

Monday, 19 April 2010

Cape Alumina appoints Mapoon Community Liaison Officer

- **Community Liaison Officer appointed to staff in Cape Alumina new office and community information centre at Mapoon, western Cape York**
- **Continued strong commitment to community engagement and stakeholder consultation**
- **Opportunity for strong regional economic impetus to support local jobs and business**

EMERGING independent bauxite miner Cape Alumina Limited (ASX Code: CBX) has appointed Mapoon resident Ms Daphne de Jersey as the Company's Community Liaison Officer.

Ms de Jersey, who has lived at Mapoon for the past 13 years, will staff Cape Alumina's new office and community information centre, which is located at the Mapoon Aboriginal Shire Council's Land and Sea Centre.

Managing Director Dr Paul Messenger said he was excited by Ms de Jersey's appointment, and hoped that she was the first of many local Mapoon residents to be employed by the Company.

"I am very pleased that Cape Alumina has been able to attract someone of Daphne's calibre to join our team in Mapoon," Dr Messenger said.

"Daphne is a well-respected member of the Mapoon community with a deep understanding of the local region's needs.

"She will play a crucial role for Cape Alumina in helping to build and maintain strong links between the Company and the local community."

Dr Messenger said Ms de Jersey's appointment was an important step towards the completion of the Company's Environmental Impact Statement (EIS) and community consultation program, which is structured to ensure all local stakeholders are engaged and given an opportunity to provide input and learn the facts about our Pisolite Hills project.

Project a boon for the Far North Queensland economy

Dr Messenger said a recently completed economic impact assessment shows that the project's total direct and indirect impact on Gross Domestic Product (GDP) is approximately \$1.2 billion, in Net Present Value (NPV) terms, over the life of the project.

"For the Far North Queensland region, the direct and indirect economic impact is approximately \$600 million (NPV) over the life of the project," he said.

"More than 1,700 direct and indirect jobs will be created or sustained over the mine's 15-year life – 1,300 of these in the Far North Queensland region.

"The report also found that the social and economic benefits would be shared between Cape Alumina, the Commonwealth and Queensland governments and community stakeholders, including the Aboriginal community of Mapoon, which is one of the most disadvantaged communities in the State."



Dr Messenger said a balance between responsible mining, economic development and protection of the natural values of the Wenlock River in western Cape York and the cultural values of the region's Traditional Owners was achievable.

"We are now finalising the EIS, which will be the most comprehensive environmental study ever undertaken in the area," he said.

"We are confident that we have got the science right – the detailed environmental studies have not identified any issues that would be expected to cause permitting delays.

"We have no plans to mine any wetlands, rivers, springs or areas of high conservation value and the elevated dry stringybark country earmarked for shallow mining will be fully rehabilitated progressively throughout the life of the operation."

The economic impact assessment noted that the Pisolite Hills project would not have a material impact on the economic activities of the adjoining landholders.

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 condition.

Cape Alumina expects to complete the EIS by the first half of this year and be in a position to commence construction in 2012, subject to the outcome of the Bankable Feasibility Study and receipt of all regulatory approvals.

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 Xinfu, 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.

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:

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