

Market Update – Drilling Update at Kipushi and Kitwe Projects

Highlights

- 43 holes of drilling programme at Kipushi Tailings Storage Facility completed; and
- 112 holes drilling programme at Kitwe Tailings Storage Facility completed.

Australian resources and investment company, Cape Lambert Resources Limited (ASX: **CFE**) (**Cape Lambert** or the **Company**) is pleased to provide an update on the progress of the drilling programmes at the Kipushi Cobalt-Copper Tailings Project (**Kipushi Project**) in the Democratic Republic of Congo (**DRC**) and its Kitwe Tailings Project (**Kitwe Project**) in Zambia.

The Kipushi Project, located near the town of Kipushi approximately 25km from Lubumbashi, refer Figure 1, involves the reprocessing of cobalt-copper tailings contained in the Kipushi Tailings Storage Facility (**Kipushi TSF**) and is operated by Soludo Lambert Mining SAS (**Soludo Lambert**), under a 50/50 joint venture arrangement between local entity Paragon Mining SARL (**Paragon**) and Cape Lambert. Paragon has a 70% interest in the Kipushi Project via a contract with La Patience SPRL that gives it the right to exploit and process the tailings from the Kipushi TSF and sell the product.

Drilling contractor Solutions for Africa has completed 43 holes for a total of 421m. The programme planned for 166 holes, however many holes are not accessible to the drill rig, therefore, sampling will be undertaken by other means where possible. A batch of samples has been dispatched to the laboratory of ALS in Lubumbashi for assay. The drill programme is expected to be completed mid-October 2018.

The Kitwe Project is held by Zambian entity Australian Mining Company Zambia Limited (**AMZCL**), which upon satisfaction of several conditions Cape Lambert will achieve a 60% interest. The Kitwe Tailings Storage Facility (**Kitwe TSF**) is located approximately 3km from the outskirts of Kitwe, in the Copperbelt region of Zambia, refer Figure 1.

Drilling contractor Wallis Drilling Pty Ltd completed the air core drilling of the Kitwe TSF, with 114 holes drilled for a total of 1082m. The samples are being readied for dispatch to a laboratory for assay.

Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman

Cape Lambert Resources Limited (ASX: CFE) is a mineral exploration and development company with a diverse portfolio and exposure to cobalt, copper, iron ore, lithium, gold, uranium and lead-silver-zinc assets in Australia, Europe, Africa and South America.

Australian Securities Exchange

Code: CFE

Ordinary shares
1,011,734,914

Unlisted Options
15,336,363 (\$0.07 exp 12 Mar 2020)
7,667,727 (\$0.07 exp 19 Mar 2020)
5,250,000 (\$0.04 exp 31 Mar 2020)

Board of Directors

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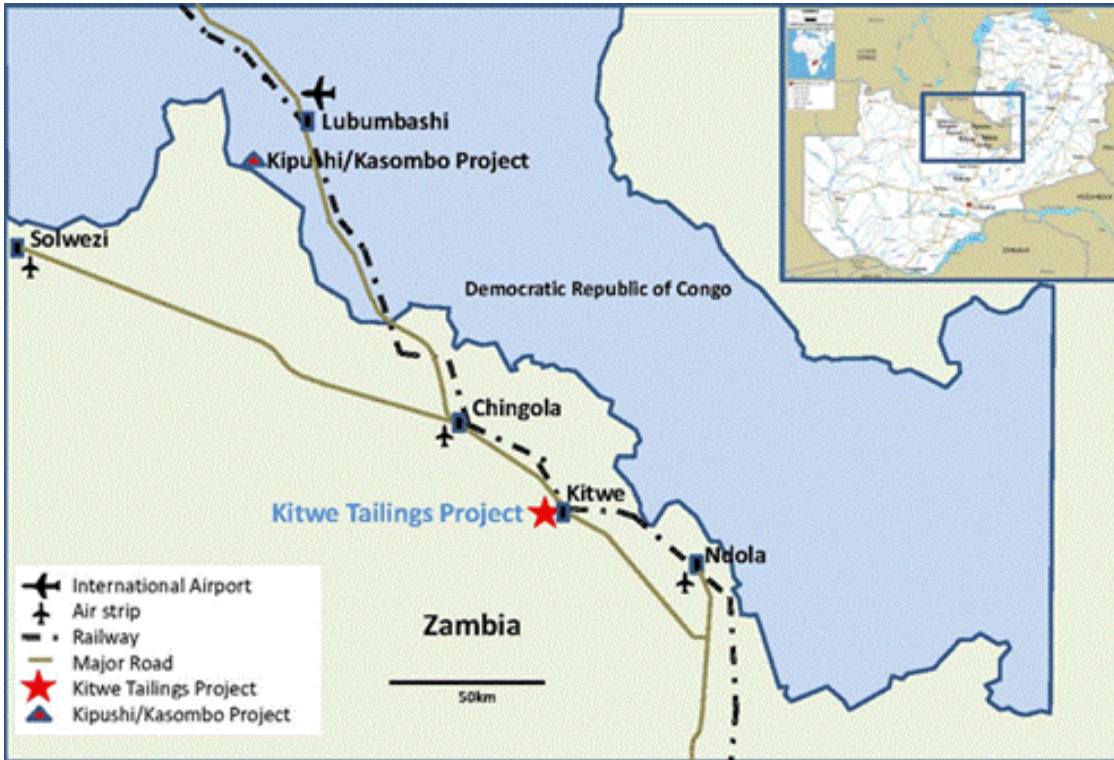


Figure 1: Kipushi and Kitwe Project Locations



Image 1: Kipushi drilling activities



Image 2: Kitwe drilling activities – sample collection