

Cape Lambert Supports Eldorado Takeover Offer for Glory Resources of A\$0.17 per share

Key Points:

- **Eldorado Gold offers to acquire Glory Resources for A\$0.17 per share.**
- **Condition of takeover offer is Cape Lambert agreeing to A\$6.5million monetisation of milestone payments.**
- **Glory Resources' second largest shareholder, Cape Lambert, supports offer, subject to no superior offer being made during the offer period.**
- **Takeover offer represents a 42% premium to Glory Resources' closing share price on 30 October 2013.**
- **On successful completion of the takeover, Cape Lambert will receive a total of A\$12,747,500 (based on A\$0.17 per share) which includes the A\$6.5million upfront in lieu of milestone payments**

Australian resources and investment company, Cape Lambert Resources Limited (**ASX: CFE**) ("Cape Lambert" or the "Company") notes the recent announcement released by Glory Resources Limited (**ASX: GLY**) ("Glory Resources") advising of the intent of its 19.9% major shareholder TSX listed Eldorado Gold Corporation (**TSX: ELD**) ("Eldorado") to make an off market takeover offer to acquire Glory Resources remaining 80.1% of shares on issue for A\$0.17 per share ("Takeover Offer").

The Takeover Offer represents a 42% premium to Glory Resources' closing share price of A\$0.12 per share on 30 October 2013.

Cape Lambert currently holds 36,750,000 shares in Glory Resources and is Glory Resources' second largest shareholder with a 16% shareholding in the company.

Cape Lambert advises that subject to any superior offer being made during the currency of the Takeover Offer, Cape Lambert intends to accept the Takeover Offer in respect to its shareholding in Glory Resources.

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
676,191,942

Unlisted options (30 June 2010)
10,765,000 (\$0.29 exp 22 Nov 2013)

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
International Goldfields Limited

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Glory Resources' flagship Sapes Gold Project in Greece ("Sapes Project") was originally acquired by Cape Lambert in June 2009 as part of its successful A\$135,000,000 bid for the assets of CopperCo Limited. In August 2011, Cape Lambert became a cornerstone investor in Glory Resources by selling the Sapes Project to Glory Resources for a total consideration of A\$32,500,000 in cash and 16,000,000 shares in Glory Resources.

Pursuant to the terms of the sale of the Sapes Project, Glory Resources must pay Cape Lambert an additional A\$10,000,000 in cash or shares (at the election of Cape Lambert) on achievement of two key milestones relating to the Sapes Project (A\$5,000,000 for each milestone), namely the granting of an operating permit and the sale of the first 1,000 ounces of gold or gold equivalent ("Milestone Payments").

A condition of the Takeover Offer is Cape Lambert agreeing to receive an upfront payment of A\$6.5million in satisfaction of the Milestone Payments, to be paid at any time during the period starting at the end of the offer period and ending 20 business days after the end of the offer period. The Board of Cape Lambert, after due consideration, has formed the view that to de-risk these milestones at this time is more advantageous to the Company and its shareholders.

Acceptance of the Takeover Offer in respect of all the Glory Resources shares held by Cape Lambert will result in Cape Lambert receiving A\$12,747,500 (based on A\$0.17 per share) which includes the A\$6.5million for the upfront milestone payments. Combined with the original cash consideration of A\$32,500,000 in August 2011, Cape Lambert will have received cash proceeds of A\$45,247,500 in respect to the sale of the Sapes project.

Upon successful completion of the Takeover Offer, Cape Lambert will have cash reserves of approximately A\$32 million, plus A\$6.2million upon the return of the environmental bonds associated with the Leichhardt project and Sapes project which is expected in the next few months.

Cape Lambert Executive Chairman, Mr Tony Sage said, "Cape Lambert welcomes the takeover offer from Eldorado to acquire the remaining 80.1% of Glory Resources shares on issue. Upon completion, we will have generated significant cash proceeds from our Glory investment, delivering considerable value for Cape Lambert shareholders."

Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman