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JOBs FOR AUSTRALIANS AS CAPE ALUMINA DEFIES ECONOMIC MELTDOWN AND LISTS ON THE ASX

Queensland-based company Cape Alumina has defied the doom and gloom in the global economy and reached a milestone with its listing on the Australian Securities Exchange today (ASX code: CBX) which will help lay the foundation to create up to 1,000 jobs in the Queensland resources sector.

The Company's proposed Pisolite Hills bauxite project will likely create over 500 construction jobs and around 350 permanent full time jobs in Cape York and in Far North Queensland, subject to feasibility studies and timely assessments.

Many of these jobs will be filled by indigenous workers in Cape York, an area that currently suffers from very high unemployment and low job or work skill development opportunities.

Cape Alumina's bauxite operation will also generate billions of dollars in export revenue and add hundreds of millions of dollars to Queensland's tax coffers.

Following its successful IPO (Initial Public Offering) where it raised over \$15 million, Cape Alumina today became just the second listing this year on the ASX.

Despite market volatility, the IPO, which closed on January 20, resulted in the issuing of 30 million shares at \$0.50 per share. Cape Alumina attracted 500 new shareholders, who are mainly Queensland-based.

Construction is expected to begin in early 2011, with the project coming on stream in 2012/2013 at a time when China is expected to require increasing supplies of imported bauxite for its aluminium industry.

Cape Alumina is already advanced in carrying out a wide range of environmental investigations which will be incorporated in the most comprehensive environmental impact study ever undertaken in the area.

The proposed mining project will operate under an environmental management plan and utilise a continuous, progressive environmental rehabilitation program to ensure world's best environmental practice.

Chairman, Mr George Lloyd, said it was a momentous day for Cape Alumina and he was excited and proud that the Company would be able to provide hundreds of long-term jobs in the Queensland resources sector.

"To raise capital and list a company is a great result in a very difficult financial market and enables Cape Alumina to confidently progress the feasibility study into the development of a significant new Australian resource project in Cape York," Mr Lloyd said.

He said the Pisolite Hills project is expected to have a life of at least twelve years and it is hoped that it will be the first of a sequence of projects that will provide reliable and sustainable employment in the region for many years.

Cape Alumina CEO Paul Messenger said Cape Alumina was now in the fortunate position of starting life as an ASX-listed company with cash in the bank, no debt and an advanced resource project which, subject to feasibility, will position the Company to play a major role in the supply of bauxite to the Chinese alumina-aluminium market.

"We believe Cape Alumina has the potential to become a major player in the resources sector, creating jobs where they're most needed as well as creating massive trade with important overseas trading partners like China," Dr Messenger said.

"It is vital for this industry that we maintain momentum on important projects like Pisolite Hills. This must be done to place Queensland and Australia in the best position for the inevitable recovery in commodity demand.

"We don't want to be left flat footed and struggling to catch up to other mineral-producing countries around the world like many companies were following the commodities slump from 1997 to 2003."

The Pisolite Hills project is situated in Western Cape York on the Weipa Bauxite Plateau between the Ducie and Wenlock Rivers in a region that has 45 years of bauxite mining and rehabilitation experience.

Cape Alumina is 32% owned by the listed resource company Metallica Minerals Limited (ASX Code:MLM). Its major shareholders include Chiping Xinfu Huayu Alumina Co Ltd (one of China's largest independent alumina-aluminium company), and Resource Capital Fund.

The Company will now start preparing its bankable feasibility study for the Pisolite Hills project, finalising an Indigenous Land Use Agreement with the traditional owners of the project area and completing the environmental impact study of the area.

For further enquiries please contact

Paul Messenger
CEO
Cape Alumina Pty Ltd
Ph: 07 3229 0302
0400 065547

Ian Eckersley
Principal Consultant, C/. Three Plus
Ph: 07 3503 5700 or 0430 102 922
ian@threeplus.com.au

****NOTE FOR BROADCAST MEDIA – PISOLITE HILLS PROJECT IS PRONOUNCED AS: "PEE-zuhr-lite"**