

Market Update – Drilling Commenced at Kipushi and Kitwe Projects

Highlights

- **166 holes drilling programme at Kipushi Tailings Storage Facility commenced; and**
- **120 holes drilling programme at Kitwe Tailings Storage Facility commenced.**

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 at the Kipushi Cobalt-Copper Tailings Project (**Kipushi Project**) in the Democratic Republic of Congo (**DRC**) and its Kitwe Tailings Project in Zambia (**Kitwe Project**).

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.

Soludo Lambert recently awarded a contract with drilling contractor Solutions for Africa for the auger drilling of the Kipushi TSF, with drilling now underway. The programme plans for approximately 166 holes, although some holes may not be accessible to the drill rig and so where possible sampling will be undertaken by other means. The drill programme is expected to be completed mid-October 2018 and once assay results are back, Soludo Lambert will commission a consultant to complete a Mineral Resource estimate for the Kipushi TSF.

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 Tailings**) is located approximately 3km from the outskirts of Kitwe, in the Copperbelt region of Zambia, refer Figure 1.

AMZCL recently awarded a contract with drilling contractor Wallis Drilling Pty Ltd for the air core drilling of the Kitwe TSF, with drilling now underway. The programme plans for approximately 120 holes and is expected to be completed early October 2018. Upon receipt of assay results AMZCL will commission a consultant to complete a Mineral Resource estimate for the Kitwe TSF.

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

Tony Sage
Executive Chairman

Tim Turner
Non-executive Director

Stefan Müller
Non-executive Director

Melissa Chapman
Company Secretary

Cape Lambert Contact

Investor Relations
Phone: +61 8 9380 9555
Email: info@capelam.com.au

www.capelam.com.au

Cape Lambert's Chairman, Tony Sage, said "I am very pleased that drilling works have finally commenced at the Company's projects in DRC and Zambia, we look forward to Mineral Resource estimates being established for both projects."

Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman



Figure 1: Kipushi and Kitwe Project Locations



Image 1: Kipushi drilling activities



Image 2: Kitwe drilling activities