

MCC UPDATE

Cape Lambert Resources Limited (**ASX: CFE**) (**Cape Lambert** or the **Company**) is pleased to advise that the A\$80 million deposited by Metallurgical Corporation of China Limited (**MCC**) on the 25 November 2013 and held in an escrow account with the National Australia Bank (**NAB**) will be rolled for a further term pending the outcome of the legal dispute.

As previously announced, MCC were ordered by the Arbitrator to pay the disputed amount of A\$80 million into an escrow account in the joint names of the Company and MCC pending the determination of the substantive dispute.

The funds held in escrow has accrued interest of A\$1,38 million which will be rolled along with the A\$80 million principal amount when the current investment in the escrow account matures on the 26 May 2014.

As announced on the 16 April 2014, the substantive dispute will be heard in Singapore commencing in July 2014.

Cape Lambert Executive Chairman Mr Tony Sage said, "Cape Lambert is committed to following a policy of distributing surplus cash to Shareholders as assets and disputes are monetised."

Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman

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
644,804,602

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

Tony Sage
Executive Chairman

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About Us

Cape Lambert is an Australian domiciled, fully funded, mineral development company. Cape Lambert has interests in several exploration and mining companies, providing exposure to iron ore, copper, gold, uranium, manganese, lithium and lead-silver-zinc assets in Australia, Europe, Africa and South America.

Cape Lambert's strategy is to acquire and invest in undervalued and/or distressed mineral assets and companies (**Projects**) and:

- improve the value of these Projects, through a hands on approach to management, exploration , evaluation and development; and
- retain long-term exposure to these Projects through a production royalty and/or equity interest.

Cape Lambert aims to deliver shareholder value by adding value to these undeveloped Projects. If Projects are converted into cash, the Company intends to follow a policy of distributing surplus cash to Shareholders.