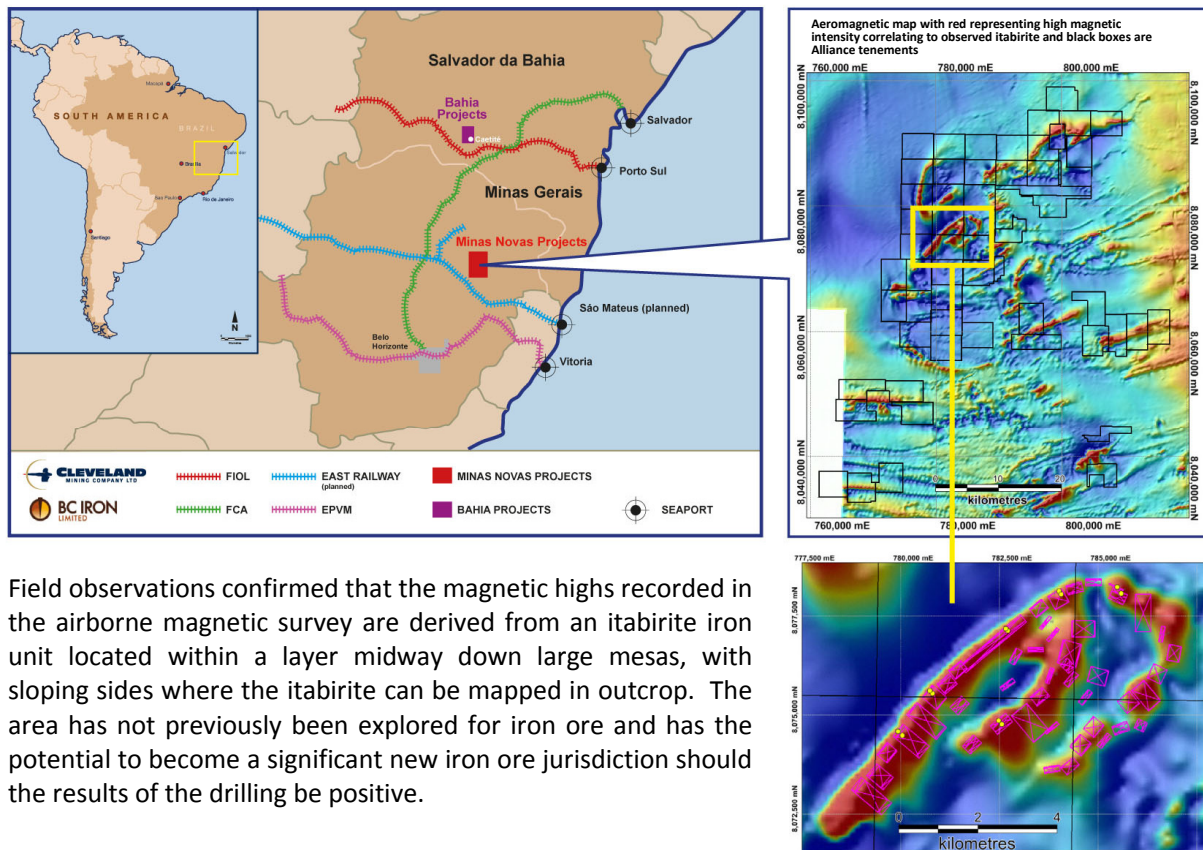


## Orientation Drilling to Commence Following Confirmation of Significant Itabirite Outcrops at Minas Novas Project

- Significant aeromagnetic anomaly confirmed to correlate with outcropping itabirite style iron ore in a region with no previous iron ore exploration
- 1,070 km<sup>2</sup> tenement package in Northern Minas Gerais with 60 - 100 km of potential strike identified
- Orientation drilling beginning
- New open access railway planned to pass near project

Cleveland Mining Company (ASX: CDG) is pleased to announce that field evaluations have confirmed the correlation between multiple aeromagnetic anomalies and itabirite iron ore in the +1000 km<sup>2</sup> Minas Novas project, in Minas Gerais State, Brazil, and that an orientation drilling program is to commence on the project in the next few days. The drill rig is currently being mobilised from the CDG and BC Iron (ASX: BCI) Alliance's Bahia projects where a successful first pass drilling program has just concluded. As with the Bahia projects, the Minas Novas project is held in a discrete entity in which the Alliance has an option to earn up to 80% of by way of achieving various development and payment milestones.



Field observations confirmed that the magnetic highs recorded in the airborne magnetic survey are derived from an itabirite iron unit located within a layer midway down large mesas, with sloping sides where the itabirite can be mapped in outcrop. The area has not previously been explored for iron ore and has the potential to become a significant new iron ore jurisdiction should the results of the drilling be positive.

### Corporate Information

Total shares: 241.3 million  
 Listed options: 11.4 million  
 Unlisted options: 34.7 million

### Contact

Investor & Media Enquiries  
 E : investors@clevelandmining.com.au

### Board of Directors

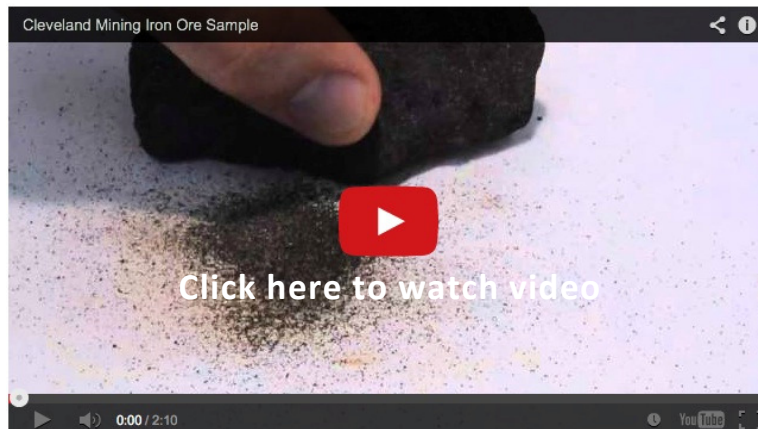
Russell Scrimshaw - Non-Executive Chairman  
 David Mendelawitz – Managing Director  
 Rod Campbell – Executive Director - Commercial  
 Rick Stroud – Non-Executive Director

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The unit observed in outcrop appears to have a thickness of approximately 40 m. The prospective strike length defined by the aeromagnetic highs is between 60 and 100 km. Down dip potential varies along strike, determined by overburden strip ratios.

Samples taken from outcrop were relatively friable, with magnetite able to be liberated from the silica matrix by light crushing and magnetic separation, unlike Australian Magnetite BIFs which are very competent and require significant work to liberate the magnetite.



The orientation drilling program is aimed at:

1. Testing a discrete, yet accessible area of visible mineralisation that has recorded very high iron grades (sampled by vendor), and has little to no overburden,
2. Correlating in ground magnetic responses to the aeromagnetic data to aid in target generation and prioritisation of targets over the broad tenement holdings,
3. Determining if the unit is one cohesive layer, or multiple smaller stacked units,
4. Collecting subsurface samples for metallurgical test work.

Cleveland's Managing Director David Mendelawitz said *"Minas Novas is a very exciting opportunity for Cleveland and BCI. The Alliance is the dominant tenement holder in the area, and it is now certain that the area hosts significant tonnes of itabirite"*.

*"Transport infrastructure currently exists with a well established trucking route to local markets in place as the main industry in the area is the growing of eucalypt plantations for producing charcoal for use by major steel companies in domestic iron production. Longer term, an export solution is planned as the Minas Gerais Government has proposed to build a railway to service the area, which is less than 300 km from the coast. The Government has reported to the Company that they are committed to the railway and are accelerating the project by recently signing a contract with a German consortium to help in rail optimization studies."*

*"Infrastructure is always key to iron ore developments and is the reason why the Alliance commenced work in Bahia, as the Bahia East-West (FIOL) railway is currently under construction and will run alongside the Caetite tenements. A future rail link to the Minas Novas tenements enhances the regional potential for bulk commodities and iron ore in particular."*

Results of the drilling program, as well as assay and metallurgical test-work results from the recently completed program in Bahia will be released to the market as they become available.

- Ends -

#### Further Information

Mr Rod Campbell  
Executive Director

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[investors@clevelandmining.com.au](mailto:investors@clevelandmining.com.au)

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## About Cleveland Mining Company Ltd

Cleveland Mining Company Ltd is an Australian-managed, ASX-listed minerals company squarely focused on developing projects into mines.

The Company's management team have a track-record for building billion-dollar projects from the ground up, providing Cleveland with the expertise to secure and build robust projects.

Cleveland has gold and iron ore assets in Brazil in areas with excellent mining credentials:

- Mining and production are underway at Cleveland's Premier 50/50 Gold Mine JV in Goiás State in central Brazil. The Company is working to add throughput from the O Capitão project, which is less than 10km from the Premier Mine.
- Cleveland has formed a strategic alliance with ASX-listed company BC Iron Ltd (ASX: BCI) to co-acquire and co-develop new iron projects in Brazil as joint venture partners. The companies have signed binding Option Agreements with the Brazilian private company Bahmex covering multiple iron projects.

Cleveland has a different approach to project selection with project economics driving target selection. Projects are chosen according to their likelihood of generating returns at the bottom of the economic cycle.

## Forward-looking Statements

Forward-looking statements can be identified by the use of terminology such as 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'may', 'should', 'will', 'continue' or similar words. These statements discuss future expectations concerning the results of operations or financial condition, or provide other forward looking statements. They are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this ASX update. Readers are cautioned not to put undue reliance on forward looking statements

## Competent Person's Statement

The information in this report that relates to Exploration Results is based on information reviewed by David Mendelawitz, who is a Fellow of the AusIMM. Mr Mendelawitz has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Mendelawitz consents to the inclusion of the matters based on his information in the form and context in which it appears. Mr Mendelawitz is employed by Cleveland Mining Company Ltd.

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