

Cape Lithium Completes Acquisition of Continental Lithium Africa Development Corporation

VANCOUVER, BRITISH COLUMBIA - October 24th, 2024 - Cape Lithium Corp. (the "Company") (CSE: CLI) is pleased to announce that, further to its news release dated July 26, 2024, it has closed (the "Closing") its securities exchange agreement dated July 25, 2024 (the "Securities Exchange Agreement") with Continental Lithium Africa Development Corporation ("Continental"), a private arm's length British Columbia company, and each of the securityholders of Continental (the "Continental Securityholders"), pursuant to which the Company acquired all of the issued and outstanding securities of Continental (collectively, the "Continental Securities") from the Continental Securityholders (the "Transaction").

James Lumley, the Chief Executive Officer of the Company, said: "The completion of this acquisition consolidates our position in both Namibia and South Africa, providing a strong opportunity to develop a world class lithium portfolio. With the acquisition of Continental now behind us, we can turn our focus to defining and exploiting our asset base. I sincerely thank our shareholders for their patience and I look forward to updating the market on our progress."

About Continental Africa Development Corporation

Continental is a private arm's length British Columbia company in the business of mineral resource development, providing practical and value-driven strategies for project identification, design, development, and operations, targeting the untapped African lithium and battery metals resources opportunity. Continental is developing a portfolio of lithium properties in Namibia and Madagascar. With significant progress made in remote sensing, mapping, and site assessments, the company has identified and secured promising prospects and provided guidance on the next steps for exploration and development. To achieve this, Continental has built a team of experienced miners and project developers, leveraging advanced technologies and proven methodologies, to navigate the complex mining industry value chain. Continental is committed to sustainable mining practices and strong community engagement, ensuring environmentally responsible operations.

Summary of the Transaction

Pursuant to the terms of the Securities Exchange Agreement, the Company acquired all of the issued and outstanding Continental Securities in exchange for the issuance of 40,300,000 common shares (each, a "Share") in the capital of the Company, at a deemed price of \$0.37 per Share, and 20,000,000 warrants (each, a "Warrant"), with each Warrant entitling the holder thereof to acquire one additional Share for a period of three years at an exercise price of \$0.50 per Share. The Shares issued to the Continental Securityholders as consideration in the Transaction are subject to a voluntary restriction on resale for a period of four months and one day. Pursuant to the Securities Exchange Agreement, the Company will appoint Steve Mynott to its board of directors (the "Board") once there is a vacancy on the Board.

Upon Closing, Continental became a wholly-owned subsidiary of the Company and the Company's business focus will be directed to its consolidated strategic lithium position, which will consist of 52,000 ha in the Cape Cross - Uis area pegmatite belt ("CUPB"). The CUPB stretches 115km from Cape Cross in the West to Uis which can be as wide as 24km.

The Company paid a finder's fee of 2,000,000 Shares on the Closing of the Transaction to an arm's-length third-party who assisted in introducing and facilitating the Transaction.

About Cape Lithium Corp.

Cape Lithium Corp., headquartered in Vancouver, BC Canada, is a mineral exploration and development company focused on exploiting world-class hard-rock lithium projects in Africa. The Company's core focus is the Norrabees project in Northern Cape, South Africa. Cape Lithium's management is committed to operating efficiently and with transparency in all areas of the business, staying sharply focused on creating long-term, sustainable shareholder value. Investors and/or other interested parties may sign up for updates about the Company's continued progress on its website: <https://captlithium.com/>.

For further information, please refer to the Company's disclosure record on SEDAR+ (www.sedarplus.ca).

On Behalf of the Board of Directors

James Lumley

Chief Executive Officer

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Forward-Looking Statements:

This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian legislation. Forward-looking statements are typically identified by words such as: "believes", "expects", "anticipates", "intends", "estimates", "plans", "may", "should", "would", "will", "potential", "scheduled" or variations of such words and phrases and similar expressions, which, by their nature, refer to future events or results that may, could, would, might or will occur or be taken or achieved. All statements in this news release that are not purely historical are forward-looking statements and include statements regarding beliefs, plans, expectations and orientations regarding the future including, without limitation, the Company's anticipated strategies and business plans, including the Company's ability to develop a "world class" lithium portfolio; the Company's expectations regarding future growth and profitability; and the overall effects of organizational and operational changes. Although the Company believes that such statements are reasonable and reflect expectations of future developments and other factors which management believes to be reasonable and relevant, the Company can give no assurance that such expectations will prove to be correct. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, that market fundamentals will support the viability of mining exploration, the receipt of any necessary permits, licenses and regulatory approvals in connection with the future exploration of the property, the availability of the financing required for the Company to carry out its planned future activities, and the availability of and the ability to retain and attract qualified personnel. Other factors may also adversely affect the future results or performance of the Company, including general economic, market or business conditions, future prices of minerals, changes in the financial markets and in the demand for minerals, changes in laws, regulations and policies affecting the mineral exploration industry, as well as the risks and uncertainties which are more fully described in the Company's annual and quarterly management's discussion and analysis and in other filings made by the Company with Canadian securities regulatory authorities under the Company's SEDAR+ profile. The ongoing labour shortages, inflationary pressures, rising interest rates, the global financial climate and the conflicts in Ukraine and Palestine and surrounding regions are some additional factors that are affecting current economic conditions and increasing economic uncertainty, which may impact the Company's operating performance, financial position, and future prospects. Collectively, the potential impacts of this economic environment pose risks that are currently indescribable and immeasurable. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Readers are cautioned that forward-looking statements are not guarantees of future performance or events and, accordingly, are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty of such statements. The Company does not undertake any obligation to update such forward-looking information whether because of new information, future events or otherwise, except as expressly required by applicable law.

The Canadian Securities Exchange (operated by CNSX Markets Inc.) has neither approved nor disapproved of the contents of this press release.