

Appointment of Strategic Adviser to Finalise Cobalt Offtake and Funding Negotiations

Highlights

- Cape Lambert appoints UK-based Strategic Adviser, Metals Risk Management Limited to assist the Company in finalising its concentrate offtake and funding arrangements for its advanced African cobalt and copper mining projects
- Metals Risk Management is a specialist risk advisory company providing independent guidance on price risk management, including concentrate offtake agreements and sales and commodity linked funding structures
- Metals Risk Management have successfully advised and transacted with a variety of global mining companies, smelters, consumers, investors and government bodies around the world, including some of the largest customers of the LME metals market
- Under the terms of the engagement, Metals Risk Management will review and advise on the existing offers of concentrate offtake and commodity linked funding received by the Company
- Metals Risk Management will further assist the Company in identifying potential new offtake partners and financiers and finalising its negotiations and the execution of binding concentrate offtake agreements and committed funding
- Finalisation of these agreements and funding will allow the Company to accelerate its cobalt project development strategy in Africa which includes the Kipushi Cobalt Tailings and Kasombo Cobalt-Copper Projects located in the Democratic Republic of Congo and the Kitwe Cobalt-Copper Tailings Project in Zambia

Australian resource and investment company, Cape Lambert Resources Limited (**ASX: CFE**) (**Cape Lambert or the Company**) is pleased to announce that it has engaged Metals Risk Management Limited (**MRM**) as its Strategic Adviser.

London-based MRM was established by Mr Rohan Ziegelaar, a highly experienced and successful metals market professional, to provide independent risk management advice including the structure and implementation of metals and concentrate offtake agreements and sales and commodity linked funding structures.

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
810,686,586

Unlisted Options
23,500,000 (\$0.05 exp 18 Dec 2018)

Board of Directors

Tony Sage
Executive Chairman

Tim Turner
Non-executive Director

Jason Brewer
Non-executive Director

Melissa Chapman
Company Secretary

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MRM's Managing Director, Mr Rohan Ziegelaar, has over 20 years of metals market experience gained in a number of sales, structuring and trading roles with some of the largest commodity trading houses and investment banks, whilst based in London, New York, Dubai and Geneva.

MRM's team of professionals have a proven track record in providing advice on strategy and execution of metals and offtake and sales agreements and the implementation of commodity and derivative linked debt funding solutions. MRM has established a broad network of contacts through the metals market and have a commitment to building long term relationships. The MRM team has successfully advised and transacted with a large number of mining companies, smelters, consumers, investors and government bodies, including some of the largest customers of the LME metals market.

Cape Lambert has appointed MRM as its Strategic Adviser to review, assess and advise on the existing offers of concentrate offtake and commodity linked funding that have already been received by the Company from a number of major international trading groups. MRM will further assist the Company, where necessary, in identifying potential new offtake partners and financiers and in finalising its negotiations and the execution of binding concentrate offtake agreements and committed funding.

It is anticipated that through MRM's engagement as its Strategic Adviser, the Company will be able to quickly finalise a binding offtake agreement and committed funding package that will allow it to accelerate its advanced cobalt projects in Africa, including its joint venture interests in the Kipushi Cobalt Tailings and Kasombo Cobalt-Copper Projects in the Democratic Republic of Congo and the recently acquired Kitwe Cobalt-Copper Tailings Project in Zambia.

Cape Lambert's Executive Chairman, Mr Tony Sage said "The appointment of Metals Risk Management to advise and negotiate binding offtake agreements and committed funding with some of the world's major commodity trading groups is a major step forward for us as we look to bring our advanced cobalt projects into production at a time of record pricing and demand."

"We are delighted to be working with MRM, who come with a proven track record in negotiating metals and concentrate offtake agreements and commodity and derivative linked funding for companies such as Cape Lambert. We look forward to working with MRM." Mr Sage added.

MRM's Managing Director, Mr Rohan Ziegelaar commented, "We are pleased to be working with Cape Lambert to advise and assist in the establishment of its offtake and commodity linked funding requirements."

"Cape Lambert has rapidly acquired interests in a number of near-term cobalt production opportunities in Central Africa and to have done this so quickly and at a time of such strong cobalt market fundamentals puts them in a very good position to be able to secure well priced and structured concentrate offtake and sales agreements and accompanying commodity linked debt funding solutions." Mr Ziegelaar said.

Under the terms of the engagement with MRM, the Company will pay a success fee in cash to MRM on first shipment under the proposed offtake agreement and on drawdown of any funding package secured by MRM. No equity is to be issued under the engagement to MRM.

Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman

About Us

Cape Lambert is an Australian domiciled, ASX listed (ASX: CFE), fully funded, mineral development company. Cape Lambert has interests in several exploration and mining companies, providing exposure to iron ore, copper, uranium, cobalt, 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 undervalued and undeveloped Projects.

For more information visit the Company's website www.capelam.com.au.