

CAPE LAMBERT FACILITATES SALE OF 65 MILLION SHARES TO UK INSTITUTIONS

Australian resources and investment company, Cape Lambert Resources Limited (ASX: **CFE**) ("**Cape Lambert**" or the "**Company**") wishes to advise that in recent days it has facilitated a significant secondary sale of its shares. In total 65,000,000 shares will be sold as part of an on-market transaction, representing approximately 9.4% of the issued capital of the Company.

The shares have been held by vendors of the Pinnacle assets, acquired by the Company in 2011 (refer ASX announcements dated 19 May 2011, 16 June 2011, 13 September 2011 and 2 December 2011), and will be sold to a small number of prominent UK based institutions for a total consideration of AUD\$36,400,000. Following this transaction, the Company will have approximately 37% of its share register represented by institutions.

Commenting on the successful secondary sale of its shares Cape Lambert Chairman, Mr Tony Sage, said, "We have, for some time, been experiencing strong interest from several large UK based institutions who have been frustrated by their inability to secure the level of stock they require through on-market purchases.

Once we became aware that a significant holder of our shares was interested in reducing their position, we moved quickly to facilitate a transaction that would allow for an orderly sale of these shares to a small number of very supportive institutions.

This transaction was important to Cape Lambert and its shareholders as it has removed a potential overhang in the market and at the same time significantly increasing the holding of several London based, blue chip institutions in the Company."

Following the successful completion of the disposal of the Sappes Gold Project and the takeover offer by Exxaro Resources Limited of African Iron Limited, the Company will ramp up and focus on its Initial Public Offering of Marampa on the Alternate Investment Market of the London Stock Exchange.

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
688,608,792

Unlisted Options
8,300,000 (\$0.45 exp 30 Nov 2012)

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
African Iron Limited
International Goldfields Limited

Cape Lambert Contact

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