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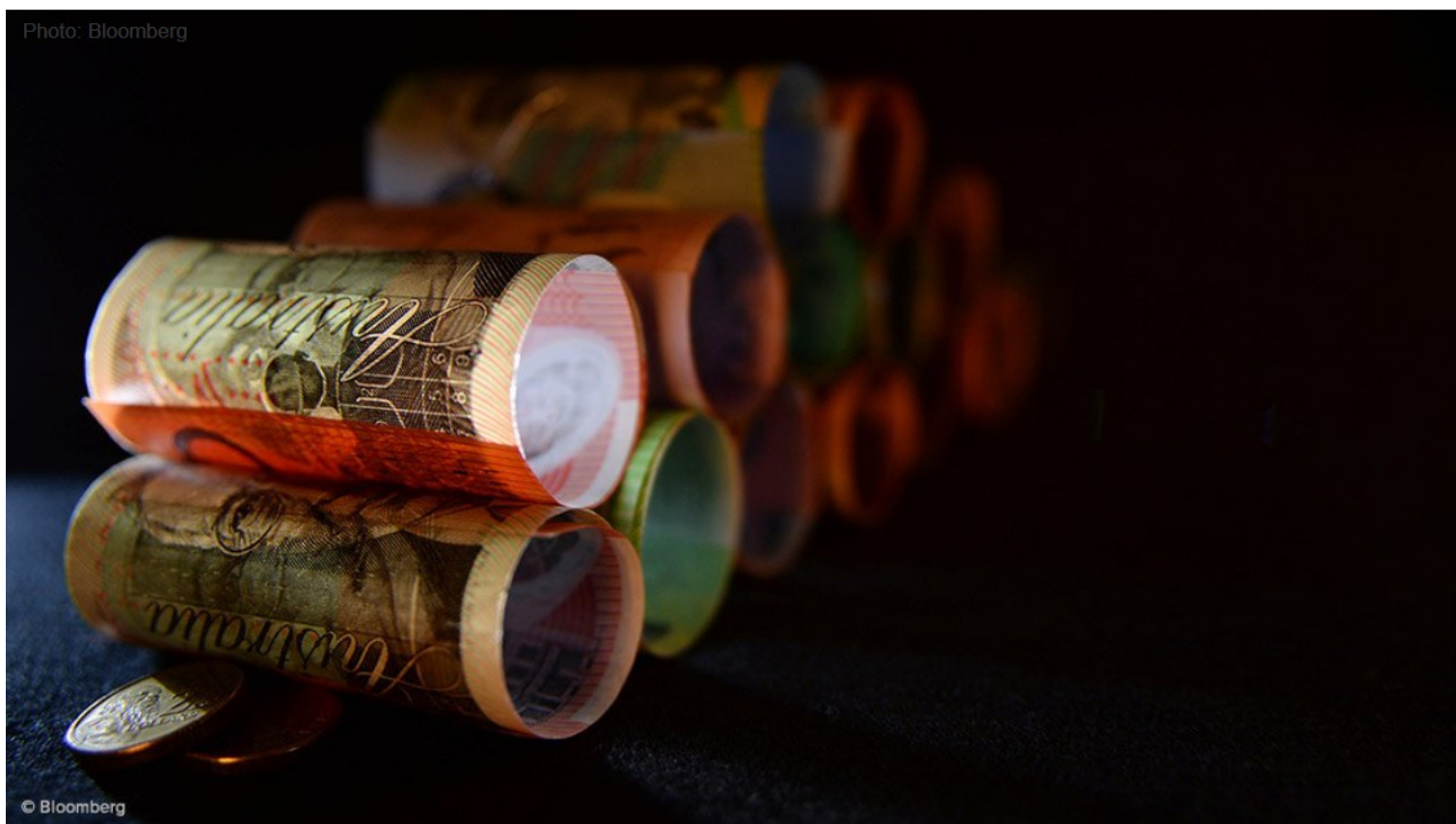
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Cape Lambert settles MCC dispute

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PERTH (miningweekly.com) – Resource investment company Cape Lambert Resources has reached a settlement with Metallurgical Corporation of China (MCC) over the final A\$80-million payment on the sale of the Cape Lambert iron-ore project, in 2008.

In November last year, MCC transferred A\$80-million into an escrow account following an order by an arbitrator.

Cape Lambert said on Monday that A\$30-million of this would now be released back to MCC, with the balance, of around A\$51.6-million to be paid to Cape Lambert. The funds would likely be received within a week.

The two parties have informed the arbitrator that a settlement has been reached, and the Singapore International Arbitration Centre was expected to immediately issue a procedural order suspending the arbitration.

Cape Lambert executive chairperson **Tony Sage** told shareholders that the company was happy to see a resolution of the matter, adding that it was a good outcome for all parties involved.

The company had previously received A\$320-million of the agreed A\$400-million sales price.

Following the receipt of the final funds, Cape Lambert would have cash, receivables and listed securities valued at around A\$100-million, including unrestricted cash of A\$70-million.

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