Cape Lambert Iron Ore Ltd

10 July 2006

The Company Announcements Office
Australian Stock Exchange Limited

Via E Lodgement

CAPE LAMBERT IRON ORE LTD PRESENTATION

Please find attached a copy of the Cape Lambert Iron Ore Ltd (ASX:CFE) presentation as at July 7th 2006.

CFE Non-Executive Chairman, Ian Burston and Executive Director, Tony Sage will be visiting London this week to meet with current shareholders and broker representatives. The attached presentation will be use during this time.

Should there be any queries on this matter please do not hesitate to contact the writer.

Yours faithfully

CAPE LAMBERT IRON ORE LTD

Tony Sage
Executive Director

The mineral Resource is based on information compiled by Martin Reynolds who is a fellow of the Australian Institute of Mining & Metallurgy. Mr Reynolds is a Director of Mackay & Schnellmann Pty Ltd, an independent geological consultant. Mr Reynolds is qualified as a Competent person as defined in the 2004, "Australasian Code for Reporting of Mineral Resources and Reserves" (JORC).

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Cape Lambert Iron Ore Ltd

Western Australian Iron Ore Project

July 2006

Corporate Profile

Total Shares on Issue	247.5 m
Options	
31 October 2008 @ $0.277 (ASX: CFEO)	136.5 m
31 October 2009 @ $0.327	50 m
31 October 2010 @ $0.377	40 m

Cash at Bank	13 m
Liquid Assets	2 m

Current as of July 2006

Majority Shareholders

Name	Number	% Issued Capital
National Nominees Ltd	40,936,261	16.42%
ANZ Nominees Limited	23,119,668	9.27%
JP Morgan Fleming Aust Ltd	22,750,000	9.12%
Power United Limited	18,328,363	7.35%
Westpac Custodian Nominees Ltd	12,230,147	4.90%
AWP Sage	11,720,075	4.70%
Computershare Clearing Pty Ltd	5,544,419	2.22%
Battle Mountain Pty Ltd	4,998,631	2.00%
Mr Henry Kai Tong Au	4,473,809	1.79%
Equitech Investments Limited	2,562,050	1.03%
Shareholders as at 4 July 2006	**146,663,423**	**58.80%**

Management

Dr Ian Burston – Non-Executive Chairman

Ian has more than 30 years experience in mining related industries including positions as Managing Director, CEO, Vice President and Chairman for both prominent and junior Company's. Ian is currently a non-executive Chairman of Broome Port Authority, Imdex Ltd and Aztec Resources Pty Ltd and a non-executive Director of Mincor Resources NL.

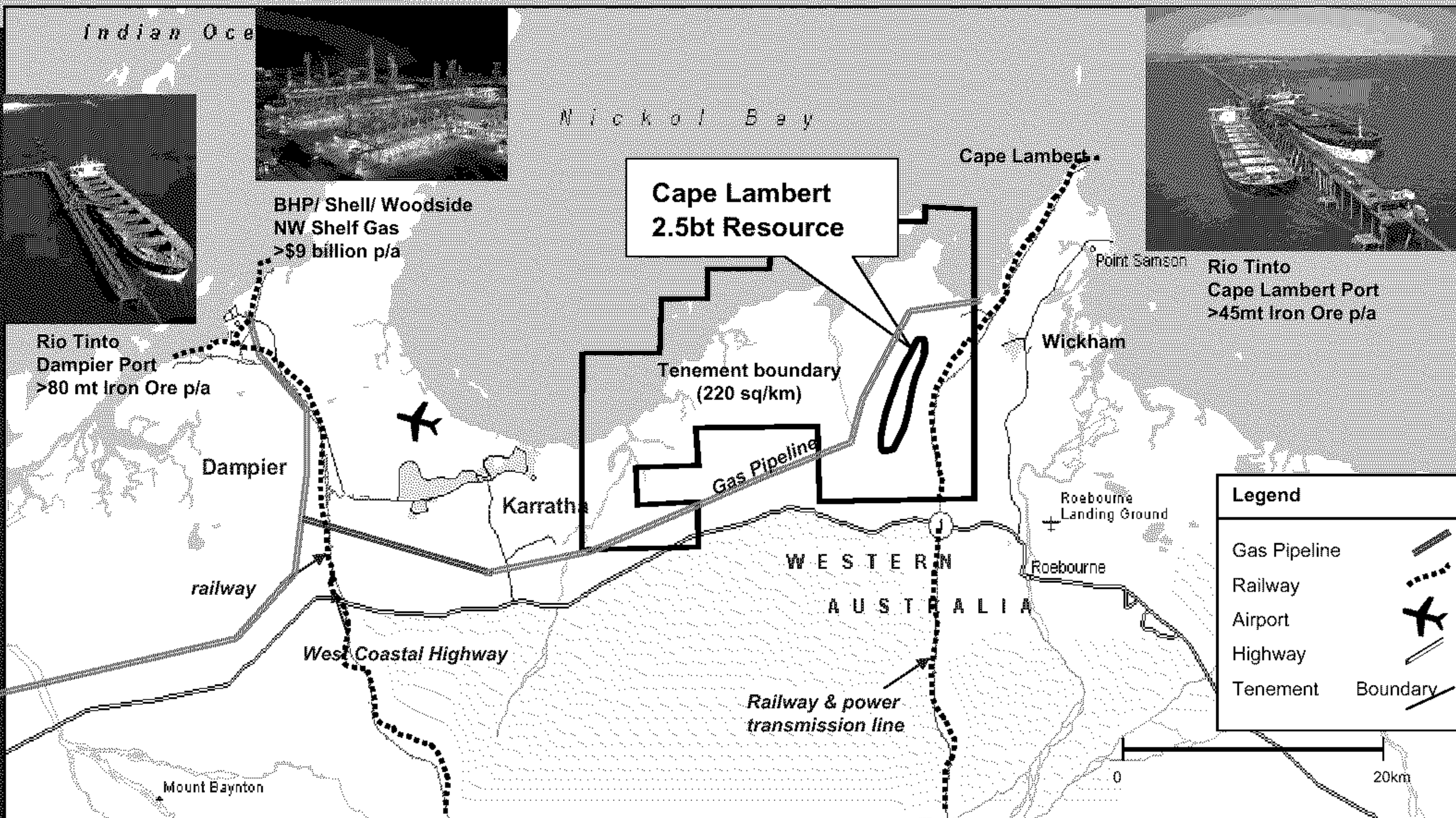
Mr Brian Maher – Technical Director

Brian has over 40 years in the mining industry, covering both underground and open cut operations, as a miner, supervisor, mining engineer, mine manager consultant, contractor and managing director. He has worked throughout the world, including Australia, Liberia, Guyana and the Philippines.

Mr Tony Sage – Executive Director

Tony has in excess of 25 years of experience in the field or corporate advisory services, funds management and capital raising. Tony has been involved in the management and financing of listed mining companies in Australia and internationally for the last 12 years.

Cape Lambert Region
(Western Australia)



Cape Lambert JORC Resource

2.5 Billion Tonnes @ 30%Fe

1.4bt in Indicated Resource category

1.1bt in Inferred Resource category

(250m depth & 25%Fe cut off)

1.2 Billion Tonnes @ 33%Fe

0.67bt in Indicated Resource category

0.53bt in Inferred Resource category

(250m depth & 30%Fe cut off)

This Resource was calculated from 22,662 metres of Robe historical drilling consisting of 189 drill holes

Qualification: *The mineral Resource is based on information compiled by Martin Reynolds who is a fellow of the Australian Institute of Mining & Metallurgy. Mr Reynolds is a Director of Mackay & Schnellmann Pty Ltd, an independent geological consultant. Mr Reynolds is qualified as a Competent person as defined in the 2004, "Australasian Code for Reporting of Mineral Resources and Reserves" (JORC).*

Cape Lambert Geology

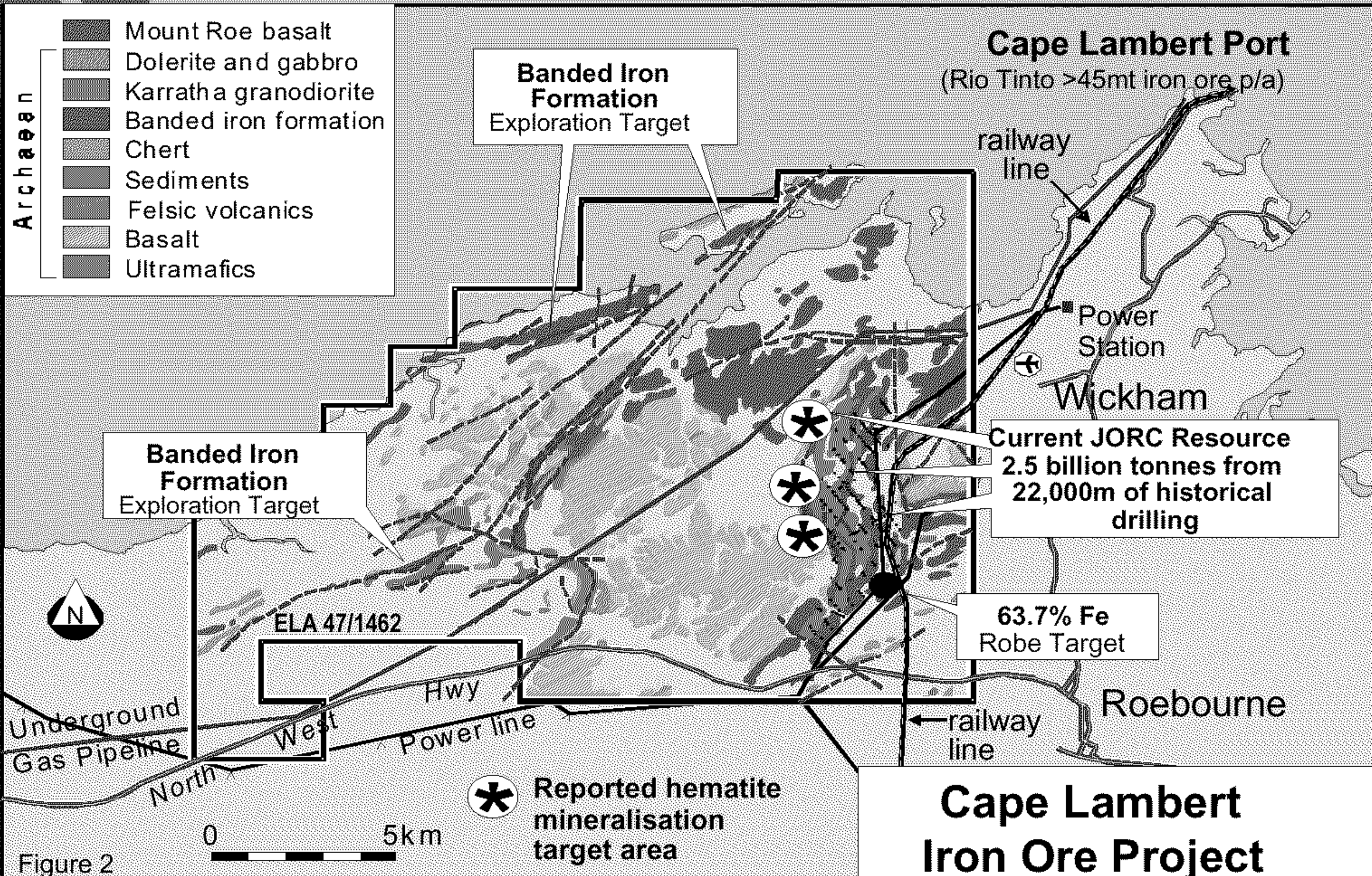
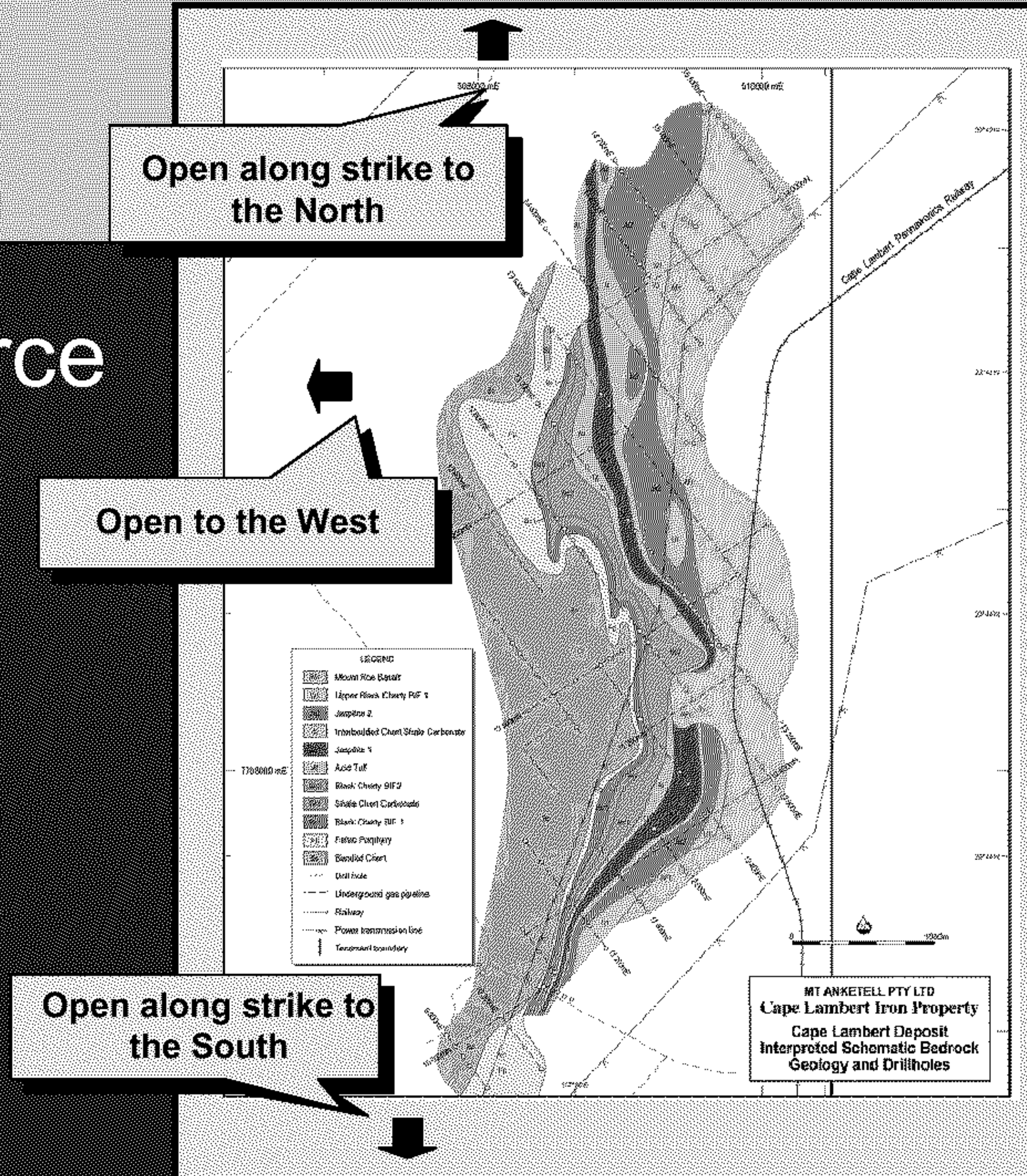


Figure 2

Cape Lambert Iron Ore Project

Current Resource

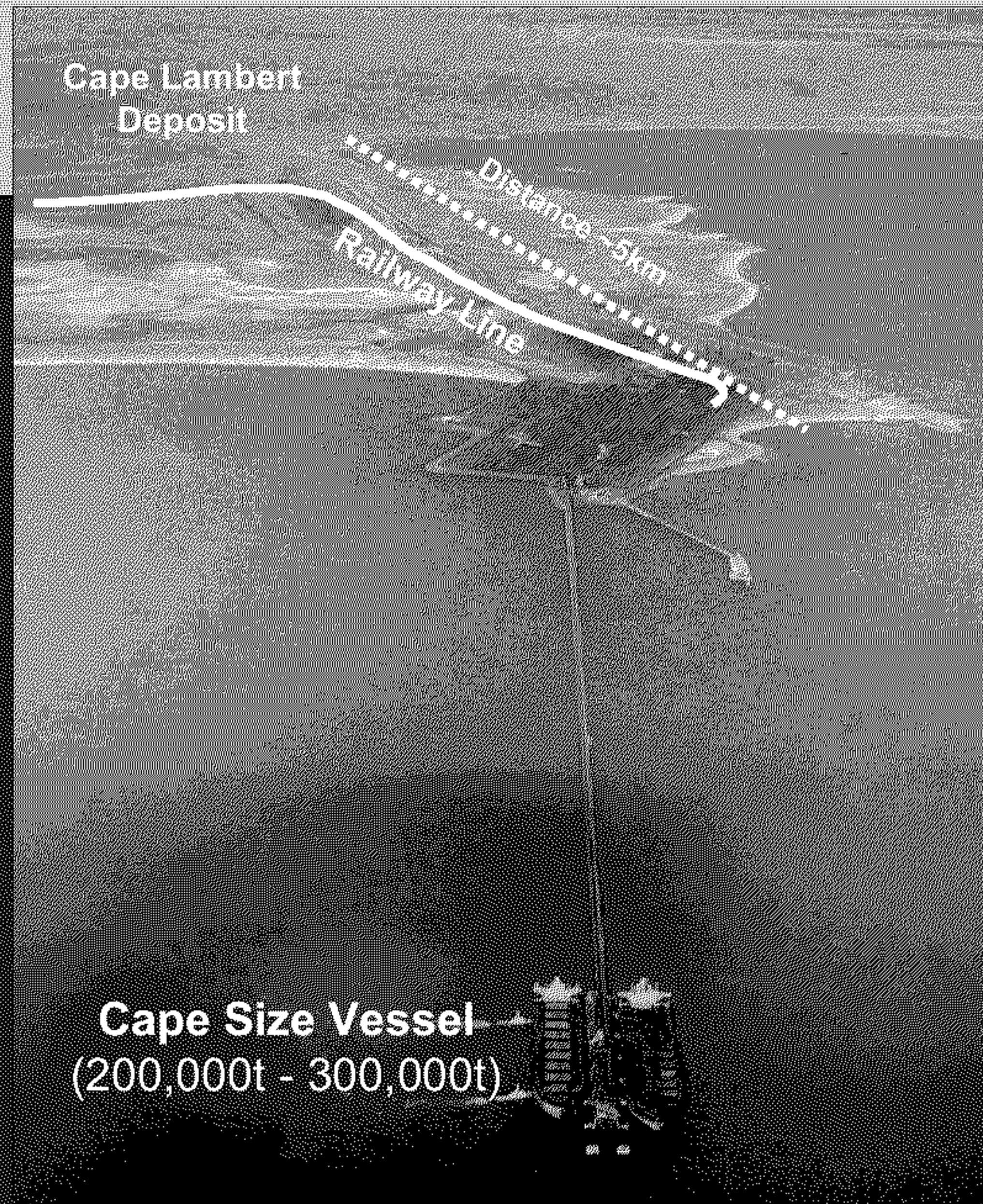
- 2.5bt Resource
- Significant upside, the resource is open to:
    - North
    - West
    - South
    - At Depth



Cape Lambert Logistic Advantages

- 5km from Coast
- Direct connection to Gas, Power, Infrastructure, Local Workforce etc
- $2.5million per/km:-

Fortescue (FMG)	450km
Mt Gibson (MGX)	400km
Iron Ore Holdings (IOH)	250km
Gindalbie (GBG)	260km

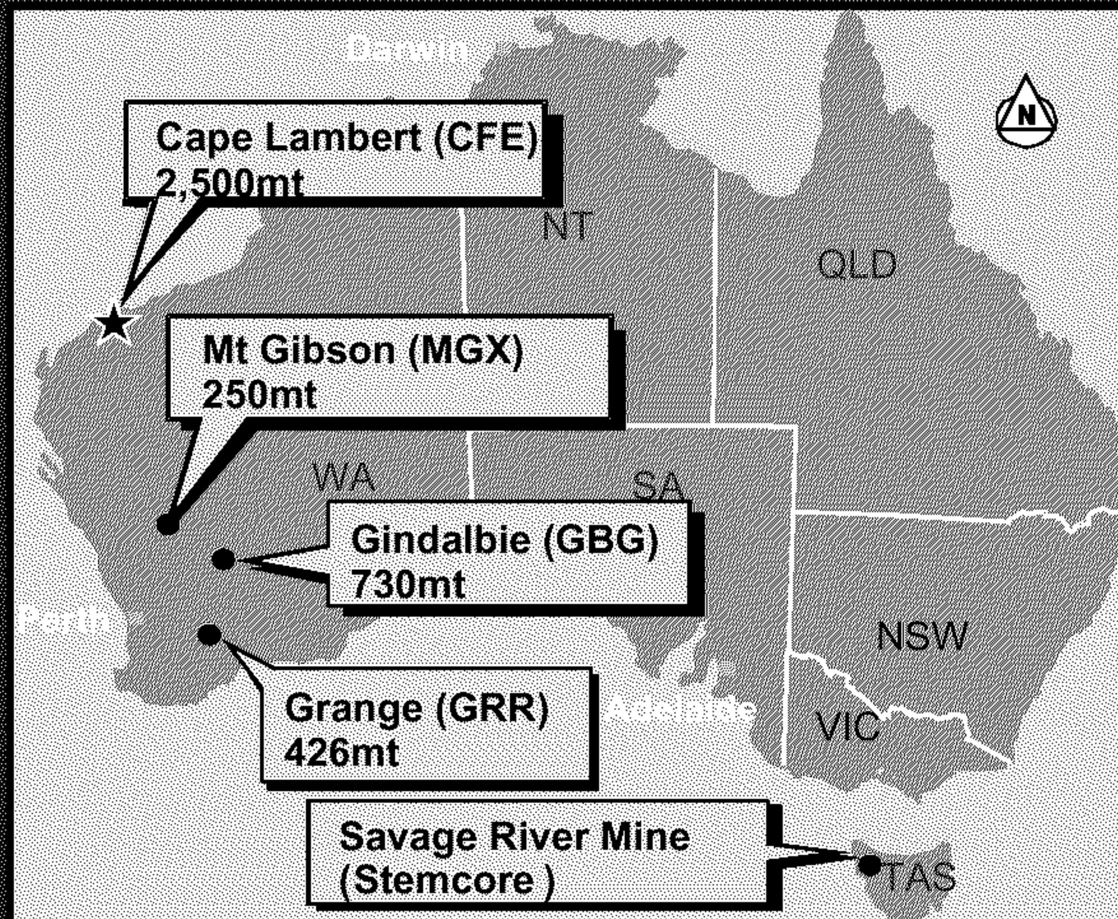


Major Australian Magnetite Deposits

Cape Lambert deposit is located on the north west coast of Western Australia, 20km north of Karratha which is a major distribution hub for iron ore, gas, etc.

Close Proximity from Cape Lambert to Asian Steel Mills	
China	6400 km
Japan	6200 km
India	6200 km
Korea	6200 km
Indonesia	2100 km
Malaysia	2900 km

Note: All locations and distances approximate



Bankable Feasibility Components

- 2.5 Billion Tonnes JORC compliant Resource
- 50 year mine life
- 5mtpa – 15mtpa concentrator to >60% iron
- Capital ex requirements to turn key, est. $500 million
- AVG Waste Ratio 0.6 : 1
- Recovery 30 - 35%

Comparison of Similar Companies

	Market Cap (Million $)	Share Structure		Resource (Million Tonnes)	Est. Cap Expenditure	Production (mtpa)	Comment
		Shares (Million)	Options (Million)				
BHP Billiton	40,000			Large		75	DSO
Rio Tinto	40,000			Large		105	DSO
Fortescue Metals (FMG)	1,350	224	2	1,100	2,500	N/A	DSO
Mt Gibson (MGX)	370	401	25	250	800	N/A	DSO & Concentrate
Gindalbie Metals (GBG)	280	385	22	730	1,100	N/A	Concentrate
Grange Resources (GRR)	147	95	16	426	1,500	N/A	Concentrate
Cape Lambert Iron Ore (CFE)	**90**	**247**	**227**	**2,500**	**350**	**5-15**	**Concentrate**

Current as of July 2006

Summary

- Location - 5km's from Coast
- Significant infrastructure already in place (power, road, water and populated areas)
- Substantial Tonnage with significant upside
- Stable political and economic environment
- Proximity to Asian markets

Why Invest In Cape Lambert

- Assembling Professional Team
- Large Ore Body Capable of Concentration to Acceptable Steel Industry Standards
- Prime Location
- Competitive Cost Into Ship
- Strong Iron Ore Market
- Sole Focus on Developing Cape Lambert Deposit

Next Steps

Stage 1

- RC Drilling Programme - Commenced

Stage 2

- Refine Metallurgical Process for Concentrate
- Refine JORC Reserve / Resource Categories
- Develop Capital and Operational Estimates
- Complete BFS