

10 September 2020

Shannon Nicholson  
Senior Adviser, Issuers (Perth)  
Via E-Mail: [ListingsCompliancePerth@asx.com.au](mailto:ListingsCompliancePerth@asx.com.au)

Dear Shannon,

**Cape Lambert Resources Limited (Cape Lambert or the Company) - Response to ASX Price and Volume Query**

We refer to your letter dated 10 September 2020 with respect to the ASX price and volume query and respond as follows:

1. The Company is not aware of any information concerning it that has not been announced to the market.
2. Not applicable given our response to Question 1.
3. The Company believes there are several reasons for the interest in Cape Lambert:
  1. Appointment of Chairman – As announced on 4 August 2020, Cape Lambert has recently appointed Terry Donnelly as its Independent Non-Executive Chairman.
  2. Notice of Meeting – The Company recently released its Notice of Meeting for an Extraordinary General Meeting to be held on 6 October 2020. The Notice outlined the pathway to recapitalize the Company.
  3. Marampa - As previously disclosed, the Company has engaged with the relevant Sierra Leone authorities to have the Marampa Project licenses reinstated or reissued. This process has been significantly restricted due to Covid 19. The Company understands from recent media articles in Sierra Leone that there may be a renewed focus on corruption within the Sierra Leone National Minerals Agency (NMA) and increasing mineral production and export. The Company will update the market if it becomes aware of any further information regarding the Marampa Project licenses or NMA.
  4. Cape Lambert Iron Ore Project – The Company has applied to the Department of Mines (DMP) and is part of the ballot awarding Exploration Licences 47/4136 to 47/4149. The Company was previously involved with this project prior to the sale of it for \$400m to MCC in 2008. The ballot date is set for 18 September 2020 and there is speculation regarding the outcome of the ballot. The Company will update the market once it is aware of the outcome of the ballot.
  5. Applications – The Company has applied for tenement E09/2441 (200 blocks) and E09/2442 (97 blocks) which are located in the Gascoyne region near Carnarvon. These tenements are

under application however not yet granted. The Company will update the market if there are any developments in the application process.

6. Listed Investment – The Company holds a significant shareholding in ASX listed Cauldron Energy Limited (ASX: CXU) and FE Limited (ASX: FEL). The share price in both these entities has increased over the last few weeks hence increasing the value of Cape Lambert's investments.
4. The Company confirms that it is in compliance with the listing rules, and in particular, listing rule 3.1.
5. The Company confirms that the responses above have been approved by the board.

Yours faithfully  
Cape Lambert Resources Limited



**Tony Sage**  
Executive Director



10 September 2020

Reference: 24207

Ms Melissa Chapman  
Company Secretary  
Cape Lambert Resources Limited  
32 Harrogate Street  
WEST LEEDERVILLE WA 6007

By email

Dear Ms Chapman

**Cape Lambert Resources Limited ('CFE'): Price and Volume - Query**

ASX refers to the following:

- A. The change in the price of CFE's securities from a low of \$0.003 on 3 September 2020 to a high of \$0.006 today.
- B. The significant increase in the volume of CFE's securities traded during this period.

**Request for information**

In light of this, ASX asks CFE to respond separately to each of the following questions and requests for information:

- 1. Is CFE aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
- 2. If the answer to question 1 is "yes".
  - (a) Is CFE relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in CFE's securities would suggest to ASX that such information may have ceased to be confidential and therefore CFE may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
- 3. If the answer to question 1 is "no", is there any other explanation that CFE may have for the recent trading in its securities?
- 4. Please confirm that CFE is complying with the Listing Rules and, in particular, Listing Rule 3.1.
- 5. Please confirm that CFE's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of CFE with delegated authority from the board to respond to ASX on disclosure matters.

---

### When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **12.30 PM AWST Thursday, 10 September 2020**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, CFE's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require CFE to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in CFE's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

### Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in CFE's securities under Listing Rule 17.3.

### Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to CFE's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that CFE's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

### Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

---

Yours sincerely

---

**Shannon Nicholson**

Principal Adviser, Listings Compliance (Perth)