

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

Q Copper Extends IPO Closing Date

Key Points:

- **Q Copper Australia Limited (“Q Copper”) has extended closing date of Initial Public Offering (“IPO”) to 3 February 2010 and revised minimum subscription to A\$164.5M,**
- **Cape Lambert now to receive total consideration of A\$137.5M in cash and Q Copper shares for sale of Lady Annie Project to Q Copper,**
- **Cape Lambert will retain up to a 15% shareholding in Q Copper,**
- **Details of a 10¢ per share partially franked, special dividend to be announced in first quarter 2010, subject to successful listing of Q Copper, and**
- **Minimal impact on Q Copper with no delay to recommencement of exploration, mining and processing operations, with slightly more cash at bank on listing.**

On 16 November 2009, Q Copper lodged an IPO prospectus with ASIC to raise a minimum A\$203M (before costs) through the issue of 203M shares at an issue price of A\$1 each.

Q Copper, for a number of reasons, has now extended the closing date for the IPO and resolved to reduce the minimum raising under the IPO to A\$164.5M (before costs) through the issue of 164.5M shares at an issue price of A\$1 each.

The boards of Q Copper and Cape Lambert, together with Lead Manager to the IPO, Patersons Securities Limited, have agreed to a variation of the pricing and closing date of the IPO, and consequently consideration to be paid to Cape Lambert for the acquisition of the Lady Annie Project as a result of general market conditions together with the seasonal timing of the IPO.

Under the revised terms, Cape Lambert will now receive a total consideration of approximately A\$137.5M in cash and Q Copper shares for the sale of the Lady Annie Project (through the sale of Cape Lambert Lady Annie Exploration Pty Ltd) to Q Copper.

To effect the change in the minimum subscription and consideration payable to Cape Lambert, Q Copper lodged a supplementary prospectus with ASIC on 14 December 2009. As a result of the change in the consideration Cape

Cape Lambert is an Australian domiciled, mineral investment company. Its current investment portfolio is geographically diverse and consists of mineral assets and interests in mining and exploration companies.

The Company continues to focus on investment in early stage resource projects and companies, primarily in iron ore, copper and gold. Its “hands on” approach is geared to add value and position assets for development and/or sale.

The Board and management exhibit a strong track record of delivering shareholder value.

Australian Securities Exchange Code: CFE

Ordinary shares
565,166,467

Unlisted options (30 June 2010)
8,350,000

Unlisted options (31 Oct 2010)
28,000,000

Board of Directors

Tony Sage Executive Chairman
Tim Turner Non-executive Director
Brian Maher Non-executive Director

Eloise von Puttkammer
Company Secretary

Key Projects and Interests

Lady Annie Copper Project
Sappes Gold Project
DMC Mining Limited
Corvette Resources Limited

Cape Lambert Contact

Tony Sage
Executive Chairman
Phone: +61 8 9380 9555

Australian Enquiries

Professional Public Relations
David Tasker
Phone: +61 8 9388 0944
Mobile: +61 433 112 936
Email: david.tasker@ppr.com.au

UK Enquiries

Conduit Public Relations
Jos Simson
Phone: +44 (0)20 7429 6603
Mobile: +44 (0)7899 870 450

Lambert will receive pursuant to the revised pricing, the offer is now subject to the approval of Cape Lambert shareholders, which will be sought at a general meeting to be held on or about 25 January 2010.

The affect on Q Copper will be minimal with no delay anticipated to the recommencement of exploration, mining and processing operations at the Lady Annie Project, and cash at bank on listing will increase slightly due to an estimated reduced stamp duty obligation resulting from the lower consideration payable to Cape Lambert (refer Supplementary Prospectus dated 14 December 2009 located at www.qcopper.com.au for further details).

Cape Lambert Executive Chairman, Mr Tony Sage, said "Whilst we are disappointed with the need to reprice and extend the closing date of the Q Copper IPO, it will not affect our proposed partially franked, special dividend of 10¢ per share and still represents an excellent return over the acquisition cost of the asset in a relatively short period of time."

Details of the proposed partially franked, special dividend of 10¢ per share, which is subject to the successful listing of Q Copper are expected to be announced to shareholders in the first quarter 2010, and follows the A\$100M (A\$0.217¢ per share) paid to shareholders last year from the sale of the Company's namesake iron ore asset in Western Australia.

For further information about Q Copper and the IPO, please refer to the electronic version of the Prospectus and Supplemental Prospectus, which can be downloaded from www.qcopper.com.au.

Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman

This announcement has been prepared for publication in Australia and may not be released in the United States. This announcement does not constitute an offer of securities for sale in the United States or any other jurisdiction. Any securities described in this announcement may not be offered or sold in the United States absent registration under the US Securities Act of 1933 or an exemption from registration.