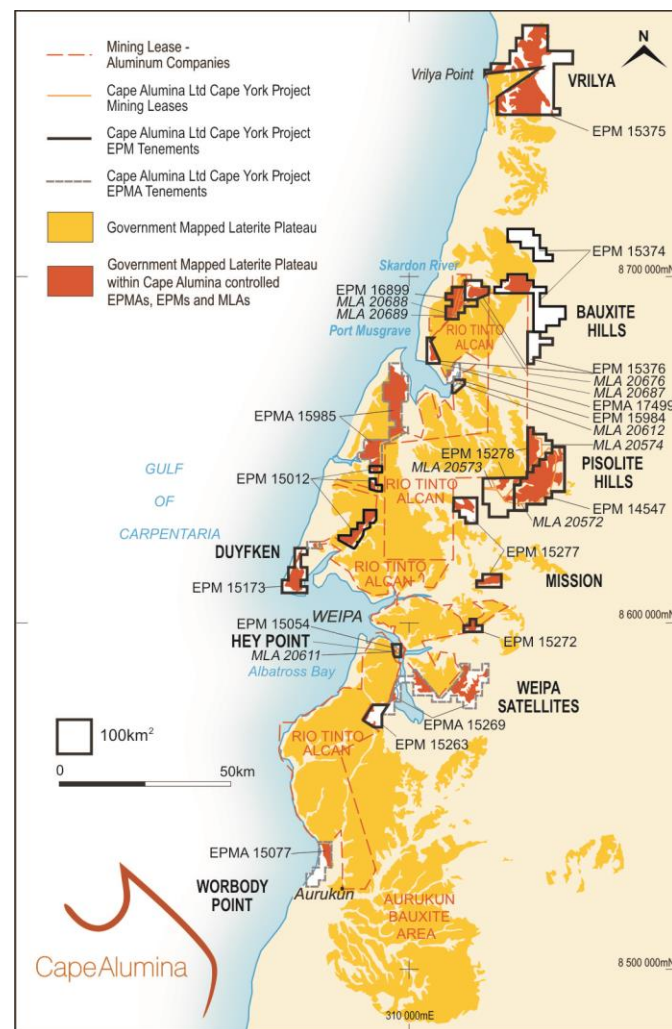
## Project Location



\*Combined Inferred Resources at Bauxite Hills' BH1, BH2 and BH6 deposits total 60.2 Mt of *in-situ* bauxite to yield 41.3 Mt of bauxite on a dry-product basis at average beneficiated grade of 51.6 per cent Alumina ( $\text{Al}_2\text{O}_3$ ) and 9.6 per cent Silica ( $\text{SiO}_2$ ).

## Cape Alumina's resources and projects

Area	Resource category	<i>In-situ</i> dry tonnes (Mt)	Beneficiated dry tonnes (Mt)	Total Al <sub>2</sub> O <sub>3</sub> (wt %)	Total SiO <sub>2</sub> (wt %)
<b>Pisolite Hills mine and port project</b>					
Pisolite Hills	Measured	27.5	20.1	54.4	10.8
Pisolite Hills	Indicated	56.1	37.9	53.5	12.5
Pisolite Hills	Inferred	48.8	29.3	53.1	13.2
Musgrave	Indicated	2.2	1.6	52.8	11.2
<b>Bauxite Hills mine and port project</b>					
BH1, 2 & 5	Inferred	60.2	41.3	51.6	9.6
BH4 & 5	Inferred	3.8	2.0	49.5	11.0
<b>Other projects</b>					
Hey Point	Inferred	3.8	2.5	55.3	9.8
<b>Total</b>	<b>All categories</b>	<b>202.4</b>	<b>134.7</b>	<b>52.9</b>	<b>11.4</b>





# Summary

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- Cape Alumina has a large resource located within the world-class western Cape York bauxite province, characterised by high-quality, export-grade bauxite that has high alumina content when compared to other Australian bauxite provinces (outside Weipa) and has a strong chance of securing the massive Aurukun tenement
- Cape Alumina's bauxite has ready access to ship-borne trade and is close to the Asia Pacific market
- Cape Alumina's objective is to produce up to 12 Mtpa of beneficiated, dry-product bauxite over approximately a 15 year mine life from its existing projects and a potential additional 10 Mtpa if the Aurukun tender is successful
- Global demand for bauxite will remain strong over the long term
- Cape Alumina provides exposure to the increasing growth in demand for the **right commodity**, bauxite from the **right projects** located in the **right place**
- Cape Alumina is well positioned to become Australia's leading independent supplier of bauxite to the Asia Pacific region