

ASX release

Tuesday, 23 April 2013

Cape Alumina invited to bid for Aurukun bauxite deposit

A consortium led by Cape Alumina Limited (ASX code: CBX) has been short-listed by the Queensland Government to tender for the development of the world-class Aurukun bauxite deposit on western Cape York, Queensland.

The consortium comprising Cape Alumina Limited (Cape Alumina), a subsidiary of Singapore Stock Exchange listed Noble Group Limited (Noble Group) and a subsidiary of Qube Holdings Limited (ASX code: QUB), Qube Bulk Pty Ltd (Qube Bulk), have been short-listed to bid for the development of a bauxite mine at Aurukun.

The Queensland Government called for expressions of interest to develop the Aurukun deposit in November 2012. In response, Cape Alumina partnered with Noble Group, Asia's largest diversified commodities trader, and Qube Bulk, Australia's largest dedicated bulk and general stevedoring operator, to lodge an expression of interest in February 2013.

Cape Alumina's Managing Director, Graeme Sherlock, said the consortium is best placed to ensure the timely development of the Aurukun bauxite deposit and deliver substantial social, environmental and economic benefits to the State as well as to the local Aurukun indigenous communities.

"Cape Alumina is a home-grown Queensland-based resources company and Noble Group and Qube Bulk are internationally recognised leaders in their fields," Mr Sherlock said.

"Each consortium member is committed to and capable of making a valuable contribution to the project."

Mr Sherlock said that Cape Alumina has a strong relationship with the Traditional Land Owners and Aboriginal people of western Cape York.

"In recent years, we have worked very closely with the local indigenous communities and Traditional Land Owners to advance our Pisolite Hills and Bauxite Hills projects.

"We respect the unique and important association that the Traditional Land Owners and local indigenous communities have with their country and, if we are successful in our bid to develop a mine at the Aurukun deposit, the communities will benefit from our understanding and experience.

"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. The Cape Alumina consortium will be motivated to drive production and reach maximum output to meet international demand," he said.

About Cape Alumina Limited

Cape Alumina is Australia's leading pure-play bauxite company, evaluating one of the country's largest under-developed, export-quality bauxite deposits.

Brisbane-based, the company controls approximately 1,900 square kilometers of exploration tenements in western Cape York (**see figure 1 below**). This is the largest tenement holding in the region outside the Rio Tinto Alcan mining leases.

Cape Alumina's business model is based on the establishment of an independent bauxite supply business to feed the growing market for traded bauxite into China.

To date, Cape Alumina has two projects in the advanced development stages – the Pisolite Hills mine and port project and the Bauxite Hills mine and port project.

The Pisolite Hills project is the company's most advanced project and 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.

The Pisolite Hills resource is estimated to be 134.6 million tonnes (Mt) of *in-situ* bauxite and has the potential to yield up to seven million tonnes per annum (Mtpa) of dry-product bauxite over a 15-year period.

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 Alumina (Al_2O_3) and 12.3 per cent Silica (SiO_2) of which 7.5 per cent reactive silica at 150 degrees Celsius.

The Bauxite Hills project is located approximately 95 kilometres north of Weipa on western Cape York, Queensland, within the bauxite plateau between the Ducie and Skardon Rivers and just five kilometres southeast of the existing port at Skardon River.

The Bauxite Hills project has an Inferred Resource estimate of 60 Mt of *in-situ*, high-quality, export-grade bauxite. This is expected to yield 42 Mt of beneficiated, dry-product bauxite at average grades of 51.6 per cent alumina (Al_2O_3) and 9.5 per cent silica (SiO_2).

In late 2012, Cape Alumina completed the Bauxite Hills Pre-Feasibility Study, which confirmed the technical and economic feasibility of the project. The study showed that Bauxite Hills could produce 5 Mtpa of high-quality, export-grade bauxite over a life of up to 10 years.



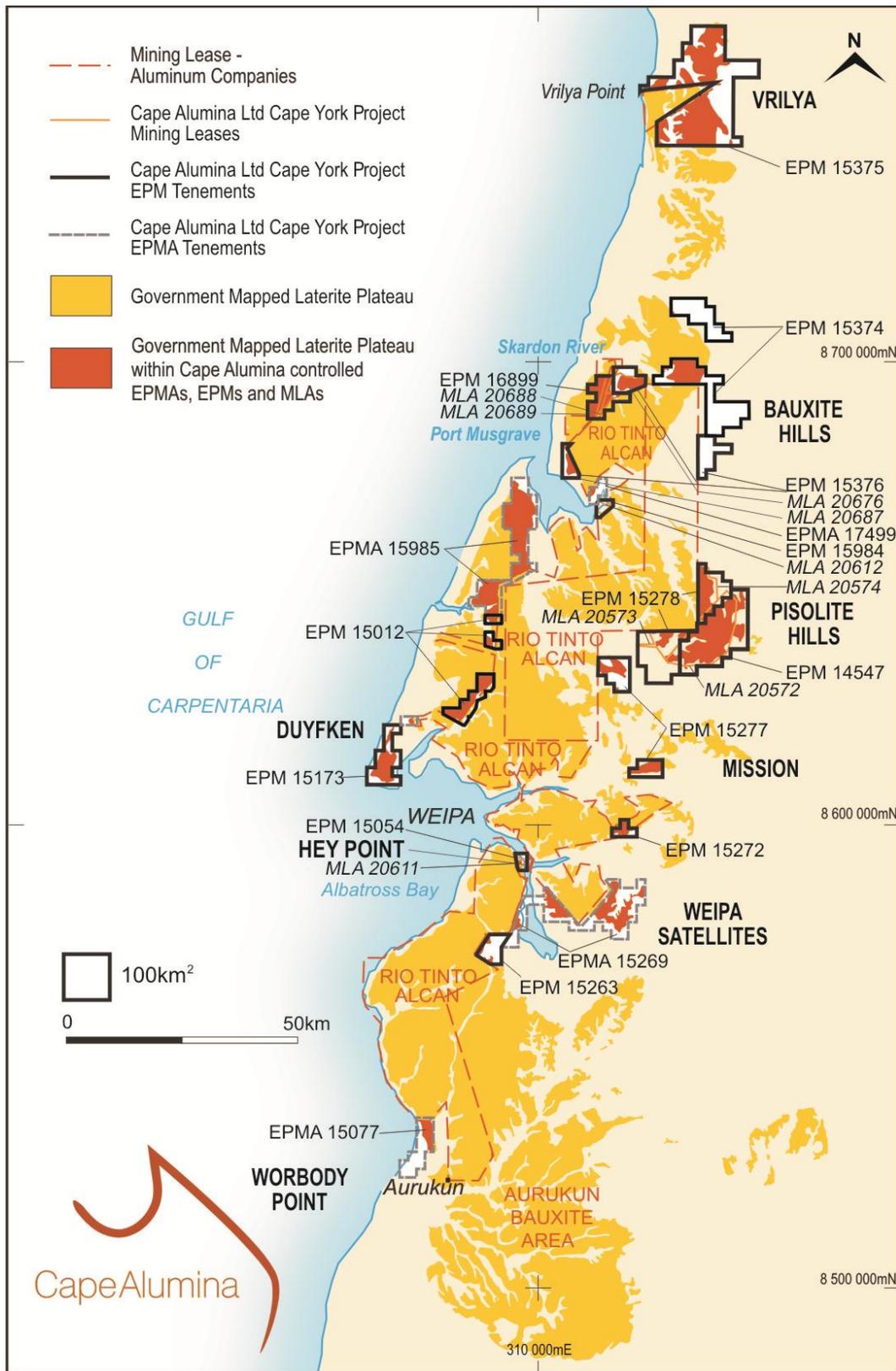


Figure 1: Cape Alumina Limited's tenements and projects on western Cape York, Queensland.



About Noble Group Limited

Noble Group (SGX Code: N21) manages the global supply chain of agricultural and energy products, metals and minerals. Noble operates from over 140 locations, employing more than 70 nationalities. Noble manages a diversified portfolio of essential raw materials, integrating the sourcing, marketing, processing, financing and transportation of those materials. Noble owns and manages a portfolio of strategic assets, sourcing from low cost producers such as Brazil, Argentina, Australia and Indonesia and supplying to high growth demand markets including China, India and the Middle East. Today, Noble has interests in grain crushing facilities, coal and iron ore mines, fuel terminals and storage facilities, sugar and ethanol plants, ports, vessels and other key infrastructure facilities.

About Qube Bulk Pty Ltd

Qube Bulk Pty Ltd is a wholly-owned subsidiary of ASX listed Qube Holdings Limited (Qube) (ASX code: QUB) is an ASX200 company with a market capitalisation of approximately \$1.7 billion. Qube employs over 4000 people nationally and has annual revenues of approximately AU\$1 billion.

Qube Bulk is Australia's largest dedicated bulk and general stevedoring operation and operates in 29 ports around Australia and has been involved in building greenfield bulk ports and providing innovative bulk solutions to emerging miners.

Qube Bulk is the specialist bulk handling arm of the Qube Group, focused on the resources sector and specialising in the operation and maintenance of bulk handling facilities across Australia.

Qube Bulk's capability extends from mine to vessel including:

- mine site bulk handling and shed services;
- bulk road haulage services;
- rail unloader operations;
- stockyard and shed services (in-loading, stockpile management and out-loading);
- stevedoring;
- port development; and
- above rail operations.

Competent Person's Statement

Technical information about ore resources relating to Cape Alumina contained in this report has been compiled by Dr Paul Messenger who is a Principal Advisor to Cape Alumina Limited and a Fellow of the Australasian Institute of Mining and Metallurgy (F. AusIMM) with more than five years of relevant experience in the style of mineralisation being reported and qualifies as a Competent Person as defined by the Australasian Code for Reporting of Minerals, Resources and Reserves. Dr Messenger consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

More information: Cape Alumina Limited +61 7 3009 8000

