



17 October 2017

ASX: NZC

EXPLORATION UPDATE

**MINERALISED FOOTPRINT AT KASANGASI EXPANDED AS
MONWEZI WEST DELIVERS SIGNIFICANT COBALT INTERCEPTS**

Recent drilling at Monwezi West intersects broad zones of shallow, high-grade cobalt mineralisation

Highlights

- Follow-up work at the Monwezi West Cobalt Target confirms the presence of significant cobalt mineralisation, with drill testing continuing. Assays from the first three holes include:
 - 4m @ 0.23% Co from 4m and 19m @ 0.48% Co from 20m, including 7m @ 1.04% Co from 23m (DMON7_RC02)
 - 11m @ 0.1% Co from 1m (DMON7_RC03)
 - 2m @ 0.19% Co from 75m (DMON_RC01)
- Mineralisation at the Kasangasi Copper Target mapped and sampled over a +300m strike length.
- Diamond drill holes at Kasangasi intersect the equivalent rock sequence to the nearby world-class Kamo-a-Kakula copper discoveries.
- Visible bornite and chalcopyrite mineralisation present in Kasangasi diamond drill holes DKAS_DD10 and DKAS_DD11.

Nzuri Copper Limited (ASX: NZC) (Nzuri or the Company) is pleased to provide an update on exploration at several targets within its Fold & Thrust Belt JV ("FTBJV"), located in the Western Katangan Copper Belt in the Democratic Republic of Congo (DRC), where it has made significant progress at several targets.

At the **Kasangasi target**, located 17km from Ivanhoe Mines' world-class Kamo-a-Kakula deposits, recent mapping, trenching and drilling has helped define the geometry and style of mineralisation. Importantly, initial diamond drilling has intersected the same rock sequence that hosts the Kamo-a-Kakula deposits. Diamond drilling is continuing following the completion of RC drilling and samples are currently being analysed.

At the **Monwezi West Cluster**, mapping has now progressed to RC drilling, which so far has intersected broad zones of cobalt mineralisation including a best intercept in hole DMON7_RC02 of **19m @ 0.48% Co** from 20m down-hole including a high-grade zone of **7m @ 1.04% Co** from 23m.

Reconnaissance work has also led to the discovery of previously unknown artisanal workings where cobalt concentrate is produced immediately outside the JV area (Figure 1), highlighting the prospectivity of these areas for new cobalt discoveries.

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Nzuri CEO Mark Arnesen said:

“The Company’s systematic and targeted exploration strategy within the FTBJV is beginning to pay dividends, with the combination of mapping, trenching and geochemical drilling at Kasangasi now supplemented by RC and diamond drilling, helping us to unravel the geology and better understand the potential of this exciting prospect.”

“Our approach has been to evaluate targets using a number of methods operating in parallel, allowing us to optimise exploration targeting. Importantly, diamond drilling has now confirmed the presence of the same rock sequence at Kasangasi that hosts the Kamo-a-Kakula deposits, with the footprint of the mapped and sampled mineralisation now extended to a strike length of over 400m. This represents a compelling target for ongoing drilling and exploration.”

“Recent drilling of historic cobalt anomalies at Monwezi West has also identified an exciting new cobalt prospect, with the first three holes returning highly significant results including a thick zone of high-grade mineralisation assaying up to 1.04% Co. These impressive grades, combined with the shallow nature of the intercepts and their proximity to Kalongwe, make this area a priority for ongoing exploration.”

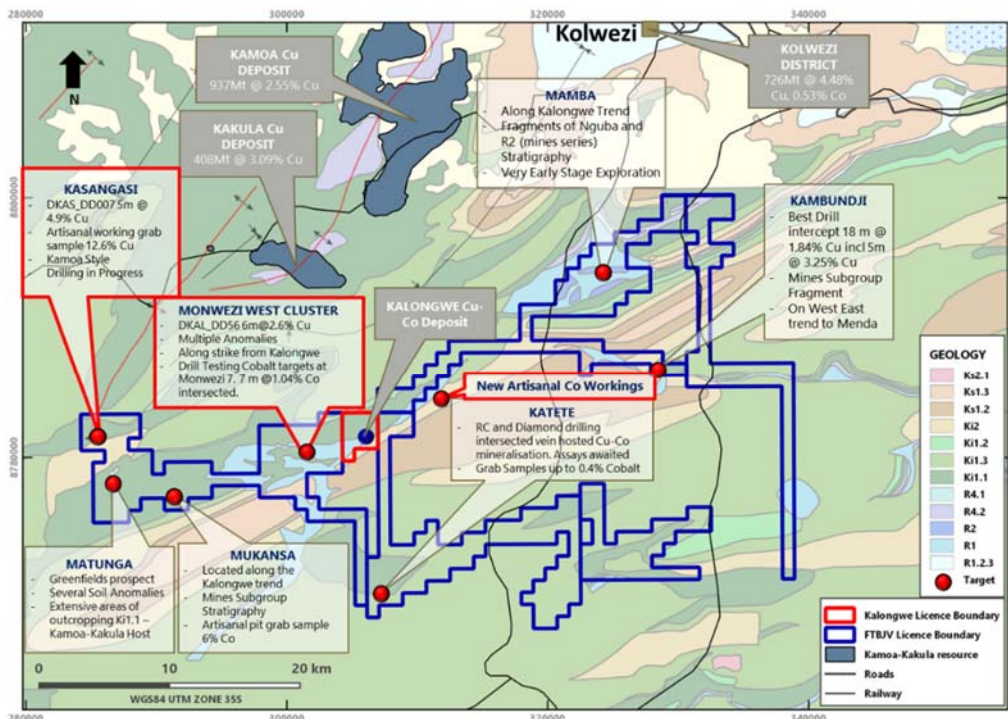


Figure 1: Location of Target Areas on the FTBJV Licence (blue polygons) transposed over the local bedrock geology. Also shown are the locations of known Cu-Co mineralisation in the immediate environs. The Exploitation Permit area for the Kalongwe deposit is shown using a red polygon.

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Kasangasi Target

The Kasangasi Target is of interest because of its proximity and similarity to the giant Kamo-a-Kakula copper deposit (Figure 1). Kamo-a-type mineralisation is high-grade, strata-bound and laterally extensive, providing the potential for large-scale deposits – and is therefore considered a prime target by the Company. Kasangasi, which was originally identified by Ivanhoe following regional exploration, is located in the west of the JV area. Nzuri identified two stratigraphic position that warrant testing for stratiform mineralisation.

Nzuri is currently undertaking a work programme at Kasangasi aimed at testing the continuity of the mineralisation discovered by Ivanhoe, as well as a second target associated with the transition from Roan to Nguba Group rocks.

Trenching, mapping, geochemical drilling and two stratigraphic diamond drill holes have been completed to date, to better constrain stratigraphy at Kasangasi and provide a geological context to the mineralisation at Kamo-a-Kakula.

The Kamo-a-Kakula deposit is hosted by the rocks of the “Grand Conglomerate” Formation deposited above the Roan Group of rocks, which are elsewhere the principal host of copper-cobalt mineralisation in the Congolese part of the Copperbelt, including Nzuri’s Kalongwe copper-cobalt deposit (Figure 2)

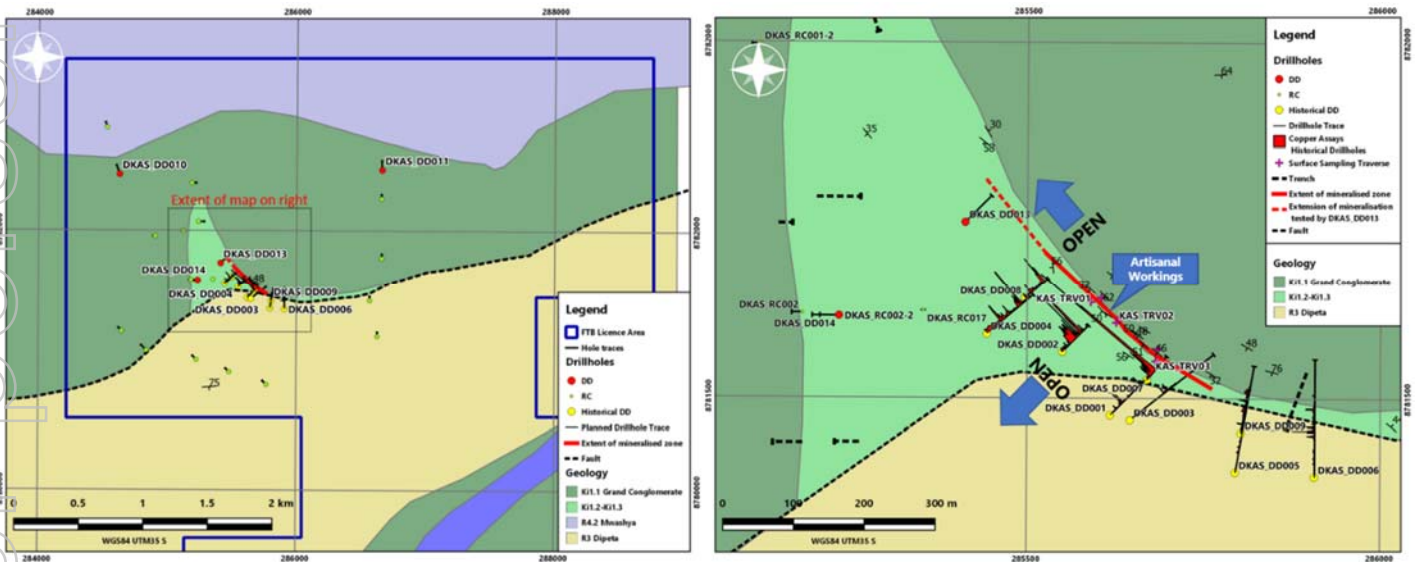


Figure 2: Prospect-scale map of Kasangasi showing extent of mineralised zone and area of artisanal workings.



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Stratabound copper oxide mineralisation is exploited by artisanal miners at Kasangasi (Figure 2 and Figure 3). Mapping and trenching across the workings shows that the mineralised horizon strikes west-northwest - east-southeast and dips moderately to the south-southwest, can be traced for more than 300m along strike, and is open in west-northwest and down-dip (to the south-west) (see Figure 2).

At surface, the mineralised horizon is about 4 to 8 m wide and yields grades of 3.35% Cu over 5.5m based on outcrop sampling traverses. The mineralisation is hosted in weathered, fine laminated ex-calcareous graphitic siltstone which are in contact with, and overly, the Grand Conglomerate Formation (Figure 4). A step-out drill hole (DKAS_DD013) is currently in progress to test for the lateral continuity of the mineralisation to the west-northwest (Figure 2).



Figure 3: Stratabound copper mineralisation in artisanal workings.



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The first two diamond drill holes, DKAS_DD10 and DKAS_DD11, were designed as stratigraphic drill holes to provide geological context. They aimed to test the footwall contact of the Grand Conglomerate Formation and the underlying rock as this is the principal stratigraphic position of Kamao-type mineralisation.

The drill holes intersected the contact between the Grand Conglomerate Formation and the underlying sandstone and siltstone at depths of 83.8m and 91.6m respectively (Figure 4).

At Kasangasi, the rock sequence consists of haematitic (oxidised) Roan sandstones which are overlain by several metres of carbonaceous and sulphidic (reduced) siltstone, which is in turn overlain by diamictite of the Grand Conglomerate Formation (Figure 4). This stratigraphic succession is comparable to that of Kamao.

Mineralisation was observed at the contact, although only minor quantities. However, a major fault zone was intersected, which enhances the prospectivity of this area. At present, drill core information is being evaluated for the possibility of a structurally overturned stratigraphy.

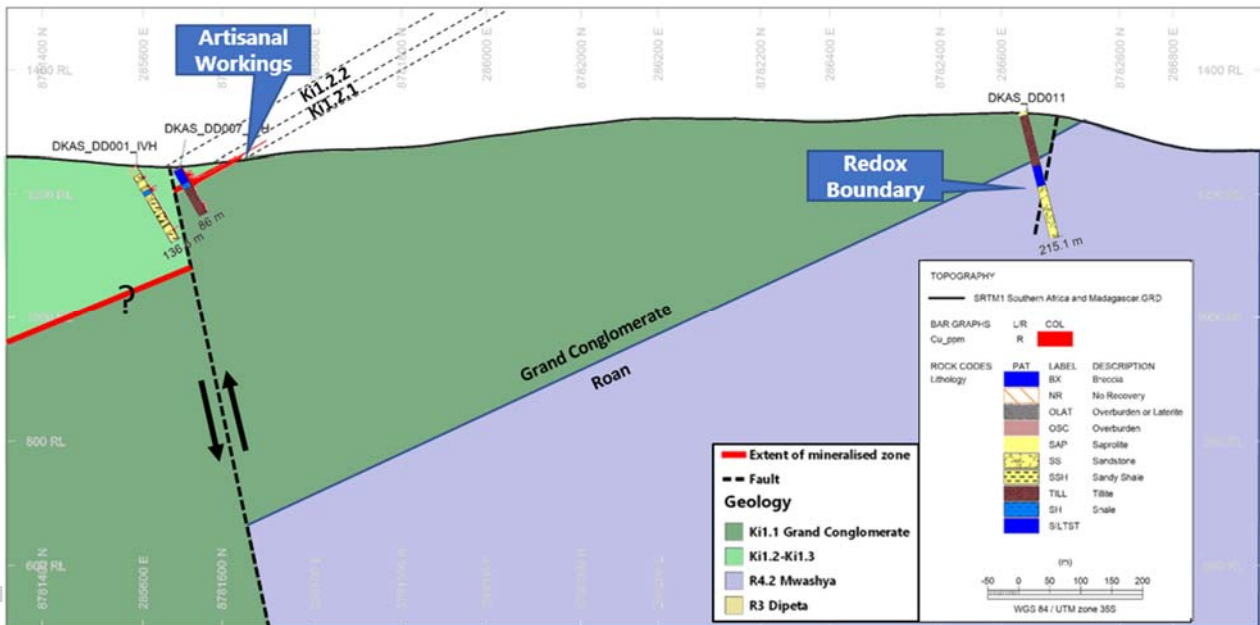


Figure 4: Cross-section NE-SW at Kasangasi.



Exciting Cobalt Potential at the Monwezi West Cluster

The Monwezi 7 Target is located within the greater Monwezi West Cluster, about 5km west-southwest of the Kalongwe copper-cobalt deposit.

Unlike Kasangasi, the geological setting at Monwezi West is akin to that at the Kalongwe copper-cobalt deposit in that the area consists of multiple Mines Series (Roan Group) rock fragments (6) located within a diapir (ex-salt-dome) structure (Figure 5).

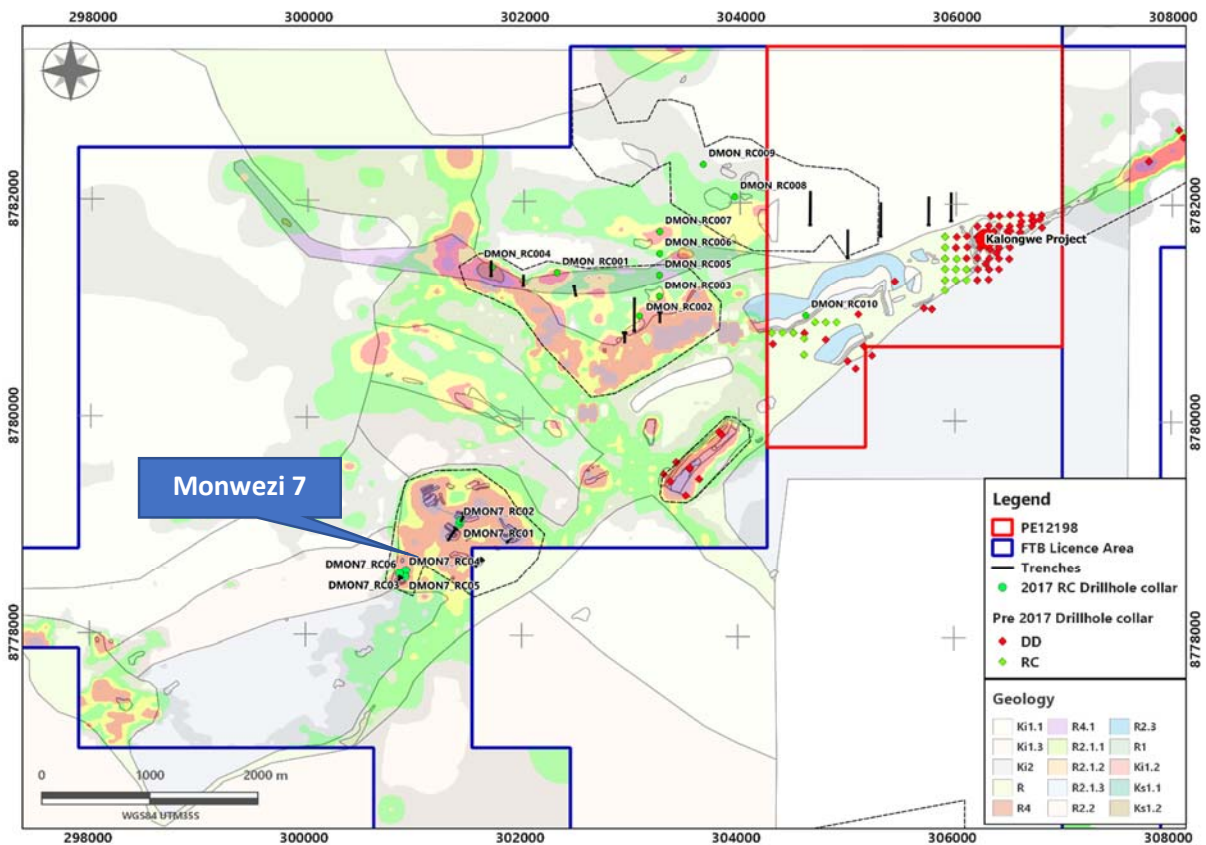


Figure 5: Map of the Monwezi West cluster showing the location of the Monwezi 7 Target, prominent in Co soil geochemistry.

Reconnaissance exploration by Ivanhoe had identified several significant cobalt intercepts in trenches across several fragments. The most significant results included:

- **15.3m @ 0.39% Co** including **2m @ 1.40% Co**, in trench # 4
- **20.75m @ 0.11% Co** including **4m @ 0.23% Co** in trench # 6



At Monwezi 7, 8 Mines Series fragments ranging in length from 200m to 400m have been identified so far, only five of which have been trenched to date. The Company has mapped and verified the geometry of strata in trenches #4 and #6 for optimal drill orientation. The strata in both trench #4 and #6 dip steeply to the south and north-east respectively (Figure 6).

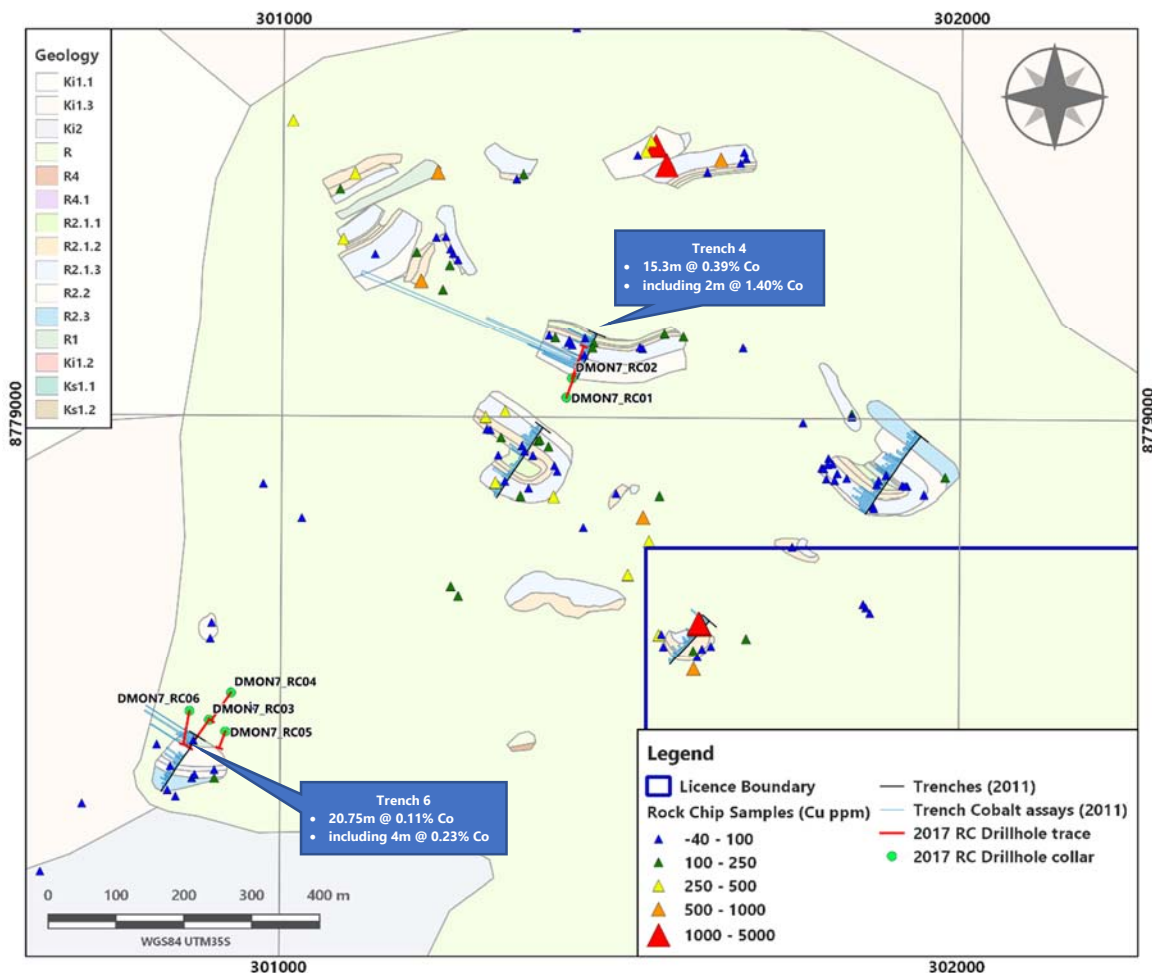


Figure 6: Map of the Monwezi 7 Target located within the Monwezi West cluster, showing the location of trenches and drill holes.

Nzuri has designed and is currently implementing a drilling programme to test for the depth continuity of the mineralisation identified at surface, with six RC drill holes planned. The initial drill holes have intersected broad zones of mineralisation from shallow depths. The mineralisation occurs as black oxide minerals, cobalt hydroxide (CoO(OH)) within ex-silty dolomites and in RAT rocks.

The Company has completed six RC drill holes to date for 523m. Following these positive results, the Company plans to systematically drill test the Mines series fragment.

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Assay results for three of the six RC drill holes have been received with the following intercepts (Figure 7):

DMON7_RC01

- 1 m @ 0.11% Co, from 11 to 12 m
- 1 m @ 0.12% Co, from 33 to 34 m
- 1 m @ 0.31% Co, from 40 to 41 m
- 1 m @ 0.19% Co, from 45 to 46 m
- 2 m @ 0.19% Co, from 75 to 77 m

DMON7_RC02

- 4m @ 0.23% Co, from 4 m to 8 m
- 19m @ 0.48% Co, from 20 m, including 7m @ 1.04% Co, from 23 m

DMON7_RC03

- 11 m @ 0.1% Co, from 1 m to 12 m

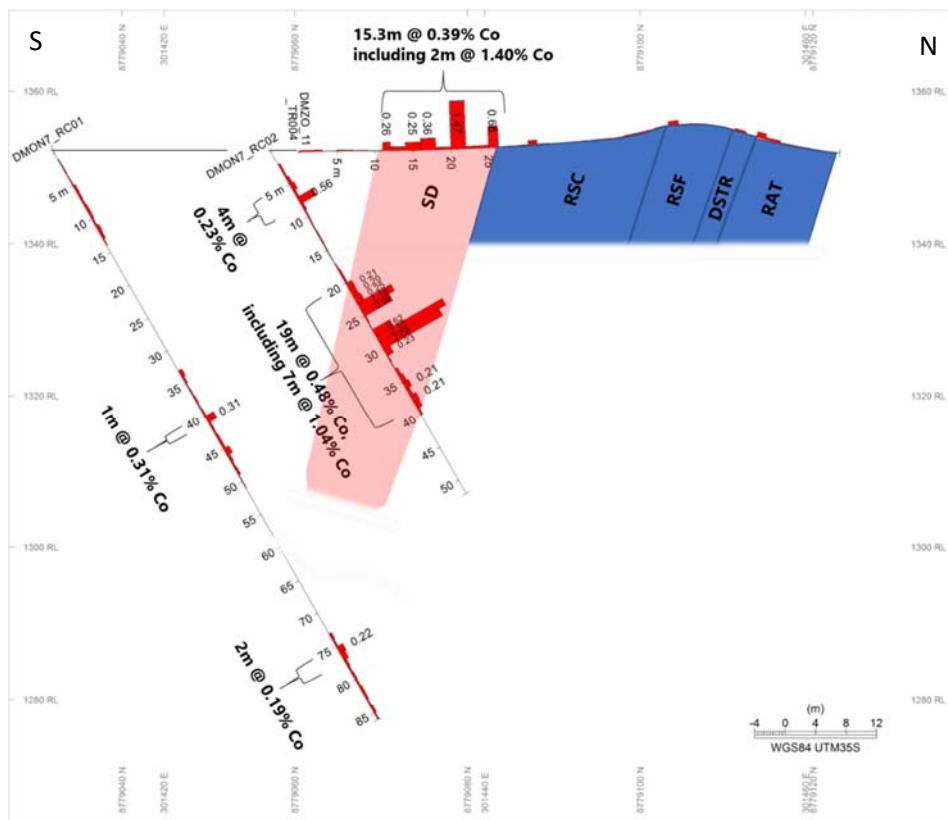


Figure 7: Cross-section showing the best intercepts from DMON7_RC01 and DMON7_RC02 testing mineralisation Trench #4.



Other Prospects

Reconnaissance field work by Company geologists has identified new artisanal cobalt workings immediately the outside of the JV area. The workings produce a cobalt concentrate and are about 500m from the licence boundary (Figure 1).

The mineralisation is located, like that at Monwezi West, in a fragment of Mines Series rocks with the Kalongwe diapir dome. The diapir extends into the JV project area and is currently undergoing geological mapping and rock chip sampling. Further results will be reported as reconnaissance continues along strike of this area.

Exploration Drilling Statistics

Nzuri has so far completed a total of 5,650m of RC and diamond exploration drilling within the Fold Thrust JV with a further 1,400m of exploration drilling planned over the balance of this year.

At present, the RC drill rig has moved onto testing a cobalt anomaly at the Monwezi West cluster while the diamond drill rig continues drilling at Kasangasi. Due to the imminent start of the rainy season, the RC drill rig will be demobilised on completion of the drill programme planned at Monwezi 7.

At present, diamond drill holes samples from Katete and RC drill samples from Monwezi 7 are being processed at the lab in Johannesburg and samples at Kasangasi are currently in preparation at the prep lab in Lubumbashi.

Table 1: Lab batch summary

Sample Batch #	Target	Type	Number of Samples	Date Arrived prep lab	Date Batch Finalised	Turn-around-time (days)	Date results expected	Status
Batch 9	Katete	RC	452	24/08/2017	29/09/2017	36	Finalised	In QC stage
Batch 10	Katete	DD	139	28/09/2017			19/10/2017	Preparation complete, Analyses in progress
Batch 11	Kasangasi	RC	855	09/10/2017				Sample preparation in progress

In addition to the proposed drilling campaign, an extensive programme of pitting and trenching has also been undertaken to date to generate new drilling targets.

The status of drilling, trenching and pitting both completed and planned at each target is summarised in Table 2 below:

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Table 2: Summary of exploration activities completed up to 22 September 2017

Drilling Completed					
Target	RC (m)	Diamond (m)	Hydro (m)	Total (m)	
Kalongwe	-	1 373	386	1 759	Feasibility work
Kambundji	393	-	-	393	2016 programme
Monwezi	1 656	-	-	1 656	
Katete	1 042	839	-	1 881	
Kasangasi	1 550	565	-	2 115	
Total	4 641	2 777	386	7 804	
	393	-	-	393	2016 programme
	4 248	2 777	386	7 411	2017 Programme

2017 Drilling Remaining				
Target	RC (m)	Diamond (m)	Hydro (m)	Total (m)
Kalongwe	100	-	-	100
Kambundji	-	-	-	-
Monwezi	77	1 200	-	1 277
Katete	-	-	-	-
Kasangasi	-	35	-	35
Total	177	1 235	-	1 412

Trenching completed	
Target	Total (m)
Kalongwe	1 280
Kambundji	-
Monwezi	5 440
Katete	1 218
Kasangasi	382
Total	8 320
	1 218
	7 102

Includes pit traverses

2016 programme

2017 Programme

Pit Traverses			
Pits	Completed #	Planned #	Total
Katete	10		10
Monwezi 3	3		3
Kasangasi	43		43
Katete East	59	28	87
Total	115	28	143



The previously announced Aeromagnetic survey is progressing, although slower than planned. A total of 4,472 line kilometres have been completed so far out of the planned 9,977 line kilometres. Windy conditions ahead of the start of the rainy season have resulted in 50% of the planned flight days being lost.

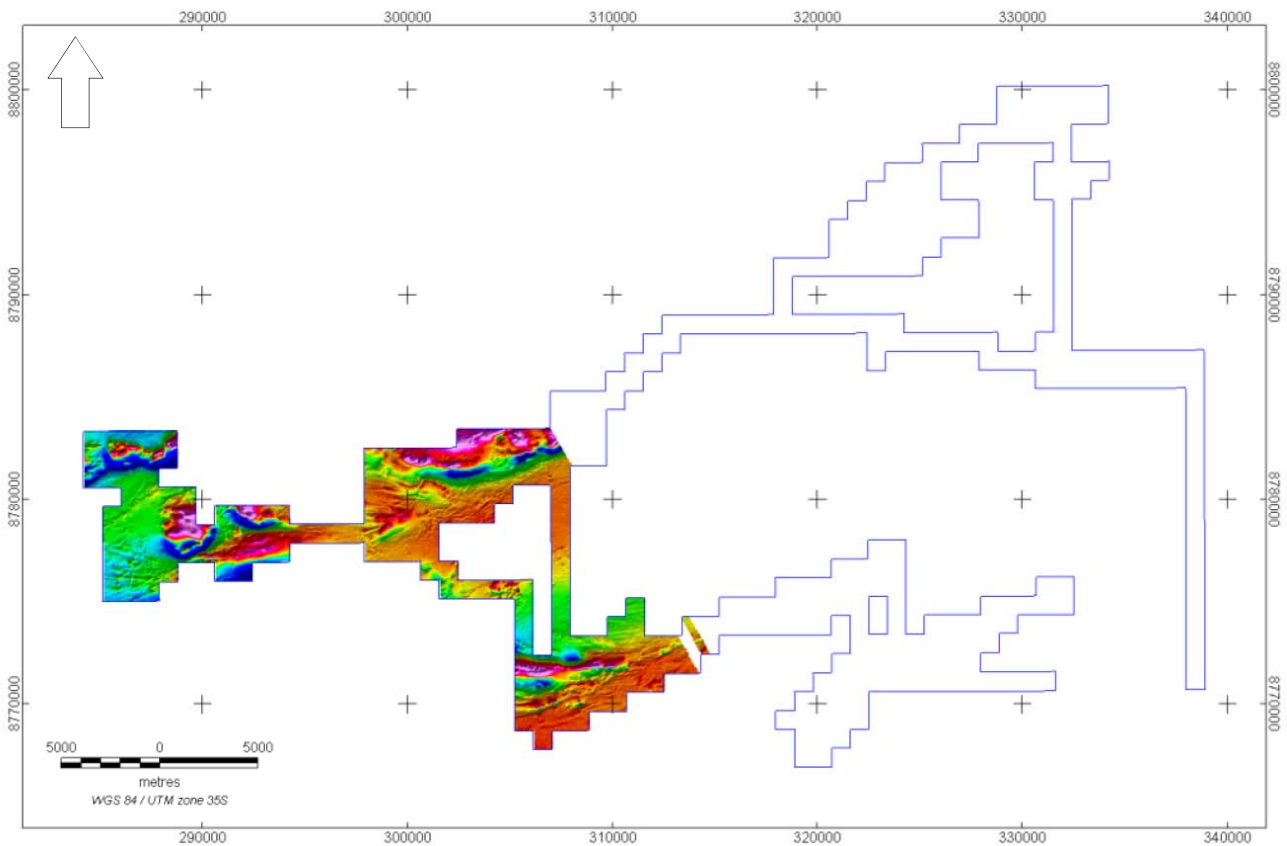


Figure 7: Progress of the airborne magnetic survey.

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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 (ASX: NZC) is an ASX-listed copper-cobalt 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 key projects in the DRC: the Kalongwe Copper-Cobalt development project and the Fold and Thrust Belt JV exploration project.

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 15km from where Ivanhoe Mines Ltd (TSX: IVN, "Ivanhoe Mines") has announced a second world class copper discovery at Kakula (See announcement from Ivanhoe Mines Ltd TSX: IVN on 11 August 2016).

Kalongwe hosts a near-surface JORC resource of 302,000t contained copper and 42,700t contained cobalt as predominantly oxide ore (see ASX announcement on 5 February 2015 for further details).

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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 km², 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 24 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 Kamo-a-Kakula type targets hosted on redox boundaries within the Grand Conglomerate Formation, as well as structurally controlled copper deposits hosted within the Kamilongwe thrust akin to Mutanda, Deziwa and the Kansuki deposits which occur 60 km to the North East along the structural trend.

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Appendix 1: Drill-hole intercepts and collar positions for Monwezi 7 and Kasangasi

Appendix Table 1: Drill Hole Intercepts from boreholes at Monwezi

Hole ID	Method	Target	From	To	Length (m)	Cu%	Co ppm	Year Drilled
DMON7_RC01	RC	Monwezi 7	11	12	1	0.04	1100	2017
DMON7_RC01	RC	Monwezi 7	33	34	1	0.03	1200	2017
DMON7_RC01	RC	Monwezi 7	40	41	1	0.03	3100	2017
DMON7_RC01	RC	Monwezi 7	45	46	1	0.02	1900	2017
DMON7_RC01	RC	Monwezi 7	75	77	2	0.04	1950	2017
DMON7_RC02	RC	Monwezi 7	4	8	4	0.04	2275	2017
DMON7_RC02	RC	Monwezi 7	20	39	19	0.04	4821	2017
Including			23	30	7	0.05	10357	2017
DMON7_RC03	RC	Monwezi 7	1	12	11	0.01	1009	2017
Including			1	3	2	0.02	1850	2017

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

Hole ID	Method	Target	East	North	Azimuth	Inclination	Depth	Date Completed
DMON7_RC01	RC	Monwezi 7	301419	8779029	20	-60	86	27/09/2017
DMON7_RC02	RC	Monwezi 7	301427	8779057	20	-60	52	28/09/2017
DMON7_RC03	RC	Monwezi 7	300895	8778554	215	-60	85	03/10/2017
DMON7_RC04	RC	Monwezi 7	300927	8778594	215	-60	100	04/10/2017
DMON7_RC05	RC	Monwezi 7	300919	8778537	200	-75	100	06/10/2017
DMON7_RC06	RC	Monwezi 7	300866	9778567	190	-60	100	07/10/2017

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Appendix Table 3: Drill Hole Intercepts from 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
DKAS_DD010	DD							Awaiting Assays
DKAS_DD011	DD							Awaiting Assays
DKAS_DD013	DD							Drilling in progress

Appendix Table 4: Drill Hole Collar information for holes drilled at Kasangasi

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
DKAS_DD010	DD	Kasangasi	284627	8782431	340	-70	214.4	2017
DKAS_DD011	DD	Kasangasi	286662	8782470	0	-70	215.1	2017
DKAS_DD013	DD	Kasangasi	285412	8781748	340	-60	120	2017

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Appendix 2 : Sampling Traverse Results from Kasangasi

Appendix Table 1: Outcrop Sampling Traverse Results

Traverse_ID	START OF TRAVERSE			END OF TRAVERSE			LENGTH SAMPLED	ESTIMATED TRUE WIDTH	DIP/DIP DIRECTION	LENGTH WEIGHTED Cu%	LENGTH WEIGHTED Co%
	X_UTM	Y_UTM	Z_UTM	X_UTM	Y_UTM	Z_UTM					
KAS_TRV01	285590	8781635	1241	285605	8781641	1239	9.40	3.20	45/222	4.6 m @ 3.17 %	4.6 m @ 0.035 %
KAS_TRV02	285626	8781606	1236	285630	8781611	1239	4.10	2.70	46/220	4 m @ 1.77%	4 m @ 0.01%
KAS_TRV03	285682	8781552	1236	285685	8781569	1242	10.40	4.24	54/230	8 m @ 4.2 %	8 m @ 0.005 %

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Appendix 3 : Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Where outcrop sampling traverse is discussed. Rock chips were collected across the indicated sampling interval (eg 1 m) by chipping fragments from outcrop. All efforts were made to collect sample evenly across the interval to minimise sampling bias. Reverse Circulation drilling was utilised to obtain 1 metre samples according to industry norms.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> Reverse circulation (RC) drilling at 5.5 inch drill hole diameter. Diamond drilling mentioned in this release utilised a PQ-HQ-NQ core sizes where appropriate to maximise core recovery. Where conditions allowed core was oriented using a Reflex ACTII tool.
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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. RC recovery exceeded 80% and is considered fit for purpose.

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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Diamond core recovery is variable, no diamond drill intercepts are reported in this release.
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All RC chips were logged for geological (lithology, mineralisation, alteration) according to the Nzuri Copper SOP. All data are stored in a database. The standard is suitable for Reporting Exploration Results. Diamond drill holes are geologically logged for rock type, alteration and qualitative estimates of mineralisation took place.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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 in Lubumbashi, DRC, 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.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometres, handheld XRF instruments, etc, the parametres used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. 	<ul style="list-style-type: none"> Handheld XRF analysis is performed using a Thermo Scientific™ Niton™ XL2 instrument. Each sample was analysed for 60 seconds with no factors applied. CRMs are routinely analysed in the sample stream and are assessed to determine the quality of the analyses. Handheld XRF analyses are not reported, only QAQC passed laboratory analyses.



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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Samples selected for laboratory analysis were submitted for a four acid digest (sulphuric, nitric, perchloric and hydrofluoric) and ICP-AES finish for multi-elements. 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.
Verification of sampling and assaying	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Significant intersections shown by RC drill results are calculated on an 0.5% Cu cut-off with a maximum internal dilution of 2 metres. For intersections with elevated cobalt, a cutoff of 0.1% Cobalt is applied. Intercepts are reported as drilled width as the orientations of mineralised zones are unknown Twinned holes are unnecessary for this stage of the exploration programme. Data entry and verification is undertaken by MSA following an established protocol. No statistical adjustments to data have been applied.
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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. Diamond drill holes are surveyed using a reflex multishot survey tool. 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.
Data spacing and distribution	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> No resources are reported in this exploration update, hole spacing is variable depending on the intention of the exploration test being applied. Resource or ore reserve estimation is not reported here.



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Criteria	JORC Code explanation	Commentary
	<p>Resource and Ore Reserve estimation procedure(s) and classifications applied.</p> <ul style="list-style-type: none">• Whether sample compositing has been applied.	
Orientation of data in relation to geological structure	<ul style="list-style-type: none">• 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.	<ul style="list-style-type: none">• At this stage the orientation of controlling structures at Monwezi 7 is not understood and it is unknown if drill hole orientation has introduced sampling bias.
Sample security	<ul style="list-style-type: none">• The measures taken to ensure sample security.	<ul style="list-style-type: none">• An unbroken sample chain of custody was implemented, as follows:<ul style="list-style-type: none">○ Plastic sample bags sealed and placed inside polyweave 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.
Audits or reviews	<ul style="list-style-type: none">• The results of any audits or reviews of sampling techniques and data.	<ul style="list-style-type: none">• ALS's sample preparation laboratory located in Lubumbashi was audited in February and passed all required checks.



Appendix 4 : 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All results presented are located entirely within the Fold and Thrust Belt JV Project. The Company signed an MOU with Ivanhoe Mines Ltd (TSX:IVN, "Ivanhoe") 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 km², 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 in January 2015.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Prior to the commencement of the JV project, Ivanhoe completed exploration on the licences. A comprehensive database containing the results of Ivanhoe's exploration undertaken from 2008 to 2013 was received and utilised for targeting. In the 4th quarter of 2016 a verification programme was undertaken which successfully validated the Ivanhoe data.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> 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) Zambian type copper mineralization associated with stratigraphically controlled redox boundaries.
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar 	<ul style="list-style-type: none"> See relevant appendices. Tables in text of report.



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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. <ul style="list-style-type: none"> • 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. 	
Data aggregation methods	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • 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. An 0.1% Co cutoff is applied to relevant intersections • All metal grades reported are single element, reported in ppm or percentage units as is indicated.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • 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'). 	<ul style="list-style-type: none"> • All intercepts reported here are drilled widths. At Kasangasi it is believed that drill intercepts are near orthogonal to mineralised zones and represent true widths. At Monwezi 7 the orientation of mineralisation is unknown and intercepts are reported as drilled widths.
Diagrams	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Drill hole plans are provided as well as sections where necessary.
Balanced reporting	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • All Assays received to date have been reported for Monwezi 7, Results are reported in their entirety.



Criteria	JORC Code explanation	Commentary
Other substantive exploration data	<ul style="list-style-type: none">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.	<ul style="list-style-type: none">At this stage a significant number of assay results for Katete, Kasangasi and Monwezi 7 are yet to be received from the laboratory and will be reported in due course.A airborne magnetic survey is being undertaken, the programme is 50% complete and outcomes will be reported once the survey is complete and the interpretation phase is complete.
Further work	<ul style="list-style-type: none">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.	<ul style="list-style-type: none">Further work on the FTBJV project is summarised in the text above.

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