

19 August 2009

**BY FAX - ORIGINAL IN POST**  
**(61 8 9380 9666)**

Cape Lambert Iron Ore Ltd.  
18 Oxford Close  
Leederville, Western Australia 6007  
Australia

**Re: Notice of Interests of Substantial Shareholder under Section 671B**

Company Secretary:

Enclosed is a Form 603 dated 18 August 2009. Please note that a copy of this report has been sent to the Australian Stock Exchange.

The Capital Group Companies, Inc. ("CGC") is the parent company of Capital Research and Management Company ("CRMC"). CRMC is a U.S.-based investment management company that manages The American Funds family of mutual funds. CGC is also the parent company of Capital Group International, Inc. ("CGII"), which in turn is the parent company of five investment management companies: Capital Guardian Trust Company, Capital International, Inc., Capital International Limited, Capital International Sàrl and Capital International K.K. Each of these investment management companies acts separately from the others and from CGC in exercising investment discretion over its managed accounts.

Neither CGC nor any of its affiliates own shares of your company for its own account. Rather, the shares reported on Form 603 are owned by accounts under the discretionary investment management of one or more of the investment management companies described above.

For the purpose of this Notice an outstanding share balance of 523,797,213 shares was used to calculate the percentage of holdings. We believe this outstanding share balance is current; however, if this number is not accurate, please contact us as soon as possible so that we may make the necessary revisions to this Notice.

Should you have questions or require additional information, please contact Gina Martinez or Vivien Tan at (213) 615-0469 or send a fax message to (213) 486-9698. Alternatively, you may contact us via e-mail at [GRGroup@capgroup.com](mailto:GRGroup@capgroup.com).

Regards,

Christopher Aquino  
Compliance Associate

**Form 603****Corporations Act 2001 Section 671B****Notice of initial substantial holder**

To Company Name/Scheme Cape Lambert Iron Ore Ltd.

ACN/ARSN

**1. Details of substantial holder (1)**

Name The Capital Group Companies, Inc.

ACN/ARSN (if applicable) n/a

The holder became a substantial holder on 18 August 2009

**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

| Class of securities (4) | Number of securities | Person's votes (5) | Voting power (6) |
|-------------------------|----------------------|--------------------|------------------|
| Ordinary Shares         | 32,100,000 shares    | 32,100,000 shares  | 6.13%            |

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

| Holder of relevant interest       | Nature of relevant interest (7) | Class and number of securities |
|-----------------------------------|---------------------------------|--------------------------------|
| The Capital Group Companies, Inc. |                                 | 32,100,000 Ordinary Shares     |

The shares being reported under this section are owned by accounts under the discretionary investment management of 1 investment management company (Capital Research and Management Company) which is a direct or indirect subsidiary of The Capital Group Companies, Inc., 333 South Hope Street, 55th Floor, Los Angeles, California 90071.

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

| Holder of relevant interest                         | Registered holder of securities | Person entitled to be registered as holder (8) | Class and number of securities |
|-----------------------------------------------------|---------------------------------|------------------------------------------------|--------------------------------|
|                                                     |                                 | none                                           |                                |
| See Annexure A dated 18 August 2009 (copy attached) |                                 |                                                |                                |

**5. Consideration**

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

| Holder of relevant interest       | Date of acquisition                     | Consideration (9)         |          | Class and number of securities |
|-----------------------------------|-----------------------------------------|---------------------------|----------|--------------------------------|
|                                   |                                         | Cash                      | Non-cash |                                |
| The Capital Group Companies, Inc. | 20 April 2009<br>Thru<br>18 August 2009 | Average price of 0.35 AUD |          | 32,100,000 Ordinary Shares     |

**6. Associates**

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

| Name and ACN/ARSN (if applicable) | Nature of association |
|-----------------------------------|-----------------------|
| N/A                               | N/A                   |

The company (Capital Research and Management Company) referred to in paragraph 1(a) is a wholly owned direct or indirect subsidiary of The Capital Group Companies, Inc.

**7. Addresses**

The addresses of persons named in this form are as follows:

| Name                              | Address                                                                |
|-----------------------------------|------------------------------------------------------------------------|
| The Capital Group Companies, Inc. | 333 South Hope Street, 55 <sup>th</sup> Floor<br>Los Angeles, CA 90071 |

**Signature**

print name: Liliane Corzo

Capacity: Associate Counsel

sign here \_\_\_\_\_

Date: 19 August 2009

## **Annexure “A”**

This is the Annexure of 1 page marked Annexure “A” referred to in Form 603 (initial) signed by this corporation dated 18 August 2009.

The Capital Group Companies, Inc.

By:

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Liliane Corzo  
Associate Counsel

**Australia Annexure**  
**Cape Lambert Iron Ore Ltd.**  
**18 August 2009**

**CG Investment Management Company**

Capital Research and Management Company

**Account Number**

11000035

11000075

**Number of Shares**

26,100,000

6,000,000

32,100,000

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**% Held**

**GRAND TOTAL**

**32,100,000**

**6.13%**

**Nominee List**

**Cape Lambert Iron Ore Ltd.**

**18 August 2009**

**Nominee Name**

Westpac Custodian Nominees  
50 Pitt Street, 8th Floor  
Sydney, NSW 2000  
Australia

|          |            |
|----------|------------|
| 11000035 | 26,100,000 |
| 11000075 | 6,000,000  |

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|               |            |
|---------------|------------|
| Total Shares: | 32,100,000 |
|---------------|------------|

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