

14 October 2008

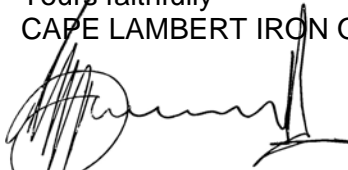
The Company Announcements Office
ASX Limited

Via E Lodgement

Appendix 3Y – Change of Director's Interest Notice

Please find attached an Appendix 3Y: Change of Director's Interest Notice for Mr Turner.

Yours faithfully
CAPE LAMBERT IRON ORE LIMITED



Timothy Turner
Company Secretary

For more information please contact:

Cape Lambert Iron Ore Limited
Timothy Turner

+61 8 9380 9555

Website

www.capelam.com.au

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

| | |
|-----------------------|--------------------------------------|
| Name of entity | Cape Lambert Iron Ore Limited |
| ABN | 71 095 047 920 |

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

| | |
|----------------------------|---------------------|
| Name of Director | Timothy Paul Turner |
| Date of last notice | 21 July 2008 |

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

| Direct or indirect interest | Indirect (1) |
|--|---|
| Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest. | Indirect (1) : Shares owned by Timmarin Holdings Pty Ltd as Trustee for The Timothy Paul Turner Family Trust, a company controlled by Mr Turner. Indirect (2) : Shares owned by Shepperton Holdings Pty Ltd as Trustee for The Shepperton Unit Trust, a company controlled by Mr Turner. Indirect (3) : Shares owned by Mrs Marianne Turner, the spouse of Mr Turner. |
| Date of change | 10 October 2008 |

+ See chapter 19 for defined terms.

Appendix 3Y
Change of Director's Interest Notice

| | |
|---|---|
| No. of securities held prior to change | Direct: 10,000 Ordinary Fully Paid Shares. Indirect (1) : 580,000 Ordinary Fully Paid Shares. Indirect (2): Nil Indirect (3): 10,000 Ordinary Fully Paid Shares. |
| Class | Ordinary Fully Paid Shares. |
| Number acquired | 250,000 Ordinary Fully Paid Shares |
| Number disposed | N/A |
| Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation | Acquisition: \$100,152.79 |
| No. of securities held after change | Direct: 10,000 Ordinary Fully Paid Shares. Indirect (1) : 830,000 Ordinary Fully Paid Shares. Indirect (2): Nil Indirect (3): 10,000 Ordinary Fully Paid Shares. |
| Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back | On-market trade. |

+ See chapter 19 for defined terms.

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|---|--|
| Detail of contract | |
| Nature of interest | |
| Name of registered holder (if issued securities) | |
| Date of change | |
| No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small> | |
| Interest acquired | |
| Interest disposed | |
| Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small> | |
| Interest after change | |

+ See chapter 19 for defined terms.