

CONFIDENTIAL

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

: Presentation August 2014



Cape Alumina - Why Invest?

RIGHT COMMODITY

- There is increasing demand for bauxite in the growing Chinese market. A similar situation to that which led to structural adjustment and soaring prices for iron ore in the last decade
- Cost-effective access to large, high quality, economic bauxite resources is becoming increasingly difficult for the world's bauxite producers
- Cape Alumina is currently undertaking the work required to define a DSO (Direct Shipping Ore) resource at the Bauxite Hills project, which will reduce the need to beneficiate the bauxite and significantly reducing capital and operating costs

RIGHT LOCATION

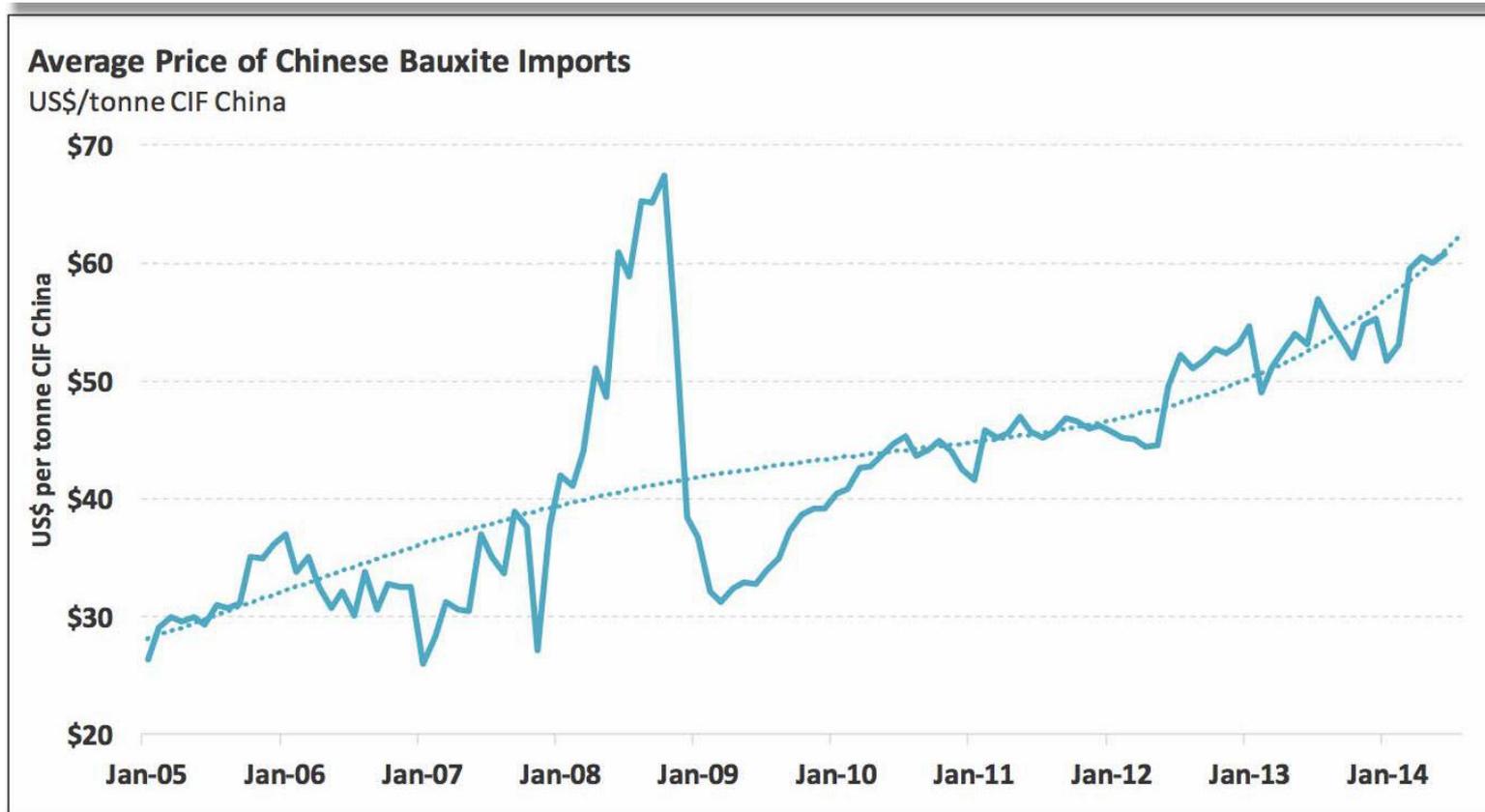
- Western Cape York has high-quality, export-grade bauxite, with a high alumina content when compared to other Australian bauxite provinces
- Cape Alumina is reviewing other Cape York opportunities, particularly in respect to the Aurukun Bauxite resource
- Shallow, free-digging bauxite with minimal overburden thickness and very low strip ratios
- Located close to coastal waters and international shipping routes

RIGHT PROJECTS

- The Bauxite Hills project has the majority of its bauxite within 10 km of the Skardon River, which reduces operating and capital costs
- The Bauxite Hills project has the potential to utilise transshipment, which is expected to eliminate the need for dredging in either the Skardon or Ducie Rivers
- Cape Alumina submitted an unsolicited offer to the Queensland government for developing the large Aurukun bauxite deposit.

Bauxite Market

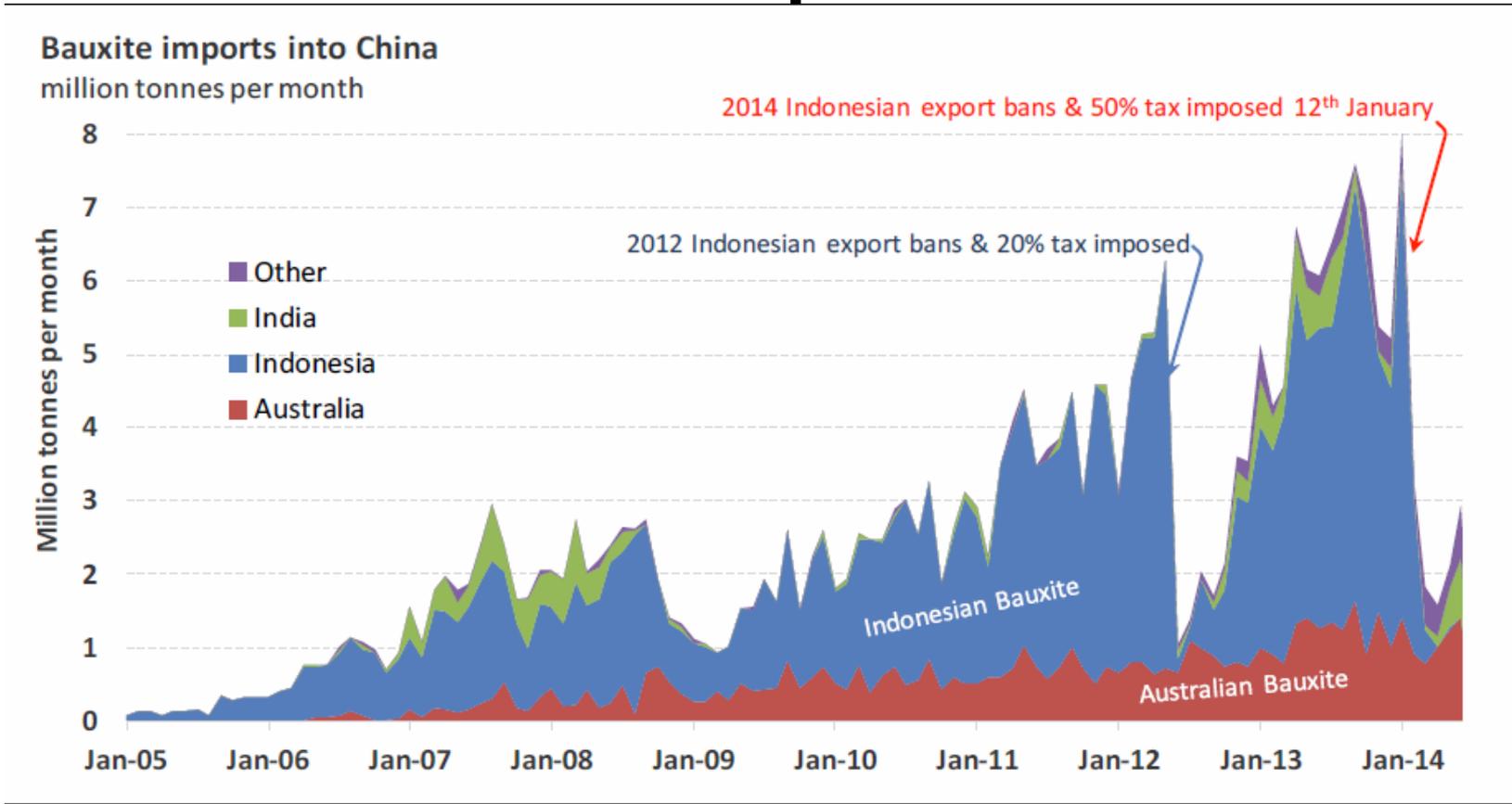
Chinese imported bauxite prices



Source: ABX Quarterly Report June 2014

Chinese imported bauxite prices have grown dramatically over the past five years, based on growing demand from China and limited supply opportunities

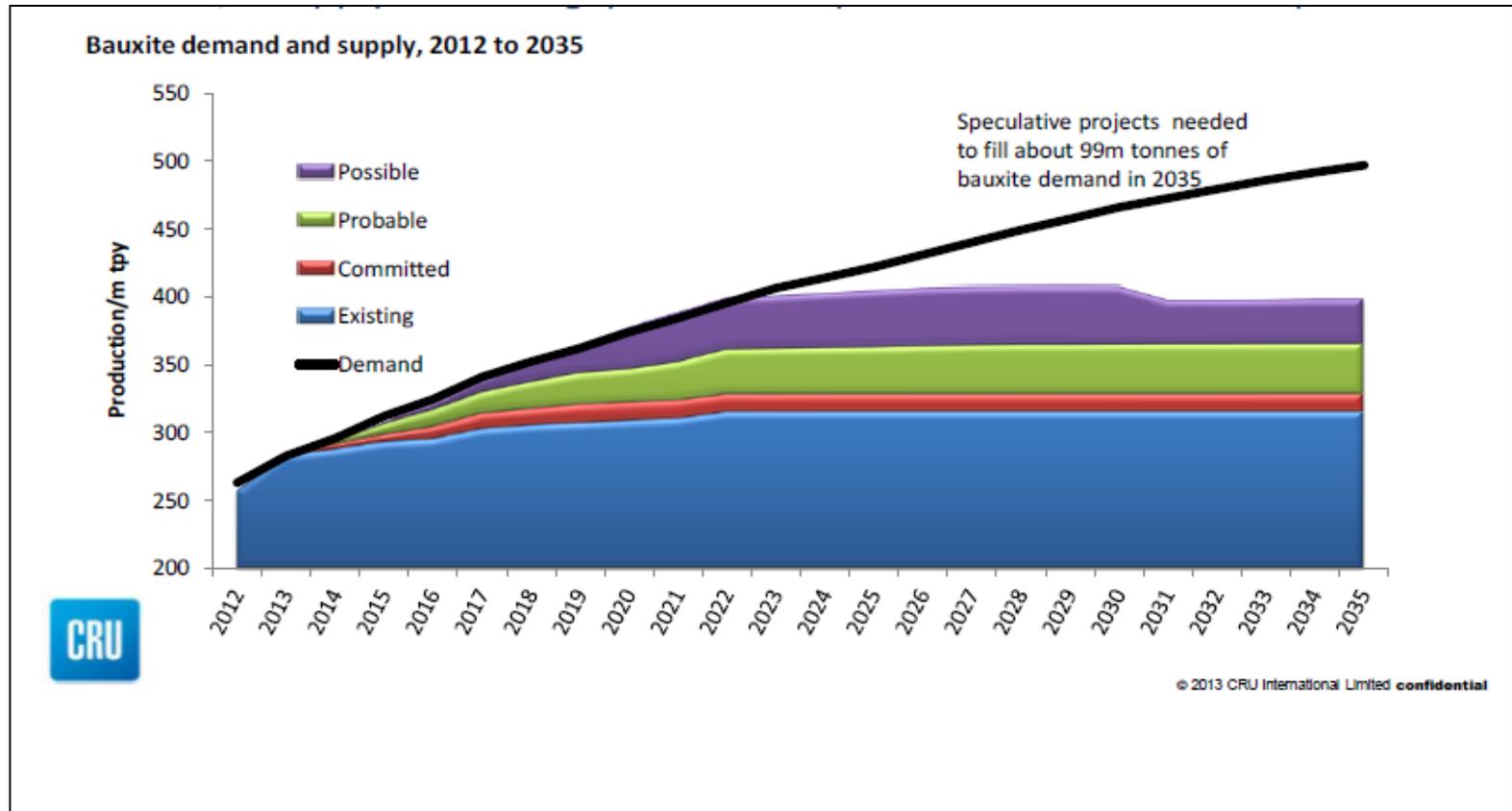
Bauxite Volumes Imported into China



Source: ABX Quarterly Report June 2014

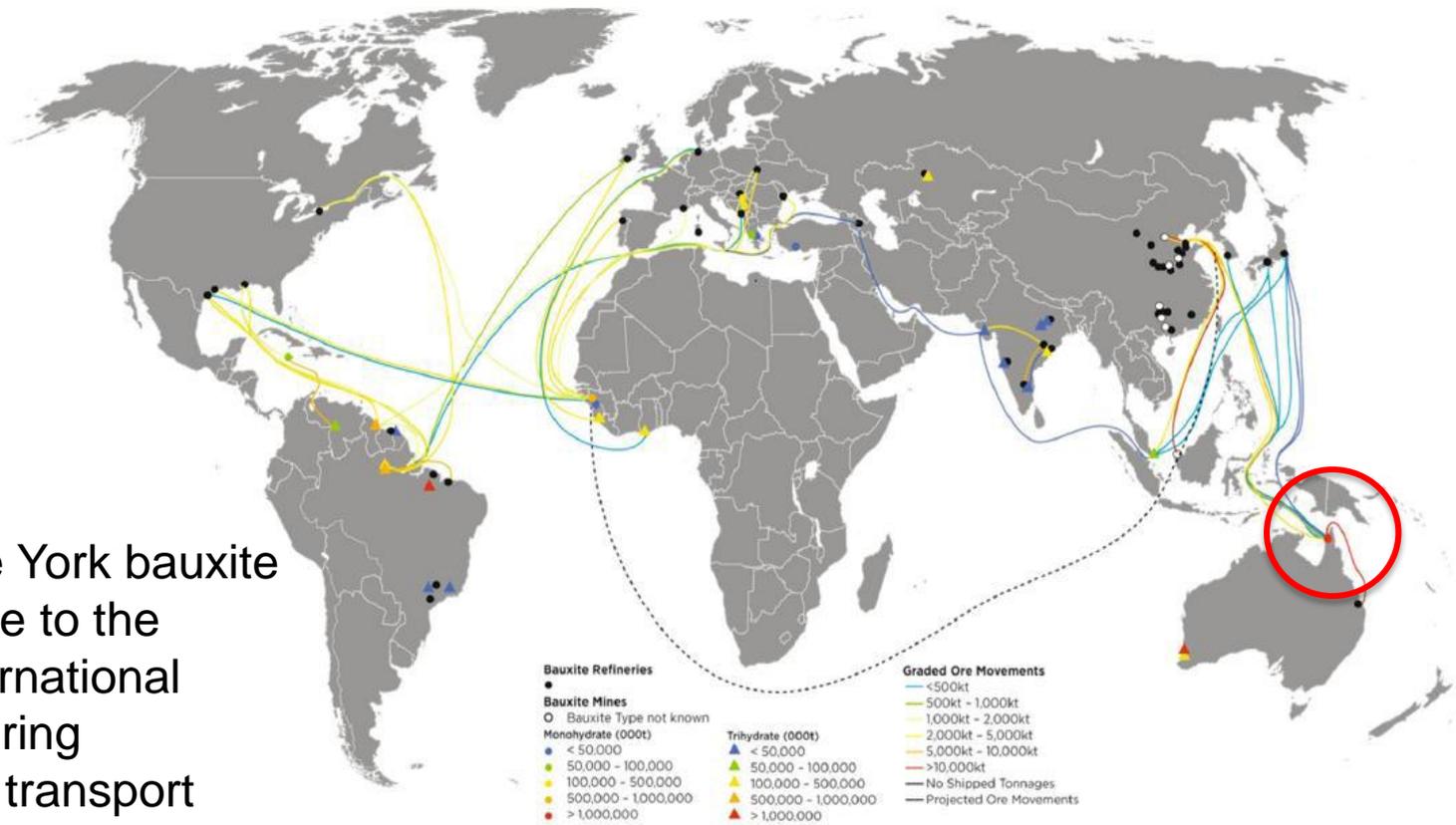
- • • • Indonesia, the largest global exporter has implemented an export ban on bauxite and other minerals unless they are processed. This is a major opportunity for Queensland to replace this supply

World bauxite supply and demand – know and unknown mines needed to bridge gap



Potential supply shortfall emerging from 2015

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

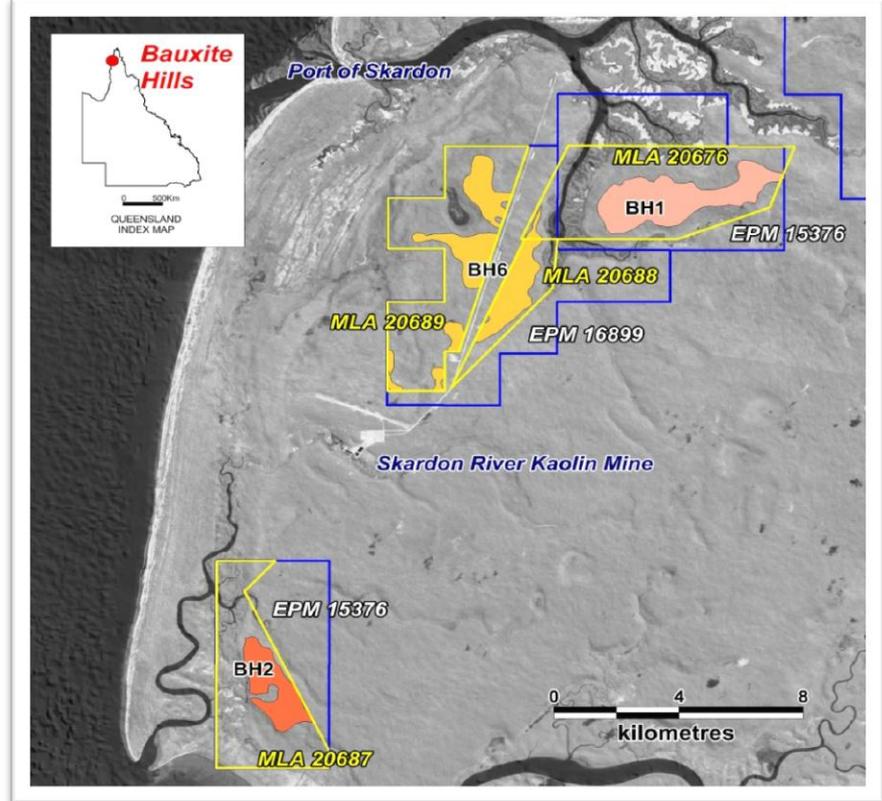
Cape Alumina Projects

Bauxite Hills mine and port project (CBX 100%)

Project Summary

- • • ● 60Mt* JORC-Code-compliant resource
- • • ● Cape Alumina is undertaking the work required to define a DSO (Direct Shipping Ore) resource at the BH6 deposit of the Bauxite Hills project, reducing the need to beneficiate the bauxite
- • • ● 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 Hills is well suited for use in low and high temperature alumina refineries

Project Location

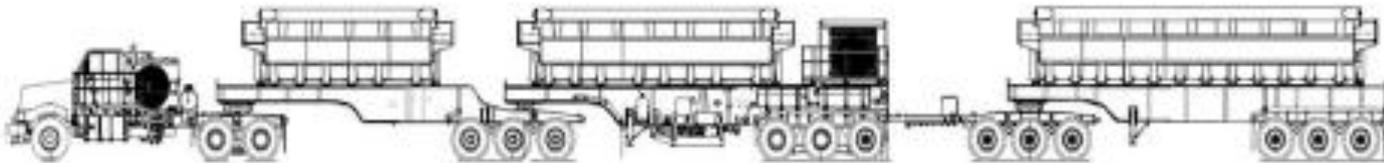


*Combined Inferred Resources at Bauxite Hills' BH1, BH2 and BH6 deposits total 60.2 Mt of *in-situ* bauxite to yield 41.3 Mt of bauxite on a dry-product basis at average beneficiated grade of 51.6 per cent Alumina (Al_2O_3) and 9.6 per cent Silica (SiO_2).

Bauxite Hills mine and port project (CBX 100%)

Benefits of DSO bauxite (Direct Shipping Ore)

- • • ● A recently completed internal review for Bauxite Hills has concluded that if a DSO product can be produced and transhipped via the Skardon or Ducie rivers then a low capital and low operating cost mine would have the potential to increase the economic viability of the project
- • • ● This internal review has given management sufficient confidence to push ahead with the preliminary stages of environmental approvals and to complete additional technical studies to firm up the existence of a DSO product prior to committing to a feasibility study
- • • ● DSO product avoids the following costs (when compared to a beneficiated product):
 - Significantly reduced infrastructure such as no large beneficiation plant or tailings dams required
 - Significantly reduced water and energy requirements



Bauxite Hills Inferred Resource estimate*

Area	Resource category	<i>In-situ</i> dry tonnes (Mt)	Beneficiated dry tonnes (Mt)	Total Al ₂ O ₃ (wt %)	Total SiO ₂ (wt %)
Bauxite Hills mine and port project					
BH1, 2 & 6	Inferred	60.2	41.3	51.6	9.6
BH4 & 5	Inferred	3.8	2.0	49.5	11.0

Cape Alumina is currently undertaking the work required to define a DSO (Direct Shipping Ore) resource at the Bauxite Hills project

* Please refer to Competent Persons Statement on Slide 20



Our export process – Transshipment

- • • ● Transshipment is an obvious solution for Cape Alumina's projects: western Cape York has shallow water, sheltered seas; and little infrastructure
- • • ● A small port and barge loading facility will be located in the Skardon or Ducie Rivers
- • • ● Shallow draught barges will tranship product 10 to 20 nautical miles offshore to load Handymax and Panamax size ships
- • • ● Low environmental foot print, with minimal onshore buildings, stockpiles and reduced dust emissions is a key benefit of the proposed transshipping system

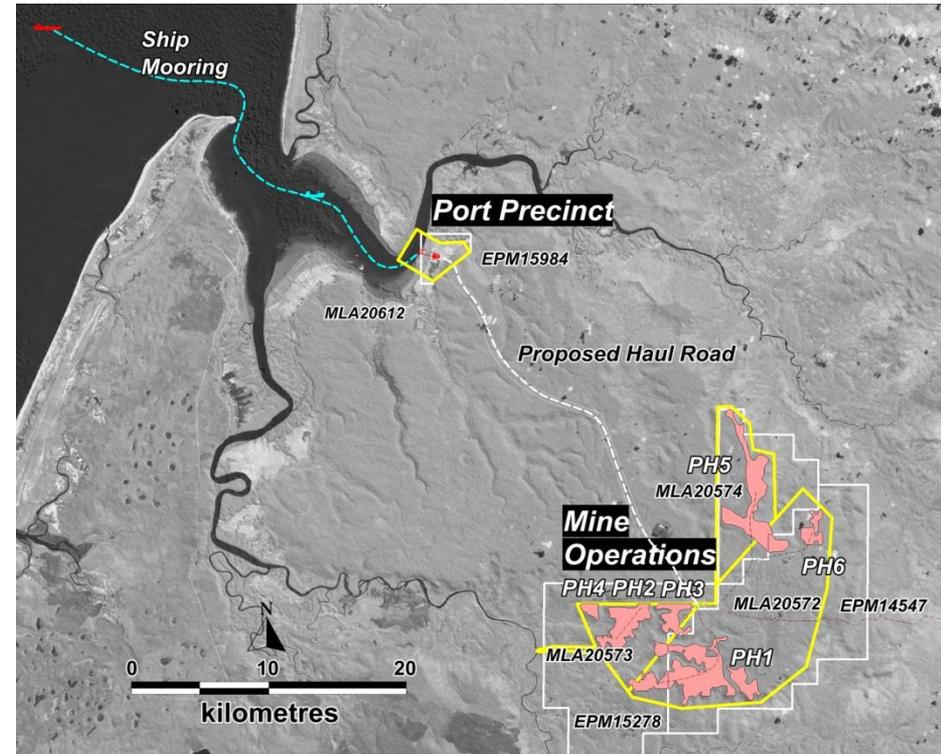


Pisolite Hills mine and port project (CBX 100%)

Project summary

- • • • Project is currently on hold due to State Government announcement to ban mining in the Steve Irwin Wildlife Reserve (SIWR).
- • • • 134.6Mt* JORC-Code-compliant resource prior to ban
- • • • A smaller resource outside the SIWR still has the potential to be developed as a smaller standalone mine or as a satellite mine to the Bauxite Hills Project
- • • • Cape Alumina will continue to review options to add value to any future project at Port Musgrave or Pisolite Hills

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 Al₂O₃ and 12.3 per cent SiO₂ (7.5 per cent reactive silica at 150 degrees celsius)

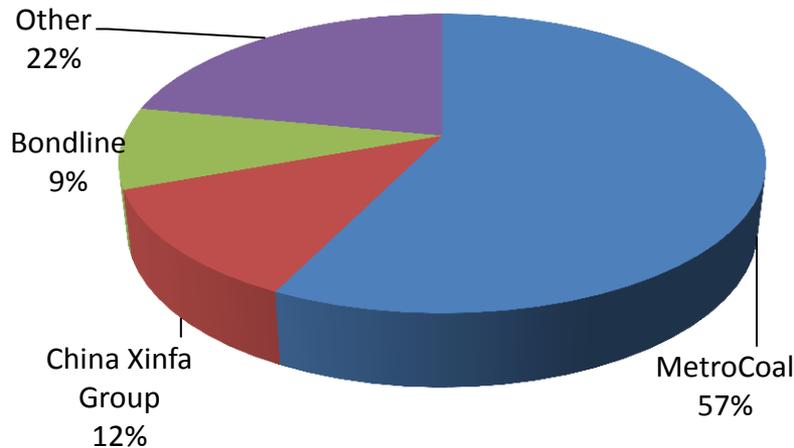
**Company Overview,
Environment, Community &
Resources**

Company Overview

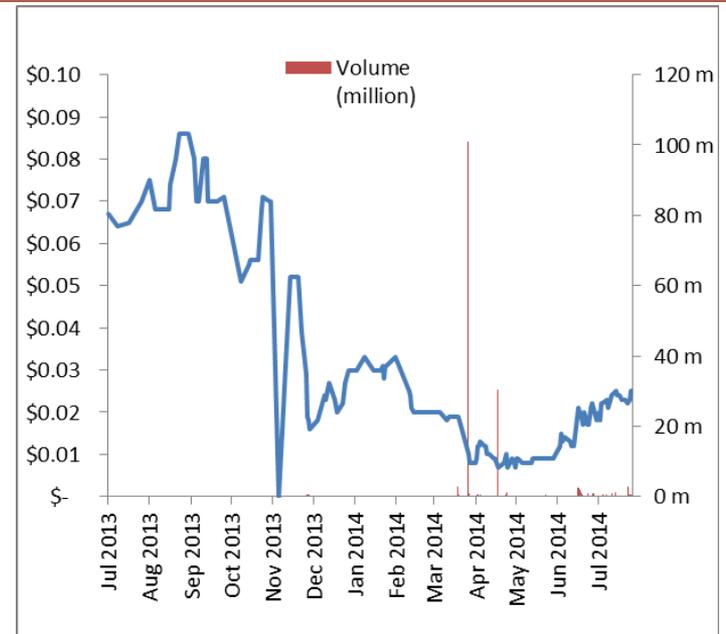
Capital Structure (ASX:CBX)

Share Price (31 July 2014)	\$	0.035
Shares On Issue	m	242.6
Market Capitalisation	\$m	8.5
Cash (30 June 2014)	\$m	1.4
Loans	\$m	nil
Enterprise Value	\$m	9.9

Ownership



Share Price Performance



Experienced Board & Management

- | | |
|----------------|---------------------------------|
| Stephen Everet | • <i>Chairman</i> |
| Lindsay Ward | • <i>Non-Executive Director</i> |
| George Lloyd | • <i>Non-Executive Director</i> |
| Jijun Liu | • <i>Non-Executive Director</i> |
| Scott Waddell | • <i>Acting CEO</i> |

Environment, social and economic impacts

- • • ● Environmental studies for the Bauxite Hills Project are underway
- • • ● Cape Alumina is reviewing environmental approvals through either an EIS or EMP process



- • • ● It is proposed to use Cairns as a Fly-in, Fly-out (FIFO) base for the workforce not sourced locally
- • • ● The project will be a major boon for the **Traditional Land Owners and Aboriginal people** of Cape York communities providing them with a rare opportunity to gain **social and economic independence** and prosperity

Working with the local community

- • • ● Cape Alumina aims to **work collaboratively with all stakeholders** to deliver sustainable, profitable bauxite mining projects that also have positive **social, economic and environmental outcomes** for the local community and broader Australian public
- • • ● We work with the local community to **protect cultural heritage and the local environment**
- • • ● We **create employment and business opportunities** and we will ensure that our projects generate genuine economic and social benefits for the local community
- • • ● To advance the **Bauxite Hills** mine and port project, it is Cape Alumina's intention to sign an **Indigenous Land Use Agreement (ILUA)** with the relevant Native Title holders and Aboriginal parties



Exploration Tenements

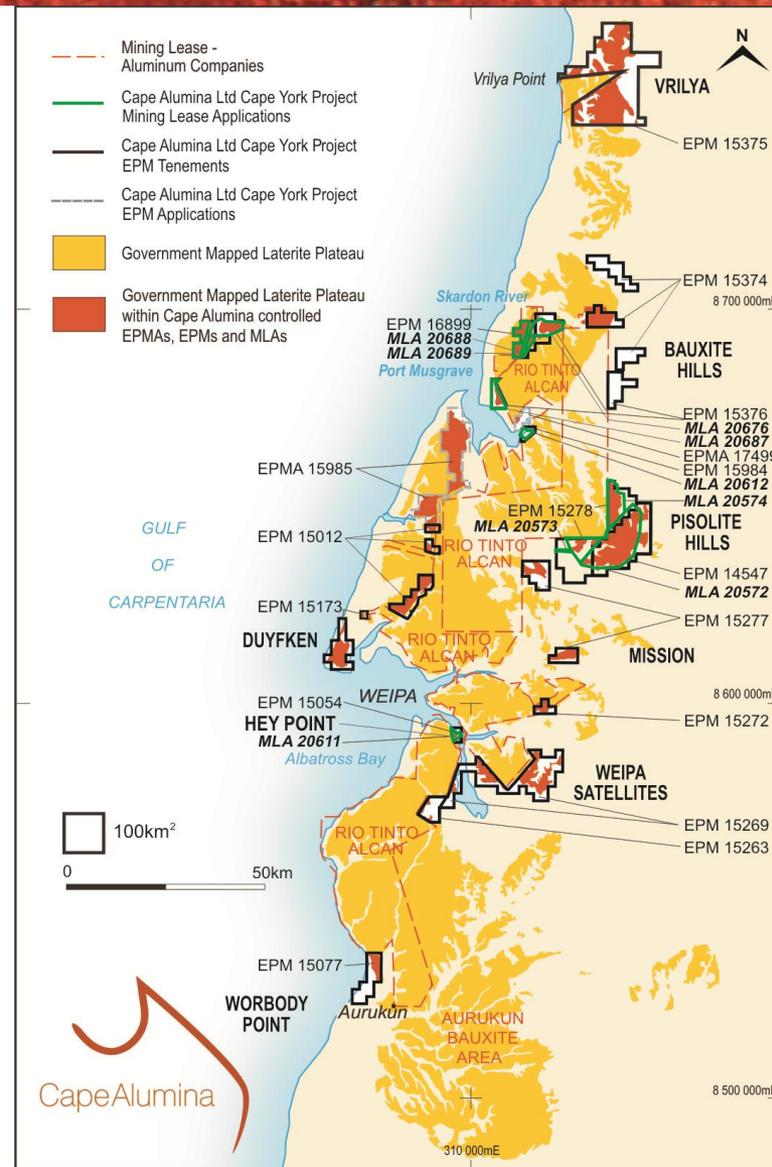
Cape Alumina currently owns 100% of the following project areas in Cape York;

- **Vrilya** – Further exploration required
- **Bauxite Hills** – 60Mt analysing for DSO product
- **Pisolite Hills** – 134Mt on hold
- **Mission** – Exploration required
- **Duyfken** – Exploration required
- **Weipa Satellites** – Exploration required
- **Worbody Point** – Exploration required

Cape Alumina also has some small tenements in Central Queensland but considered to be of little potential

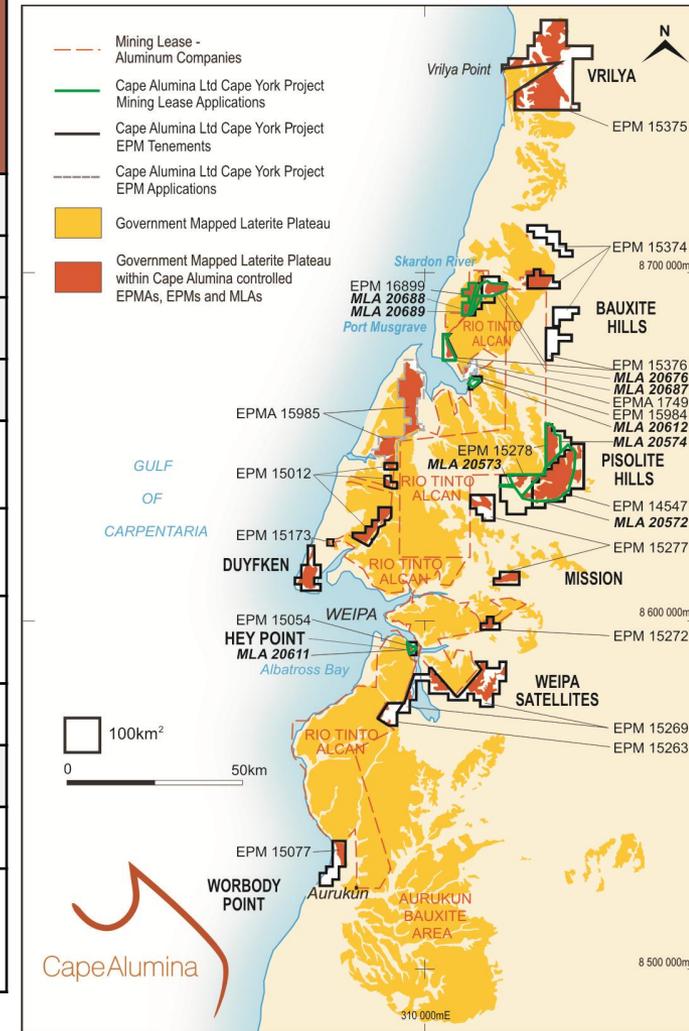
- **Toondoon, Hawkwood & Auburn**

Cape Alumina is currently in the process of selling the Hey Point tenement as announced to the ASX on 2 Nov. 2012



Cape Alumina's resources and projects

Area	Resource category	In-situ dry tonnes (Mt)	Beneficiated dry tonnes (Mt)	Total Al ₂ O ₃ (wt %)	Total SiO ₂ (wt %)
Bauxite Hills mine and port project					
BH1, 2 & 6	Inferred	60.2	41.3	51.6	9.6
BH4 & 5	Inferred	3.8	2.0	49.5	11.0
Pisolite Hills tenements (project on hold)					
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
Other projects (in the process of selling)					
Hey Point	Inferred	3.8	2.5	55.3	9.8
Total	All categories	202.4	134.7	52.9	11.4



Disclaimer

Statements and material contained in this Presentation, particularly those regarding possible or assumed future performance, production levels or rates, commodity prices, resources or potential growth of Cape Alumina Limited, industry growth or other trend projections are, or may be, *forward looking statements*. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Graphs used in the presentation (including data used in the graphs) are sourced from third parties and Cape Alumina has not independently verified the information.

Cape Alumina is at an early development stage and while it does not currently have a operating bauxite mine it is taking early and preliminary steps (such as but not limited to scoping studies etc.) that are intended to ultimately result in the building and construction of an operating mine at its project areas. Although reasonable care has been taken to ensure that the facts stated in this Presentation are accurate and or that the opinions expressed are fair and reasonable, no reliance can be placed for any purpose whatsoever on the information contained in this document or on its completeness.

Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors. Nothing in this Presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

Technical information about exploration targets and ore resources on any Cape Alumina project in this Presentation had been compiled by Neil McLean, who is a consultant for 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 2004 edition of 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).



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