

Cape Lambert to Execute \$15m Funding Facility

Australian resources and investment company, Cape Lambert Resources Limited (ASX: **CFE**) (**Cape Lambert** or the **Company**) is pleased to advise that it has executed a non-binding terms sheet for an A\$15m finance facility.

The A\$15m facility provides the Company with further flexibility in our negotiations for either an offtake or a strategic partner which may result in alternative funding, such as a cash injection into the Company.

The term sheet is provided by Winance Investment LLC (**Winance** or **Investor**) for A\$15m by way of the issue of convertible securities in the Company. An initial amount of A\$1m will be available for immediate drawdown following the execution of formal documentation. Further drawdowns of \$500k each are available upon full conversion of the notes from the previous drawdown subject to a cooling off period.

Material terms and conditions are outlined in Annexure A.

Cristina Nine, CEO of Winance, commented “Winance is a private investment company, that seek to create positive economic impact and long-term value for the companies we invest in. We have chosen to offer them not only financial support but as well solutions all along the way, access to an unparalleled network of advisors, strategic partners and customers. Our understanding and concept of being together on the same boat and sharing the same vision, the alignment with the management teams and efficient decision-making represents the core of our firm’s success. We bring significant resources and credibility and maintain a long-standing commitment to our principal values of honesty, integrity, and loyalty.”

Tony Sage, Chairman, commented “securing this additional funding provides the Company flexibility and allows us to continue to negotiate with potential strategic partners.”

Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman

Cape Lambert Resources Limited is a listed (ASX: CFE), diversified mineral development and investment company that aims to meet global demand for minerals that drive progress and power our future

Australian Securities Exchange

Code: CFE

Ordinary shares
1,019,927,757

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)
15,000,000 (\$0.03 exp 30 June 2021)
5,000,000 (\$0.05 exp 13 Dec 2020)
10,000,000 (\$0.075 exp 30 Jun 2019)

Convertible Note
333,817 convertible notes

Board of Directors

Tony Sage
Executive Chairman

Tim Turner
Non-executive Director

Stefan Müller
Non-executive Director

Melissa Chapman
Company Secretary

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Annexure A

- CFE will receive A\$1.0m upon signing definitive transaction documentation; with a further A\$14.0m available in tranches of A\$500k each upon full conversion of the notes from the previous drawdown, subject to a cooling off period calculated based on the volume of the tranche and average trading volumes during the preceding 60-day period.
- Subsequent drawdowns of the facility are at the Company's election, conditional only upon the holder converting issued notes, with no obligation to drawdown subsequent tranches of the facility.
- The convertible notes will be 98% of the par value A\$1.00 each (**Par Value**).
- The convertible notes are, subject to prior shareholder approval where required, convertible at any time by the Investor at 90% of the lowest closing VWAP over twelve (12) days prior to the conversion date.
- The convertible notes bear no interest.
- The convertible notes have a maturity date of 36 months from the date of signing definitive transaction documentation.
- The convertible notes are unsecured.
- The Investor will receive a commitment fee of 5% of the investment amount at the funding of each tranche payable in cash.
- The Company will seek shareholder approval to issue shares in accordance with the convertible note facility, with the maximum number of shares to be issued on conversion prior to shareholder approval limited to 98,817,595 fully paid ordinary shares.