

DISPOSAL OF NON-CORE SHAREHOLDINGS REALISES CASH OF A\$27.7M

Key Points:

- Cape Lambert has disposed of non-core shareholdings included in the CopperCo transaction for a total of A\$27.7M,
- Disposed shareholdings comprise Platmin Limited, Herencia Resources plc and Charaat Gold Holdings Ltd,
- Funds to be applied to acquisition opportunities and development of existing projects within portfolio.

Australian resources and investment company, Cape Lambert Resources Limited (**ASX: CFE**) ("Cape Lambert" or the "Company") has successfully disposed of non-core shareholdings in three companies included in the CopperCo transaction, realising cash of A\$27.7M.

The stakes disposed of are summarised as follows:

Company	Ticker	Realisation
Herencia Resources plc	AIM: HER	\$587,000
Charaat Gold Holdings Ltd	AIM: CGH	\$2,000,000
Platmin Ltd	AIM/TSX: PPN	\$25,100,000
TOTAL		\$27,687,000

The disposal of these non-core shareholdings, via a series of on-market and off-market transactions, is in line with the Company's strategy of unlocking the full value of the CopperCo transaction, and ensuring management and financial focus is on those assets that have potential to deliver significant returns to the Company and its shareholders in the short-to-medium term.

"These shareholdings are non-core and as such we have taken the opportunity to dispose of them thereby simplifying our corporate structure and increasing our cash reserves," said Cape Lambert Chairman, Mr Tony Sage.

"The funds will be applied to the development of our existing project portfolio and acquisition opportunities," Mr Sage added.

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
Marampa Iron Ore 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
Email: Jos@conduitpr.com

The Company also advises that through a series of negotiations over the Christmas/New Year period, it has increased its stake in Pinnacle Group Assets Ltd ("Pinnacle") from 26.2% to 35% at no cost.

Pinnacle has exploration tenements covering 3,250km², over a 150km strike length north and south of the Pepel deep water port in Sierra Leone. Historic work indicates substantial prospectivity for coal and iron ore within these holdings.

Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman