

Exxaro granted Mining Convention for Mayoko Iron Ore Project - Cape Lambert to receive royalty income from H2 2014

Key Points:

- **Exxaro Resources Limited granted Mining Convention to Mayoko Iron Ore Project in Republic of Congo**
- **Production to commence in H2 2014 at initial rate of 30,000 tonnes per month, rising to 2 million tonnes per annum from 2015**
- **Cape Lambert to benefit from royalty income**

Australian resources and investment company, Cape Lambert Resources Limited (**ASX: CFE**) ("Cape Lambert" or the "Company") is pleased to advise shareholders that Exxaro Resources Limited (**JSE: EXX**) ("Exxaro") has been granted a Mining Convention for the Mayoko Iron Ore Project, located in the Republic of Congo ("Mayoko Project"), which upon production commencement will see CFE receive significant royalty payments on an ongoing basis.

The Mining Convention is subject to the fulfilment of certain conditions precedent, notably in relation to the execution of definitive agreements for Exxaro's access to rail and port facilities. Exxaro has indicated it will be considering the Mining Convention together with these agreements within its governance processes and will provide further detailed information at its annual results presentation on Thursday, 6 March 2014.

The Mayoko royalty was negotiated by Cape Lambert as part consideration when it sold its 100% interest in the Mayoko Project to African Iron Limited in January 2011, which was subsequently taken over by Exxaro in March 2012. The royalty is equal to US\$1 per tonne for every tonne of iron ore shipped from the Mayoko Project (indexed annually to the CPI).

Previously Exxaro had indicated that Production from Mayoko is due to commence in H2 2014 at a rate of 30,000 tonnes per month, rising to 2 million tonnes per annum from 2015. From 2019 it is expected that production will be approximately 10 million tonnes per annum.

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

Melissa Chapman
Company Secretary

Key Projects and Interests

Marampa Iron Ore Project
Pinnacle Group Assets

Cape Lambert Contact

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Commenting on the granting of the Mining Convention Cape Lambert Executive Chairman Tony Sage said, "it is great news that Exxaro will commence mining operations at the Mayoko Iron Ore Project in the coming months, not only for Exxaro and the people of the Republic of Congo, but also for Cape Lambert and its shareholders who will receive significant royalty income for many years to come."

Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman