

Settlement of Sale of Lady Loretta Interest

Australian resources and investment company, Cape Lambert Resources Limited (**ASX: CFE**) ("Cape Lambert" or the "Company") advises that further to its ASX announcements on 4 February 2011 and 8 March 2011, the Company has completed the sale of its 25% interest in the Lady Loretta project in northwest Queensland for \$30 million cash to Noranda Pacific Pty Limited, a wholly owned subsidiary of Xstrata plc.

The Company's Executive Chairman Mr Tony Sage, said following the settlement of Lady Loretta, the Company has close to \$220 million in liquid assets and receivables, which places us in a very strong position to develop our three iron ore assets in West Africa".

Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman

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
571,849,603

Unlisted Options
7,850,000 (\$0.45 exp 30 Sep 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

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