

ON-MARKET BUY-BACK NOTIFICATION OF CANCELLATION OF SHARES

In accordance with Listing Rule 3.8A, we attach a copy of a Form 484 lodged with ASIC on 18 January 2011.

Yours faithfully
Cape Lambert Resources Limited

Claire Tolcon
Company Secretary

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
610,705,062

Unlisted Options
8,000,000 (\$0.45 exp 30 Dec 2011)

Board of Directors

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

Claire Tolcon
Company Secretary

Key Projects and Interests

Marampa Iron Ore Project
Pinnacle Group Assets
Sappes Gold Project
African Iron Limited
International Goldfields Limited

Cape Lambert Contact

Tony Sage
Executive Chairman

Eloise von Puttkammer
Investor Relations

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Australian Enquiries

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Change to company details

Company details

Company name

CAPE LAMBERT RESOURCES LIMITED

Australian Company Number (ACN)

095 047 920

Lodgement details

Who should ASIC contact if there is a query about this form?

Name

VON PUTTKAMMER,ELOISE

ASIC registered agent number (if applicable)

27389

Signature

This form must be signed by a current officeholder of the company.

I certify that the information in this form is true and complete

Name

ANTONY WILLIAM PAUL SAGE

Capacity

Director

Signature

Date signed

18-01-2011

C1 Cancellation of shares

Reason for cancellation

Shares cancellation details

Reason for cancellation

**ss.257H(3) Share buyback - Minimum holding
buy-back only**

The cancelled shares are listed below:

Share class code	Number of shares cancelled	Amount paid (cash or otherwise)	
ORD	6013418	3000374.49	

Earliest Date of
cancellation

21-12-2010

C3 Change to share structure

The updated details for this changed share class are shown in the table below.

Share class code	Full title if not standard	Total number of shares	Total amount paid on these shares	Total amount unpaid on these shares
ORD	ORDINARY SHARES	610705062	61724808.54	0.00

Earliest date of
change

21-12-2010