NZURI
COPPER LIMITED

An emerging copper and cobalt company

MEDIA
ASX RELEASE

20 June 2017 ASX: NZC

NZURI ADVANCES EXTENSIVE COPPER-COBALT EXPLORATION PROGRAM

Highlights

- **Multi-pronged exploration program continuing within the 334km^2 Fold Thrust Belt JV (FTBJV)**
- **RC drill rig mobilisation to the Katete target commenced**
- **Crucial field work underway at the highly prospective Kasangasi target, located just 17km from Ivanhoe Mines world-class Kakula deposit, ahead of a RC drilling campaign planned for July 2017**
- **10 RC holes completed on the Monwezi 3 and Kalongwe North anomalies for 1,111 m with assays expected in July. These anomalies form part of the broader Monwezi Prospect (located along strike from Nzuri's flagship Kalongwe Copper-Cobalt Project)**
- **Additional drilling planned at Monwezi following completion of a planned high-resolution aeromagnetic survey**

Nzuri Copper Limited (**ASX:** NZC) (**Nzuri** or the **Company**) is pleased to provide an update on its ongoing exploration program in the Western Katangan Copperbelt in the Democratic Republic of Congo (DRC), which is advancing on several fronts in line with the Company's previously announced plans.

The exploration program will see Nzuri test up to five highly prospective targets in 2017 across multiple prospect areas with drilling to continue for most of this year (refer Table 1 below). The relative locations of targets on the FTBJV licence area are shown in Figure 1 below.

A first-pass program of 10 Reverse Circulation (RC) holes for 1,111m has been completed on the Monwezi 3 and Kalongwe North anomalies, part of the Monwezi West Cluster, located ~12km south of Ivanhoe Mines' world-class Kamoa-Kakula copper deposit and immediately along strike from Nzuri's flagship Kalongwe Copper Project.

Initial assays for this drilling are expected next month, with further drilling planned across other targets in the Monwezi West Cluster once results are received from a planned high-resolution aeromagnetic survey.

Elsewhere, drill rig mobilisation has commenced to the Katete target, where a large surface geochemical anomaly will be tested, and crucial field work is underway to test the highly prospective Kasangasi Target, which is located just 17km south of the Kakula deposit. RC drilling at Kasangasi is scheduled to commence next month.

Nzuri Copper Limited
ADDRESS Unit 13, 100 Railway Road, Daglish WA 6008
PHONE +61 (0) 8 6424 8100
EMAIL info@nzuricopper.com.au
WEBSITE www.nzuricopper.com.au
ABN 23 106 294 106

Table 1: Exploration Calendar

Target Area	Actions	Timing
Monwezi West Cluster	RC Drilling Phase 1. Testing of the Monwezi 3 and Kalongwe North anomalies. Assay and reporting	Drilling of 10 holes for 1,111m completed. July
Katete	RC Drilling Assay and reporting	June-July July-August
Kasangasi	Drill Target Definition RC Drilling Assay and reporting	June July August
FTBJV lease	Airborne Magnetic Survey	July-August
Monwezi 2	Diamond Drilling Assay and reporting	July August
Monwezi West Cluster	RC Drilling Phase 2 Assay and reporting	August September
Katete East	RC Drilling Assay and reporting	September September
Kambundji East	RC Drilling Assay and reporting	September October
FTBJV lease	Diamond drilling program (dependent on RC drilling results	October through to December

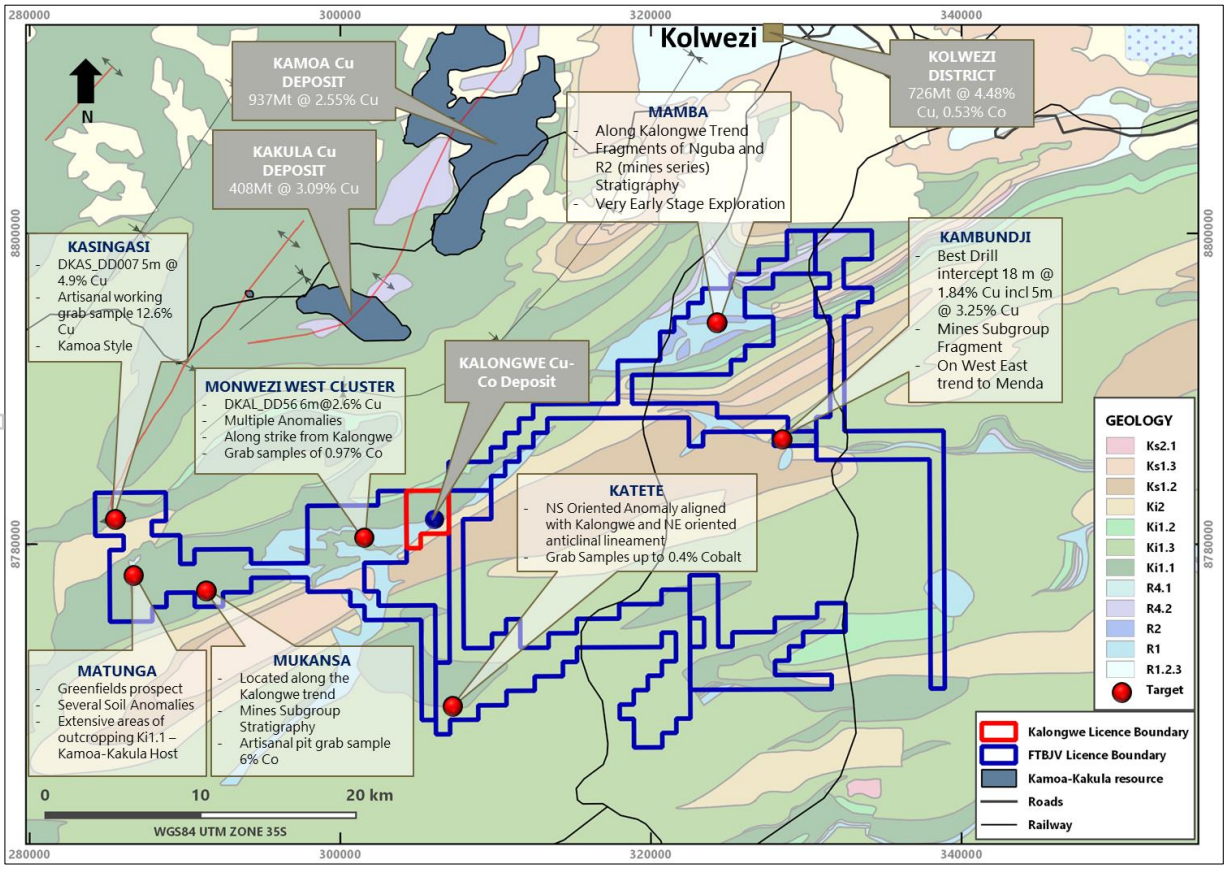

Figure 1: Locations of Target Areas on the FTBJV Licence

Monwezi West Cluster

The Monwezi West target area is located on the NE-SW oriented Kamilongwe thrust trend which is associated with other well-known DRC deposits such as Deziwa, Tilwezwmbe, Mutanda and Kansuki. Nzuri's flagship Kalongwe deposit is located along this structural trend.

The Monwezi target area contains several target areas (see Figure 2) including Monwezi 3, Monwezi 2, Monwezi 7 and Kalongwe North. Initial planned drilling at Monwezi and testing of the Monwezi 3 and Kalongwe North targets is now complete.

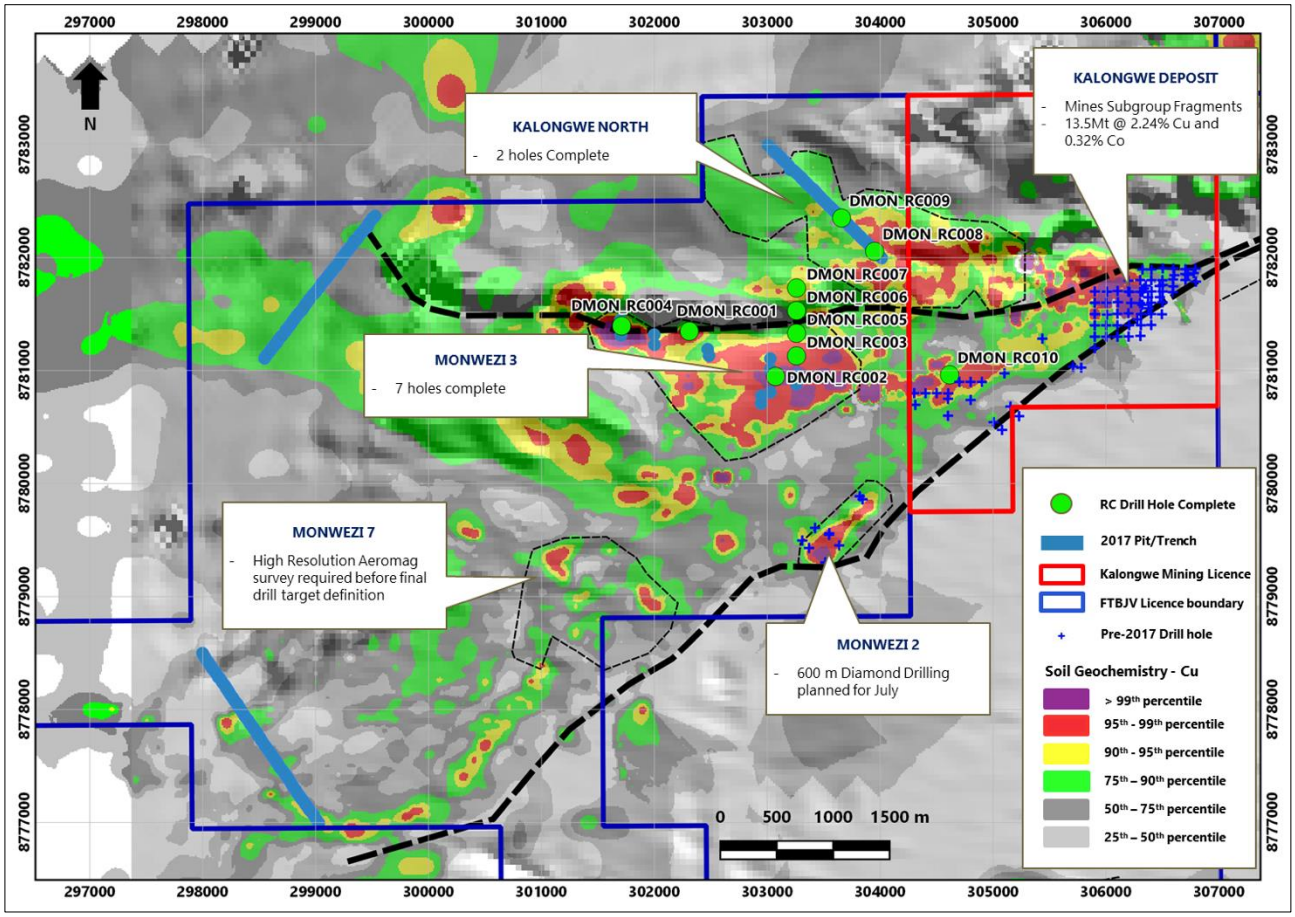

Figure 2: RC Drill-hole layouts at the Monwezi West Cluster showing holes completed

Monwezi 3: Surface exploration work completed in January 2017, including 640m of trenching, mapping and rock chip sampling, resulted in the Monwezi 3 target being deemed sufficiently robust for RC drill testing.

The Monwezi 3 Target consists of a geochemical anomaly (Cu-Co-Pb-Zn- >99th percentile) located between two west-east oriented thrust faults which are visible on airborne magnetic survey imagery and defined by field mapping.

The host rocks are Grand Conglomerate Diamictites (similar to the host rocks at Kamoa-Kakula, located 12 km to the north). Seven holes for 756m as detailed in Table 2 below were drilled and samples have been collected and submitted to *ALS Global* for analysis. Assay results are expected in July.

Table 2: RC Drill-hole layouts for holes drilled at Monwezi West Cluster

Hole ID	Method	Target	East	North	Azimuth	Inclination	Depth	Date Completed
DMON_RC001	RC	Monwezi 3	302303	8781347	0	-90	100 m	24/05/2017
DMON_RC002	RC	Monwezi 3	303070	8780947	0	-90	120 m	26/05/2017
DMON_RC003	RC	Monwezi 3	303252	8781127	0	-90	120 m	27/05/2017
DMON_RC004	RC	Monwezi 3	301707	8781392	180	-55	96 m	30/05/2017
DMON_RC005	RC	Monwezi 3	303257	8781325	0	-90	100 m	31/05/2017
DMON_RC006	RC	Monwezi 3	303259	8781527	0	-90	100 m	04/06/2017
DMON_RC007	RC	Monwezi 3	303254	8781729	0	-90	120 m	06/06/2017
DMON_RC008	RC	Kalongwe North	303950	8782055	0	-90	154 m	16/06/2017
DMON_RC009	RC	Kalongwe North	303657	8782350	0	-90	151 m	18/06/2017
DMON_RC010	RC	Kalongwe North	304614	8780962	0	-90	50 m	19/06/2017
						Total (m)	1111	

Kalongwe North: Located immediately west of Kalongwe and North of Monwezi 3, the Kalongwe North Target consists of a copper-cobalt geochemical trend underlain by Nguba Group stratigraphy. A drill program comprising two holes for 305m was designed and completed at Kalongwe North to follow-up pit traverses excavated over the geochemical anomaly.

Monwezi 2: Nine holes for 2,183 m were drilled by Ivanhoe Mines (previously African Minerals (Barbados) LTD SPRL) in 2007 with unverified intercepts of 8m @ 2.57% Cu and 4m @ 1 % Cu. 600m of diamond drilling has been allowed in the 2017 Nzuri exploration budget for drill testing the Monwezi 2 prospect. The objective of the drill program, which is planned to be completed by August, will be to verify the 2007 drill intercept in DKAL_DD056, to assess the style of mineralisation and target extensions below the depth of leaching.

Mineralised intercepts from prior historical drilling at the Monwezi West Cluster are shown in Table 3 below, with complete results from the 2007 drilling program provided in Tables 1 and 2 in Appendix 1.

Table 3: Drill Hole Intercepts from historical boreholes at the Monwezi West Cluster

Hole ID	Method	From	To	Length (m)	Cu%	Co ppm	Year Drilled	Comment
DKAL_DD049	DD	128	132	4	1	261	2007	Intercept could not be verified
DKAL_DD053	DD	97	98.4	1.4	0.68	310	2007	Intercept could not be verified
DKAL_DD055	DD	158	161	3	0.82	471	2007	Intercept could not be verified
DKAL_DD056	DD	79	87	8	2.57	155	2007	Intercept could not be verified

Monwezi West Cluster Other: Areas not specifically detailed above remain prospective and will feature later in the exploration program, however the area is structurally complicated and high-resolution airborne magnetic data is required before further drill targets can be defined.

The specifications of the survey are currently being finalised and Nzuri expects to announce the commencement of the survey in the coming month.

Katete

Katete is a multi-element geochemical anomaly, and mapping and trenching in the area has confirmed that at least three distinct fault blocks exist which are thrust on top of each other along west-east oriented thrusts.

The thrusts acted as fluid conduits, allowing hot hydrothermal fluids to circulate. Extensive alteration and veining is observed along the structures, as well as trace level copper mineralisation along with elevated copper and cobalt backgrounds which indicate that the fluids were fertile and have the potential to precipitate copper mineralisation at suitable redox trap sites.

The area is considered prospective and the drill program is designed to:

1. Identify potential redox boundaries which may act as trap site similar to the trap that occurs near the base of the Grand Conglomerate at Kamoa-Kakula;
2. Provide stratigraphic information; and
3. Confirm depth extensions and orientation of thrusts and brecciated zones identified at surface

Figure 3 shows a schematic cross section of the targets that will be tested in the Katete RC drilling program.

Eight RC drill holes for 1,100-1,600m at Katete have been planned to follow up targets confirmed by the 1,200m trenching program which was completed in March 2017. The position of these drill holes is shown in Figure 4 and Table 4. Additional drill targets to the east of the Main Katete anomaly are planned for testing later in the season after the drill target definition process is complete.

A total of 16km of access tracks have been completed to enable drill rigs to access the Katete Target and the drill rig is now being moved to drill pads already prepared at Katete to commence drilling.

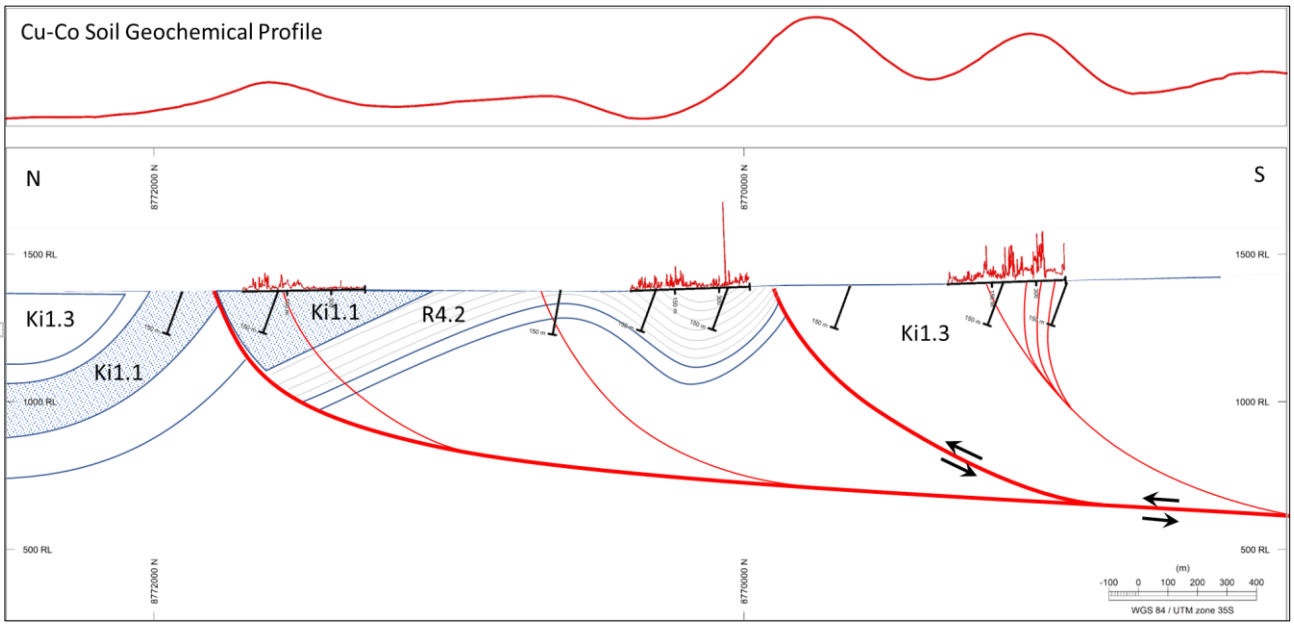

Figure 3: Schematic North-South section showing drill hole targets at Katete

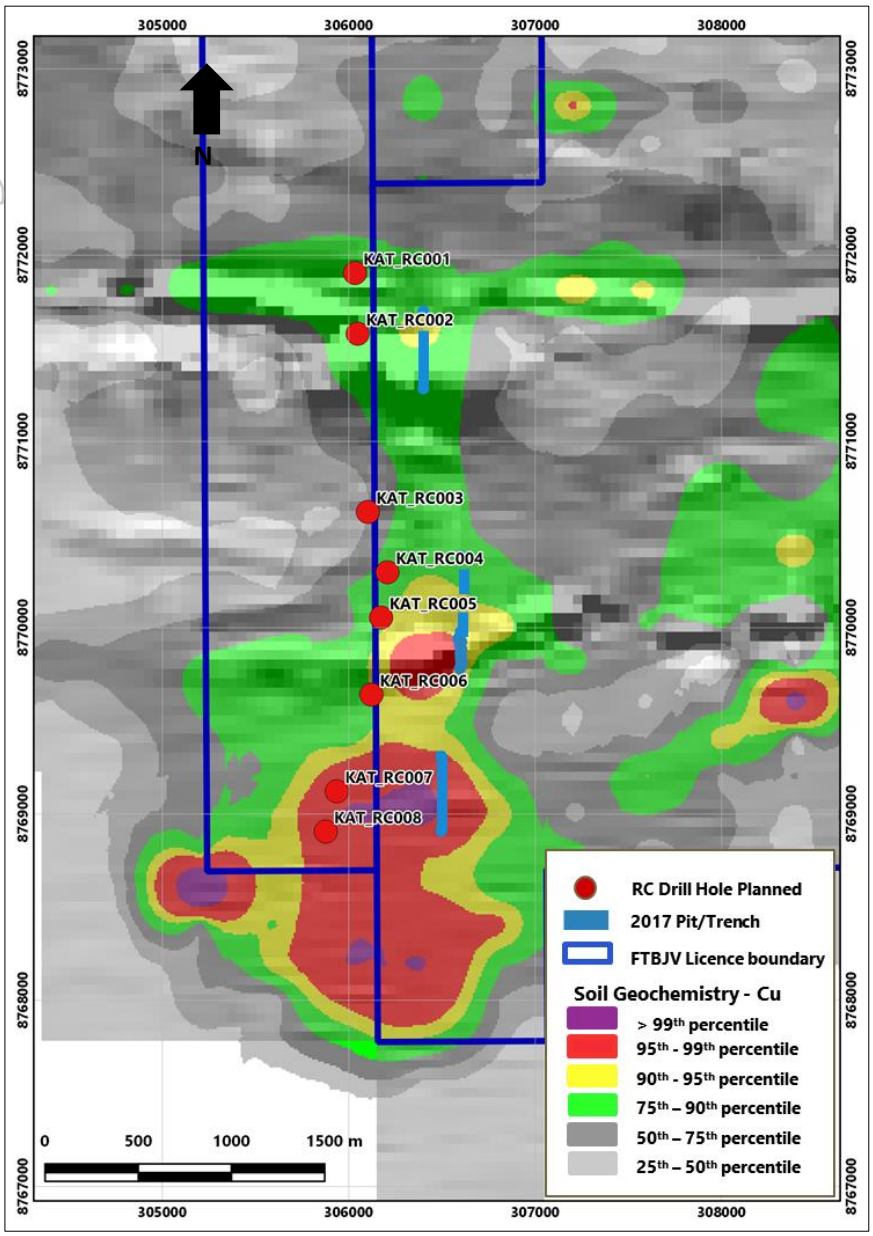

Figure 4: Location of planned Katete drill holes relative to geochemical anomalies, major structures indicated by airborne magnetic imagery and trenches excavated over the target area.

Table 4: Planned RC drill-hole layouts for RC drill-holes at Katete

HoleID	Method	Target	East	North	Azimuth	Inclination	Planned Depth	Program
KAT_RC001	RC	Katete	306034	8771905	0	-70	~150	Planned 2017
KAT_RC002	RC	Katete	306048	8771579	0	-70	~150	Planned 2017
KAT_RC004	RC	Katete	306208	8770298	0	-70	~150	Planned 2017
KAT_RC003	RC	Katete	306103	8770622	0	-80	~150	Planned 2017
KAT_RC005	RC	Katete	306174	8770055	0	-70	~150	Planned 2017
KAT_RC006	RC	Katete	306122	8769641	0	-70	~150	Planned 2017
KAT_RC007	RC	Katete	305936	8769122	0	-70	~150	Planned 2017
KAT_RC008	RC	Katete	305877	8768906	0	-70	~150	Planned 2017

Kasangasi

The Kasangasi Target is located 17km south-west of Kakula and Ivanhoe Mines' new discovery, Kakula West, and it is likely that this distance will decrease as Ivanhoe Mines continues to expand the Kakula resource to the south-west. In fact, only 5km separates the Kakula mining licence and PR688, Nzuri's FTBJV licence which contains the Kasangasi target.

Kasangasi shares strong similarities with the Kamoa-Kakula deposits, specifically a shared stratigraphic position, i.e. both are within rocks of the Grand Conglomerate Formation and stratigraphically controlled redox boundary are the primary mineralising controls for both deposits. On this basis, the same mineralisation style is interpreted for Kasangasi.

One significant difference is that Kasangasi contains oxide copper mineralisation as opposed to a zoned sulphide mineralisation assemblage (chalcocite-chalcopyrite-bornite) which is found at Kamoa-Kakula. This is believed to be a near-surface effect at Kasangasi and it is likely that at depth Kasangasi will share similar characteristics to Kamoa-Kakula. Ivanhoe Mines' new Kakula West discovery has positive implications for Kasangasi because both deposits are located on the "Kakula West Antiform" which trends in a south-westerly direction as highlighted in Figure 5 below.

The Company has mobilised a field team to Kasangasi and is currently setting up a fly camp aiming to trench and map potential drill targets. The construction of a 20km access road along with a substantial river crossing suitable for RC/DD drill rigs is has commenced and will run concurrently with the drill target definition process. RC drilling at Kasangasi is scheduled to commence in late July 2017.

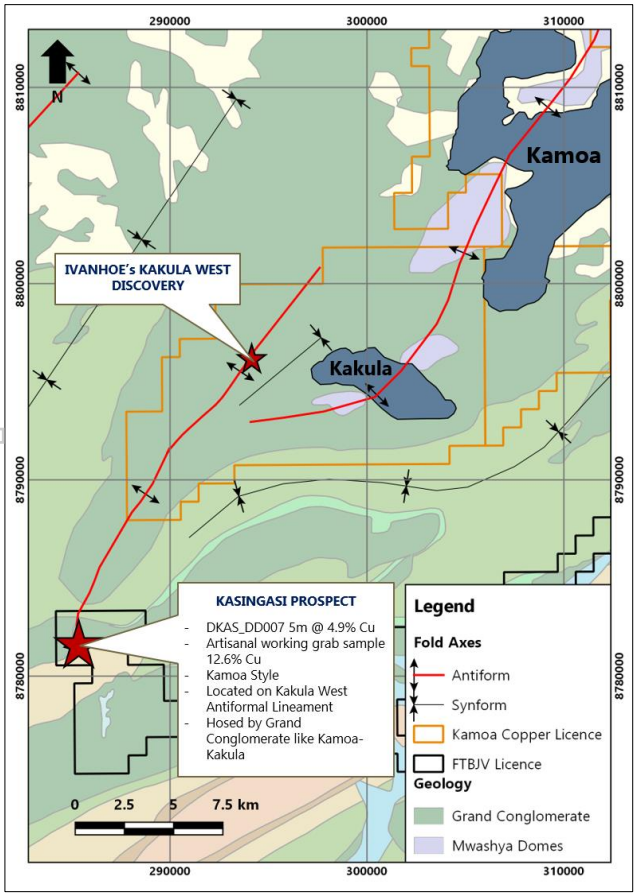

Figure 5: Location of Kasangasi relative to Ivanhoe Mines' Kakula West discovery on an antiformal lineament

A summary of mineralised drill intercepts from historical drilling in 2007 at Kasangasi is included in Table 5 below with full details provided in Tables 3 and 4 in Appendix 1.

Table 5: Drill Hole Intercepts from historical boreholes at Kasangasi

Hole ID	Method	From	To	Length (m)	Cu%	Co ppm	Year Drilled	Comment
DKAS_DD002	DD	40.05	56.65	16.6	0.66	78.9	2007	Intercept was not verified
DKAS_DD002	DD	60.63	62.4	1.77	0.79	216.79	2007	Intercept was not verified
DKAS_DD002	DD	73	79.12	6.12	1.55	26.28	2007	Intercept was not verified
DKAS_DD004	DD	51	55	4	0.75	76.63	2007	Intercept was not verified
DKAS_DD004	DD	127	129	2	1.94	124	2007	Intercept was not verified
DKAS_DD007	DD	27.5	38	10.5	2.76	125.6	2007	Intercept was not verified
including	DD	33	38	5	4.90	34.95	2007	Intercept was not verified
DKAS_DD008	DD	65	72	7	0.76	113.94	2007	Intercept was not verified

Figure 6: RC drilling at the Monwezi West Target

The Company looks forward to providing further regular updates on its current exploration program.

ENDS

For further information, please contact:

Mark Arnesen
CEO/Executive Director
T: +61 (0)8 6424 8100
E: info@nzuricopper.com.au

Anthony Begovich
CFO/Company Secretary
T: +61 (0)8 6424 8100
E: info@nzuricopper.com.au

Nicholas Read
Investor Relations - Read Corporate
T: (+61-8) 9388-1474
E: info@readcorporate.com.au

Competent Persons Statement
Scientific or technical information in this release that relates to Exploration Results has been prepared by Dr Peter Ruxton, the Company's Technical Director.

Dr Peter Ruxton is a member of the Metals, Minerals and Mining (MIMMM) and a Fellow of the Geological Society of London (FGS) and has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code).

Dr Peter Ruxton consents to the inclusion in this report of the information, in the form and context in which it appears.

Forward-looking Statements
This release contains statements that are "forward-looking". Generally, the words "expect," "intend," "estimate," "will" and similar expressions identify forward-looking statements. By their very nature, forward-looking statements are subject to known and unknown risks and uncertainties that may cause our actual results, performance or achievements, or that of our industry, to differ materially from those expressed or implied in any of our forward-looking statements. Statements in this release regarding the Company's business or proposed business, which are not historical facts, are "forward looking" statements that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made.

About Nzuri Copper Limited
Nzuri Copper Limited is an ASX listed exploration and development company focused on the identification, acquisition, development and operation of high grade copper and cobalt projects in the Katangan Copperbelt of the Democratic Republic of the Congo (DRC).

The Company has two projects in the DRC; the Kalongwe Copper-Cobalt development project and the Fold and Thrust Belt JV exploration project.

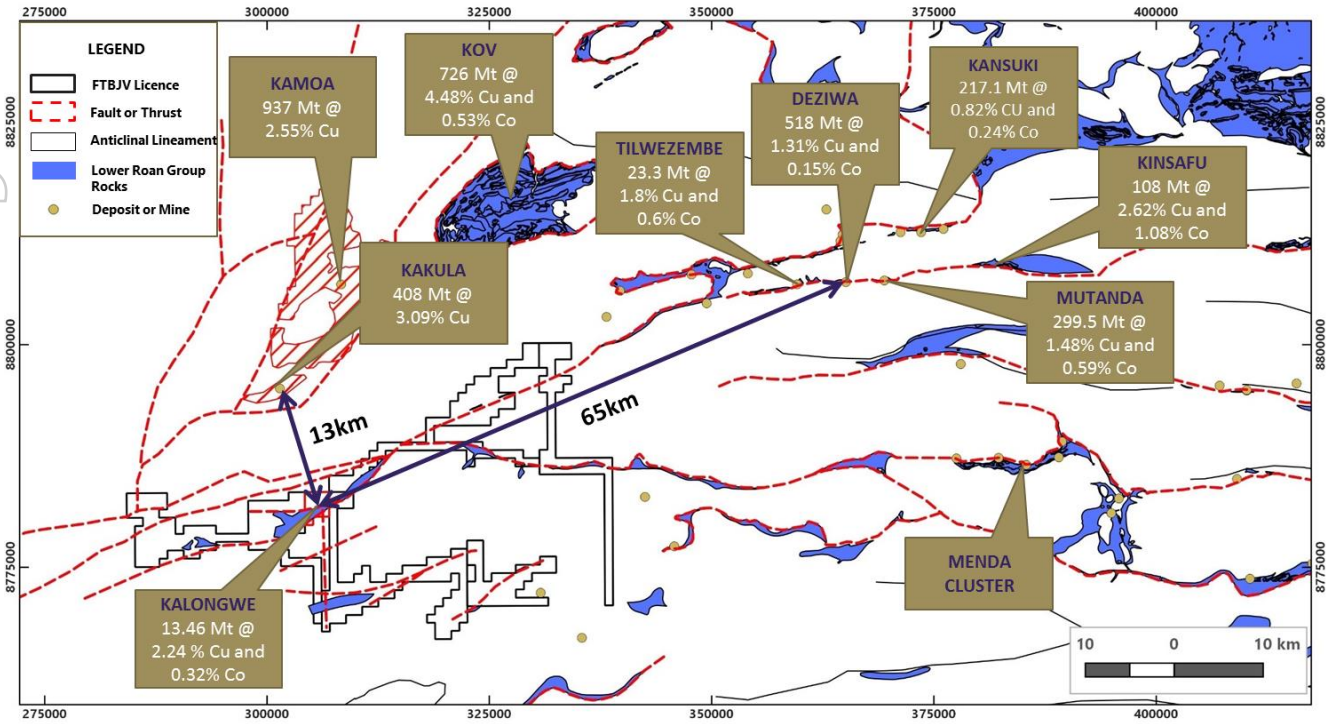

Figure A: Location of the Companies projects in relation to regional structures and significant deposits.

Kalongwe Copper-Cobalt project

The Kalongwe Copper-Cobalt deposit ("Kalongwe") is the Company's 85% owned flagship development project.

Kalongwe is located in the Lualaba Province of the DRC and is situated towards the western end of the world-class Central African Copperbelt (Figure A) less than 15 km from where Ivanhoe Mines Mines Ltd (TSX: IVN, "Ivanhoe Mines") has announced a second world class copper discovery at Kakula (See announcement from Ivanhoe Mines Mines Ltd TSX: IVN on 11 August 2016).

Kalongwe hosts a near-surface JORC resource of 302,000t contained copper and 42,000t contained cobalt as predominantly oxide ore (See ASX announcement on 5 February 2015 for further details).

Fold and Thrust Belt JV project

The Fold and Thrust Belt JV ("FTBJV") project consists of five highly prospective tenements, covering an area of approximately 334 km^2, contiguous to the Kalongwe copper-cobalt deposit in the Central African Copperbelt, Lualaba Province, DRC.

The Company has signed an MOU with Ivanhoe Mines Ltd (TSX: IVN, "Ivanhoe Mines") to acquire up to a 98% interest in the project (see ASX announcement on 22 April 2015 for further details).

The FTBJV project is managed by the Company, covers an area of the western Lufilian Arc, a fold belt that contains the world largest cobalt endowment and some of the richest copper deposits in the world. The project area is considered to offer high-quality exploration targets, for Kamoa-Kakula type targets hosted on redox boundaries within the Grand Conglomerate Formation, as well as structurally controlled copper deposits hosed within the Kamilongwe thrust akin to Mutanda, Deziwa and the Kansuki deposits which occur 60 km to the North East along the structural trend.

Appendix 1 : Complete drill hole intercepts and collar positions for historical diamond drilling at – Monwezi 2 and Kasangasi

Appendix Table 1: Drill Hole Intercepts from historical boreholes at Monwezi 2

Hole ID	Method	From	To	Length (m)	Cu%	Co ppm	Year Drilled	Comment
DKAL_DD048	DD	No Mineralised Intercepts						
DKAL_DD049	DD	128	132	4	1	261	2007	Intercept could not be verified
DKAL_DD050	DD	No Mineralised Intercepts						
DKAL_DD051	DD	No Mineralised Intercepts						
DKAL_DD052	DD	No Mineralised Intercepts						
DKAL_DD053	DD	97	98.4	1.4	0.68	310	2007	Intercept could not be verified
DKAL_DD054	DD	No Mineralised Intercepts						
DKAL_DD055	DD	158	161	3 m	0.82	471	2007	Intercept could not be verified
DKAL_DD056	DD	79	87	8 m	2.57	155	2007	Intercept could not be verified

Appendix Table2: Historical Diamond Drill Hole Collar information for holes drilled at Monwezi 2

Hole ID	Method	Target	East	North	Azimuth	Inclination	Depth	Date Completed
DKAL_DD048	DD	Monwezi 2	303545	8779546	135	-60	251	2007
DKAL_DD049	DD	Monwezi 2	303422	8779607	135	-60	251	2007
DKAL_DD050	DD	Monwezi 2	303635	8779453	325	-60	250	2007
DKAL_DD051	DD	Monwezi 2	303818	8779887	340	-60	193.7	2007
DKAL_DD052	DD	Monwezi 2	303546	8779559	315	-60	251.4	2007
DKAL_DD053	DD	Monwezi 2	303843	8779861	135	-60	235.2	2007
DKAL_DD054	DD	Monwezi 2	303512	8779301	135	-60	250	2007
DKAL_DD055	DD	Monwezi 2	303309	8779495	135	-60	251.4	2007
DKAL_DD056	DD	Monwezi 2	303369	8779430	315	-60	250	2007

Appendix Table3: Drill Hole Intercepts from historical boreholes at Kasangasi

Hole ID	Method	From	To	Length (m)	Cu%	Co ppm	Year Drilled	Comment
DKAS_DD001	DD	No Mineralized intercepts						
DKAS_DD002	DD	40.05	56.65	16.6	0.66	78.9	2007	Intercept was not verified
DKAS_DD002	DD	60.63	62.4	1.77	0.79	216.79	2007	Intercept was not verified
DKAS_DD002	DD	73	79.12	6.12	1.55	26.28	2007	Intercept was not verified
DKAS_DD003	DD	No Mineralized intercepts						
DKAS_DD004	DD	51	55	4	0.75	76.63	2007	Intercept was not verified
DKAS_DD004	DD	127	129	2	1.94	124	2007	Intercept was not verified
DKAS_DD005	DD	No Mineralized intercepts						
DKAS_DD006	DD	No Mineralized intercepts						
DKAS_DD007	DD	27.5	38	10.5	2.76	125.6	2007	Intercept was not verified
including	DD	33	38	5	4.90	34.95	2007	Intercept was not verified
DKAS_DD008	DD	65	72	7	0.76	113.94	2007	Intercept was not verified

Appendix Table4: Historical Diamond Drill Hole Collar information for holes drilled at Kasingasi

Hole ID	Method	Target	East	North	Azimuth	Inclination	Depth	Date Completed
DKAS_DD001	DD	Kasangasi	285618	8781476	45	-60	136.6	2007
DKAS_DD002	DD	Kasangasi	285550	8781565	45	-60	105	2007
DKAS_DD003	DD	Kasangasi	285646	8781469	52	-60	300	2007
DKAS_DD004	DD	Kasangasi	285443	8781590	50	-60	170	2007
DKAS_DD005	DD	Kasangasi	285795	8781397	10	-60	301	2007
DKAS_DD006	DD	Kasangasi	285907	8781391	360	-60	327.5	2007
DKAS_DD007	DD	Kasangasi	285670	8781526	40	-60	86	2007
DKAS_DD008	DD	Kasangasi	285497	8781641	50	-60	84.5	2007
DKAS_DD009	DD	Kasangasi	285803	8781452	10	-60	120.9	2007

Appendix 2: JORC Table 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg, cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg, 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg, submarine nodules) may warrant disclosure of detailed information.	• Where rock chip sampling is discussed, samples were collected from outcrop exposure by chipping fragments from several positions from within a few metres of the sample location and being combined into one sample. • Reverse Circulation drilling was utilised to obtain 1 metre samples • Drilling undertaken prior to 2016 was undertaken by African Minerals and is considered historical drilling. The exact sampling techniques are unknown but drill data and drill core that is available suggests that core samples were half core samples split using a diamond saw. Sample lengths range from 10 cm to over 2 m and the length appears to be selected to prevent cross sampling of lithological, alteration and major mineralisation boundaries.
Drilling techniques	• Drill type (eg, core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Reverse circulation (RC) drilling at 5.5 inch drill hole diameter. • Drilling undertaken prior to 2016 was undertaken by African Minerals and is considered historical drilling. The drill techniques are unknown, but diamond drill core sizes of NQ and HQ is contained in the database records and is consistent with drill core that is available.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• RC Drill sample recovery was determined by weighing the sample recovered at the cyclone and calculating a theoretical expected recovery for the given rock type according to the drilled hole diameter. • Drilling undertaken prior to 2016 was undertaken by African Minerals and is considered historical drilling. Average core recovery of 87% is recorded for the Monwezi drill-holes, but has not been verified. Core recoveries from the Kasangasi target have not been recorded.

Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• All RC chips were logged for geological (lithology, mineralisation, alteration) according to the Nzuri Copper SOP. All data are stored in a database. • All RC chips were logged. • Drilling undertaken prior to 2016 was undertaken by African Minerals and is considered historical drilling. Logs are available and record lithology, alteration and mineralisation.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• All rock chip, pit or trench samples were crushed on site, sieved to <1 mm, the fine portion is cone and quartered to produce a ~300 g sample which is utilised for pXRF analysis. If the sample is selected for subsequent laboratory analysis the sample is rotary split at the laboratory to obtain a 250 g aliquot which is pulverised to 85% <75 µm prior to analysis. • RC samples recovered dry were riffle split at the drill site to achieve a final sample mass of between 2 kg to 3 kg. Two samples were prepared in this manner. • RC samples recovered wet were cone and quartered to achieve a final sample mass of between 2 kg to 3 kg. Two samples were prepared in this manner. • 5 % of the samples were prepared as field duplicates and were submitted to monitor between sample variability and laboratory assay precision. • Samples were submitted to the ALS Laboratory preparation facility Johannesburg, South Africa where the entire sample is crushed to <3mm and a 250 g aliquot is obtained using a rotary splitter followed by pulverising to 85% <75µm. Regular sizing checks were undertaken and reported. • Sample sizes are appropriate to the grain size of the material being sampled. • Drilling undertaken prior to 2016 was undertaken by African Minerals and is considered historical drilling. The exact sub-sampling and sample preparation techniques are unknown.

Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie, lack of bias) and precision have been established.	• Samples were submitted to the ALS Laboratory preparation facility Johannesburg, South Africa where the samples were prepared and analysed. • The analyses included standard geochemical packages offered by ALS including four acid digest (sulphuric, nitric, perchloric and hydrofluoric) and ICP-AES finish for multi-elements. Over limit analyses for Cu and Co are undertaken where concentrations exceed 1000 ppm. This analysis is considered total for the elements and host minerals in this release. • QA/QC procedures include; a chain of custody protocol, the systematic submittal of 15% QA/QC samples including field duplicates, field blanks and certified reference samples into the flow of samples submitted to the laboratory. • Drilling undertaken prior to 2016 was undertaken by African Minerals and is considered historical drilling. The exact quality assurance, quality control procedures is unknown.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Significant intersections shown by RC drill results are calculated on an 0.5% Cu cut-off with a maximum internal dilution of 2 metres. • Intercepts are reported as both drilled and true width, the mineralised zone at Kambundji East is believed to be steeply dipping and drilled widths exaggerate the actual thickness of the mineralised zone. • Twinned holes are unnecessary for this stage of the exploration program. • Data entry and verification is undertaken by MSA following an established protocol. • No statistical adjustments to data have been applied. • Drilling undertaken prior to 2016 was undertaken by African Minerals and is considered historical drilling and the existence, nature of and result of verification sampling and assay procedures is unknown.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Hole collar locations were determined using a Garmin handheld GPS using the average location function. The holes will be surveyed by differential GPS prior to Mineral Resource estimation, should an estimate be undertaken. • No down hole surveys were collected for the RC drilling component of this exploration update.

		• The grid system for the project is UTM WGS84, Zone 35 South. • Topographical data is determined through the combination of SRTM satellite data at one arc-second resolution and average location collected by handheld GPS's. • Drilling undertaken prior to 2016 was undertaken by African Minerals and is considered historical drilling. The collar survey method is unknown but corresponds well with borehole collars located in the field. The grid system for the project is UTM WGS84, Zone 35 South.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• No resources are reported in this exploration update, however hole spacing is nominally 50 metres along strike. • Rock chip samples are randomly distributed where outcrop is encountered on the mapping traverse. • Resource or ore reserve estimation is not reported here. • No sample compositing has been applied.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Drill hole intersections are oblique to the sub vertical mineralisation package • Drilling undertaken prior to 2016 was undertaken by African Minerals and is considered historical drilling. The orientation of data in relation to the structures is unknown and is generally variable in early drill testing as orientations may not have been well understood.

Sample security	• The measures taken to ensure sample security.	• An unbroken sample chain of custody was implemented, as follows:
		  ○ Plastic sample bags sealed and placed inside poly-weave bags or boxes which are sealed with cable ties or taped closed
		  ○ Sample shipments examined on arrival at the laboratory and the sample dispatch form signed and returned with a confirmation of the security seals and the presence of samples comprising each batch.
		• Drilling undertaken prior to 2016 was undertaken by African Minerals and is considered historical drilling. Sample security procedures are unknown.

Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Drilling undertaken prior to 2016 was undertaken by African Minerals and is considered historical drilling. No Audits or reviews were undertaken relating to these drill-holes.

Appendix 3: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	All results presented are located entirely within the Fold and Thrust Belt JV Project. The Company signed an MOU with Ivanhoe Mines Mines Ltd (TSX:IVN, "Ivanhoe Mines") in April 2015 to acquire up to a 98% interest in a package of five highly prospective tenements (PRs 688, 689, 702 and portions of PRs 690 and 701.), covering an area of approximately 350 km^2, contiguous to the Kalongwe copper-cobalt deposit in the Central African Copperbelt, Lualaba Province, DRC (see ASX announcement on 22 April 2015 for further details). The exploration licence was renewed for a period of 5 years in January 2015.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Prior to the commencement of the JV project, Ivanhoe Mines completed exploration on the licences. A comprehensive database containing the results of Ivanhoe Mines exploration undertaken from 2008 to 2013 was received and utilised for targeting. In the 4th quarter of 2016 a verification program was undertaken which successfully validated the Ivanhoe Mines data.
Geology	Deposit type, geological setting and style of mineralisation.	The project area is in the far west of the Outer Lufilian Arc in an arcuate-shaped belt of folds and thrusts that formed after the closure of the Katangan intra-cratonic basin. Three deposit models are being targeted: (i) strataform copper mineralization in Roan Group lithologies and (ii) secondary remobilization of the mineralization along structures. (iii) Kamoa-Kakula style where mineralization is hosted within the Grand Conglomerate formation on lithologically controlled redox boundaries.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	See Tables in text of report.

Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg, cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.	Intercepts are calculated on a length weighted basis. No upper limit has been applied to copper or cobalt grades in these exploration results. 0.5% Cu cut-off is applied and maximum internal dilution of 2 m is applied. All metal grades reported are single element, reported in ppm or percentage units as is indicated.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg, 'down hole length, true width not known').	Drilling undertaken prior to 2016 was undertaken by African Minerals and is considered historical drilling. The relationship between mineralisation width and interception length is unknown.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Data being reported is primarily historical in nature and diagrams are not provided.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Results reported for historical drilling have been reported in their entirety, i.e. all drill holes per target have been reported.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	There is no outstanding exploration data considered material that has not been previously reported or is not contained within this report.
Further work	The nature and scale of planned further work (eg, tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Further work on the FTBJV project is summarised in the text above.