

**SHALINA RESOURCES LTD AND ITS DEMOCRATIC REPUBLIC OF CONGO (DRC) SUBSIDIARY
CHEMAF AGREE A MARKETING AGREEMENT
WITH TRAFIGURA UNTIL DECEMBER 2020 FOR COBALT HYDROXIDE**

Ramsey and Lubumbashi, 4th April 2018 – Shalina Resources Ltd and its DRC subsidiary Chemaf S.A.R.L (“Chemaf”), a company specializing in cobalt and copper exploration, mining and processing in the DRC, have today announced the signing of a marketing agreement until December 2020 for cobalt hydroxide with Trafigura Group, the leading commodities trading firm.

The marketing agreement covers cobalt production from existing producing assets operated by Chemaf and covers the period until December 2020. In 2017, Chemaf produced over 5,000 tonnes of cobalt – an essential constituent of electric batteries – largely from its state of the art Etoile mine and processing plant in Lubumbashi. Production is set to rise to 7,000 tonnes in 2018.

“We are one of the largest and most ambitious cobalt producers in the DRC – Trafigura is helping us fuel our ambition”, said Shiraz Virji, Chairman of Chemaf. *“This offtake agreement will enable us to work together to transform DRC’s precious cobalt resources into jobs and fiscal revenues for the country, as well as to meet rapidly increasing international demand.”*

Sebastien Ansel, Executive Director and Chief Financial Officer of Shalina Resources, added: *“With demand for electric vehicles set to rise exponentially in the coming years, Chemaf is playing an increasingly important role in providing the market with high-grade cobalt hydroxide. The agreement announced today will enable Chemaf to accelerate production whilst also investing in our highly attractive exploration portfolio.”*

With one of the largest and most promising exploration portfolios in the region, Chemaf is investing in its people and its operating capacity to meet the needs of the future. Part of Chemaf’s portfolio includes the giant Mutoshi concession in Kolwezi, a property containing approximately 300,000 tonnes of cobalt resource. Chemaf is currently developing a leach SXEW processing plant at the site, due for completion in 2019, with capacity to produce 20,000 tonnes of copper and 16,000 tonnes of cobalt hydroxide per annum.

An important component of the marketing deal involves Trafigura providing direct and ongoing support to Chemaf in bolstering the company’s ability to manage social and environmental impacts in line with international standards such as the OECD’s ‘Due Diligence Guidance for Responsible Supply Chains’ and Trafigura’s own responsible sourcing programme.

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For high resolution images visit: https://www.flickr.com/photos/trafigura_images/

Notes to editors

Established in 2001, and with a considerable asset base in the Democratic Republic of the Congo (DRC), Chemaf S.A.R.L. (“Chemaf” – Chemicals Africa) is a DRC registered company, founded by Shiraz Virji.

Chemaf are specialists in mineral exploration, mining and processing. The company produces London Metal Exchange (LME) grade copper cathodes and is also one of the largest producer of cobalt hydroxide globally. With one of the largest and most promising exploration portfolios in the region, Chemaf is investing in its people and its operating capacity today to meet the needs of the future.



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Notes to editors

Founded in 1993, Trafigura is one of the largest physical commodities trading groups in the world. Trafigura sources, stores, transports and delivers a range of raw materials (including oil and refined products and metals and minerals) to clients around the world. The trading business is supported by industrial and financial assets, including 49.6 percent owned global oil products storage and distribution company Puma Energy; global terminals, warehousing and logistics operator Impala Terminals; Trafigura's Mining Group; and Galena Asset Management. The Company is owned by around 600 of its 3,935 employees who work in 62 offices in 35 countries around the world. Trafigura has achieved substantial growth over recent years, growing revenue from USD12 billion in 2003 to USD136.4 billion in 2017. The Group has been connecting its customers to the global economy for more than two decades, growing prosperity by advancing trade.

Visit: www.trafigura.com