

MCC HEARING DATE CONFIRMED

Cape Lambert Resources Limited (**ASX: CFE**) (**Cape Lambert** or the **Company**) is pleased to announce that a July 2014 hearing date has been confirmed by the Arbitrator for the legal dispute against Metallurgical Corporation of China Limited (**MCC**).

As previously announced, in September 2010 the Company commenced legal action in the Supreme Court of Western Australia (**Court**) against MCC to recover the final A\$80 million payment from the sale of the Cape Lambert magnetite iron ore project in mid-2008 pursuant to an agreement between the parties (**MCC Agreement**). In accordance with the terms of the MCC Agreement, Cape Lambert received payments totalling A\$320 million in 2008, with the final payment of A\$80 million due in accordance with the terms of the MCC Agreement. Cape Lambert contends MCC are in breach of the MCC Agreement by failing to make the final payment.

Legal proceedings were instigated in the Supreme Court of Western Australia after discussions between MCC and Cape Lambert to resolve the non-payment proved unsuccessful.

In March 2013, the Court made orders, inter alia, for the dispute to be determined by an arbitrator in Singapore and for the Company to propose (such proposal to be consented to by the MCC parties) that the dispute between the Company and MCC China (in respect to the payment of A\$80 million into an escrow account pending determination of the primary dispute) (**Escrow Dispute**) be heard and determined by the arbitrator prior to the hearing of the disputes between the Company and MCC Sanjin.

The Company referred the dispute to arbitration in Singapore and in June 2013 a hearing was held by the Arbitrator to determine the Escrow Dispute.

In November 2013 the Arbitrator ordered that MCC (which had signed a guarantee in respect of MCC Australia Sanjin Mining Pty Ltd's obligations under the MCC Agreement) pay the disputed amount of A\$80 million into an interest bearing escrow account in the joint names of the Company and MCC pending the determination of the substantive dispute. This amount was paid into the escrow account on 25 November 2013.

In April 2014, the Arbitrator ordered that, despite an application received by MCC to defer, the substantive dispute will be heard in Singapore commencing in July 2014.

Commenting on the matter, Cape Lambert Resources Executive Chairman, Mr Tony Sage said, "We are pleased a firm date has been set for the legal dispute to be heard this year in order to reach a final resolution on this matter."

Cape Lambert Resources Limited (ASX: CFE) is a fully funded mineral development company with exposure to iron ore, copper, gold, uranium, manganese, lithium and lead-silver-zinc assets in Australia, Europe, Africa and South America.

Australian Securities Exchange Code: CFE

Ordinary shares
661,753,785

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

Melissa Chapman
Company Secretary

Key Projects and Interests

Marampa Iron Ore Project
Pinnacle Group Assets

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Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman