

27 March 2006

The Company Announcements Office
Australian Stock Exchange Limited

Via E Lodgement

CFE SHAREHOLDERS APPROVE GOLD ASSET SPIN-OFF: EL 47/1462 GRANTED

Cape Lambert Iron Ore ("Cape Lambert" or "the Company") (ASX: CFE) is pleased to confirm that, at a shareholder meeting held earlier today, the company received strong shareholder approval to finalise plans for the spin-off of its 100% owned subsidiary International Goldfields Limited (ASX:IGC).

At the same time the Company, with the support of its shareholders, approved plans to list International Goldfields Limited's shares on the Australian Stock Exchange (ASX) through an initial public offering (IPO) of 20,000,000 shares at 20c per share, to raise up to \$4 million with an allowance for \$1 million in over subscriptions.

The approval by shareholders today allows the Company to focus 100% on the development of the Cape Lambert Iron Ore Project as it progresses through the Bankable Feasibility Stage and into the important design and planning stage.

Cape Lambert also wishes to confirm that it has received approval of the exploration licence (EL 47/1462) for the Cape Lambert Iron Ore Project and as such is now able to complete all necessary metallurgical and geological tasks on site.

The CFE Board remains confident that, subject to the BFS, the project will come on line in late 2009 with a projected annual output of between five and ten million tonnes per annum.

In accordance with section 251AA of the Corporations Act 2001 the Company hereby provides the following information:-

	Resolution 1
Proxies instructed to vote in the affirmative	57,593,564
Proxies instructed to vote in the negative	10,000
Proxies instructed to abstain from voting	1,203,935
Total proxy votes validly appointed	57,593,564

	Resolution 2
Proxies instructed to vote in the affirmative	57,593,564
Proxies instructed to vote in the negative	10,000
Proxies instructed to abstain from voting	1,218,935
Total proxy votes validly appointed	57,593,564

	Resolution 3 & 4
Proxies instructed to vote in the affirmative	57,593,564
Proxies instructed to vote in the negative	10,000
Proxies instructed to abstain from voting	1,203,935
Total proxy votes validly appointed	57,593,564

Yours faithfully

CAPE LAMBERT IRON ORE LTD

Tony Sage
Executive Chairman