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PRESS RELEASE

Cabot Corporation to Divest Its Specialty Fluids Segment for \$135 Million

Sale provides attractive value for shareholders

BOSTON--(BUSINESS WIRE)--Jan. 30, 2019-- **Cabot Corporation** (NYSE: CBT) has entered into a definitive agreement to sell its Specialty Fluids business to Sinomine (Hong Kong) Rare Metals Resources Co. Limited, a wholly owned subsidiary of Sinomine Resource Group Co., Ltd., in a transaction valued at \$135 million. The purchase price consists of \$130 million to be paid at closing, subject to customary closing adjustments, and additional cash royalties of up to \$5 million for lithium products, payable over a ten-year period. The transaction is expected to close in the third quarter of fiscal 2019 and is subject to customary closing conditions, including regulatory approvals. Earnings before interest, tax, depreciation and amortization (EBITDA) reported for the Specialty Fluids segment in fiscal year 2018 was \$10 million.

Sinomine is a joint stock public company based in China, principally engaged in the provision of geological exploration, mining investment and base metal chemical manufacturing.

"We are pleased to have reached a deal with the right strategic buyer to help the Cabot Specialty Fluids segment reach its fullest potential," said Sean Keohane, Cabot president and chief executive officer. "As we continue to execute our 'Advancing the Core' strategy, this transaction allows us to maximize the value of the business for our shareholders and focus our resources on advantaged growth initiatives in our core businesses. We view the Specialty Fluids segment as having the best growth potential under the ownership of a strategic partner focused on both mineral mining and downstream chemical manufacture. The Specialty Fluids segment will benefit from being part of a leading mineral industry player that will invest in its long-term growth."

"As a company, we have been very disciplined in making the right strategic acquisitions to enable us to implement the mineral resources supply on a global scale. We specifically seek out opportunities that are based on mutual cooperation, benefit and respect," Pingwei Wang, chief executive officer and executive director, Sinomine Resource Group. "We admire Cabot's commitment to safety, sustainability and innovation, and the accomplishments they have had in the Specialty Fluids business. We are pleased to be working with the Cabot Corporation team throughout this process and look forward to the opportunity to leverage our broad mining expertise to invest in this high potential investment."

Cabot Corporation was advised by Grace Matthews and Jones Day.

ABOUT CABOT CORPORATION

Cabot Corporation (NYSE: CBT) is a global specialty chemicals and performance materials company, headquartered in Boston, Massachusetts. The company is a leading provider of **rubber** and **specialty carbons, activated carbon, inkjet colorants, cesium formate drilling**

fluids, masterbatches and conductive compounds, fumed silica and aerogel. For more information on Cabot, please visit the company's website at: <http://www.cabotcorp.com>.

ABOUT SINOMINE RESOURCE GROUP

Sinomine Resource Group (Shenzhen Stock Exchange: 002738) is a public company, headquartered in Beijing, China. Sinomine has more than twenty subsidiaries globally. The company's main businesses include geological exploration, mining investment and base metals chemicals manufacturing. For more information on Sinomine, please visit the following website at: <http://www.nfmec.com>.

FORWARD-LOOKING STATEMENTS

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release involving the Company that are not statements of historical fact, including our expectations for the timing of the closing of this transaction, are forward-looking statements and are subject to risks and uncertainties. For a discussion of the risks and uncertainties that could cause results to differ from those expressed in the forward-looking statements, see "Risk Factors" in the Company's Annual Report on Form 10-K.

USE OF NON-GAAP FINANCIAL MEASURE

This press release includes a discussion of EBITDA for the Specialty Fluids segment for fiscal year 2018, which is a non-GAAP financial measure. EBITDA is not computed in accordance with generally accepted accounting principles ("GAAP") and should not be considered as an alternative to financial measures computed in accordance with GAAP. A reconciliation of Specialty Fluids EBITDA to Specialty Fluids EBIT, the most directly comparable GAAP financial measure, is provided with the [Non-GAAP Reconciliations](#) for Q4 2018 on the Investors section of the Cabot Corporation website.

View source version on businesswire.com:

<https://www.businesswire.com/news/home/20190130005411/en/>

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