



Cape Lithium Provides Update on Norrabees Lithium (SA) Limited

VANCOUVER, BRITISH COLUMBIA – December 13, 2024 – Cape Lithium Corp. (formerly known as Moonbound Mining Ltd.) (“**Cape Lithium**” or the “**Company**”) (CSE: CLI) announces that its wholly-owned subsidiary, Norrabees Lithium (SA) Limited (“**Norrabees**”), has received formal notice (the “**Notice**”) from SPH Kundalila Proprietary Limited (“**SPH**”) asserting that Norabees is in breach of its existing agreement (the “**Agreement**”) dated October 25, 2024 concluded among Norrabees, SPH, and Dune Resources Proprietary Limited (“**Dune**”).

The Notice pertains to Norrabees’ non-payment of certain consideration payable under the terms of the Agreement amounting to USD\$2,500,000, which amount was due on or before December 6, 2024. Under the Agreement, failure to remedy the breach within five business days could result in legal and financial consequences, including potential claims for damages and enforcement of obligations or the termination of the agreement itself.

The Company acknowledges the seriousness of this situation and is committed to taking all necessary measures to address the breach and fulfill Norrabees’ contractual obligations thereunder. Cape Lithium’s management is working diligently with financiers to secure the necessary funding to resolve the matter expeditiously, including exploring all available options to remedy the non-payment and prevent further escalation of the issue.

“Cape Lithium Corp. remains committed to upholding its responsibilities and maintaining strong partnerships with all stakeholders,” said James Lumley, CEO of Cape Lithium. “We are fully engaged in resolving this matter and will provide updates as we work toward a satisfactory resolution.”

Cape Lithium seeks to assure its shareholders and investors that the Company is taking this matter with the utmost seriousness and will continue to prioritize transparency and diligence in addressing this breach.

About Cape Lithium Corp.

Cape Lithium Corp., headquartered in Vancouver, B.C., 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://capelithium.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, statements with respect to the expectations of management regarding the Notice and the curing thereof of any breach by either Cape Lithium or Norrabees and the ability to remedy Norrabees’ non-payment and, in connection therewith, obtain the necessary funding to resolve the matter expeditiously. 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 the Company will be able to raise the necessary funds to remedy Norrabees’ non-payment under the terms of the Agreement; that the Company will received the necessary regulatory approvals, including that of the Canadian Securities Exchange, to close on the funds necessary to remedy Norrabees’ breach under the Agreement. 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.