



3 April 2018

ASX: NZC

**EXPLORATION UPDATE**

**NZURI ANNOUNCES 2018 EXPLORATION PROGRAM AS DRILLING COMMENCES AT NEW HIGH-GRADE COBALT TARGET**

*\$4M exploration budget approved for 2018 with multiple near-mine and regional targets to be systematically tested; Nzuri completes its expenditure to earn-in to 80% of the Fold & Thrust Belt Joint Venture (FTBJV)*

**Key Points:**

- **\$4M budget approved for copper-cobalt exploration in CY2018 with ~7,250m of RC and diamond drilling planned across several priority near-mine and regional targets**
- **Drilling has resumed for the 2018 field season, initially testing an exciting new high-grade cobalt target identified recently just 800m from the Kalongwe copper-cobalt deposit where recent trenching has returned high-grade cobalt results (DKAL\_17TR001) including: -**
  - **10m @ 1.28% Co**
  - **6m @ 0.72% Co**
- **Drilling is scheduled to commence in April at the Monwezi 2 target, where initial drilling last year highlighted the potential to delineate satellite resources for Kalongwe, followed by the Monwezi 7 cobalt target. The program will then move on to test a series of high-potential regional targets.**
- **Highly experienced geologist Tom Woolrych appointed as Exploration Manager**
- **Nzuri has now completed its earn-in requirements and has an entitlement to an 80% interest in the Fold & Thrust Belt Joint Venture (FTBJV) from its joint venture partner Ivanhoe Mines (TSX: IVN)**

Nzuri CEO Mark Arnesen said the Company's 2018 field season is now underway following board approval for the 12-month exploration budget which would see it build on the strong foundations laid by its exploration team in 2017.

*"This is an exciting time for Nzuri as the new field season in the DRC gears up and drilling gets underway across a range of prospects. We are currently drill testing a newly-identified prospect with high cobalt grades from surface trenching just 800m from the Kalongwe open pit, in an area previously thought to have been sterilised. The rigs will then move to the nearby Monwezi area, to drill out the zone of shallow copper mineralisation identified late last year at Monwezi 2 and further test the high-grade cobalt mineralisation at Monwezi 7. At both locations there is excellent potential to define additional satellite resources."*

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*“We also have plenty of unfinished business regionally. We have a suite of promising regional targets including Kasangasi, Kambundji, Mulonda Funda, Mamba and Mutwa – some of which have been identified or reinforced using the data generated by the extensive regional airborne radiometric survey flown towards the end of last year.*

*“Shareholders can look forward to strong and continuous news-flow as this comprehensive program advances. In this regard, we are pleased to announce the appointment of highly experienced geologist Tom Woolrych as our Exploration Manager to oversee its implementation – which comes as we achieve another key milestone, attaining 80 per cent ownership in the FTBJV.”*

Nzuri Copper Limited (**ASX: NZC**) (**Nzuri** or the **Company**) is pleased to advise that the 2018 exploration program within the Fold & Thrust Belt Joint Venture (FTBJV) and at its 85%-owned Kalongwe Copper-Cobalt Project, located in the Western Katangan Copperbelt in the Democratic Republic of Congo (DRC), is underway following approval for the 2018 exploration budget and the re-commencement of drilling operations.

Drilling has commenced at a newly-identified high-grade cobalt prospect at Kalongwe South West (Kalongwe SW), located approximately 800m from the Kalongwe deposit. The program is designed to target high-grade cobalt and copper mineralisation following encouraging recent trenching results, a number of Mine Series lithologies identified from recent geological mapping.

#### **2018 Exploration Program and Budget**

The Nzuri Board has approved a \$4 million exploration budget for the 2018 season, with a total of up to 7,250m of Reverse Circulation (RC) and diamond drilling, plus trenching and mapping, planned across at least eight priority near-mine and regional prospects within the FTBJV. The targets (see Figure 2) have been ranked and assessed against the results from Company’s 2017 exploration program.

Once the current phase of drilling is completed at Kalongwe SW, diamond drilling will commence at the Monwezi 2 and Monwezi 7 targets, part of the Monwezi area located 2-5km directly along strike from Kalongwe.

Drilling towards the end of last year returned highly encouraging results, outlining an extensive zone of copper enrichment at Monwezi 2 with open pit mining potential and high-grade cobalt mineralisation at Monwezi 7 (see ASX release, 13 February 2018). This drilling confirmed the potential to define additional copper and cobalt resources at Monwezi with the potential to extend the Kalongwe mine life.

Other priority regional targets (Figure 1) to be progressively tested include:

- Kasangasi – where a new interpretation has confirmed the location of the Kamoia-Kakula contact, with the full strike length to be tested;
- Kambundji – where high-grade copper mineralisation intersected historically in the Mines Subgroup Fragment (best intercept of 18m at 1.84% Cu including 5m @ 3.25% Cu) will be followed up;
- Mulonda Funda – lead-zinc anomalies with potential for the discovery of high-grade Kipushi-style base metal mineralisation;
- Mamba – Mine Series Fragments; and
- Mutwa – lead-zinc anomalies with the potential for the discovery of high-grade Kipushi-style base metal mineralisation.

Further information regarding the progress of the program, including planned RC drill programs at regional targets in the second half of the year, will be provided as the exploration program advances.

Ivanhoe and Nzuri are currently finalising the process for completing the transfer of 80% of the share capital in the FTBJV vehicle to Nzuri. Until this process is completed, Nzuri will hold an 80% beneficial interest in the FTBJV.

#### **New Exploration Manager**

Nzuri is pleased to announce the appointment of highly experienced geologist Tom Woolrych as Exploration Manager to oversee the implementation and management of its exploration programs. Mr Woolrych commenced with the Company on 1 March 2018.

He has 14 years' experience working on projects across 13 jurisdictions and on multiple deposit styles, including more recently the Central African Copper Belt, IOCGs and porphyries. Previously, he has worked as a consultant with the MSA Group, as a senior geologist for BHP Billiton exploring for base metals in the Australian-Asian region, and for Zambian-focused copper explorer Blackthorn Resources. He is a graduate of the Australian National University and a Member of the AusIMM.

#### **Kalongwe SW – Drilling Underway**

Kalongwe SW is a historically mapped fragment of mine series rocks located 800m from the Kalongwe deposit that had been tested previously with only two vertical diamond holes, one of which returned anomalous copper results (DKALDD\_079: 11m @ 0.49% Cu from 119m). Trenching, mapping and structural measurements have shown that, due to steep dips, these holes did not intersect the key mine series units.

Assays of the trenched material have returned impressive high-grade cobalt results including 10m @ 1.28% Co and 6m @ 0.72% in KAL\_17\_TR001 (weighted average for entire intercept of 19m @ 0.9% Co inclusive, 3m dilution from below 1000 ppm Co material). The copper assays are anomalous with copper mineralisation interpreted to have been leached at surface.

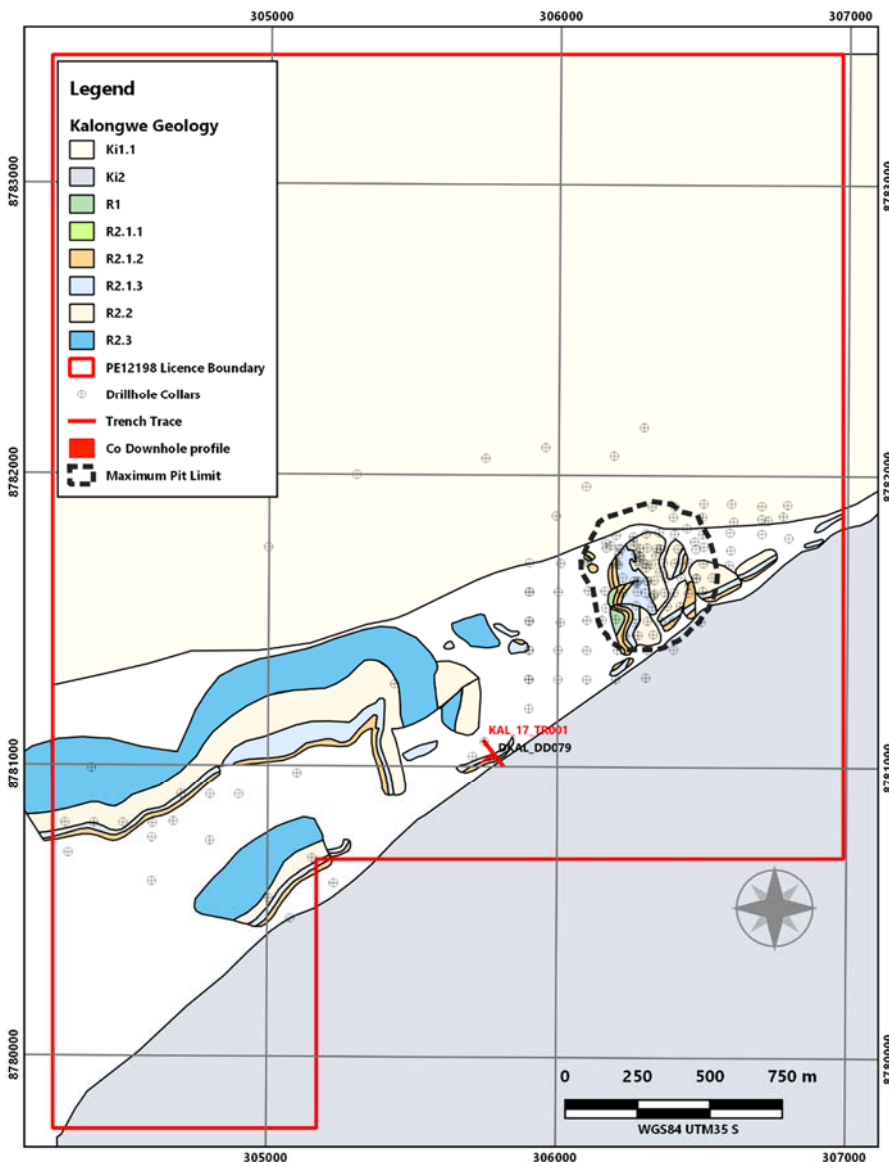


Figure 1. Location map showing KAL\_17\_TR001, geology, Kalongwe mining licence boundary, current Kalongwe Pit extents and previous Collars

Given the significant cobalt grades encountered in proximity to the planned Kalongwe pit (Figure 1), and the likelihood that stronger copper mineralisation may occur at depth, the Company has commenced a diamond drilling program to further evaluate this position.

The potential for significant copper-cobalt mineralisation so close to the Kalongwe open pit in an area makes this an attractive and high-priority near-mine exploration target for the Company.

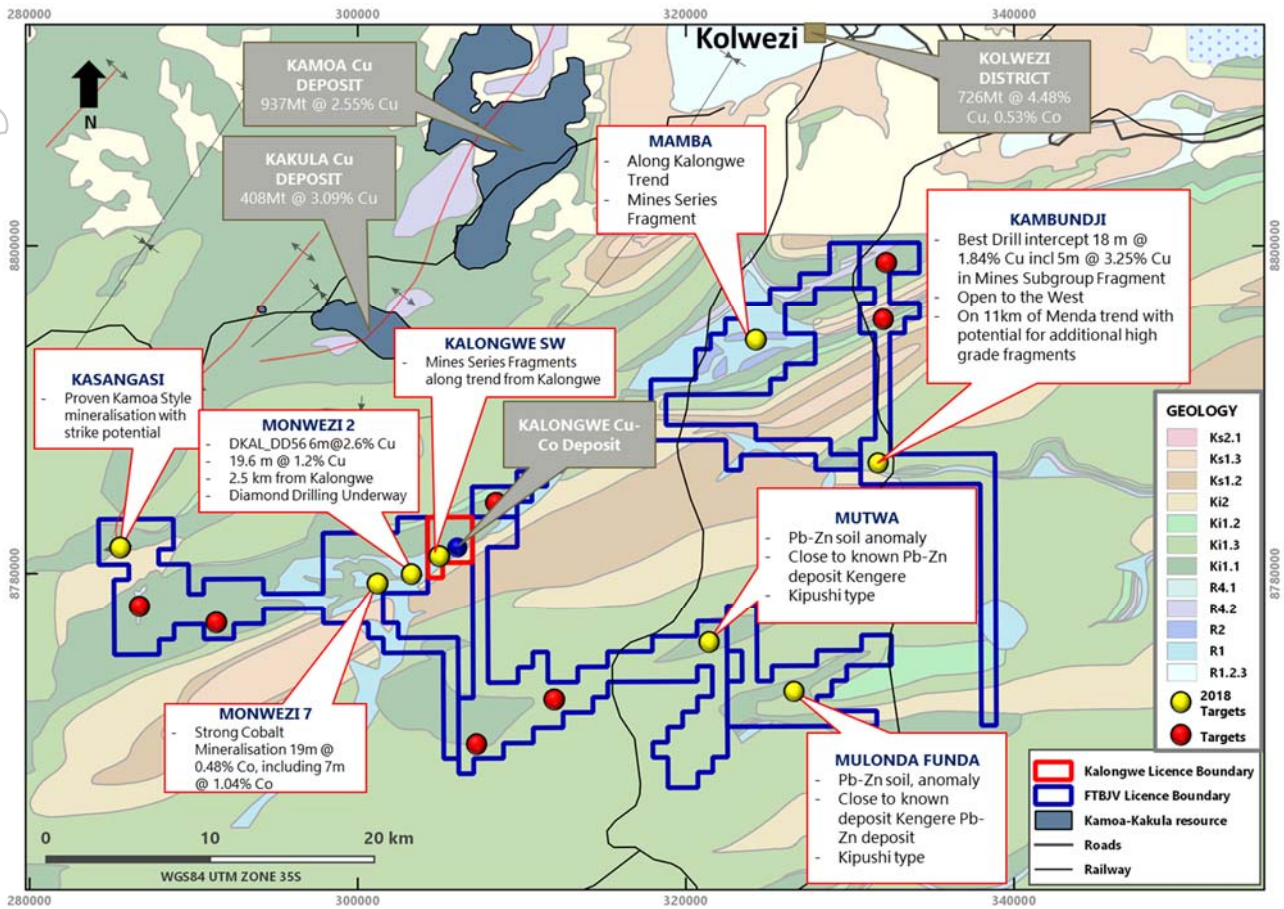


Figure 2. Key targets for the 2018 exploration program

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## Competent Persons Statement

### *Exploration results*

Scientific or technical information in this release that relates to Exploration Results is based on and fairly represents information and supporting documentation 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.

### *Mineral resources*

Scientific or technical information in this release that relates to the Mineral Resource estimate for the Kalongwe Project was first released by the Company in its ASX announcement entitled 'Upgraded JORC Resource at Kalongwe 302,000t Copper and 42,700t Cobalt' dated 5 February 2015. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

### *Ore reserve*

Scientific or technical information in this release relating to the Kalongwe Cu-Co Deposit reserve estimate is extracted from the Company's ASX announcement entitled 'Kalongwe Stage 1 Feasibility Study Outlines Robust, Low Cost Copper-Cobalt Project with Strong Financial Returns' dated 16th October 2017. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

## 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 with Ivanhoe.

### *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 1), 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).

### *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<sup>2</sup>, 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 Kamao-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.

## Appendix 1: Complete trench intercepts and collar positions for KAL\_17\_TR001

Appendix Table 1: Assay results from KAL\_17\_TR001

Trench ID	Method	Target	From	To	Length (m)	Cu%	Co ppm*	Year sampled	Comment
KAL_17_TR001	Trenching	KALSW	48	58	10	0.11	12836	2017	
KAL_17_TR001	Trenching	KALSW	61	67	6	0.08	7150	2017	

\*All intercepts over 1000 ppm Co are reported with a cut-off grade of 1000 ppm cobalt, minimum width of 2 m, maximum 2 m internal dilution

Appendix Table2: Trench location WGS84 z35s

Hole ID	Method	Target	East	North	Azimuth	Inclination	Depth	Date Completed
KAL_17_TR001	Trenching	KALSW	301419	8779029	147	1.9	103	13/12/2017

## Appendix 2: Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g., 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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g 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 (e.g., submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>The entire length of the trench was sampled.</li> <li>Samples were collected on 1m intervals and 2-3kg of material prepared for Laboratory analysis.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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).</li> </ul>	<ul style="list-style-type: none"> <li>No drilling reported</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling reported</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All trench samples 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.</li> </ul>

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<p><b>Sub-sampling techniques and sample preparation</b></p>	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• 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.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>• 5 % of the samples were prepared as field duplicates and were submitted to monitor between sample variability and laboratory assay precision.</li> <li>• Samples were submitted to the ALS Laboratory preparation facility in Lubumbashi, DRC, where the entire sample is crushed to &lt; 3mm and a 250 g aliquot is obtained using a rotary splitter followed by pulverising to 85% &lt;75µm. Regular sizing checks were undertaken and reported.</li> <li>• Sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>
<p><b>Quality of assay data and laboratory tests</b></p>	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• For geophysical tools, spectrometres, 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.</li> <li>• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Samples selected for laboratory analysis were submitted for a four acid digest (sulphuric, nitric, perchloric and hydrofluoric) and ICP-AES finish for multi-elements at ALS Johannesburg.</li> <li>• Only QAQC passed laboratory analyses are reported.</li> <li>• 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.</li> </ul>
<p><b>Verification of sampling and assaying</b></p>	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>• Assay verification is undertaken by submitting field duplicates.</li> <li>• At this stage of the exploration programme independent laboratory repeats are not deemed necessary</li> <li>• Data is recorded onto hardcopy log sheets which are stored onsite. This data is captured electronically and imported into the project database during which verification and validation is undertaken.</li> <li>• No statistical adjustments to data have been applied.</li> </ul>

<p><b>Location of data points</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• The grid system for the project is UTM WGS84, Zone 35 South.</li> <li>• Topographical data is determined through the combination of radar telemetry obtained during a high resolution aeromagnetic survey and average location collected by handheld GPS's.</li> </ul>
<p><b>Data spacing and distribution</b></p>	<ul style="list-style-type: none"> <li>• Data spacing for reporting of Exploration Results.</li> <li>• 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.</li> <li>• Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>• No resources are reported in this update.</li> <li>• Resource or ore reserve estimation is not reported here.</li> </ul>
<p><b>Orientation of data in relation to geological structure</b></p>	<ul style="list-style-type: none"> <li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Trench was designed to cross cut bedding, mineralisation is strataform.</li> </ul>
<p><b>Sample security</b></p>	<ul style="list-style-type: none"> <li>• The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>• An unbroken sample chain of custody was implemented, as follows:             <ul style="list-style-type: none"> <li>○ Plastic sample bags sealed and placed inside polyweave bags or boxes which are sealed with cable ties or taped closed</li> </ul> </li> <li>• 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.</li> </ul>
<p><b>Audits or reviews</b></p>	<ul style="list-style-type: none"> <li>• The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>• ALS's sample preparation laboratory located in Lubumbashi was audited in February and passed all required checks.</li> </ul>

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**Appendix 3: Reporting of Exploration Results**

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

Criteria	JORC Code Explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All results presented are located entirely within the Kalongwe mining licence</li> <li>PE12198 is valid until 2045</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>The Kalongwe deposit was discovered in 1902 and various phases of prospecting was done in 1931 to 1956, trenches were excavated, and four drill holes were completed but none of this data is available.</li> <li>African Minerals acquired the land covering the Kalongwe area in 2003 and completed the first systematic drilling programme including systematic geochemical sampling and grid-drilling at 100m by 100m. The African minerals drilling data is available and is utilised when planning exploration activities.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>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. Two deposit models are being targeted: (i) strataform copper mineralization in Roan Group lithologies and (ii) secondary remobilization of the mineralization along structures.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>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"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>See relevant appendices. Tables in text of report.</li> </ul>

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<p><b>Data aggregation methods</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>• Intercepts are calculated on a length weighted basis. No upper limit has been applied to copper or cobalt grades in these exploration results. For Copper target intercepts are calculated with a minimum length of 2 m, internal dilution less than 2 m intercepts over 5000 ppm Cu are reported. For cobalt targets 2 m or greater intercepts are calculated all intercepts above 1000 ppm are reported.</li> <li>• All metal grades reported are single element, reported in ppm or percentage units as is indicated.</li> </ul>
<p><b>Relationship between mineralisation widths and intercept lengths</b></p>	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>• 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').</li> </ul>	<ul style="list-style-type: none"> <li>• All intercepts reported here are trenched widths.</li> </ul>
<p><b>Diagrams</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• A plan map showing trench location is provided</li> </ul>
<p><b>Balanced reporting</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• In this press release drill holes are reported as intercepts, drill holes which did not intersect Cu or Co mineralisation are reported with "no mineralised intercepts"</li> </ul>
<p><b>Other substantive exploration data</b></p>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• At this stage assays for all drillholes have been received and have been reported.</li> </ul>
<p><b>Further work</b></p>	<ul style="list-style-type: none"> <li>• The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>• Target is considered poorly tested and requires drill testing in all directions</li> <li>• Diamond drill rig is currently operating on KALSW</li> </ul>

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