

Company Presentation

Cape Lambert Resources Limited is pleased to attach a copy of the presentation which will be delivered by Company executives to brokers in Perth today.

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 Sept 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

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Market Update

January 2011

Tony Sage
Executive Chairman

Disclaimer



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Throughout this presentation all figures are quoted in A\$ dollars unless otherwise stated.

You should not act or refrain from acting in reliance on this presentation material. This overview of the Company does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of Cape Lambert’s prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision.

Information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves is based on previous announcements made by Cape Lambert (or other relevant parties) to the ASX.

This presentation does not constitute financial product advice (nor investment, tax, accounting or legal advice) and has been prepared without taking account of any person’s investment objectives, financial situation or particular needs.

Progressive Global Mining Company



- ▶ Australian mineral investment company, listed on ASX (CFE)
- ▶ Geographically diverse portfolio of mineral assets and interests in mining and exploration companies
- ▶ Cash and receivables of A\$126 million¹ at 30 September 2010, no bank debt and fully funded
- ▶ Post 30 September 2010, A\$47 million cash received from sale of DMC Mining Limited
- ▶ Convertible notes of A\$5.9 million maturing inside 18 months
- ▶ Deferred consideration receivable from sale of Lady Annie (A\$5 million) triggered by the achievement of certain production milestones
- ▶ Directors hold approximately 6% of the Company

¹ Legal Action has commenced to recover the final A\$80 million

Strong Track Record



- ▶ Strong track record of delivering shareholder value
 - ▶ November 2010, on market buy back commenced, A\$7.2 million bought back from shareholders to date
 - ▶ July 2010, A\$44 million fully franked special dividend
 - ▶ October 2008, A\$100 million capital/dividend payment
 - ▶ October 2007, in specie distribution of Global Iron Limited (now African Petroleum Corporation Limited), Market Cap now A\$1.1 billion
 - ▶ May 2006, in specie distribution of International Goldfields Limited (now International Petroleum Limited), Market Cap now A\$305 million

Business Model and Strategy



- ▶ Leverage off strong balance sheet (cash reserves) and relationships
- ▶ Invest in early stage resource projects and companies that are considered undervalued or distressed
- ▶ Assets and investments are primarily iron ore, copper, gold and uranium
- ▶ Add value through a “hands on” approach
- ▶ Position assets for ultimate sale
- ▶ Regularly distribute cash to shareholders via dividend payments as asset realisation occurs

Corporate Snapshot

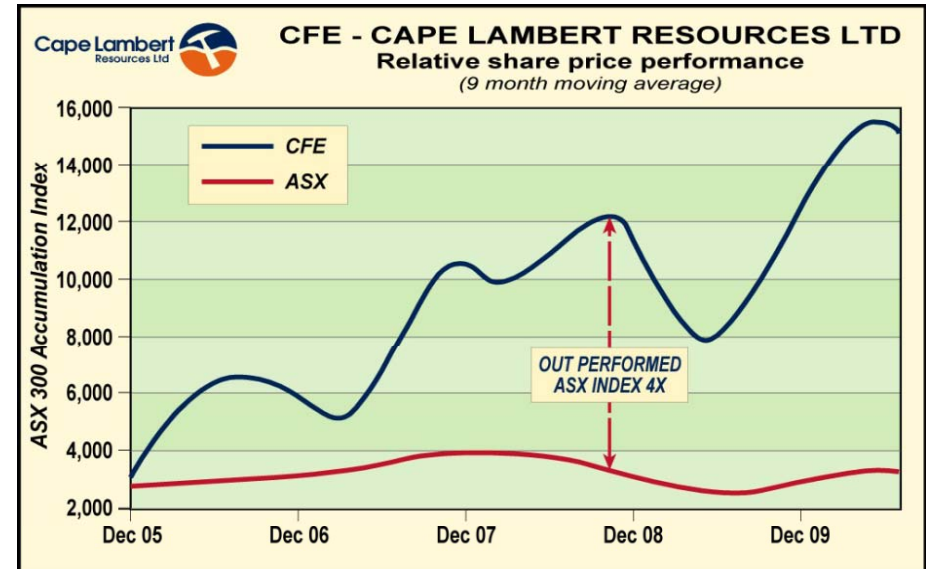
Capital Structure

Ordinary shares (ASX: CFE)	611M
Market Cap at \$0.55	\$336M
Cash and receivables	\$179M
Enterprise value	\$157M

Shareholding

Directors	6%
Top 20	62%

Share Price Performance



Substantial Shareholders

Substantial Shareholders	Holding (%)
African Minerals	19.4%
Directors	6.1%
Australian Institutions	31.1%
USA Institutions	15.2%
UK & European Institutions	7.8%

Strong Board and Management



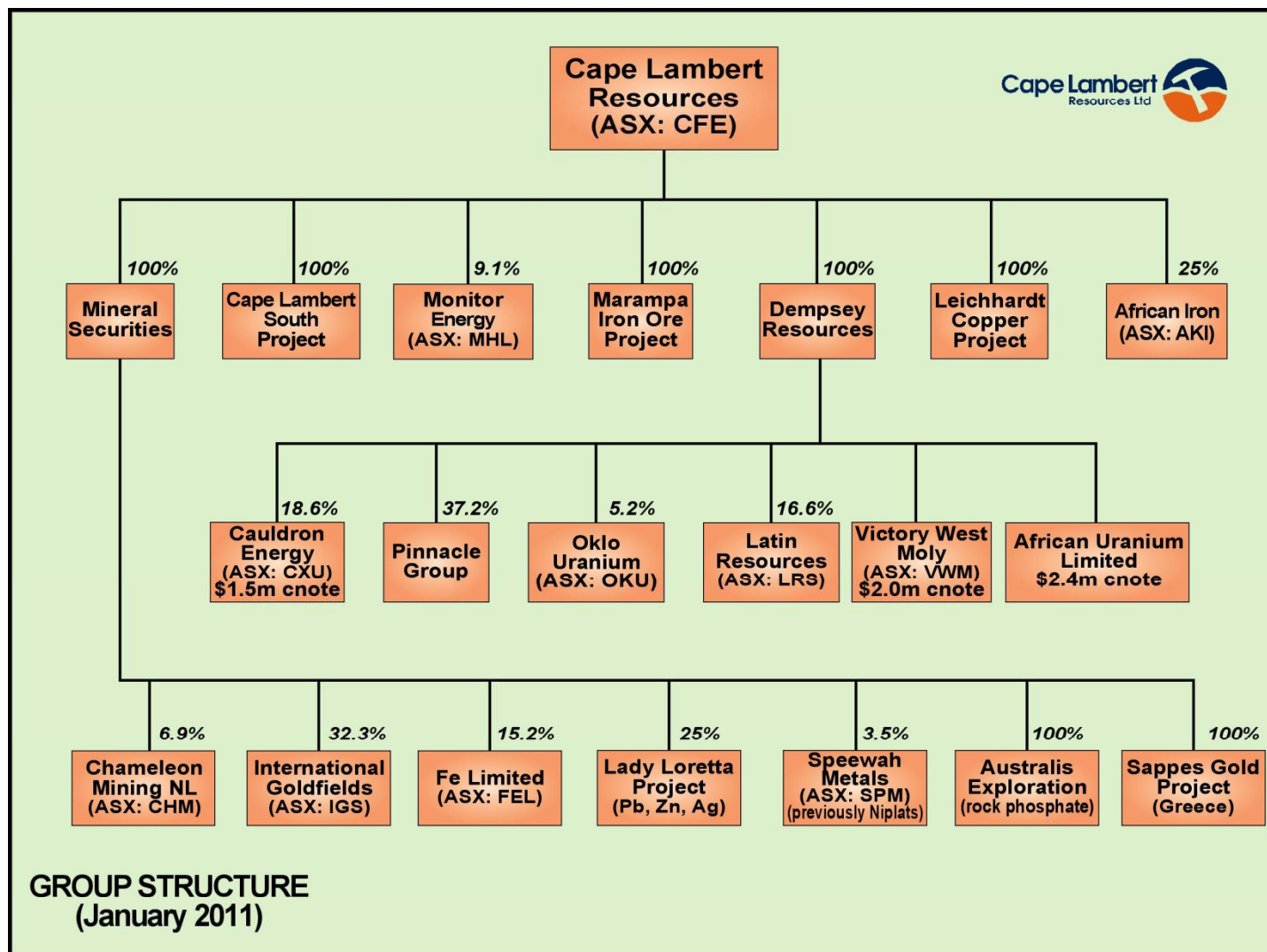
Directors

Tony Sage	<i>Executive Chairman</i> Over 25 years experience in corporate advisory, funds management and capital raisings.
Tim Turner	<i>Non-Executive Director</i> Over 25 years experience in management and business consultancy and a partner in an accountancy practice.
Brian Maher	<i>Non-Executive Director</i> Mining engineer with over 40 years experience in the mining industry working in Australia, Liberia, Guyana & the Philippines.
Ross Levin	<i>Non-Executive Director</i> Holds degrees in both Law and Economics, extensive experience in acquisitions, corporate restructuring, and takeovers and is currently a senior partner in the commercial division of Rigby Cooke Lawyers.

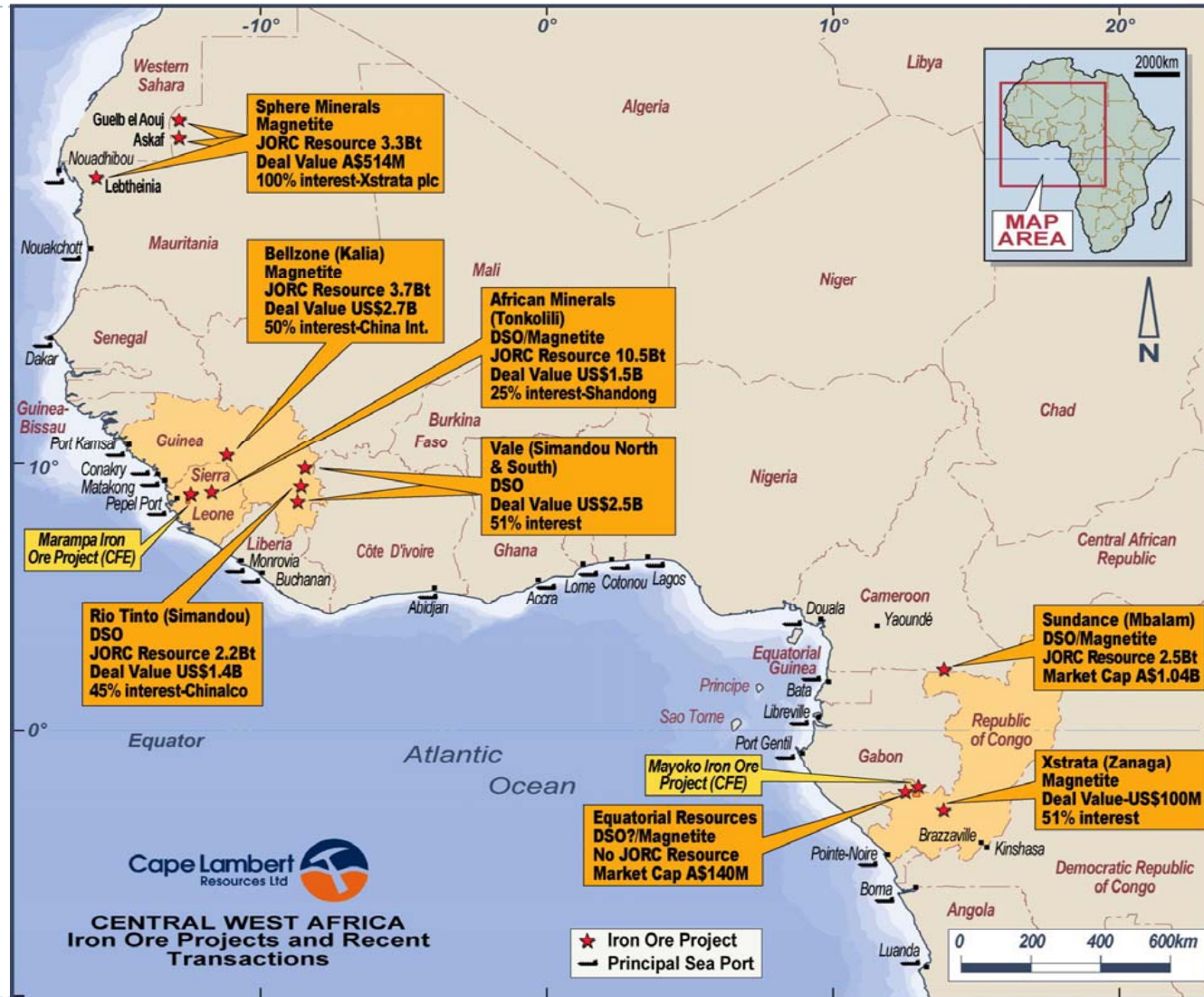
Key Management

Joe Ariti	<i>General Manager</i> Metallurgist with over 25 years experience in the mining industry working in Australia, Indonesia, PNG and Africa.
Fiona Taylor	<i>Chief Financial Officer</i> Chartered accountant with over 13 years experience in both commerce and professional practice in South Africa, Australia and the UK.
Kim Bischoff	<i>GM – Exploration</i> Geologist with 26 years experience in exploration, development and mining, working in Australia, Southeast Asia and Africa.
Claire Tolcon	<i>Company Secretary / Legal Counsel</i> Lawyer with 13 years experience primarily in the areas of equity capital markets, mergers and acquisitions, corporate governance and mining and resources.

Group Structure



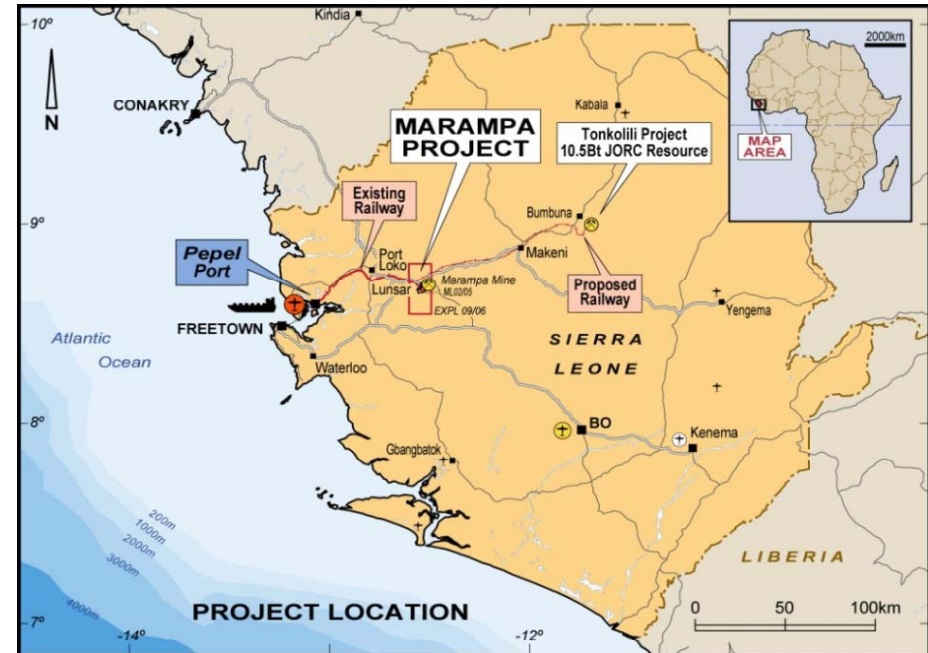
West African Emerging Iron Ore Business



Marampa Iron Ore Project (CFE: 100%)



- ▶ Specular hematite, operated from 1933-1977
- ▶ Maiden JORC resource of 197MT (@28.5% Fe) representing 20% of mineralised strike
- ▶ Potential production start-up in 2012
- ▶ Proximal to existing mineral railway that connects to Pepel Port - refurbishment in progress by African Minerals
- ▶ Initial 2Mtpa access and 33% ownership of existing railway and Pepel Port
- ▶ Bench scale metallurgical test work completed on Gafal West composite samples – high Fe and mass recoveries utilising WHIMS
- ▶ Hard rock target size ± 700M-1Billion tonnes



Rougher WHIMS Test Work (p125u)	Mass %	Fe Rec. %	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %
0-50m Feed – 30% Fe	43	90.5	63.2	5.8	1.8	0.03
50-200m Feed – 28% Fe	43	92.3	61.1	7.4	1.8	0.04

Pinnacle Group Assets (Iron Ore & Coal) (CFE: 37.2% & Manager)



- ▶ Iron ore (Sierra Leone & Guinea) and coal prospects (Sierra Leone)
- ▶ Kukuna, Sierra Leone
 - ▶ 68km² granted licence, with >10km of prospective formation with outcropping enriched specular hematite
 - ▶ SRK completed geological mapping and defined five target areas; trenching and IP surveys in progress to define drill targets
- ▶ Brown coal, Sierra Leone
 - ▶ 3,300km² in three blocks prospective for brown coal – potential feed stock for power generation
- ▶ Sandenia, Guinea
 - ▶ two exploration permits (total 608km²) prospective for iron ore
 - ▶ adjacent to Bellzone’s 2.4 billion tonne Kalia magnetite project
 - ▶ Airborne geophysics survey now complete



Sappes Gold Project

(CFE: 100%)

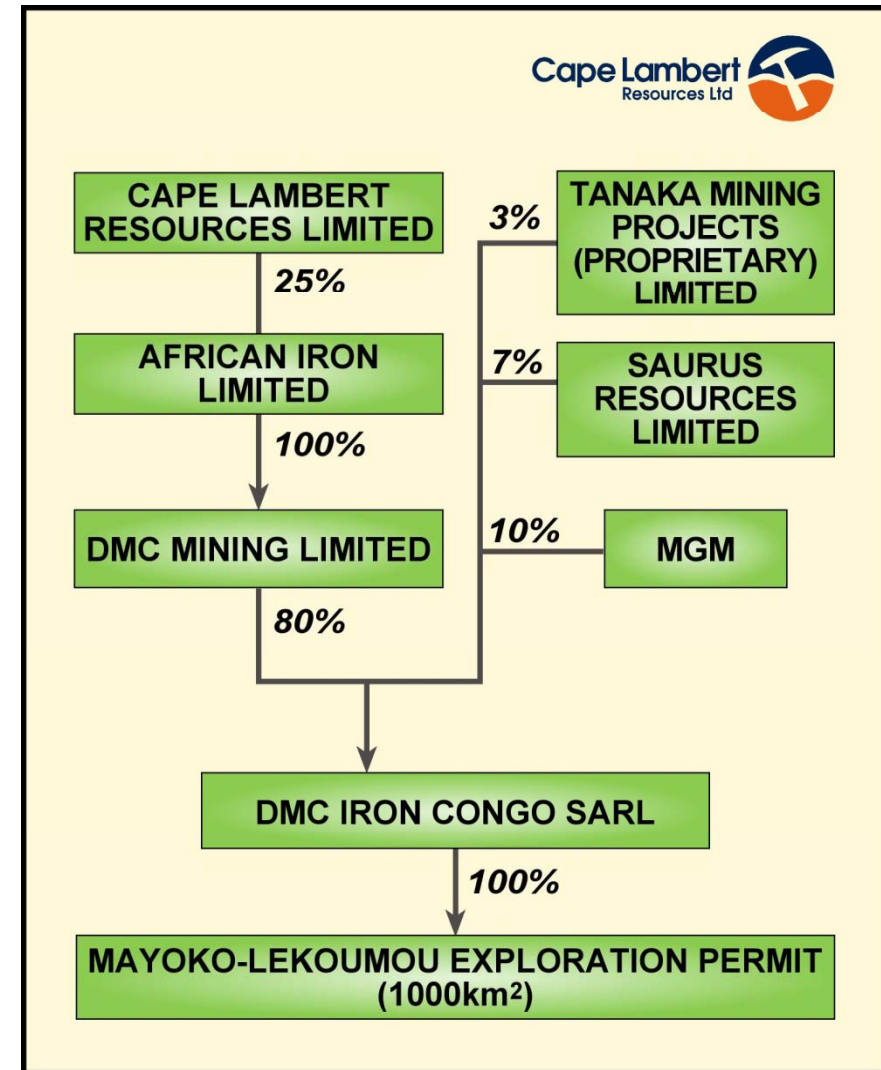


- ▶ Project based on developing
 - ▶ High-grade, underground Viper resource (total Mineral Resource – 1Mt at 21.4 g/t Au)
 - ▶ Small, open pit on St Demetrios mineralisation (total Mineral Resource – 0.8 Mt at 3.4 g/t Au)
 - ▶ Planned production of 80koz pa over 7 years (in dore and flotation concentrate) for a cash operating cost of A\$330 per oz
 - ▶ Development capital circa. A\$100M
 - ▶ Pre-tax NPV_(8%) ≈ A\$176 million (A\$1330/oz)
- ▶ Historical permitting delays, but now targeting
 - ▶ Feasibility Study Update (no cyanide usage)- Complete November 2010
 - ▶ Preliminary Environmental Impact study- Lodgement December 2010



African Iron Limited (Iron Ore) (CFE: 25% - ASX: AKI)

- ▶ Capital raising of A\$96 million strongly supported by prominent international funds (represent 67% of the company's register)
- ▶ Post capital raising and settlement of Cape Lambert consideration, African Iron well funded to carry out resource definition and feasibility studies and continue regional exploration
- ▶ Consideration to Cape Lambert comprised
 - ▶ A\$47 million cash;
 - ▶ 120 million African Iron shares; and
 - ▶ Royalty of A\$1 per tonne of iron ore shipped from the Mayoko Project
- ▶ Cape Lambert to remain as cornerstone shareholder with 25% interest



International Goldfields Ltd (Gold)

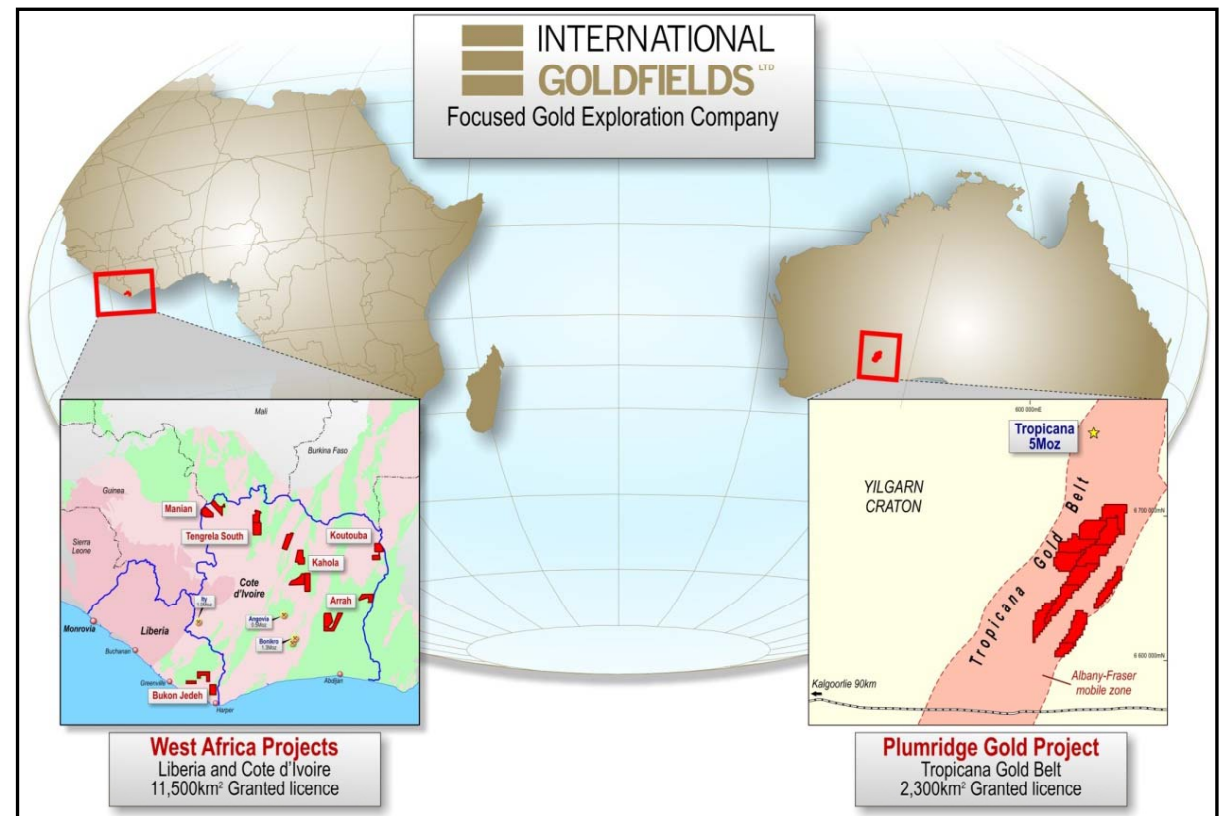
(Formerly Corvette Resources Limited)

(CFE: 32.3% - ASX: IGS)



Focussed Gold Explorer 3 major project areas in new frontiers of West Africa and Australia.

- ▶ Liberia - Bukon Jedeh project advanced exploration in emerging gold province
- ▶ Cote d'Ivoire – massive landholding in gold mineralised district
- ▶ Western Australia – Plumridge project located in the “Tropicana Belt”
- ▶ Reviewing additional opportunities for Growth
- ▶ Expect strong news flow from very active exploration.
- ▶ Strong cash position (A\$25m) as at 30 Sept 2010 – Programs fully funded.



Other Key Assets

Asset	Interest	Commodity	Stage	Location
Australis	100%	Rock Phosphate	Exploration	Qld/NT, Australia
Leichhardt	100%	Copper	Operations	Qld, Australia
Lady Loretta	25%	Pb-Zn-Ag	Preproduction	Qld, Australia
Cauldron Energy Limited	18.6%	Uranium	Exploration	Australia/Argentina
Latin Resources	16.6%	Iron Ore & Gold	Exploration	Peru
Fe Limited	15.2%	Iron Ore	Exploration	Midwest, WA
Monitor Energy Limited	9.1%	Oil & Gas	Production	Trinidad

Value Proposition

Asset	A\$ Value
Cash at 30 September 2010	46M
Cash Receivables / Con notes	86M
Cash received from sale of DMC Mining	47M
On market buy back	(7M)
Equities (mark-to-market)	85M
Marampa (100%)	500M?
Sappes (100%)	50M?
Australis (100%)	?
Pinnacle (37.2%)	?
Lady Loretta (25%)	?
Cape Lambert South (100%)	?
Total	++807M

Notes:

1.Cash receivables relates to the final payment to be received in respect of the sale of the Cape Lambert project and repayment of convertible notes.

2.Equities were marked-to-market on 14 January 2011.

3.Marampa value based on "asking price" in respect of a trade sale.

4.Sappes value based on the preferred value determined by the Independent Expert in CopperCo Limited's ASX release dated 30 June 2008 "Prospectus to acquire all the issued shares in Mineral Securities Limited".

Attributes

Competent Persons Statement

The Metallurgical information in this presentation is based on information compiled by GV Ariti who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Ariti has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. Ariti consents to the inclusion in this report of the matters based on his information in the form and the context in which it appears.

The Exploration information in this presentation is based on information compiled by K Bischoff who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Bischoff has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. Bischoff consents to the inclusion in this report of the matters based on his information in the form and the context in which it appears.

Mineral Resources

Sappes Gold Project - Mineral Resources quoted in this presentation in respect of Sappes are based on previous announcements made to ASX Limited by CopperCo Limited, specifically ASX release dated 30 June 2008 “*Prospectus to acquire all the issued shares in Mineral Securities Limited*”.

Mayoko Iron Ore Project - Mineral Resources quoted in this presentation in respect of Mayoko are based on previous announcements made to ASX Limited by DMC Mining Limited, specifically ASX release dated 7 May 2008 “*Initial JORC Resource – Mayoko Iron Ore Project*”.

Exploration Target Size Statements

Target sizes quoted in this presentation are conceptual in nature and in respect of the target sizes quoted, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Target sizes referred to in this presentation refer to potential tonnages of iron ore mineralisation that have been estimated using available exploration information including historic and contemporary geological mapping, geochemical sampling of outcrops, pits and trenches, wide spaced diamond drill holes and modelling of ground and airborne geophysical survey data.

Production and Cost Information

Sappes Gold Project – Production rates, capital and operating costs quoted in this presentation in respect of Sappes are based on previous announcements made to ASX Limited by CopperCo Limited, specifically ASX release dated 30 June 2008 “*Prospectus to acquire all the issued shares in Mineral Securities Limited*”.

Cape Lambert
Resources Ltd



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