

MARAMPA INFRASTRUCTURE ACCESS AND OWNERSHIP AGREEMENTS UPDATE

Australian domiciled resources and investment company, Cape Lambert Resources Limited (**ASX: CFE**) ("Cape Lambert" or the "Company") would like to update the market as to the status of the transaction with African Minerals Limited (AIM:AMI) ("African Minerals") in respect to ownership and access rights to the Marampa railway and Pepel Port ("Marampa Infrastructure"), located in Sierra Leone, West Africa.

Cape Lambert's wholly owned Marampa iron ore project is connected to the deepwater port, stockpiling and ship loading facility located at Pepel via the 84km Marampa railway.

As announced to the ASX on 16 July 2010, Cape Lambert has signed a term sheet with African Minerals, which has a 99-year lease over the Marampa Infrastructure. The agreed term sheet provides for Cape Lambert to hold a 33% equity interest in the Marampa Infrastructure, with African Minerals holding 57% and the Government of Sierra Leone holding 10% interests respectively. African Minerals, through a special purpose infrastructure vehicle, is overseeing the refurbishment of, and will operate on a day-to-day basis, the Marampa Infrastructure and will provide Cape Lambert with performance and other warranties typical of a contractor-principal relationship.

The transaction is subject to the fulfilment of the following conditions:

- agreement of and the entering into of formal legal documentation within 90 days relating to the access and ownership of the Marampa Infrastructure (i.e. 14 October 2010),
- receipt of all necessary regulatory consents; and
- the consent of the Government of Sierra Leone.

While the parties remain committed to the finalisation of the transaction and the entering into of formal legal documentation it is not expected this will be finalised by 14 October 2010 as originally envisaged.

Accordingly, the parties have together agreed a revised long stop date of 31 January 2011 for completion of negotiations, and documentation of the various agreements associated with the transaction.

Notwithstanding, the revised long stop date, African Minerals has advised the Company that refurbishment of the Marampa Infrastructure is expected to be completed in accordance with the current schedule.

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
625,759,256

Board of Directors

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

Eloise von Puttkammer
Company Secretary

Key Projects and Interests

Marampa Iron Ore Project
Pinnacle Group Assets
Sappes Gold Project
Mayoko Iron Ore Project
Corvette Resources Limited

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The Company will provide further updates in due course.

Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman