

Cape Lambert to Undertake Second On market Share Buy-Back

Australian resources and investment company, Cape Lambert Resources Limited (**ASX: CFE**) ("Cape Lambert" or "the Company") wishes to advise that, as part of a capital management program, it intends to implement a second on market share buy-back (**On Market Buy-Back**).

Cape Lambert recently completed (on 2 January 2014) a 12 month On-Market Buy-Back which saw the Company acquire, and subsequently cancel, 21,169,905 fully paid ordinary shares (**Shares**) for a total consideration of \$3,019,421.41.

The Board has determined to introduce a second On Market Buy-Back for up to 10% of the Company's Shares.

The On Market Buy-Back will comply with the provisions set out in the Corporations Act and the ASX Listing Rules and does not require shareholder approval.

Canaccord Genuity (Australia) Limited has been appointed by Cape Lambert to act as broker to the On Market Buy-Back. The earliest that the Company will be permitted to buy-back any Shares on market will be 23 January 2014.

Attached to this announcement is an Appendix 3C detailing Cape Lambert's intention to implement the On Market Buy-Back.

Commenting on the decision to implement a second On Market Buy-Back, Cape Lambert Executive Chairman, Mr Tony Sage, said, "Cape Lambert retains significant cash and liquid assets and despite being presented with a range of investment opportunities, following review of these opportunities, the board has determined that at the current share price, it is more prudent to undertake an on market buy-back rather than look to make investments outside of the Company."

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
667,938,887

Unlisted Options
500,000 (\$0.15 exp 30 Sept 2015)

Board of Directors

Tony Sage	Executive Chairman
Tim Turner	Non-executive Director
Jason Brewer	Non-executive Director
Ross Levin	Non-executive Director

Claire Tolcon
Company Secretary

Key Projects and Interests

Marampa Iron Ore Project
Pinnacle Group Assets

Cape Lambert Contact

Tony Sage
Executive Chairman

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Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
CAPE LAMBERT RESOURCES LIMITED	71 095 047 920

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On Market buy-back
2	⁺ Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Fully Paid Ordinary Shares
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully Paid
5	Number of shares/units in the ⁺ class on issue	667,938,887
6	Whether shareholder/unitholder approval is required for buy-back	Not required as proposed buy-back is within the limit permitted by Section 257B of the Corporations Act.
7	Reason for buy-back	As part of capital management program.

⁺ See chapter 19 for defined terms.

8	Any other information material to a shareholder's/unitholder's decision whether to accept the offer (<i>eg, details of any proposed takeover bid</i>)	No
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On-market buy-back

9	Name of broker who will act on the company's behalf	Canaccord Genuity (Australia) Limited
10	Deleted 30/9/2001.	
11	If the company/trust intends to buy back a maximum number of shares - that number Note: This requires a figure to be included, not a percentage.	Up to 66,793,888 shares (10% limit under the Corporations Act)
12	If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention	For up to 12 months
13	If the company/trust intends to buy back shares/units if conditions are met - those conditions	None

Employee share scheme buy-back

14	Number of shares proposed to be bought back	N/A
15	Price to be offered for shares	N/A

Selective buy-back

16	Name of person or description of class of person whose shares are proposed to be bought back	N/A
17	Number of shares proposed to be bought back	N/A
18	Price to be offered for shares	N/A

Equal access scheme

19	Percentage of shares proposed to be bought back	N/A
20	Total number of shares proposed to be bought back if all offers are accepted	N/A
21	Price to be offered for shares	N/A
22	+Record date for participation in offer Cross reference: Appendix 7A, clause 9.	N/A

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here: Date: ..08/01/14...
(Company secretary)

Print name:CLAIRE TOLCON.....

⁺ See chapter 19 for defined terms.