

18 May 2012

Mauro Piccini
ASX Limited
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Mauro

Voluntary Suspension Extension Request

Further to the voluntary extension requested by Cape Lambert Resources Limited (**Company**) (ASX: **CFE**) on 17 May 2012, the Company requests an extension to the existing voluntary suspension of the trading of its securities.

As detailed in the Company's announcement released earlier today, the Company has received a Notice of Amended Tax Assessment from the Australian Taxation Office (**Amended Assessment**). The Company reiterates that it is vigorously defending its position in respect of the Amended Assessment and has a meeting scheduled with an ATO Assistant Commissioner on 29 May 2012 at which a timeframe and path to resolution will be determined (**ATO Meeting**).

Given the nature of discussions that will take place with various parties between now and the ATO Meeting, the Company believes that it is not in a position to comply with its continuous disclosure obligations and trading in its securities cannot occur on a reasonably informed basis until after the ATO Meeting has taken place and the Company has been able to assess the impact the Amended Assessment will have on its financial position, projects and current transactions.

In accordance with ASX Listing Rule 17.2, the Company advises that:

- it is seeking an extension to the voluntary suspension pending an announcement relating to the outcome of the ATO Meeting and the impact the Amended Assessment will have on the current financial position, projects and transactions of the Company. The Company anticipates being able to release an announcement by no later than 1 June 2012;
- the event that the Company expects will end the voluntary suspension is an announcement by the Company following the ATO Meeting;
- it is not aware of any reason why the request for the extension of the voluntary suspension should not be granted; and
- it is not aware of any other information necessary to inform the market about the suspension.

Yours faithfully

Cape Lambert Resources Limited



Claire Tolcon