



# Quarterly Activities Report

## For the Quarter ended 30 June 2018

**ASX: OKR**

### Issued shares

34,342,867  
as at 30 June 2018

### Board of Directors

*Klaus Eckhof*  
Non-executive Chairman

*Nigel Ferguson*  
Managing Director

*Raymond (Jinyu) Liu*  
Non-executive Director

### Company Secretary/CFO

*Craig Nelmes*

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31 July 2018

## HIGHLIGHTS FOR THE QUARTER

### **Mambasa Project, DRC**

- Assay results from the Stage 1 soil sampling program received and anomalous gold results of up to 0.93 g/t gold reported
- Two lineations defined within the gold in soil results:
  - +3,000 metre North-West trending fabric which is a similar orientation to regional gold projects such as Kibali and Geita interpreted from satellite imagery
  - +3,000 metre North-South trend that potentially represents another structural control associated with anomalous gold.
- Stage 2 soils sampling program completed late in the June quarter and 500 samples now with ALS Laboratories in South Africa for multi chemical analysis.

### **Crackerjack Project, Western Australia**

- Desktop review of multi element results from previous work at Crackerjack.
- Planning for the next phase of work has been completed and is planned for commencement in the September Quarter.

### **Katanga Copper-Cobalt Project, DRC**

- Okapi secured an extension of time to finalise legal due diligence (now 180 business days to 24 September 2018) as agreed project vendor Rubamin FZC
- The Company is planning a detailed mapping project on the Tenke and Ntondo projects as a precursor to a potential airborne geophysical survey post due diligence.

### **Corporate**

- Okapi remains well funded with end of quarter cash reserves of \$4.9 Million

Okapi Resources Limited (ASX: OKR, “Okapi”, “Company”) is pleased to report on activities completed during the June 2018 quarter.

## The Mambasa Project Work Completed (Earn in to 70%)

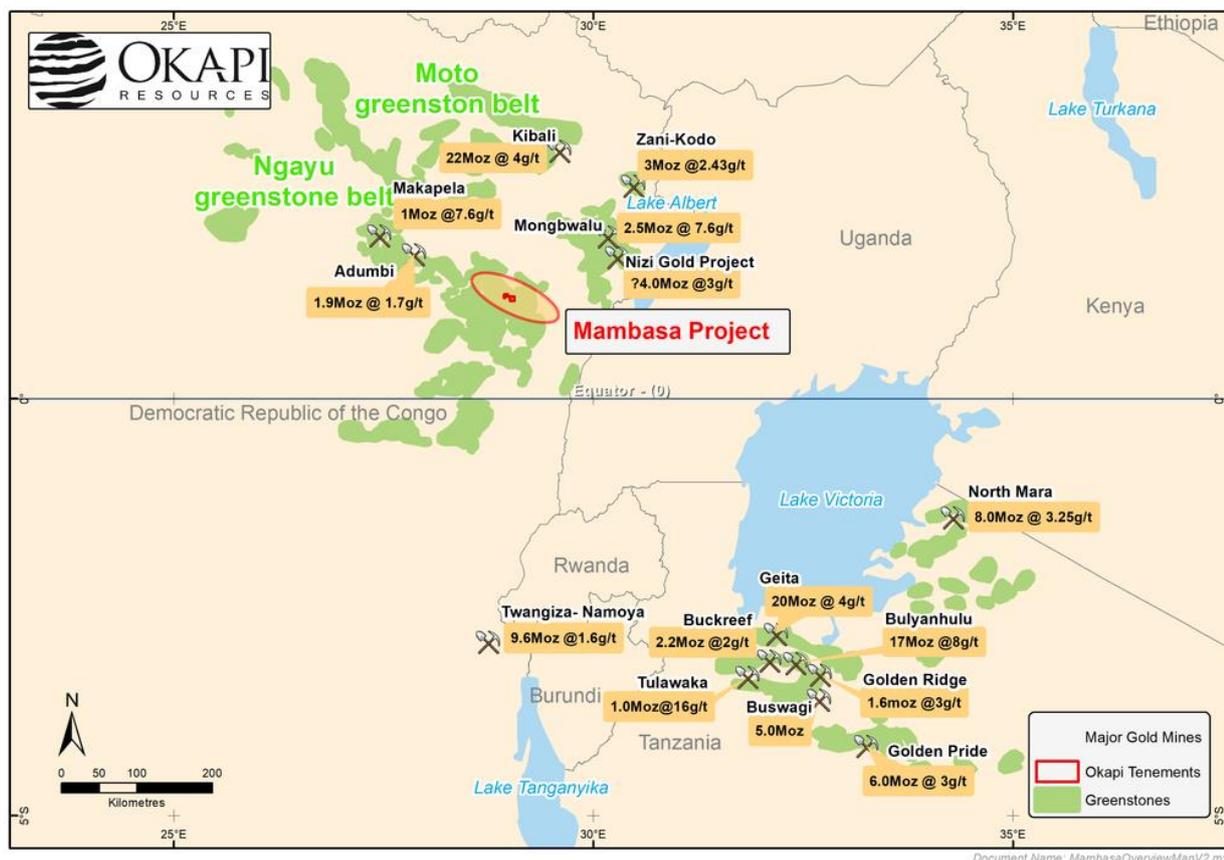


Figure 1: Regional Location Map of the Mambasa Gold Project Showing Nearby Significant Gold Projects.

### Exploration Activities for the June Quarter

#### ➤ Stage 1 Soil Sampling Program – Assays received

During the June quarter the Company reviewed the multi element geochemical results from the Stage 1 soil sampling program at Mambasa (**ASX Release on 9 April 2018**). Work consisted of the collection of 997 soil samples from the PE364 licence area on a 250m line by 100m soil sample grid. These samples were submitted to the ALS Laboratory, Johannesburg (ISO 9001:2008) for multi-element analysis. The results, reporting up to a maximum of 0.93 g/t Au, have all been received.

Anomalous gold results show a +3,000 metre long NW trend (**Figure 2**), which is very encouraging as it is a similar geometry shown by some of the more significant gold projects in the region, including Kibali and Geita (**Figure 1**). A similar NW fabric can be seen in satellite imagery and the lineation is currently interpreted as the same structural trend that hosts deposits in the Ngayu Greenstone Belt (**Figure 3**).

Also apparent in the gold in soil results is a +3,000 metre long North-South trend that potentially represents another structural control associated with anomalous gold-in-soils results.

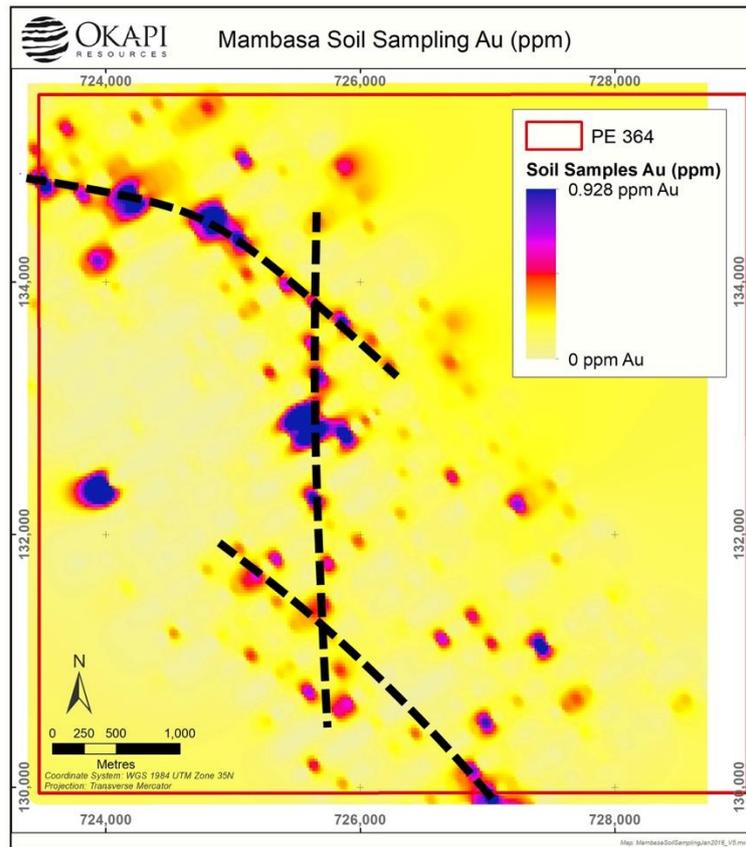


Figure 2: Mambasa Soil Sampling Results - Gold

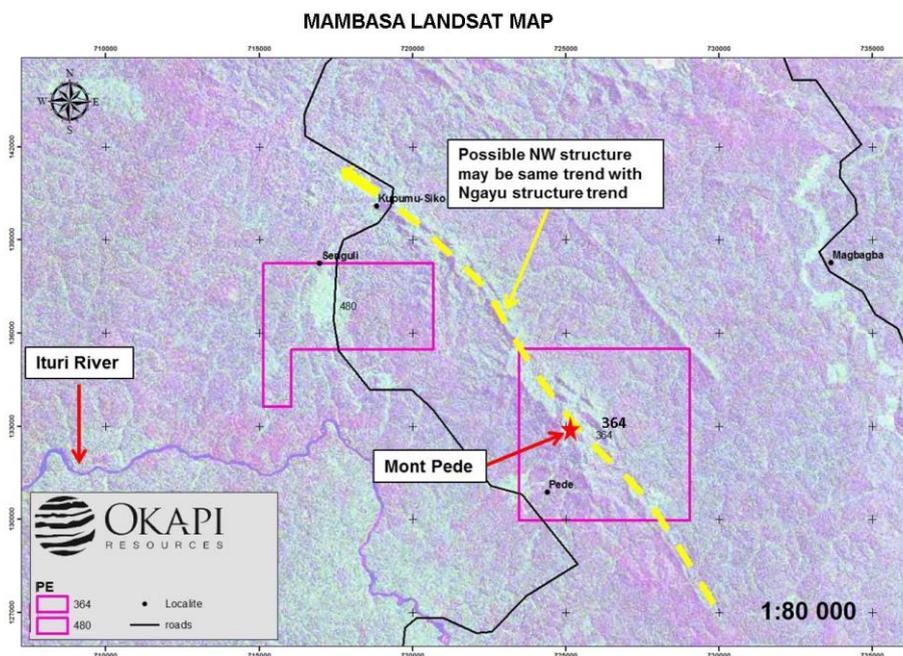


Figure 3: Landsat Imagery with Interpreted Structural Trend

➤ **Stage 2 – Soils Sampling Program**

As announced on 22 June 2018, Okapi completed its Stage 2 sampling program, in which resulted in the submission of 500 infill samples, this included 463 soil samples, 13 rock chips samples and 24 QAQC samples (**Figure 4**).

At the date of this report, all 500 samples are with ALS Laboratories South Africa for multi-element analysis. All results are pending and will to be released once available.

The Company is hopeful that results of the infill soil sampling will permit drilling, logistical work for a potential drill program has already commenced.

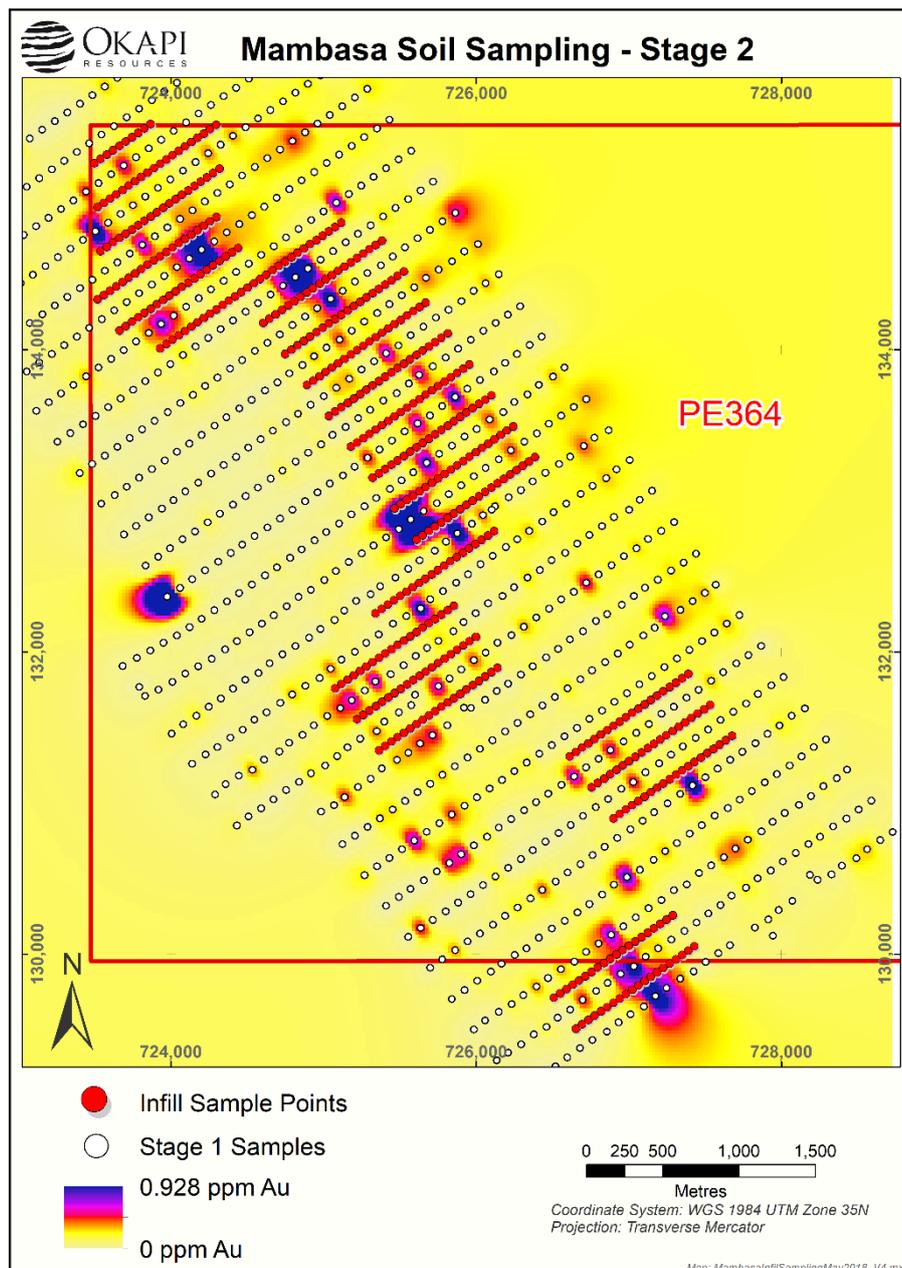


Figure 4. Infill Soil Sampling Completed at the Mambasa Gold Project

## Exploration Activities planned for the September 2018 Quarter

Further work planned for the Mambasa Gold Project includes;

- Review of Stage 2 sampling results;
- Logistics, mapping and planning;
- Detailed geological mapping;
- Implementation of a scout drilling program

## The Crackerjack Project Work Completed (100% owned)

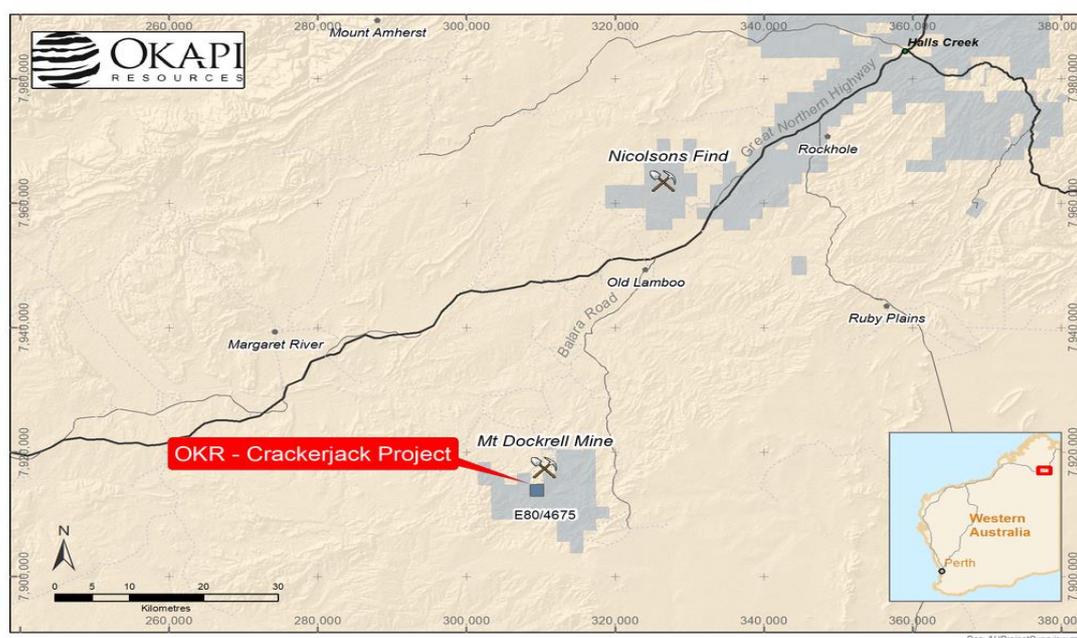


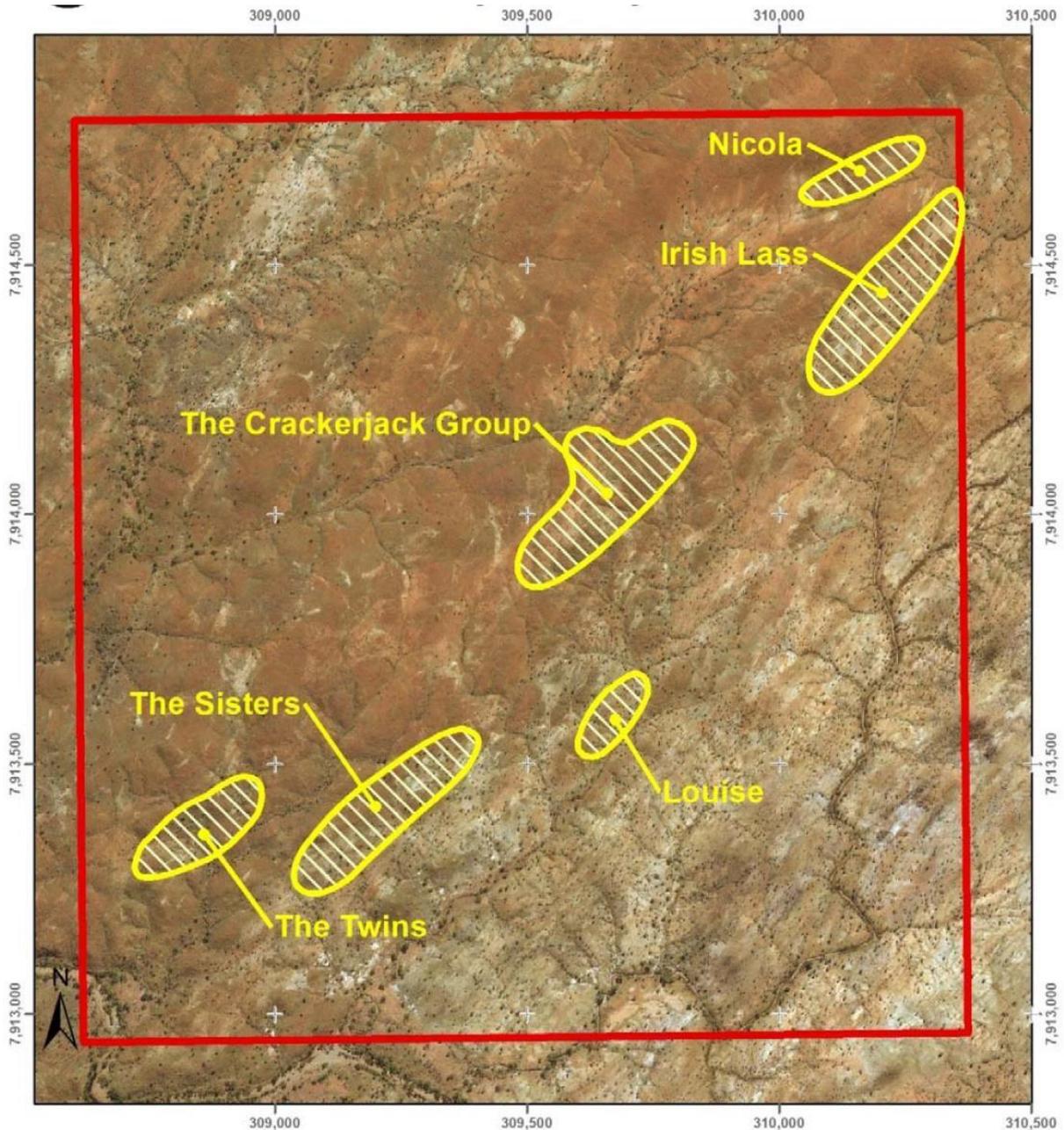
Figure 5: Location Map of the Crackerjack Project

## Exploration Activities for the June 2018 Quarter

Work carried out during the June 2018 quarter consisted of further desktop assessment of the multi-element data gathered during the last round of field work at Crackerjack. This multi-element data has been incorporated with remote sensing data to assist with identifying local alteration haloes around the mineralised zones. This information will be used as an aid to assess the potential size of mineralized zones and facilitate the ranking of prospects for further work.

Planning has been completed for a detailed follow-up mapping and rock chip sampling programme, the focus of which will be around the newly identified prospects of Nicola, Louise and 'The Twins', and will also include the complex 'Sisters' area (**Figure 6**). The remaining historic drill holes will also be surveyed where possible, to help with interpretation and allow better modelling of the known gold-bearing structures.

The on-ground work is expected to commence in the September Quarter. Positive results will confirm the prospects as drill-ready targets.

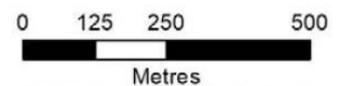


### Exploration Targets

Fig 3

**Legend**

 Exploration Targets



Coordinate System: GDA 1994 MGA Zone 52  
Projection: Transverse Mercator

Figure 6: Map of Crackerjack Exploration Targets

## Katanga Cobalt-Copper Project - Project Acquisition (Earn up to 70%)

### Execution of Option Agreement

In the prior March 2018 quarter, Okapi executed an Option Agreement with local vendor, Rubamin FZC to earn up to a 70% equity right in up to three mineral exploration licences (“**Research Permits**”, “**PR’s**”) located in the Democratic Republic of Congo (“DRC”) (**Figure 7**) and referred to as the Katanga Cobalt-Copper Project (**ASX release 25 January 2018**).

Rubamin SARL (through its wholly owned and controlled DRC subsidiary, Rubaco Societe a Responsabilitee “Rubaco”), is the current owner of Research Permits (PR) exploration licences PR5468, the “Tenke Project”, covering a total of 151km<sup>2</sup>, PR13380, the “Ntondo Project”, covering a total of 48km<sup>2</sup> and PR 4981, the “Luisha Project” covering a total of approximately 48km<sup>2</sup>.

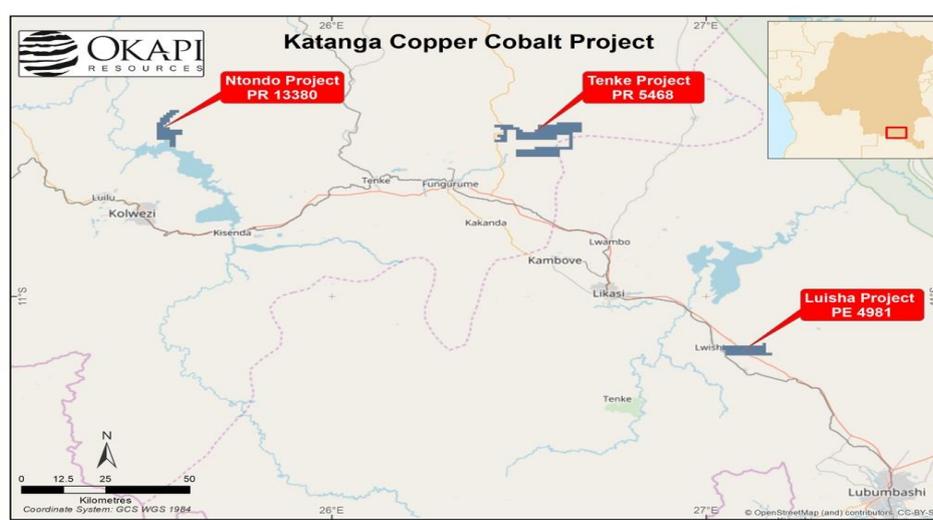


Figure 7: Location Map of the Katanga Copper Cobalt Project

Regionally traditional copper/cobalt mineralisation is hosted in sedimentary rocks of the highly prospective Roan Formation. These rocks, in particular the dolomites, are susceptible to brittle fracture and are extremely chemically receptive to mineral precipitation and enrichment. The world class Tenke Fungurume Copper/Cobalt Mine (Measure & Indicated – 680Mt @ 2.5% Cu & 0.3% Co – Dec 31, 2015<sup>1</sup>) is hosted in rocks from the Roan Group. More recently sediments of the of the overlying Kundulungu

Group have been found to host world class deposits, Kamao-Kakula: Indicated Resource 1.03 billion tonnes @ 3.17% Cu (2018)<sup>2</sup>.

Currently the team is finalising a detailed geological mapping project to be implemented in the September Quarter. This program is intended as a foundation for future work being planned which includes a potential airborne geophysics program.

<sup>1</sup> Lundin Mining Annual Information Form. 31 December 2015 Lodged March 30<sup>th</sup> 2016. Schedule A “Mineral Reserves and Resources – 2015” Page 64. [www.sedar.com](http://www.sedar.com)

<sup>2</sup> Ivanhoe Mines Limited. January 2018. Technical Report (NI 43-101) Kamao-Kakula 2017 Development Plan, Section 1.2.1 pages 5 and 6. Orewin Pty Ltd. [www.sedar.com](http://www.sedar.com)

### ***Option/farm in Agreement***

The Key option/farm-in terms and conditions are as follows:

- Okapi has an Exclusivity Period of 180 Business Days from within which to complete technical, legal and corporate due diligence (now expiring 24 September 2018);
- An option fee of US\$25,000 per Licence is payable on the granting Okapi the Option to acquire the Project Interest;
- Okapi is appointed as Manager and is solely responsible for maintaining the Project, contracting, compliance with DRC Mining Laws and possession and control of Project assets.
- The funding obligations for each licence over a planned three-year period post the DD phase totals US\$3 million for Okapi to earn its full 70% interest.
- Rubamin has a contractual right for first right of refusal to provide selected drilling services subject to Okapi's rights regarding approval and the satisfaction of legal and competency preconditions;
- If Okapi withdraws after meeting the Year 2 funding obligations, then they may elect to assign to a third party that portion of the earned Project Interest (subject to Rubamin's first right of refusal). If Okapi withdraws from further funding of all Licences, then it surrenders all earned Project Interest
- If Okapi decides to only put one Licence into Development, then the Project Interest will be reduced to 60% of that licence. Okapi has the right to buy back the surrendered 10% to return to the full 70% Project Interest at the agreed price with the safeguard of independent valuation;
- Okapi is required to meet the cost of the pre-feasibility study and deliver a report in accordance with Good Industry Practice.

### ***Due Diligence Period***

In the June 2018 quarter, Okapi secured a further extension and now has up to 180 business days from the original agreement date of 18 January 2018, so as to finalise legal due diligence (up to 24 September 2018).

This extension was mutually agreed with the vendor, Rubamin FZC, UAE ("Rubamin") and its wholly owned and controlled DRC subsidiary, Rubaco Societe a Responsabilitee ("Rubaco"), to provide them additional time for presentation of all requested legal documentation to the satisfaction of Okapi and its in-country legal counsel.

## **Corporate**

- Okapi held cash reserves at end of quarter of \$4.9 Million.

## Tenement Holdings and Movements

### Schedule of Mining Tenements and Beneficial Interests Held as at the end of the June 2018 Quarter

Project/Location	Country	Tenement	Percentage held/earning
Crackerjack	Australia	E80/4675	100%

### Schedule of Mining Tenements and Beneficial Interests Acquired during the June 2018 Quarter

Project/Location	Country	Tenement	Granted Date
Nil			

### Schedule of Mining Tenements and Beneficial Interests Disposed of during the June 2018 Quarter

Project/Location	Country	Tenement	Withdrawal Date
Nil			

#### Competent Person's Statements

The information in this report that relates to Exploration Results for the Mambasa Gold Project is based on, and fairly represents information and supporting documentation compiled by Mr. Michael Montgomery, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr. Montgomery is a consultant of Okapi Resources Limited. Mr. Montgomery has sufficient experience that is relevant to the style of mineralisation and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr. Montgomery consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results for the Crackerjack Project is based on and fairly represents information and supporting documentation prepared by Mr. Matthew Ridgway, a Competent Person who is a member of The Australian Institute of Geoscientists. Mr. Ridgway is a full-time employee of Hydra Consulting Pty Ltd, providing exploration consultancy services to the resource industry. Mr. Ridgway has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr. Ridgway consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results for the Katanga Project is based on and fairly represents information and supporting documentation compiled by Mr. Nigel Ferguson, a Competent Person whom is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr. Ferguson is a full-time employee of Ridgeback Holdings Pty Ltd and Director of Okapi Resources Limited. Mr. Ferguson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Mr. Ferguson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.