



Tuesday, 1 June 2010

ASX Release

Cape Alumina appoints experienced new CFO

EMERGING independent bauxite producer Cape Alumina Limited (ASX Code: CBX) is pleased to announce the appointment of experienced resources industry and finance executive Mr Scott Waddell to the positions of Chief Financial Officer and Company Secretary.

Mr Waddell's appointment takes effect from today June 1, 2010.

Prior to joining Cape Alumina Mr Waddell served as Head of Finance for the Monash Energy project being developed by Anglo American Metallurgical Coal (formerly Anglo Coal) and Shell in Victoria's La Trobe Valley.

Mr Waddell's resources experience was gained over nine years with Anglo Coal and a further eight years with Rio Tinto Alcan (previously Comalco) in a wide variety of senior roles across multiple sites.

Cape Alumina's Managing Director Dr Paul Messenger said the Company was pleased to have attracted an executive of Mr Waddell's calibre and experience, particularly in relation to his understanding of the global bauxite, alumina and resources sectors.

"Scott brings to Cape Alumina valuable industry knowledge, large-scale project financing knowledge and a range of executive skills which will complement the Company's existing core competencies," Dr Messenger said.

"The Company is entering an exciting and challenging phase of its development and Scott's strong financial and corporate governance skills, coupled with his highly developed business acumen, will be an asset as the Company moves from advanced explorer to developer.

"Cape Alumina is presently in the process of completing an Environmental Impact Statement for the Company's proposed Pisolite Hills bauxite mining and port project on western Cape York in far north Queensland and will then commence the project's Bankable Feasibility Study."

The CFO and Company Secretary roles were previously filled by Mr John Haley - the CFO and Company Secretary for Cape Alumina's parent company and major shareholder, Metallica Minerals Limited.

Dr Messenger thanked Mr Haley for his valuable contribution to Cape Alumina.

"John has made an outstanding contribution to the Company over a number of years and was instrumental in the successful listing of Cape Alumina on the ASX in 2009," he said.

"I wish him all the best as he turns his full attention to his roles with Metallica Minerals Limited (ASX-MLM), Planet Metals Limited (ASX-PMQ) and MetroCoal Limited (ASX-MTE)."

About Cape Alumina and its Pisolite Hills project

Cape Alumina is a Brisbane-based, Cape York-focused emerging bauxite company. Cape Alumina has international support from Chinese alumina majors including Xinha, one of China's largest aluminium and alumina producers.

The Pisolite Hills bauxite project is centred on an elevated open, dry bauxite plateau approximately 50km northeast of Weipa in Cape York, Queensland.

The Pisolite Hills resource base is approximately 132* million tonnes (Mt) of in situ bauxite. Continuing exploration of the company's surrounding tenements is expected to increase resources.

Subject to a positive feasibility study, permitting and successful financing, construction is expected to be carried out between 2012 and 2013 with bauxite production starting soon after commencement of construction and a design capacity of 7 Mtpa of dry bauxite product.

The Pisolite Hills EIS is being fully funded by Cape Alumina Limited and will represent the most comprehensive environmental study ever undertaken in the area.

The EIS will be assessed by the Queensland Department of Environment and Resource Management and the Commonwealth Department of Environment, Water, Heritage and the Arts.

Cape Alumina's Application for Mining Lease (MLA) 20572 covers 12,360 hectares of Bertiehaugh Cattle Station. This equates to 9.16 per cent of the overall pastoral lease.

The actual land on the Bertiehaugh Cattle Station pastoral lease that is proposed to be mined is 2,053 hectares, which equates to 1.5 per cent of the overall pastoral lease. This land will be fully and progressively rehabilitated to its pre-mining state.

Competent Person Statement

The information in this report related to Exploration Results is based upon data compiled and supplied by Mr John Cameron from Cape Alumina Ltd. The information in this report related to Mineral Resources was compiled by Snowden Mining Industry Consultants Pty Ltd (Snowden), and is based upon and accurately reflects data compiled by Mr Cameron. The reported Mineral Resource has been reviewed by Mr Justin Watson whom at the time of reviewing was employed fulltime by Snowden. Messer's Cameron and Watson are Members of the Australasian Institute of Mining and Metallurgy and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they have undertaken to qualify as a Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Messer's Cameron and Watson consent in writing to the inclusion in the matters based on the information and context in which it appears.

*132.4 Mt in-situ to yield 87.3 Mt (20.1 Mt Measured + 37.9 Mt Indicated + 29.3 Mt Inferred) at an average grade of 53.1% Al₂O₃ (41.5% Trihydrate Available Alumina + 7.5% reactive SiO₂), at a minimum mining thickness of 0.5 m.

For further information please contact:

Shareholders

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