

3 March 2006

The Company Announcements Office
Australian Stock Exchange Limited

Via E Lodgement

CAPE LAMBERT IRON ORE LIMITED TO LIST ON AIM

Cape Lambert Iron Ore Limited ("Cape Lambert" or "the Company") (ASX: CFE) wishes to confirm that it intends to apply for Admission on London Stock Exchange's AIM market. This will be via a fast-track compliance listing that is expected to occur by mid-April. Following the successful Admission on AIM, the Company's shares will be dual listed on the Australian and UK (AIM) stock markets.

The Company is proposing to list its securities on AIM for the purpose of maintaining and enhancing its global profile and gaining greater exposure and access to European-based capital, enhancing the fundraising ability of the Company.

Cape Lambert has engaged Collins Stewart as its nominated advisor and broker. Collins Stewart has been the Number 1 fundraiser on AIM during the period 2001-2005, with 47 floats raising circa £1.7bn. In 2005, it raised total funds of £1.2bn on 36 deals for its clients, and successfully completed 24 IPOs, raising £1bn. Through its offices in New York, Paris, Dublin, Geneva and Milan, it is also able to provide access to investors beyond the UK.

Should there be any queries on this matter please do not hesitate to contact the writer.

Yours faithfully

CAPE LAMBERT IRON ORE LTD

Tony Sage
Executive Chairman