

Clarifying Announcement

Australian resources and investment company, Cape Lambert Resources Limited (**ASX: CFE**) ("Cape Lambert" or the "Company") wishes to provide a clarification to its announcement released earlier today in respect to its support of the off market takeover offer by TSX listed Eldorado Gold Corporation (**TSX: ELD**) ("Eldorado") for all of the issued shares in Glory Resources Limited that it does not currently own (**ASX: GLY**) ("Takeover Offer").

As announced, pursuant to the terms of the sale of the Sapes Project by Cape Lambert to Glory Resources in 2011, Glory Resources must pay Cape Lambert 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").

Cape Lambert had advised that the Takeover Offer is conditional on Cape Lambert agreeing to a A\$6.5million payment for the Milestone Payments.

Cape Lambert wishes to clarify that it has entered into a deed poll in favour of Glory Resources and Eldorado agreeing that it will accept A\$6.5million in satisfaction of the Milestone Payments, payable by Eldorado 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 A\$6.5million payment is conditional on successful completion of the Takeover Offer.

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
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

Cape Lambert Contact

Tony Sage
Executive Chairman

Eloise von Puttkammer
Investor Relations

Phone: +61 8 9380 9555
Email: info@capelam.com.au

Australian Enquiries

Professional Public Relations
David Tasker
Phone: +61 8 9388 0944
Mobile: +61 433 112 936
Email: david.tasker@ppr.com.au

UK Enquiries

Conduit Public Relations
Emily Fenton / Jos Simson
Phone: +44 (0)207 920 3150
Mobile: +44 (0)7899 870 450