ASX Announcement
14 March 2018

Announcement by FE Limited

Australian resources and investment company, Cape Lambert Resources Limited (ASX: CFE) (**Cape Lambert** or the **Company**) refers its shareholders to the announcement made by FE Limited (**FEL**) (ASX: FEL) today entitled "Drilling Results Received from Kasombo Copper-Cobalt Project in DRC" and attached to this announcement.

Cape Lamberts holds 145,848,635 shares in FEL representing 39.63% of the total share capital.

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
904,298,094

Unlisted Options
23,500,000 ($0.05 exp 31 Dec 2018)
15,336,363 ($0.07 exp 12 Mar 2020)

Board of Directors
Tony Sage
Executive Chairman

Tim Turner
Non-executive Director

Stefan Muller
Non-executive Director

Melissa Chapman
Company Secretary

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ASX Announcement

14 March 2018

Drilling Results Received from Kasombo Copper-Cobalt Project in DRC

Australian Securities Exchange Code: **FEL**

Ordinary Shares:

368,065,463

Unlisted Options:

2,812,500

Board of Directors:
Tony Sage
Non-Executive Chairman

Kenneth Keogh
Non-Executive Director

Nicholas Sage
Non-Executive Director

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Fe Limited is an Australian domiciled mineral resources exploration and development company.

Fe Limited
ABN: 31 112 731 638

Highlights:

- **Final assays received from RC drilling program confirm widespread, extensive high grade copper mineralisation at Kasombo 5 including KSB003b: 24 m @ 3.50% Cu from 37 m**
- **Additional extensive intercepts of shallow cobalt mineralisation reported at both Kasombo 5 and 7 including KSB003: 10 m @ 0.22% Co from 11 m**
- **Further step out and extensional drilling now planned at Kasombo 5 with drilling tenders already underway**
- **Further testing also targeted at Kasombo 7 to better determine the size and extension of the identified cobalt mineralisation**

Fe Limited (**Company**) (ASX: **FEL**) is pleased to advise that it has received the results of all assay sampled from its preliminary reverse circulation (**RC**) drill program at the Kasombo Copper-Cobalt Project (**Kasombo Project**) located in the Democratic Republic of Congo.

Assays from Kasombo 5 showed wide intersections of high grade copper mineralization, with copper and cobalt intercepts from the drilling at Kasombo 5:

- KSB001: 23 m @ 3.18% Cu from 54 m
- KSB003b: 24 m @ 3.50% Cu from 37 m
- KSB003b: 12 m @ 0.19% Co from 36 m
- KSB003: 10 m @ 0.22% Co from 11 m

Kasombo 5 is a high-grade copper target hosted in the highly prospective Lower Roan Group rocks of the Katangan Copperbelt. Drilling targeted down-dip extensions to mineralised sequences exposed in a shallow open-cut.

RC drilling at Kasombo 7 returned shallow intercepts of cobalt mineralisation from depths of 8m and over intercepts of up to 11m and was targeted at down-dip and along strike extensions of the high grade cobalt mineralisation sampled from breccia exposed by artisanal workings (refer sample results of up to 6.99% Co reported in ASX announcement dated 12 December 2017).

The cobalt intercepts from drilling at Kasombo 7:

- KSB004: 11 m @ 0.10% Co from 8 m
- KSB006: 3 m @ 0.13% Co from 10 m

Commenting on the results of exploration, Chairman Tony Sage said; "the final assay results from Kasombo 5 demonstrate extensive high grade copper mineralisation with accompanying shallow cobalt mineralisation. We are very excited by this and are progressing our plans to complete a step out drilling program, with tenders for drilling already underway. The Kasombo 7 results demonstrate that more work is needed there to better understand the cobalt mineralisation, and whilst we are encouraged by the extensive workings by artisanal miners, which have exposed cobalt mineralisation, additional channel sampling and trenching work will now proceed to give us that broader understanding."

The Kasombo Project comprises three mineralized areas of approximately 600 hectares, Kasombo 5, 6 and 7, located within two granted mining licenses PE 481 and PE 4886, which are held by La Generale Des Carrieres Et Des Mines S.A. (**Gecamines**). In March 2017, Paragon Mining SARL (**Paragon**) executed a contract with Gecamines for the undertaking of exploration and research work at the Kasombo Project. In November 2017, FEL was assigned the rights to explore and exploit the Kasombo Project from Cape Lambert Resources Limited (**Cape Lambert**), which in turn acquired its rights to the Kasombo Project via a 50/50 joint venture with Paragon in the newly established Soludo Lambert Mining SAS (full details of the assignment are described in the Notice of the Annual General Meeting, refer ASX announcement dated 4 October 2017).

Yours faithfully
FE LIMITED

Tony Sage
Non-Executive Chairman

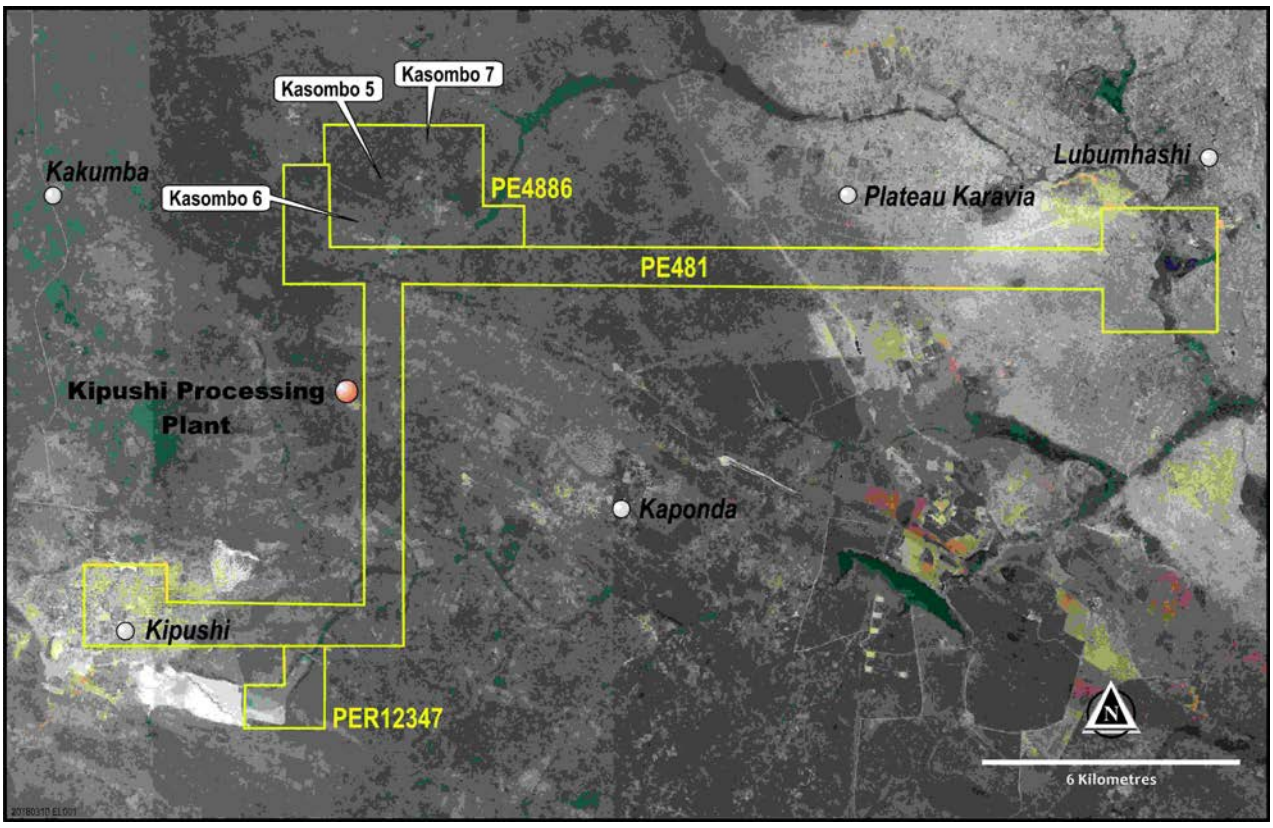

Figure 1: Location of Kasombo Project and nearby Kipushi Processing Plant

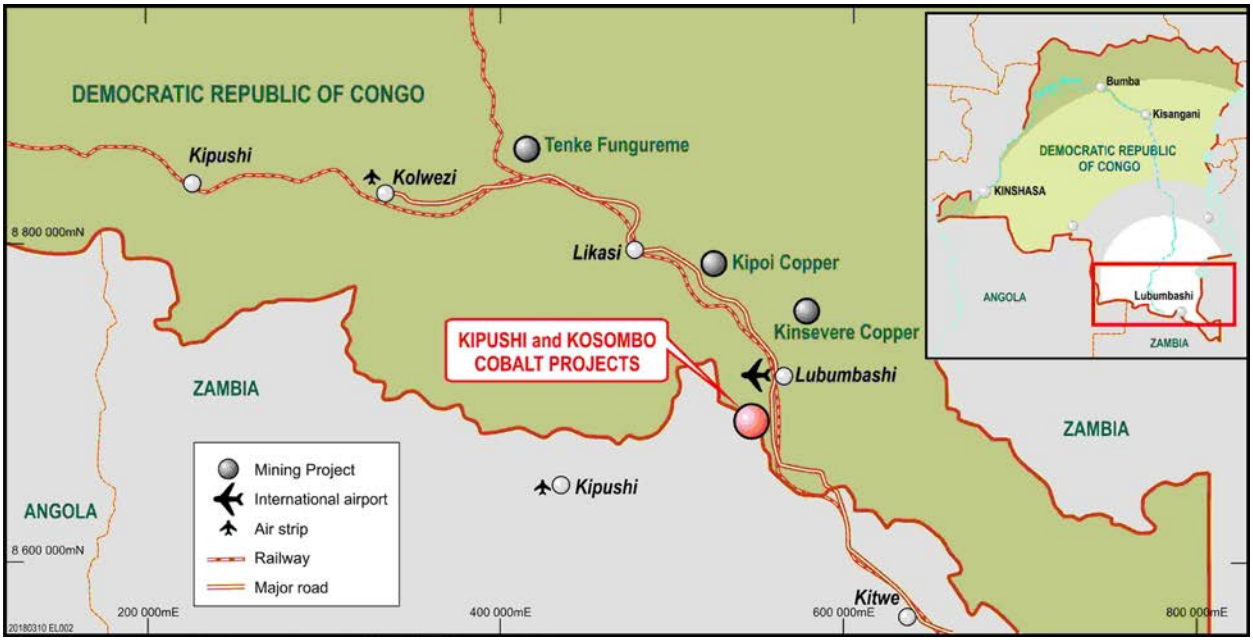

Figure 2: Kasombo Location Map

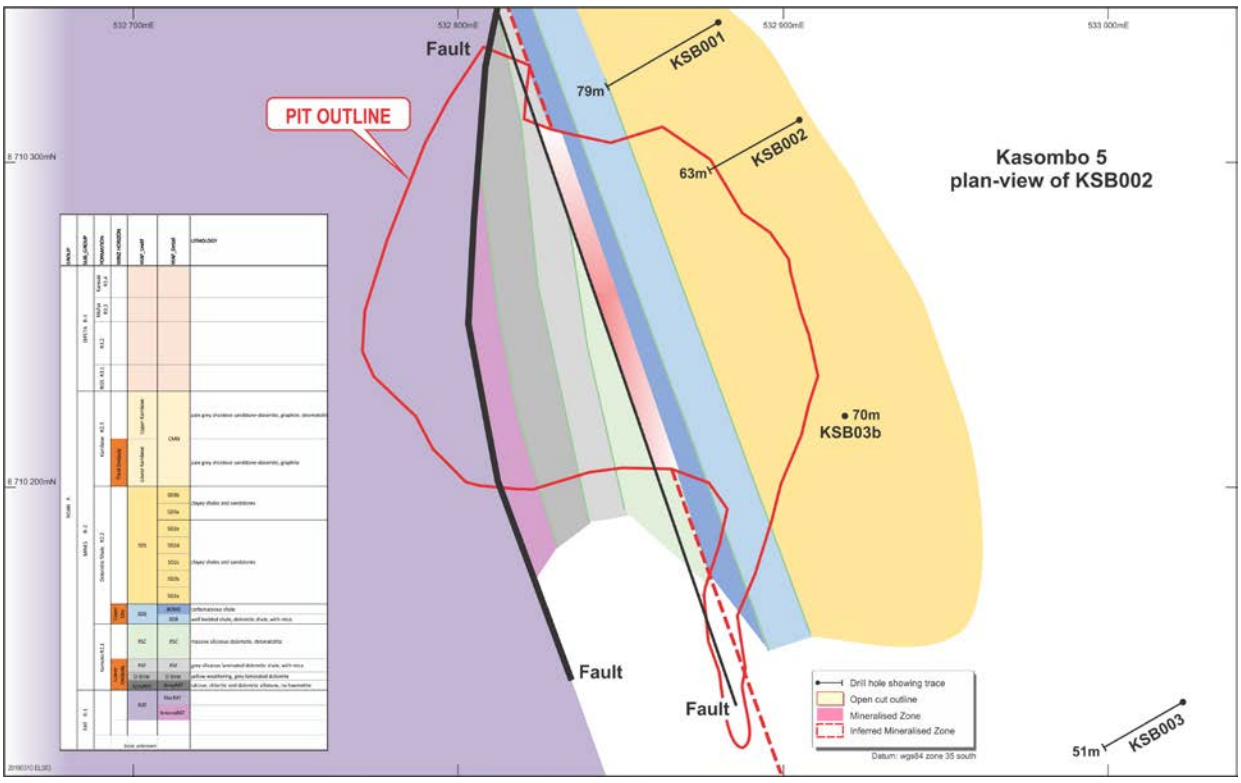

Figure 3; Kasombo 5 plan-view of drilling

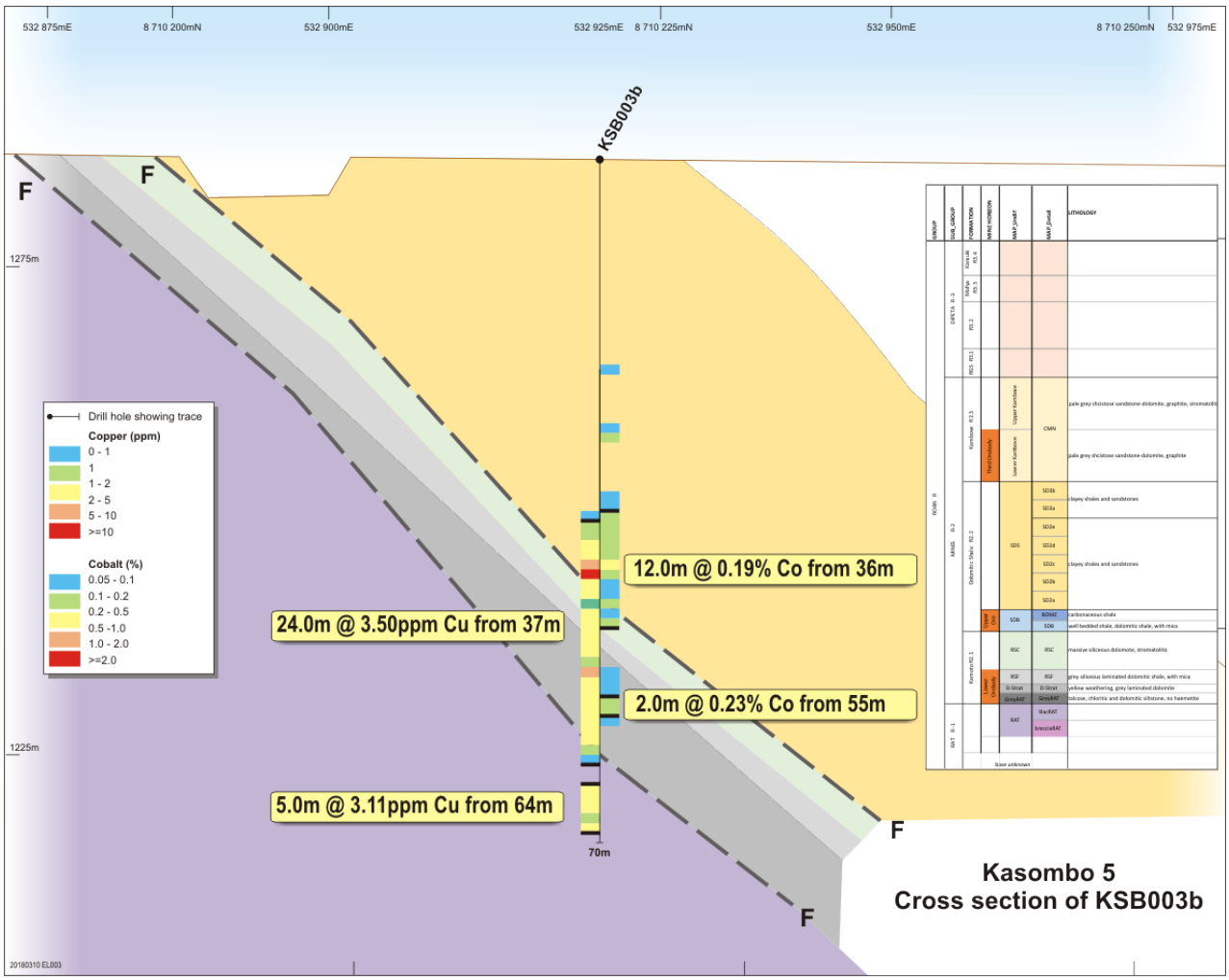

Figure 4; Cross-section KSB003b

Competent Person Statement

The information in this report is compiled and collected by Mr Jess Oram, Executive Director of Cauldron Energy (an affiliate company of FE Limited) who is a Member of the Australasian Institute of Geoscientists. Oram has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration, Results, Mineral Resource and Ore Reserves (JORC Code 2012). Oram consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Table 1; Location of Drilling

Project	Hole_Id	East	North	RL	DipColl	AzimColl	EOH	Details
Kas5	KSB001	532880	8710343	1290	-60	240	79	Hole extended to intersect RAT
Kas5	KSB002	532905	8710313	1288	-60	241	63	Hole abandoned at 63m - collar blow out
Kas5	KSB003	533023	8710134	1284	-57	240	51	Hole abandoned at 51 m - workings
Kas5	KSB003b	532924	8710222	1286	-90	000	70	redrill of KSB003
Kas7	KSB005	533896	8710176	1288	-60	125	42	
Kas7	KSB004	533977	8710283	1292	-59	124	59	
Kas7	KSB006	534078	8710197	1257	-60	335	59	
Kas7	KSB007	534017	8710181	1255	-80	340	30	

KEY:
Datum: wgs84, zone 35 south
DipColl: Dip of hole at collar
AzimColl: Azimuth of hole at collar
EOH: end of hole depth

Table 2; Kasombo Project – Copper - Summary of assay for entire drilling

Prospect	Hole_Id	From	To	Length [m]	Grade [ppm]	Description
Kas5	KSB001	25.00	35.00	10.00	13980	KSB001: 10 m @ 1.40% Cu from 25 m
Kas5	KSB001	42.00	45.00	3.00	11240	KSB001: 3 m @ 1.12% Cu from 42 m
Kas5	KSB001	54.00	77.00	23.00	31787	KSB001: 23 m @ 3.18% Cu from 54 m
Kas5	KSB002					abandoned above target
Kas5	KSB003					abandoned above target
Kas5	KSB003b	37.00	61.00	24.00	34971	KSB003b: 24 m @ 3.50% Cu from 37 m
Kas5	KSB003b	64.00	69.00	5.00	31110	KSB003b: 5 m @ 3.11% Cu from 64 m
Kas7	KSB004					assay below cutoff
Kas7	KSB005					assay below cutoff
Kas7	KSB006					assay below cutoff
Kas7	KSB007					assay below cutoff

Table 3; Kasombo Project – Cobalt - Summary of assay for entire drilling

Prospect	Hole_Id	From	To	Length [m]	Grade [ppm]	Description
Kas5	KSB001	16.00	19.00	3.00	2140	KSB001: 3 m @ 0.21% Co from 16 m
Kas5	KSB001	34.00	40.00	6.00	2348	KSB001: 6 m @ 0.23% Co from 34 m
Kas5	KSB001	52.00	56.00	4.00	2044	KSB001: 4 m @ 0.20% Co from 52 m
Kas5	KSB002	17.00	32.00	15.00	1670	KSB002: 15 m @ 0.17% Co from 17 m; ABD
Kas5	KSB003	11.00	21.00	10.00	2223	KSB003: 10 m @ 0.22% Co from 11 m; ABD
Kas5	KSB003b	36.00	48.00	12.00	1911	KSB003b: 12 m @ 0.19% Co from 36 m
Kas5	KSB003b	55.00	57.00	2.00	2270	KSB003b: 2 m @ 0.23% Co from 55 m
Kas7	KSB004	8.00	19.00	11.00	1038	KSB004: 11 m @ 0.10% Co from 8 m
Kas7	KSB005					assay below cutoff
Kas7	KSB006	10.00	13.00	3.00	1311	KSB006: 3 m @ 0.13% Co from 10 m
Kas7	KSB007					assay below cutoff

KEY:
Kas5 is Kasombo 5 prospect
Kas7 is Kasombo 7 prospect
ABD: abandoned above target
An assay of 10,000 ppm is equivalent to 1%; to convert units of concentration, divide ppm by 10000 to obtain units of %
Criteria used to aggregate copper assay in Table2: cutoff grade: 1%; minimum width: 4 m; maximum internal dilution: 2 m.
Criteria used to aggregate cobalt assay in Table 3: cutoff grade: 0.1% minimum width: 3 m; maximum internal dilution: 2 m.

JORC Code, 2012 Edition – Table 1 Kasombo Mapping and Sampling

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• RC chip samples were collected from each one metre downhole drill increments commencing from the collar to the end of hole • Samples collected plastic bags attached to cyclone • Calico bags used to take a 3 kg assay sample • We rely on ALS systems, a NATA certified laboratory, to ensure their ICP instruments are in calibration
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• 5.5" Reverse circulation; face sample hammer bit.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Sample mass was not measured • Visual inspection used to identify potential intervals containing contaminated sample
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Chip sample geologically logged and small specimen sample retained in chip trays • The entire drillhole was geologically logged • There is not enough drilling of sufficient drilling density to allow the estimation of a Mineral Resource.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Assay sample were sub-sampled from the large (about 30 kg) plastics using a spear • Four spear traverses were taken across the entire sample bag material • Duplicate sampling completed • Malachite mineralisation is fine grained and distributed on a scale smaller than the metre increments used in sample collection • Cobalt mineralisation is heterogenite and is fine grained
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Samples were prepared and analysed by ALS; with samples crushed and pulverised in ALS' Lubumbashi, DRC laboratory, and ICP-AES or ICP-MS finish in ALS' Johannesburg laboratory. • Preparation: crush and pulverise so that 80% of sample pass minus 80 micron • ALS method ME-MS61, having a low lower level of detection • Over-range assay re-analysed by ALS ore grade method OG-62 • Digest: four acid digest on a 0.25 g charge • Element Suite (with lower level of detection in brackets in ppm): Ag(0.01), Al(100), As(0.2), Ba(10), Be(0.05), Bi(0.01), Ca(100), Cd(0.02), Ce(0.01), Co(0.1), Cr(1), Cs(0.05), Cu(0.2), Fe(100), Ga(0,05), Ge(0,05), Hf(0.1), In(0.005), K(100), La(0.5), Li(0.2), Mg(100), Mn(5), Mo(0.05), Na(100), Nb(0.1), Ni(0.2), P(10), Pb(0.5), Rb(0.1), Re(0.002), S(100), Sb(0.05), Sc(0.1), Se(1), Sn(0.2), Sr(0.2), Ta(0.05), Te(0.05), Th(0.2), Ti(0.005), Tl(0.02), U(0.1), V(1), W(0.1), Y(0.1), Zn(2), Zr(0.5) • Certified Reference Material (CRM) where inserted in the sample stream at every 20th consecutive sample • Two CRM's used in the drill program (only one used for this first drillhole) – manufactured by Geostats Pty Ltd
Verification of sampling	• *The verification of significant intersections by either independent or alternative company personnel.*	• No verification work has been conducted • Only second hole of program, data stored in spreadsheets - no

Criteria	JORC Code explanation	Commentary
and assaying	• *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	database developed as yet • No adjustment to assay – reported as is from ALS except with the addition of locational information (HoleID, DepthFrom and DepthTo)
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Samples were located with handheld GPS, having an accuracy of plus or minus 10 m. • No downhole surveys were taken to measure drillhole deviation • Collar location described in datum WGS84 Zone 35south
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Results from only one drillhole taken to the north of the mineralized structure • The data is not suitable for Mineral Resource estimation; much more drilling is required • No sample compositing
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• All drillholes except one (shown in figure 4) were set up with an azimuth orthogonal to strike and a dip of 60 degrees dip at the collar – azimuth WSW; mineralisation contained in bedding mapped in pit exposures was dipping 40 ENE; but the orientation of the cobalt zone is different to that mapped in the pit and remains to be verified with follow-up drilling
Sample security	• *The measures taken to ensure sample security.*	• Samples kept under supervision of geological/sampling crew and transported to ALS laboratory by drill crew
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been completed

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The licence is held by state owned company Gecamines and is the subject of a rights agreement between Gecamines and Paragon SARL. Paragon has a joint venture with Cape Lambert Resources and Cape Lambert Resources has entered in to an agreement with Fe Limited to assign its rights to the Kasombo Project to Fe Limited.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Gecamines mapping completed in 1990's.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Cu-Co mineralisation of the Katangan style; where stratabound mineralisation is located in the Lower Roan Supergroup • Breccia style cross-cutting Cu-Co mineralisation in vertically dipping structures
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Location of all drilling shown in Table 1 of text
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such*	• No length weighted averaging applied as lengths all same width • No mass weighted averaging • Copper aggregate intercepts: cutoff: 1%; minimum width: 4m, maximum internal dilution: 2 m • Cobalt aggregate intercepts: cutoff: 0.1; minimum width: 3m,

Criteria	JORC Code explanation	Commentary
	aggregation should be stated and some typical examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	maximum internal dilution: 2 m
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Except for one hole, the drillholes were set up with an azimuth orthogonal to strike and a dip of 60 degrees dip at the collar – azimuth WSW; mineralisation contained in bedding mapped in pit exposures was dipping 40 ENE; but orientation of cobalt mineralisation reported here is unknown until further drilling is completed, so it is unknown if length of intercept is representative of thickness if mineralisation.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Presented in the body of the report
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Full reporting of results presented here
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Proof of concept stage drilling only, further data to be collected on next phase of drilling – if appropriate
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further assays from initial drill-test are awaited • Step-out drilling and infill drilling required