



Extension of Loan Facility

On 24 January 2020, Cape Lambert Resources Limited (ASX: CFE) (**Cape Lambert or the Company**) announced that it had entered into a \$2.2m secured loan facility with Winance (**Winance Loan**). The loan security includes, amongst other things, 30m shares held by Cape Lambert in European Lithium Limited (ASX: EUR) (**European Lithium**).

The Company advises the parties have agreed to vary the terms of the Winance Loan as follows:

1. The final maturity date has been extended from 23 July 2020 to 30 November 2020 (**Extended Maturity Date**).
2. The principal amount of \$2.2m is to be repaid in five successive periods being:
 - \$500k due by 30 July 2020
 - \$500k due by 31 August 2020
 - \$500k due by 30 September 2020
 - \$500k due by 30 October 2020
 - \$200k due by 30 November 2020
3. The principal repayments, as outlined in item 2 above, can be made through the transfer of European Lithium shares to Winance at a transfer price equal to 90% of the lowest VWAP over 5 days prior the transfer.
4. The loan accrues interest of 20%. Subject to ASX listing rules, interest payments can be made either in cash or may be converted into equity in the Company at a conversion price equal to the lower of 90% of the lowest VWAP over five (5) days prior to the conversion, or \$0.0015 of the Cape Lambert share price. The first interest payment is due by 15 August 2020.
5. In consideration for the extension, Cape Lambert will pay Winance an extension fee equal to 4% of the loan amount on a pro-rata basis for the extension period. In addition, the Company will pay Kapital Global Advisors Limited, the broker who facilitated the Winance Loan, will receive a fee of 5% of the loan amount on a pro-rata basis for the extension period. These fees are to be paid by 15 August 2020 and may, at Cape Lambert's election and subject to the Listing Rules, be satisfied through the transfer of European Lithium Shares at a transfer price equal to 90% of the lowest VWAP over 5 days prior to the transfer.

All other terms and conditions of the Winance Loan remain unchanged.

Tony Sage, Executive Chairman of Cape Lambert, commented "the extension by Winance is great news for the Company and it shows the confidence they have in our management team".

Director and CFO of Winance, Waqas Ibrahim said, "During these unprecedented times, our priority remains our partners and we are working diligently with the Chairman of Cape Lambert Resources (CFE) in order to take necessary actions to support their current and future projects. We are confident of the CFE's proficient leadership and gladly agreed to extend the current Term-Loan facility till November 2020. The extension of the loan facility will strengthen the partnership of both company and this will provide financial flexibility to CFE".

Announcement authorised for release by the board of Cape Lambert.

ENDS



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