

18 November 2005

The Company Announcements Office  
Australian Stock Exchange Limited

**Via E Lodgement**

**CAPE LAMBERT – UPDATE**

**Capital Raising**

Due to the mechanics of the offering process and prospective UK investors not subscribing pursuant to the prospectus issued by the Company dated 20 September 2005 (Prospectus), the Company has decided to withdraw the Prospectus and issue a new prospectus which will encompass a general offer to the public as well as an offer of securities to the Mt Anketell shareholders in part consideration for the proposed acquisition by the Company of Mt Anketell (as approved by shareholders in a general meeting on 17 October 2005).

Further and more complete details of the revised offer will be included in the new prospectus proposed to be lodged at the Australian Securities and Investments Commission on or about 21 November 2005.

**Revised Timetable**

The Company anticipates the timing of the capital raising and acquisition of Mt Anketell to be as follows:

Withdrawing of Prospectus	18 November 2005
Lodging of new prospectus	21 November 2005
Expiration of exposure period	28 November 2005
Offer opens	28 November 2005
Offer closes	29 November 2005
Issue of securities	30 November 2005
Completion of acquisition of Mt Anketell Pty Ltd	2 December 2005
Estimated quotation of shares on ASX	7 December 2005

The above timetable is indicative only and is subject to change.

**Other matter**

On 16 November 2005 the Company released three Change of Director's Interest Notices to ASX indicating that a total of 12,500,000 options exercisable at \$0.30 each on or before 31 October 2008 (Options) had been issued to the Directors of the Company.

Shareholder approval was given at the Company's general meeting held on 17 October 2005 to issue the Options to the Directors. The authority to issue the Options was conditional upon the Company completing the acquisition of the whole of the issued share capital of Mt Anketell Pty Ltd (Acquisition).

Due to the new prospectus offering the Acquisition will not have been finalised, accordingly the Options have been revoked and new Options will be issued to the Directors subsequent to the Acquisition being finalised.

Yours faithfully

**Tony Sage**  
Executive Chairman





# ADVANCED SHARE REGISTRY SERVICES

Member of Securities Registrars Association of Australia Inc.

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## Facsimile Message

TO : CAPE LAMBERT IRON ORE LIMITED  
ATTENTION : TONY SAGE  
FAX NO : 08 ~~9380 9666~~  
4382 1411  
SENDER : ENDA CONDRON  
DATE : 18 November 2005  
NO OF PAGES : 1 (including this page)

Dear Tony,

RE : CAPE LAMBERT IRON ORE LIMITED

Further to your request we confirm that we have cancelled 12,500,000  
director options expiring on 31 October 2008.

Should you require any further information, please do not hesitate to contact  
our office.

Regards

ENDA CONDRON  
Share Registry Services