



OKAPI

Resources

ANNUAL REPORT
For the year ended
30 June 2022

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ASX:OKR | OTCQB:OKPRF

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Okapi's clear strategy is to become a new leader in North American carbon-free nuclear energy by assembling a portfolio of high-quality uranium assets through accretive acquisitions and exploration.

Corporate Directory

Company Details

Okapi Resources Limited
ABN 21 619 387 085

Directors

Non-Executive Chairman
Mr Brian Hill

Managing Director
Mr Andrew Ferrier

Executive Director
Mr Leonard Math

Non-executive Director
Mr Benjamin Vallerine

Non-executive director
Mr Fabrizio Perilli

Company Secretary

Mr Leonard Math

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Share Registry

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Stock Exchange Listing

Australian Securities Exchange Limited
(ASX Code OKR, OKRO)
(OTCQB Code OKPRF)

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Chairman's Letter

Dear shareholder

The 2022 financial year was a pivotal year for Okapi Resources, where the company shifted its core focus from Australian gold to North American uranium.

The company's new strategy is to answer North America's growing call for locally produced uranium. There are many signs the US Government is now embracing carbon-free nuclear energy to achieve its goal of a net zero carbon economy by 2050. A new Inflation Reduction Bill, which includes major tax credits to any carbon-free electricity generator, could be game-changing for the uptake of nuclear energy in the States while the Biden administration is currently pushing lawmakers to support a \$4.3 billion plan to buy enriched uranium directly from domestic producers to wean the US off Russian imports of the nuclear-reactor fuel. This follows the US Government allocating US\$6 billion to aid nuclear reactors that are in danger of closing. Before that, President Trump's 2021 budget included annual expenditure of US\$150 million for 10 years to create a US\$1.5 billion strategic uranium reserve. Meanwhile, the USA Nuclear Energy Institute, the trade association for the country's 60 nuclear plant operators, says it hopes to nearly double their output over the next three decades.

The US Government, like many countries around the world such as Japan, China, the UK, and Germany, is committed to shifting away from fossil fuel electricity generation to those that release minimal greenhouse gases. Nuclear energy is the clear frontrunner for replacing fossil fuels over time and is hard to ignore in any national energy mix. In addition to being the most reliable baseload, it's clean, safe, and very energy dense. One uranium pellet, the size of a gummy bear, is the equivalent of one tonne of coal or 17,000 cubic feet of natural gas.

Okapi's confidence in the future of nuclear energy in North America continues to increase and in the space of one year the company has established a strategic uranium position in both the United States and Canada. In the US, our uranium projects include Tallahassee and Maybell in Colorado, and Rattler in Utah which covers the historic Rattlesnake and Sunnyside uranium mines. Our US portfolio hosts a total JORC Mineral Resource of 49.8 million pounds. In November, the company acquired six exploration assets in Canada's Athabasca Basin, the world's premier uranium district.

The appointment of experienced mining executive Andrew Ferrier as Okapi's new Managing Director in December 2021 was a major win for the execution of the company's uranium strategy. Andrew has significant knowledge and understanding of the North American uranium space having been heavily involved in the development, permitting and sale of the Reno Creek ISR Uranium project in Wyoming, USA. Reno Creek is now the largest permitted preconstruction ISR project in the USA. I'm pleased that Andrew and the Board appointed me as Okapi's Chairman in February. I am a very strong believer in Okapi and will work tirelessly to apply my mining background and US experience to realising the company's terrific potential.

Yours faithfully

Brian Hill
Executive Chairman

Managing Director's Report

Okapi's vision to establish a dominant uranium position in North America became clearer during the 2022 financial year as nuclear generation emerged as a significant item on the US Government's energy agenda.

The year opened with the transformational acquisition of our flagship Tallahassee Uranium Project in Colorado and closed with field exploration programs across two of our six Athabasca projects in Canada. In between these two major milestones were a series of major achievements that have left Okapi in a very strong position.

US acreage position hosts significant uranium resource

The Tallahassee Uranium Project hosts a total JORC Mineral Resource of 49.8 million pounds (Mlbs) of uranium (at 540ppm U_3O_8) across six significant deposits Noah, Taylor, Boyer, Hansen, Picnic Tree and High Park. The project lies within a district that has historically produced 435,000 pounds of uranium at an average grade of 2,500ppm. More than 2,200 holes have been drilled across the district for more than 350,000m returning a vast library of exploration data. Okapi has received Colorado State approval to drill up to 18,200m at Tallahassee over approximately 60 holes.

As part of the Tallahassee transaction, Okapi also secured the Rattler Uranium Project in Utah which includes the historical high-grade Rattlesnake uranium mine. Rattler's acreage was later increased via the acquisition of the Sunnyside Uranium Mine in September 2021. Rattler and Sunnyside are located within the La Sal Uranium District, 85km north of the White Mesa Uranium/ Vanadium mill – the only operating conventional uranium mill in the USA.

In February, the company expanded its Colorado acreage position, staking 468 claims covering 3,600 hectares to acquire the Maybell Uranium Project. It lies within a district located in north-western Colorado, that has produced 5.3Mlbs of uranium at an average grade of 1,300ppm U_3O_8 .

Major foothold secured in Canada's world premier Athabasca Basin

In January, Okapi announced it had closed the acquisition of six uranium projects in Canada's Athabasca Basin, the world's premier uranium district. Following satellite image data analysis over the Newnham and Perch projects, an extensive field exploration program began in June consisting of prospecting, outcrop, and boulder sampling. The purpose is to generate high-priority targets ahead of a planned North American winter drilling program.

At Middle Lake, Okapi is currently converting all historical exploration data to digital format to generate viable drill targets for testing. Permits have been obtained to drill up to 24 holes for a total of 10,000m of drilling.

Enmore Gold Project in Australia remains a key focus

Despite transitioning our focus away from Australian gold to North American uranium, the Enmore Gold Project in New South Wales remains as a key project for Okapi. There is significant exploration potential at Enmore, with 36 identified mineral occurrences, the majority of which are untested by deep drilling, modern geophysics or other targeting methods applied across the project. A diamond drilling program started at Enmore in June. The primary objective is to follow up drilling at the Sunnyside Prospect, which returned promising results in Okapi's maiden drilling program completed in September 2021.

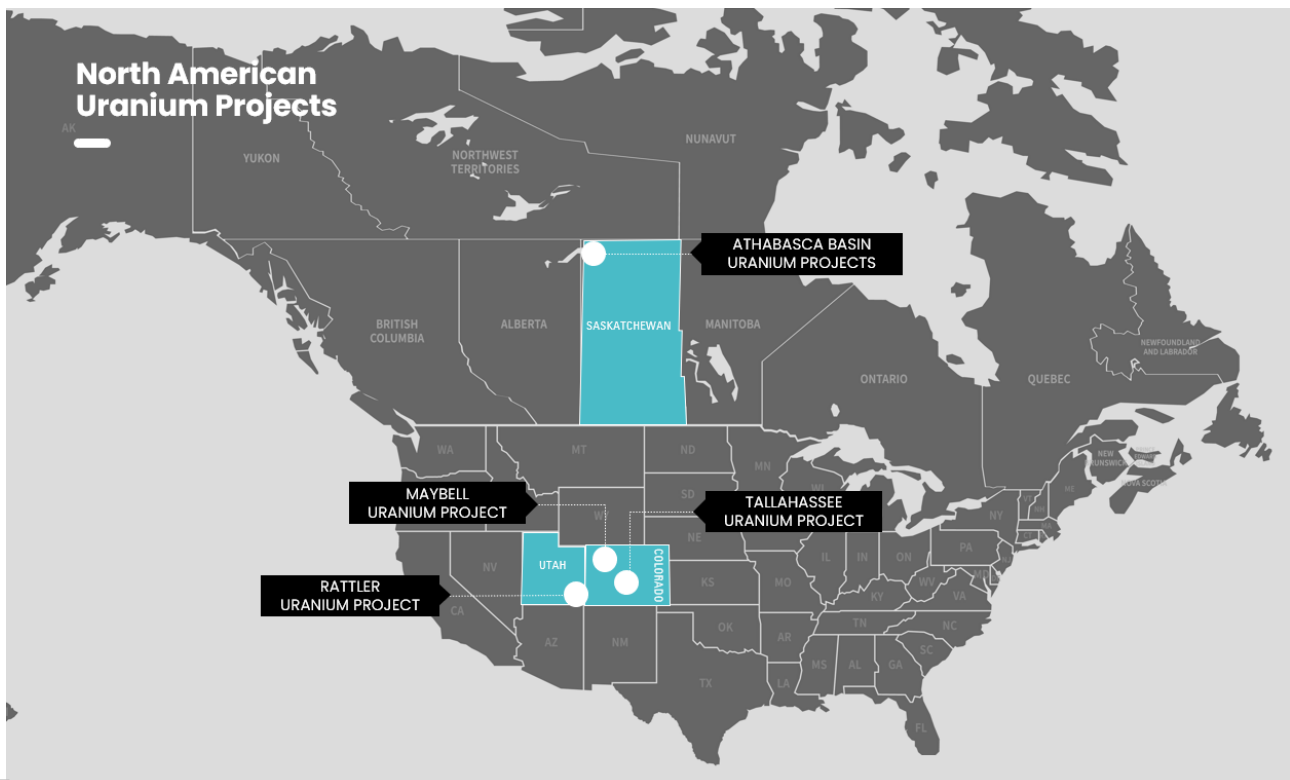
A lot of ground was covered over FY2022 as we assembled a world class uranium portfolio in the world's premier uranium basins. The next 12 months offer incredible upside as we now continue to explore, drill and advance our acreage while evaluating new opportunities to expand it. The Board's strong view is that Okapi remains well undervalued compared to its peers given the size of our resource, the strength of our assets, and proven uranium experience.

Review of Operations

Okapi Resources' growth strategy is to answer North America's growing call for locally produced uranium. The USA is the world's largest producer of nuclear power, accounting for more than 30% of worldwide nuclear generation of electricity, while Canada's Athabasca Basin is responsible for 20% of global supply.

Driven by the difficulty of meeting clean energy goals and by surging electricity demands, a growing number of political leaders led by the Biden administration are taking a fresh look at nuclear power — both extending the life of existing reactors and building new ones. Moreover, in the US, the conflict in Ukraine has brought the discussion on security of supply to the fore for uranium.

Over the past 12 months, Okapi has established strong strategic positions in North America's including in the Tallahassee Creek Uranium District in Colorado, and Canada's Athabasca Basin.



Tallahassee Uranium Project

Our flagship Tallahassee Uranium Project comprises five major uranium deposits in Colorado, USA with an overall JORC Resource of 49.8Mlbs U_3O_8 (average grade of 540ppm).

Athabasca Uranium Portfolio

Okapi has six exploration projects in Canada's Athabasca Basin, best known as the world's leading source of high-grade uranium.

Rattler Uranium Project

Located within the recognised La Sal Uranium District in Utah, the Rattler Project is located 85km north of Energy Fuels Inc's White Mesa Uranium/Vanadium mill in Utah – the only conventional uranium mill in the USA.

Maybell Uranium Project

The Maybell Uranium Project is situated in a recognised historical uranium mining district in Colorado USA, with historical production of 5.3Mlbs of U₃O₈ (average grade, 1,300ppm).

Okapi also has a portfolio of Australian gold assets. Exploration activities have been concentrated at the Enmore Gold Project in New South Wales.

Enmore Gold Project

Okapi's Enmore Gold Project in New South Wales lies in the New England Fold Belt near the Hillgrove Gold Mine (ASX:RVR) which has produced over 730,000oz of gold.

Lake Johnson Project

The Lake Johnston Project consists of Okapi's 100% owned tenement E63/2039 and a joint venture with Charger Metals NL in relation to E63/1903. The tenements are located in the central Lake Johnston Greenstone Belt, approximately 450km east of Perth. In August 2022, the Company completed the sale of tenement E63/2039 to Nordau Pty Ltd.

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Tallahassee Uranium Project

Colorado, USA

The Tallahassee Uranium Project has a total JORC Mineral Uranium Resource of 49.8 million pounds (42.0Mt @ 540ppm U₃O₈ using a 250ppm cut-off grade) across five deposits.

Located 140km southwest of Denver and 30km northwest of Cañon City, Colorado, USA, the Tallahassee Uranium Project encompasses the Boyer, Noah, Taylor, Hansen, and Picnic Tree uranium deposits, as well as mining claims that cover a portion of the High Park Uranium Deposit.

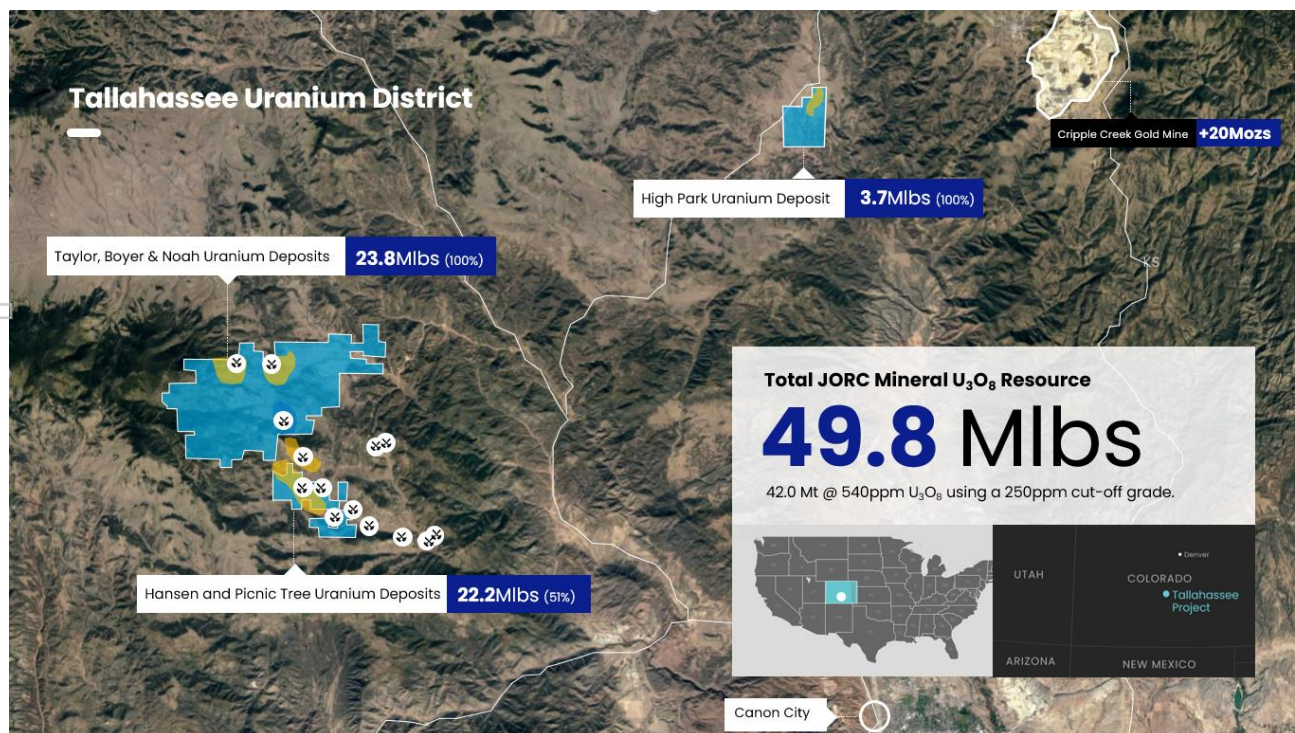
The Tallahassee Project was secured following the acquisition of Tallahassee Resources Pty Ltd in August 2021 in a scrip and production royalty deal and included an option to acquire 100% of the Rattler Project in Utah.

Following the acquisition, Okapi declared a maiden JORC 2012 Mineral Resource estimate for Tallahassee in October 2021 of 27.6Mlbs of U₃O₈ at 490ppm U₃O₈. In April 2022, Okapi increased its resource at Tallahassee to 49.8Mlbs U₃O₈ and the grade to 540ppm U₃O₈ following its decision to acquire a 51% interest in the Hansen and Picnic Tree uranium deposits. The deal with STB Minerals LLC was closed in July 2022.

Okapi is focused on further expansion and consolidation in the region and has a clear strategy to expand Tallahassee's existing resource.

Uranium mineralisation was first discovered in the Tallahassee Creek area in 1954. Between 1954 and 1972 sixteen small open pit and underground mines operated, with total production of approximately 80,000 tonnes of ore at an average grade of 2,500ppm U₃O₈, for 435,000 pounds U₃O₈. More than 2,200 holes have been drilled in the district for more than 350,000m which provides a rich bank of exploration data.

Okapi received approval for its notice of intent to conduct prospecting application on its Taylor-Boyer deposits from the Colorado Division of Reclamation, Mining and Safety. The approval will allow Okapi to drill up to 60 drill holes; The permit is valid through to 31 December 2027.



Athabasca Uranium Projects

Saskatchewan, Canada

Okapi has six advanced exploration tenements located in Canada's Athabasca Basin, the world's premier high-grade uranium district responsible for 20% of global supply.

The Athabasca Uranium Projects were acquired from ALX Resources Corp in November 2021 in a deal that consisted of a beneficial interest in five uranium projects, and an 80% interest in a sixth. Okapi paid A\$1,000,000 for the assets plus issued ALX with A\$1,050,000 worth of fully paid ordinary shares in Okapi. Additionally, ALX was granted a 1.5% net smelter returns (NSR) royalty. Okapi may at any time acquire up to 50% of the NSR from ALX by payment to the vendor of C\$1,000,000.

The Athabasca Basin is home to the world's largest and highest-grade uranium mines including Cameco's McArthur River and Cigar Lake uranium mines which contain total mineral reserves of 165.6mlbs @ 15.9% U₃O₈ and 391.9mlbs @ 6.9% U₃O₈, respectively.

Okapi's Athabasca portfolio includes 75 granted mineral claims covering over 55,000 hectares (ha) located along the margin of the Athabasca Basin or in the Carswell Impact Structure where depth to the unconformity is relatively shallow being 300m or less and typically closer to 100m, making them ideal for targeting shallow high-grade uranium deposits.

During the June quarter, Okapi kicked off the company's North American summer exploration program across its exploration projects at Athabasca.

Okapi completed satellite image data analysis over the entire Newnham Lake and Perch Projects. This analysis included synthetic aperture radar (SAR) data, multispectral Sentinel and Aster data. The data collected generated a number of target areas. The targets are positioned across east-west structural corridors, and the intersection of those with north-south and northeast-southwest trending faults.

Subsequent to the end of FY2022, Okapi started an extensive field exploration program at Newnham Lake and Perch, which consists of prospecting, outcrop, and boulder sampling with potential soil and vegetation sampling to help identify favourable structural scenarios suitable for hosting uranium mineralisation. Results will be utilised from the satellite analysis and compilation work received from Axiom Exploration Group to assist exploration efforts in specific areas of interest.

Newnham Lake Project (100%)

Newnham Lake consists of 14 claims totalling 16,940 ha and straddles the north-eastern margin of the Athabasca Basin. Newnham Lake is underlain by a series of graphitic metapelites where several fault zones have been identified along strike and cross-cutting the basement rocks. Multiple intercepts with grades between 1,000ppm U₃O₈ and 2,000ppm U₃O₈ have been intersected in relatively shallow historical drilling within a 25km folded and faulted conductive trend. Details of the historical drilling is currently being compiled by Okapi. Importantly, the depth to the Athabasca Basin unconformity at Newnham Lake is approximately 100m deep mitigating the need to drill deep holes in order to discover either sandstone or basement hosted uranium mineralisation.

Middle Lake Project (80%)

The Middle Lake Exploration Project adjoins the former Cluff Lake Mine which was operated by Orano (formerly Areva), the French multinational nuclear fuel company, from 1980 to 2002 producing 64.2mlbs of U₃O₈ @ 0.92% U₃O₈. Middle Lake is also located 10km north of Orano-UJEX's Shea Creek deposit (resources of 96mlbs @ 1.3% U₃O₈), 75km north of NextGen's Arrow Deposit (Resources of 337.4mlbs @ 1.8% U₃O₈) and 75km from Fission Uranium Corp's Triple R Deposit (Resources of 135.1mlbs @ 1.8% U₃O₈).

Boulder-trains with grades of up to 16.9% U₃O₈ have been discovered in the northern portion of the project. In the southern area there are six sandstone boulders together that assayed between 0.32% and 3.7% U₃O₈ with adjacent basement boulders assaying 8.95% and 1.72% U₃O₈.

Limited historical work has been undertaken to explore for deeper basement style mineralisation despite extensive alteration, anomalous geochemistry and favourable rock types, with most historical drill holes continuing less than 25m beyond the Athabasca unconformity. Historical exploration in the Newnham Lake Project area was largely undertaken prior to the understanding of the importance of basement-hosted uranium deposits.

During the June quarter, Okapi received from the Ministry of Environment, Government of Saskatchewan, a Crown Resource Land Work Authorization, an Aquatic Habitat Protection Permit, a Temporary Work Camp Permit, and Forest Product Permit. Together these permits will allow the company to drill up to 10,000m in 24 drill holes at its Middle Lake Uranium Project as well as conduct ground based geophysical surveys of up to 100-line kilometres. The permit is valid through to October 2023.

Okapi's immediate aim is to take the historic data and reinterpret and remodel the historic surface and drill data, geochemistry and geophysics to provide targets for drill testing. This will be combined with new remote sensing image interpretation currently underway that, when integrated with the historic, existing geophysical survey results, will provide a structural framework that can be incorporated into the geologic modelling. The application of multi-spectral satellite imaging to exploration at Middle Lake, and the enhanced software capacity now available, can readily detect areas of alteration associated with uranium mineralisation. The targets generated from the geologic model will then be followed by a potential diamond core drilling program that is likely to be conducted in the North America winter of Q1 2023.

Perch Project (100%)

The Perch Project consists of one mining claim, totalling 1,682 ha and straddles the north-eastern margin of the Athabasca Basin approximately 20km northeast of the Newnham Lake Project. The depth to the basement contact is less than 100m. Historical exploration has highlighted a prospective 4km long conductive trend. Two holes have been drilled into the trend with one of those holes returned 498ppm U_3O_8 and anomalous Cu-Ni-Zn, pathfinder elements for uranium mineralisation and the other returning grades of up to 504ppm U_3O_8 . These intercepts have not been followed up with further drilling.

Lazy Edward Bay Project (100%)

The Lazy Edward Bay Project consists of 42 mining claims, totalling 11,263 ha and straddles the southern margin of the Athabasca Basin. Lazy Edward is approximately 55km west of the Key Lake Mill (Cameco) and 55km east of the Centennial Uranium Deposit (Orano-Cameco). Historical drilling has returned grades of up to 908ppm U_3O_8 with anomalous nickel, boron and other pathfinder elements. Lazy Edward is a large package containing multiple conductive trends that are either poorly tested or untested.

Kelic Lake Project (100%)

The Kelic Lake Project contains 12 mining claims covering an area of 13,620 ha and straddles the southern boundary of the Athabasca Basin. Kelic Lake Project is located approximately 65km east of NextGen's Arrow Deposit and Fission Uranium Corp's Triple R Deposit. Kelic Lake has strong structural zones with known uranium enrichment and clay alteration within drill holes. Conductive graphitic pelites are defined by geophysics and confirmed by drilling. These pelites are crucial in the formation and hosting of unconformity related uranium deposits. Geochemical and biogeochemical sampling have returned anomalous uranium values. Irregularities in the depth to the unconformity as defined by drilling indicates structural complexities that may be conducive to the concentration of metalliferous hydrothermal fluids.

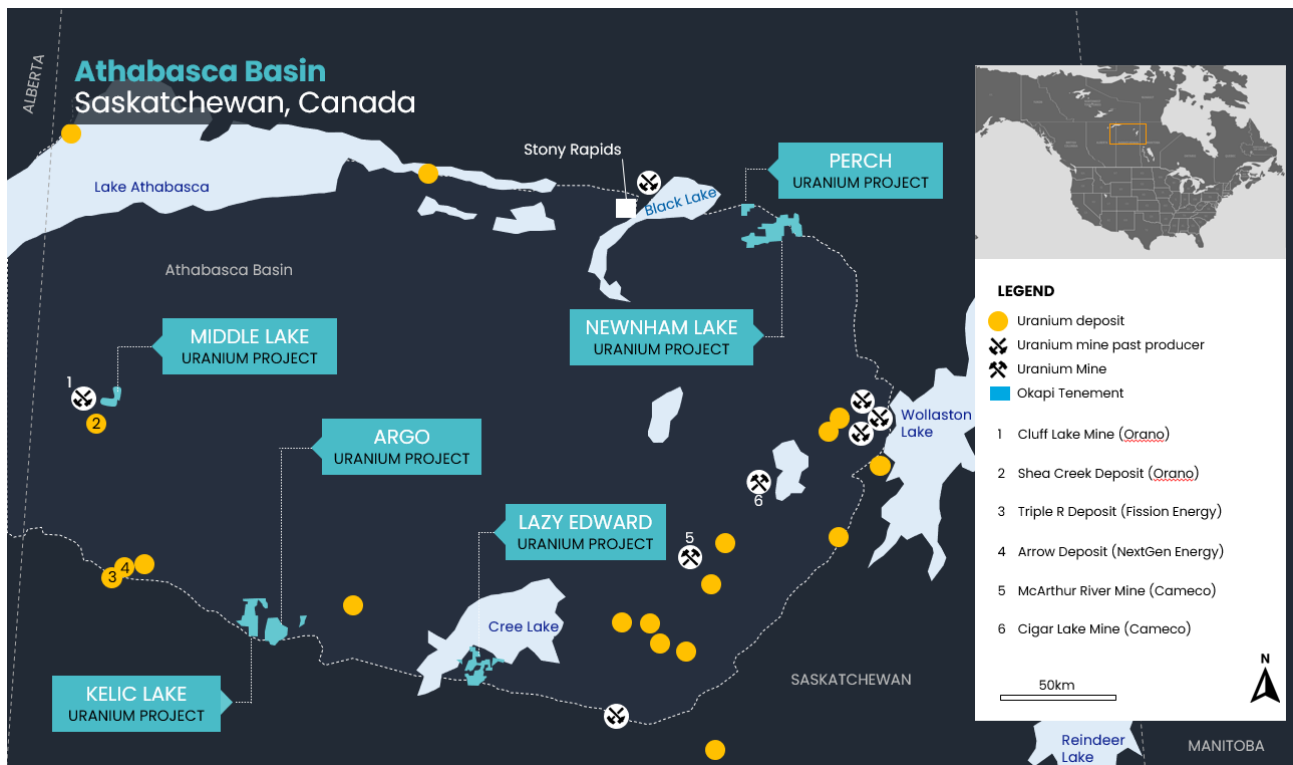
Argo Project (100%)

The Argo Project consists of three contiguous mining claims totalling 6,975 ha, that covers a prospective area between the Company's Kelic Lake Project to the west and Cameco Corporation's Centennial Uranium Deposit and Dufferin Uranium Zone. Argo straddles the southern uranium margin where sandstone thickness is less than 250m. A high-sensitivity airborne radiometric survey was flown in 2018 and identified several areas of anomalous radioactivity, including certain spot anomalies that could represent the presence of radioactive boulders. Approximately half of the targets have been ground truthed with the discovery of

boulders considered highly anomalous in uranium. Follow up of this target and the remaining unchecked radioactive targets was strongly recommended but has not been undertaken.

Acquisition, processing, analysis and interpretation of satellite image data including SAR and multispectral Sentinel & Aster data has now been completed over the entire project areas at the Kelic Lake and Argo Projects.

The results of the image analysis will be combined with historic exploration data and summary reports generated with recommendations for follow-up surface exploration work to confirm drill targets. The surface work will dominantly comprise geologic mapping and sampling as well as soil geochemistry. The results of these investigations will then be geologically modelled to assist with the generation of drill programs.



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Rattler Uranium Project

Utah, USA

Located within the La Sal Uranium District, Utah, Okapi's Rattler Uranium Project includes the historical Rattlesnake and Sunnyside uranium mines and is 85km north of White Mesa's Uranium/ Vanadium mill – the only operating conventional uranium mill in the USA.

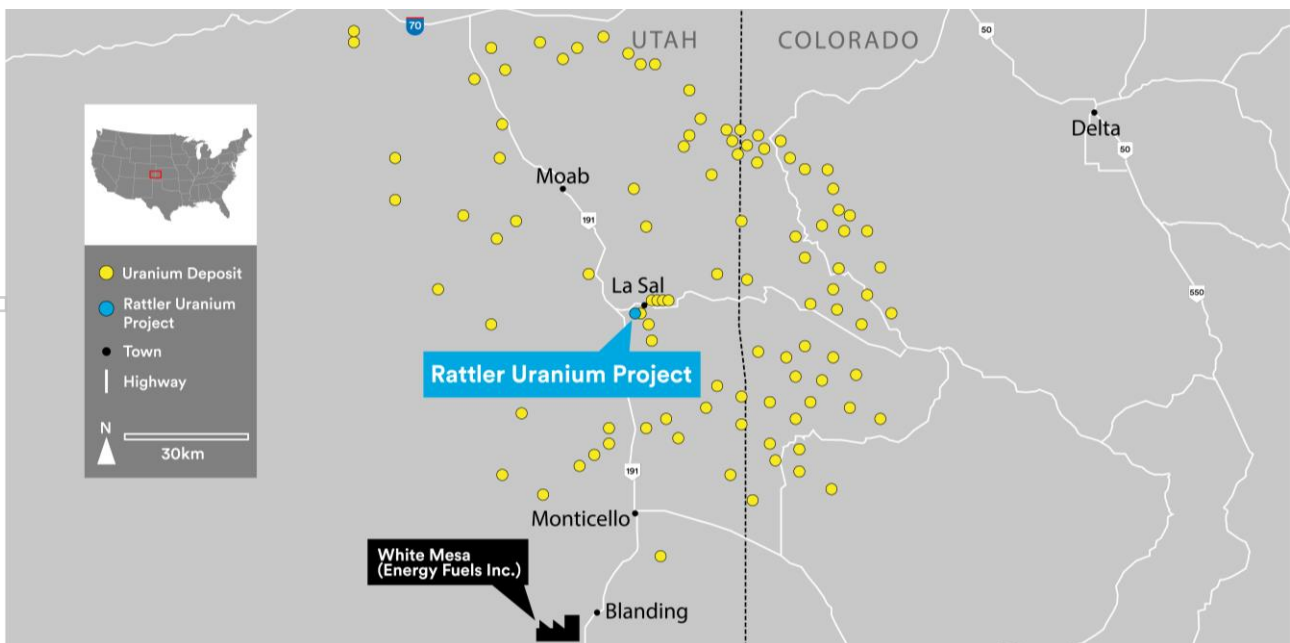
The Rattler Project was secured as part of Okapi's acquisition of Tallahassee Resources Pty Ltd in August 2021. Rattler's project area includes the historical Rattlesnake open pit mine, which produced 1.6Mlbs of U_3O_8 and 4.5Mlbs of V_2O_5 between 1948 until 1954. Within 15km of the Rattlesnake mine, the Pandora, La Sal, Beaver, Energy Queen and Pine Ridge mines all operated during the 1970s until the early 1980s, with ore from these mines processed at mills in Uravan, Moab and Blanding (now Energy Fuels' White Mesa Mill).

In September 2021, Okapi announced it had increased its Rattler landholding, acquiring 100% of the historic Sunnyside Uranium Mine, which comprises several small past-producing pits and adits where uranium was mined in the early 1900s at grades reported to have been 1,500ppm U_3O_8 and 1.5% V_2O_5 .

Exploration commenced at Rattler in November 2021, which involved a detailed review of historical workings, geological mapping and rock chip sampling concentrated around the old Rattlesnake and Sunnyside mines. Assays later showed the presence of exceptional uranium mineralisation with 15 of 28 rock samples reporting values greater than 1,000ppm U_3O_8 . Meanwhile 18 rock samples reported values greater than 5,000 ppm V_2O_5 (0.5% V_2O_5).

During the June quarter, Okapi received approval from the Bureau of Land Management (BLM) and the State of Utah, Division of Oil, Gas and Mining for the Notice of Intent to conduct an RC drill program comprising 100 shallow drill holes.

In 2014, Energy Fuels reported that remaining resources at the Pandora, La Sal, Beaver, Energy Queen and Redd Deposits comprise a total 4.5Mlbs U_3O_8 and 23.4Mlbs of V_2O_5 .



Maybell Uranium Project

Colorado, USA

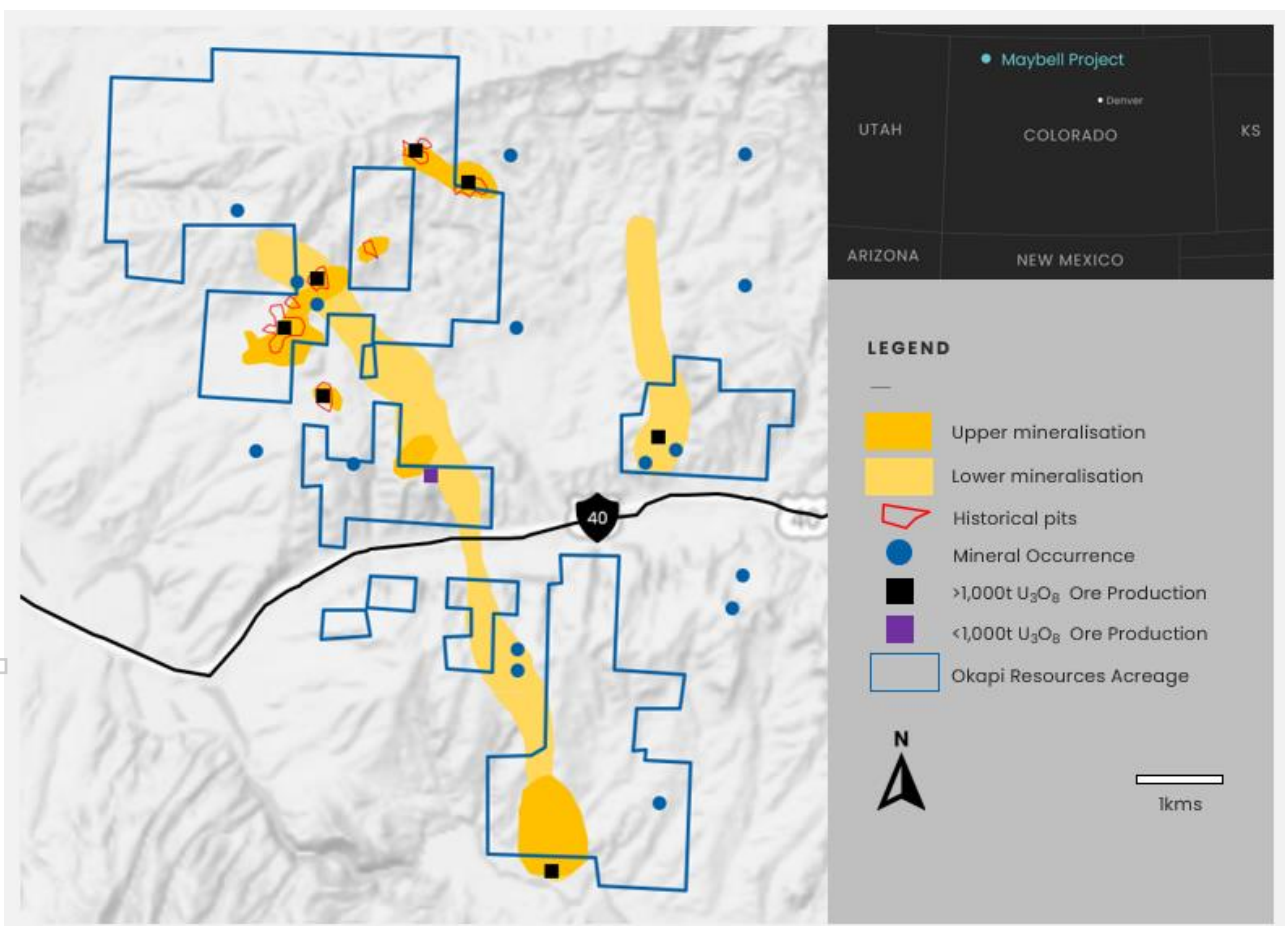
The Maybell Uranium Project is located in a recognised uranium district with historical production of 5.3 million pounds of uranium (average grade 1,300ppm).

During the March quarter, Okapi completed the staking of 468 federal unpatented mining claims covering 3,600 ha to acquire the Maybell Uranium Project in Colorado, USA.

Located in Colorado, 5km east of Maybell and 40km west of Craig, Maybell covers a significant portion of the Maybell mineralised trend, which includes the area of historical production and other known mineralised occurrences and prospects.

Union Carbide operated a series of shallow open pits along a two-kilometre strike for an 11-year period between 1954 and 1964, producing 4.3Mlb U₃O₈ at an average grade of 1,300ppm U₃O₈ before resuming mining operations from 1976 until 1981, producing another 1.0Mlb U₃O₈.

Based on the historical production and exploration data there is significant potential for the further delineation and discovery of near surface uranium resources at Maybell.



Enmore Gold Project

New South Wales, Australia

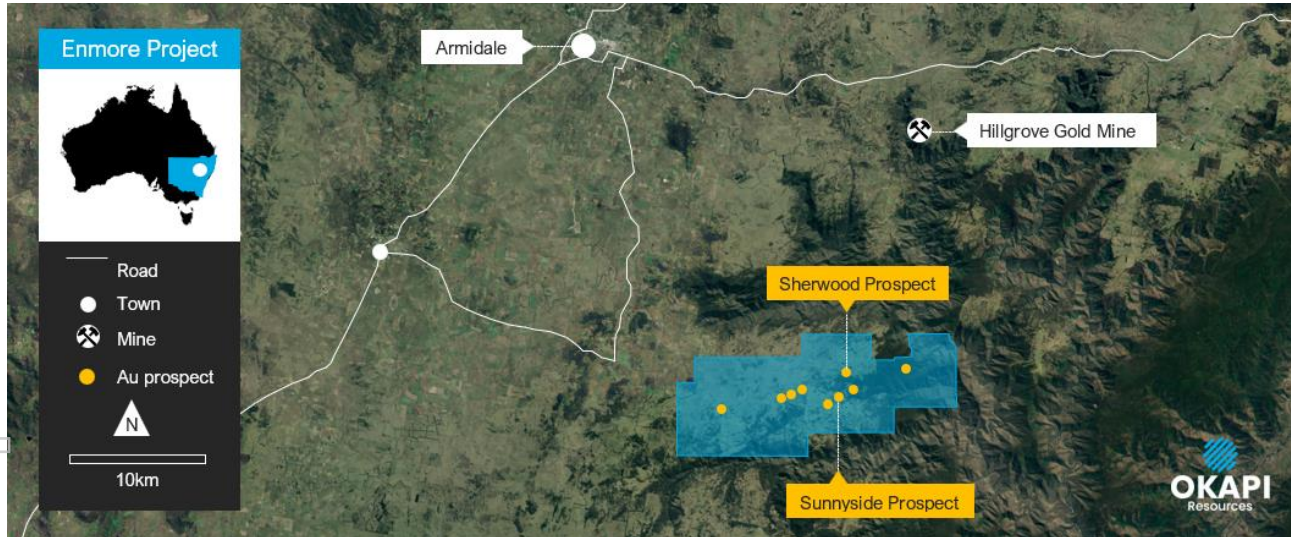
The Enmore Gold Project is located in the New England Fold Belt, approximately 30km south of the regional centre of Armidale in northern New South Wales. The operating Hillgrove Gold Mine (ASX:RVR) is located approximately 20km north of Enmore and has produced over 730,000oz of gold.

In July 2021, Okapi completed 10 drill holes for 1,257m of reverse circulation (RC) drilling at Enmore across three prospects, Sunnyside East, Sunnyside West and Bora, and confirmed the potential for a very large, shallow, open pittable, high-grade gold deposit at Enmore, with mineralisation from surface.

Following the drill campaign, Okapi elected to proceed with acquisition of Enmore from Providence Gold and Minerals Pty Ltd after meeting minimum expenditure requirements pursuant to the Acquisition Agreement announced to the ASX on 17 December 2020. As part of the transaction, the company made a Milestone 1 payment of \$300,000 to vendors to be satisfied through the issue of Okapi shares.

In June 2022, the company announced the start of a diamond drilling program at Enmore. The primary objective was to follow up RC drilling at the Sunnyside East prospect with a diamond drilling program which remains open at depth and along strike.

There is significant exploration potential at Enmore, with 36 identified mineral occurrences – the majority of which are untested by deep drilling, modern geophysics or other targeting methods applied across the project. The mineralisation at Enmore generally comprises structurally controlled orogenic style gold (\pm antimony) mineralisation.



Lake Johnston Project

Western Australia, Australia

The Lake Johnston Project consists of Okapi's 100% owned tenement E63/2039 and a joint venture with Charger Metals NL in relation to E63/1903. The tenements are located in the central Lake Johnston Greenstone Belt, approximately 450km east of Perth.

In August 2021, Okapi announced a lithium target 2km in length at Lake Johnston had been generated from the results of a prior soil program comprising 664 samples across a 200m x 50m grid. Gold anomalies were also determined that provided confirmation and extension of historically-reported anomalism. Significantly, the anomalism extended over 5km on E63/2039 along interpreted structures where they lie under shallow soil cover.

During the June quarter, Okapi announced it had entered into a binding agreement to dispose its interest in Lake Johnston to Nordau Pty Ltd, a privately held company.

Originally, the total consideration under the Sale Agreement was up to \$1.2 million which included a non-refundable cash payment of \$20,000 on signing the Sale Agreement and a further \$130,000 cash upon completion of the sale. The remaining consideration consisted of performance shares subject to certain milestones being achieved.

Subsequent to the end of the financial year, Okapi agreed to retain (and not sell) its interest in the joint venture with Charger Metals. Nordau will now only purchase tenement E63/2039 from Okapi. To account for the varied terms of the sale, the cash consideration payable at completion was reduced to \$50,000. Okapi will retain the non-refundable \$20,000 cash payment and remains entitled to the issue of three performance share tranches as described in the 24 May 2022 announcement.

Corporate

Capital Raising

In conjunction with the Tallahassee Project acquisition in the first quarter, the company completed a placement raising \$2.84 million (before costs) through the issue of 14.2 million fully-paid ordinary shares at A\$0.20 per share (Placement Shares) together with 14.2 million free-attaching unlisted options exercisable at \$0.30 each and expiring on 24 August 2023 (Placement Options) (together, the Placement Securities) on the basis of one option for every one Share issued (the Placement). The Placement Securities were issued to sophisticated and professional investors. Following receipt of shareholder approval at the GM, Okapi's Board of Directors, Messrs David Nour, Leonard Math and Peretz Schapiro subscribed for \$200,000, \$50,000 and \$60,000 worth of Placement Securities, respectively. In addition, Executive Director Mr Leonard Math invested a further \$50,000 in the Company as part of its May 2021 capital raising at \$0.21 per share with free attaching listed options exercisable at \$0.30 expiring 31 March 2023 on the basis of one Option for every one Share issued.

Board changes

Following the completion of the acquisition of Tallahassee Resources Pty Ltd, Mr Ben Vallerine was appointed to the Board of Okapi as Technical Director on 25 August 2021. Mr Vallerine is a qualified geologist with 20 years' experience and brings considerable in-country experience to the Okapi Board. Ben spent six years as Head of Exploration (USA) for Black Range Minerals where he gained considerable experience in the identification, acquisition and exploration of uranium assets. More recently, Ben held the position of exploration manager at Caspin Resources Limited (ASX:CPN).

In December, highly experienced mining executive, Mr Andrew Ferrier was appointed as Managing Director. Mr Ferrier has more than 15 years of experience in both management, corporate finance and principal investing roles in the global mining sector. He has previously held senior roles for Pacific Road Capital, a large mining-focused private equity investment firm where he worked for 12 years across USA, Canada and Australia. Mr Ferrier has

significant knowledge and understanding of the North American Uranium space having been heavily involved in the development, permitting and sale of the Reno Creek ISR Uranium project in Wyoming, USA.

Executive Director, Mr David Nour retired at the Company's 2021 Annual General Meeting.

In February, Okapi announced the appointment of Brian Hill as Non-Executive Chairman of Okapi Resources. Brian replaced interim Chairman Peretz Schapiro, who joined the Board in April 2021 and played a fundamental role in the transition and growth of Okapi over a short period of time.

Subsequent to the end of the financial year, Mr Fabrizio Perilli was appointed to the company as a Non-Executive Director in August 2022. Fabrizio is currently the Chief Executive Officer of the business at TOGA Development & Construction and has over 25 years' experience in the property development and construction sector.

Other key appointments

In April, Mr Jim Viellenave joined Okapi as a technical consultant.

Mr Viellenave's background includes over 40 years of development and operational experience in the US mining industry, especially in the US uranium industry, where he was fundamental to the development and resource expansion of the Reno Creek ISR Uranium project in Wyoming for a period of over seven years until the project was sold to Uranium Energy Corp (NYSE:UEC - Market Cap US\$1.6 billion) in 2018.

OTCQB Trading in the USA

Okapi commenced trading on OTCQB market on 22 November 2021 in the USA, providing North American investors with the opportunity to purchase Okapi stock as the company executes its strategy to establish a dominant uranium position in North America. The company's cross-trade allows Okapi shares to be traded on the OTCQB market under the ticker code OKPRF. No new shares have been issued to facilitate this quotation. B. Riley Securities acted as the company's OTCQB sponsor.

Cautionary Statement

This Annual Report prepared by Okapi Resources Limited ("Company") does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. You should not treat the contents of this representation, or any information provided in connection with it, as financial advice, financial product advice or advice relating to legal, taxation or investment matters. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this Annual Report. This Annual Report is provided expressly on the basis that you will carry out your own independent inquiries into the matters contained in the Annual Report and make your own independent decisions about the affairs, financial position or prospects of the Company. The Company reserves the right to update, amend or supplement the information at any time in its absolute discretion (without incurring any obligation to do so). To the maximum extent permitted by law, none of the Company its directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this Annual Report or its contents or otherwise arising in connection with it. This Annual Report is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this Annual Report nor anything in it shall form the basis of any contract or commitment whatsoever.

Forward Looking Statements

This Annual Report may contain forward looking statements that are subject to risk factors associated with mineral exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry

competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates. This Annual Report also contains reference to certain intentions, expectations, future plans, strategy and prospects of the Company. Those intentions, expectations, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. In particular, there is a risk that the Company will not be able to expand or upgrade its existing JORC resource. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company. No representation or warranty, express or implied, is made by the Company, or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved. Given the risks and uncertainties that may cause the Company's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects. The Company does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. The forward-looking statements are made as at the date of this announcement and the Company disclaims any intent or obligation to update publicly such forward looking statements, whether as the result of new information, future events or results or otherwise.

Competent Person's Statement

The information in this announcement that relates to the Mineral Resources for the Tallahassee Uranium Project is based on information compiled by Ms. Kira Johnson who is a Qualified Professional member of the Mining and Metallurgical Society of America, a Recognized Professional Organization (RPO) for JORC Competent Persons. Ms Johnson compiled this information in her capacity as a Senior Geological Engineer of Tetra Tech. Ms Johnson has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that she is 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". Ms. Kira Johnson consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to database compilation and exploration results at the Tallahassee Uranium Project, in particular, Section's 1 and 2 of Table 1 in Appendix 2, and geology, exploration results, historic Mineral Resource estimates for other projects is based on information reviewed by Mr Ben Vallerine. Mr Vallerine is a shareholder and Technical Director of Okapi Resources Limited. Mr Vallerine is a member of The Australian Institute of Geoscientists. Mr Vallerine has sufficient experience that is relevant to the style of mineralisation under consideration as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting on Exploration Results, Mineral resources and Ore Reserves". Mr Vallerine consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

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 of 7 April 2022 (titled "Agreement Executed to Acquire 51% of High-Grade Hansen Uranium Deposit – JORC Resource Increased 81% to 49.8 Mlb U₃O₈"). The Company confirms that all material assumptions and technical parameters underpinning the estimates in the 7 April 2022 announcement continue to apply and have not materially changed.

Refer to the Company's ASX announcement dated 7 April 2022 titled "Agreement Executed to Acquire 51% of High-Grade Hansen Uranium Deposit – JORC Resource Increased 81% to 49.8 Mlb U₃O₈" for full details of the Tallahassee Uranium Project's JORC 2012 Mineral Resource estimate.

Refer to the Company's ASX announcement dated 9 November 2021 titled "Okapi to acquire High-Grade Uranium Assets – Athabasca Basin" for the JORC details of the Athabasca Projects and other historical information. 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 of 9 November 2021.

Refer to the Company's ASX announcement dated 14 September 2021 titled "Okapi Acquires Historical Sunnyside Uranium Mine" for further details and other historical information. 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 of 14 September 2021.

Refer to the Company's ASX announcement dated 16 September 2021 titled "Outstanding Drill Results at the Enmore Gold Project, NSW" for the full drilling results including the JORC tables 1 and 2. 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 of 16 September 2021.

Refer to the Company's ASX announcements dated 1 June 2022 and 10 March 2022 for full details in relation to the rock chip assay results at Rattler Uranium Project. The Company confirms that it is not aware of any new information or data that materiality affects the information included in the original market announcement of 1 June 2022 and 10 March 2022.

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Directors' Report

The directors present their report on the consolidated entity comprising Okapi Resources Limited ("Okapi" or "the Company") and its controlled entities ("the consolidated entity" or "Group") for the financial year ended 30 June 2022.

DIRECTORS

The following persons were directors of the Company during the whole of the financial period and up to the date of this report unless otherwise indicated:

Brian Hill – Non-executive Chairman (Appointed 16 February 2022)
Andrew Ferrier – Managing Director (Appointed 13 December 2021)
Leonard Math – Executive Director
Benjamin Vallerine – Non-executive Director (Appointed 25 August 2021)
Fabrizio Perilli – Non-executive Director (Appointed 31 August 2022)

David Nour – Executive Director (Retired 30 November 2021)
Peretz Schapiro – Non-executive Director (Resigned 16 February 2022)

INFORMATION ON DIRECTORS

Mr. Brian Hill – Non-executive Chairman Appointed 16 February 2022

Mr Hill is a highly experienced mining executive with over thirty-five years' global experience across building businesses, mergers and acquisitions, due diligence, and corporate and social governance. He previously worked at Newmont Mining Corporation, one of the world's largest gold producers, where he served as Executive Vice President Operations and Executive Vice-President Sustainability and External Relations. Mr Hill also served as Newmont's Senior Vice-President for its Asia Pacific Region based in Perth with responsibility for Boddington, Jundee, the Kalgoorlie Consolidated Gold Mines JV and the Tanami operations in Australia, along with Batu Hijau in Indonesia and Waihi in New Zealand. Brian also served as a member of the Board of Directors of the Minerals Council of Australia and an Executive Committee Member of the Chamber of Minerals and Energy of Western Australia. Prior to that, he served as Managing Director for LionOre Australia Pty Ltd, and was Managing Director and CEO of Equatorial Mining Limited where during his tenure, Equatorial reached a market capitalisation of \$550 million prior to being purchased by Antofagasta PLC. From 2000 to 2004, he was the Managing Director of Falconbridge (Australia) Pty Ltd. Brian is currently an operating partner at Pacific Road Capital (mining private equity firm) and a Non-Executive Director of North Coal Limited (metallurgical coal development company in BC, Canada) and Corbin Road Land Corporation. Brian is based in Denver, Colorado.

Mr. Hill has not held any other directorship in the past three years.

Interest in shares and performance rights:
1,800,000 Performance Rights

Mr. Andrew Ferrier – Managing Director
Appointed 13 December 2021

Mr Ferrier has more than 15 years of experience in both management, corporate finance and principal investing roles in the global mining sector. He has previously held senior roles for Pacific Road Capital, a large mining-focused private equity investment firm where he worked for 12 years across USA, Canada and Australia. Andrew holds a Bachelor of Chemical Engineering (First Class Honours) and Bachelor of Commerce from the University of Sydney. Andrew also holds a Masters of Applied Finance from Macquarie University and is a CFA charter holder. He has significant knowledge and understanding of the North American Uranium space having been heavily involved in the development, permitting and sale of the Reno Creek ISR Uranium project in Wyoming, USA, the largest permitted preconstruction ISR project in the USA.

Mr. Ferrier has not held any other directorship in the past three years.

Interest in shares and performance rights:
2,250,000 Performance Rights

Mr. Leonard Math (BComm, CA) – Executive Director & Company Secretary

Mr Leonard Math is a Chartered Accountant with more than 15 years of resources industry experience. He previously worked as an auditor at Deloitte and is experienced with public company responsibilities including ASX and ASIC compliance, control and implementation of corporate governance, statutory financial reporting and shareholder relations. Mr Math was the Chief Financial Officer and Company Secretary of AVZ Minerals Limited (ASX: AVZ) owner of one of the largest undeveloped lithium hard rock deposits, for more than two and a half years. Mr Math also previously held Company Secretary and directorship roles for a number of ASX listed companies. Mr Math has been Okapi's Company Secretary since April 2019.

Mr. Math has not held any other directorship in the past three years.

Interest in shares and performance rights:
2,757,631 ordinary fully paid shares
238,095 listed options exercisable at 30 cents each expiring 31 March 2023
250,000 options exercisable at 30 cents each expiring 24 August 2023

Mr. Benjamin Vallerine – Non-executive Director
Appointed 25 August 2021

Mr Vallerine is a qualified geologist with 20 years' experience and brings considerable in-country (USA) experience to the Okapi Board. Ben spent 6 years as Head of Exploration (USA) for Black Range Minerals where he gained considerable experience in the identification, acquisition and exploration of uranium assets. More recently, Ben held the position of exploration manager at Caspin Resources Limited (ASX:CPN). Ben is currently the Managing Director of ASX listed, Koba Resources Limited.

During the past three years, Mr. Vallerine has also served as a Director of the following listed companies:

| Company | Date Appointed | Date Ceased |
|------------------------|------------------|-------------|
| Koba Resources Limited | 21 December 2021 | - |

Interest in shares and performance rights:
6,654,680 ordinary fully paid shares
2,821,921 options exercisable at 30 cents each expiring 24 August 2023
2,000,000 Performance Rights

Mr. Fabrizio Perilli – Non-executive Director
Appointed 31 August 2022

Mr Perilli has an outstanding track record of growing businesses using his broad skills, knowledge and experience. Fabrizio was recently the Chief Executive Officer of the Development & Construction business at TOGA, and has over 25 years' experience in the property development and construction sector. In his time at TOGA, Fabrizio has significantly grown the business and successfully led the company's focus on achieving value and quality outcomes for all stakeholders and has overseen the delivery of outstanding mixed-use, residential, retail and commercial precincts nationwide. As well as delivering sustained long-term growth and performance of TOGA's Development & Construction business units, he has secured a strong portfolio of developments, and led innovative initiatives during his time at TOGA. Prior to his appointment to TOGA, Fabrizio was a Director at Clifton Coney Group (Coffey Projects) and over his ten-year tenure, was responsible for establishing and leading new operations in Sydney, New Zealand, and Vietnam. Fabrizio's dedication to delivering quality outcomes of which all stakeholders are proud, has supported long-term recurring relationships and collaborations with partners, affiliates and clients.

Mr. Perilli has not held any other directorship in the past three years.

Interest in shares and performance rights:

244,117 ordinary fully paid shares

100,000 listed options exercisable at 30 cents each expiring 31 March 2023

100,000 options exercisable at 30 cents each expiring 24 August 2023

PRINCIPAL ACTIVITIES

The Company is in the business of mineral exploration with a specific focus on uranium exploration in North America and gold exploration in Australia. The Company's primary aim in the near-term is to explore for, discover and develop uranium deposits on its uranium exploration projects in North America.

The Group has also been actively reviewing additional projects or mineral resources investment opportunities that would create value for the Group and its shareholders.

FINANCIAL REVIEW

The result of the Group for the financial year ended 30 June 2022 was a loss after tax of \$7,393,327 (2021: \$732,257).

EARNINGS PER SHARE

The basic loss per share for the year ended 30 June 2022 was 7.13 cents (2021: 1.73 cents).

Audited Remuneration Report

This report details the nature and amount of remuneration for all key management personnel of Okapi Resources Limited and its subsidiaries. The information provided in this remuneration report has been audited as required by section 308(C) of the *Corporations Act 2001*. For the purposes of this report, key management personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group and the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Group.

The individuals included in this report are:

Brian Hill – Non-executive Chairman (Appointed 16 February 2022)

Andrew Ferrier – Managing Director (Appointed 13 December 2021)

Leonard Math – Executive Director

Benjamin Vallerine – Non-executive Director (Appointed 25 August 2021)

Fabrizio Perilli – Non-executive Director (Appointed 31 August 2022)

David Nour –Executive Director (Retired 30 November 2021)

Peretz Schapiro – Non-executive Director (Resigned 16 February 2022)

(a) Remuneration Policy

The remuneration policy of Okapi Resources Limited has been designed to align director objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates. By providing components of remuneration that are indirectly linked to share price appreciation (in the form of options and/or performance rights), executive, business and shareholder objectives are aligned. The board of Okapi Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the Group, as well as create goal congruence between directors and shareholders. The board's policy for determining the nature and amount of remuneration for board members is as follows:

(i) Executive Directors & Other Key Management Personnel

The remuneration policy and the relevant terms and conditions has been developed by the full Board of Directors as the Group does not have a Remuneration Committee due to the size of the Group and the Board. In determining competitive remuneration rates, the Board reviews local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Reviews are performed to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

The Group is an exploration entity, and therefore speculative in terms of performance. Consistent with attracting and retaining talented executives, directors and senior executives are paid market rates associated with individuals in similar positions, within the same industry.

Mr. Ferrier was appointed as Managing Director on 13 December 2021 and received an annual remuneration package of \$300,000 (inclusive of superannuation) through an Executive Services Agreement. Mr. Ferrier's employment may be terminated without reason by the Group giving 3 months' notice. The Group may otherwise terminate his employment without notice for cause.

Mr. Math was appointed as Executive Director on 10 May 2021 and received an annual remuneration package of \$156,000 plus statutory superannuation through a Consultancy Agreement for a term of 18 months. The agreement may be terminated without reason by the Group giving 6 months' notice. The Group may otherwise terminate his employment without notice for cause.

There are no other service or consulting agreements in place with key management personnel. At this stage due to the size of the Group, no remuneration consultants have been used. The Board's remuneration policies are outlined below:

Fixed Remuneration

All executives receive a base cash salary which is based on factors such as length of service and experience as well as other fringe benefits. If entitled, all executives also receive a superannuation guarantee contribution required by the government, which is currently 10.50% (10% from 1 July 2022) and do not receive any other retirement benefits.

Short-term Incentives (STI)

Under the Group's current remuneration policy, executives can from time to time receive short-term incentives in the form of cash bonuses. No short-term incentives were paid in the current financial year. The Board is currently determining the criteria of eligibility for short-term incentives and will set key performance indicators to appropriately align shareholder wealth and executive remuneration.

Long-term Incentives (LTI)

Executives are encouraged by the Board to hold shares in the Group and it is therefore the Group's objective to provide incentives for participants to partake in the future growth of the Group and, upon becoming shareholders in the Group, to participate in the Group's profits and dividends that may be realised in future years. The Board considers that this equity performance linked remuneration structure is effective in aligning the long-term interests of Group executives and shareholders as there exists a direct correlation between shareholder wealth and executive remuneration.

(ii) Non-Executive Directors

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. In determining competitive remuneration rates, the Board review local and international trends among comparative companies and the industry generally. Typically, the Group will compare non-executive remuneration to companies with similar market capitalisations in the exploration and resource development sector.

(b) Group Performance, Shareholder Wealth and Directors' and Executives' Remuneration

No relationship exists between the Group performance, earnings, shareholder wealth and Directors' and Executive remuneration for this financial period. No remuneration is currently performance related.

Overview of Group Performance

The table below sets out information about the Group's earnings and movements in shareholder wealth for the past five years up to and including the current financial year.

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|-----------------------------------|-------------|-----------|-------------|-------------|-------------|
| Net Loss After Tax | \$7,393,327 | \$732,257 | \$2,830,305 | \$1,071,307 | \$1,147,328 |
| Share Price At Year End (ASX) | \$0.185 | \$0.20 | \$0.14 | \$0.18 | \$0.31 |
| Basic Loss Per Share (CENTS) | 7.13 | 1.73 | 7.89 | 3.12 | 4.18 |
| Total Dividends (CENTS PER SHARE) | - | - | - | - | - |

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(c) Details of Key Management Personnel Remuneration

| Name | Fees | Post-Employment | Share Based Payments | Total | Remuneration as Share payments |
|--|----------------|-----------------|----------------------|------------------|-----------------------------------|
| | \$ | \$ | \$ | \$ | % |
| 2022 | | | | | |
| Brian Hill – Non-executive Chairman ¹ | 37,250 | - | - | 37,250 | |
| Andrew Ferrier – Managing Director ² | 150,293 | 15,029 | - | 165,322 | |
| Leonard Math – Executive Director and Company Secretary ³ | 171,600 | - | 548,400 | 720,000 | 76% |
| Benjamin Vallerine – Non-executive Director ⁴ | 103,903 | 4,090 | 621,400 | 729,393 | 85% |
| Peretz Schapiro – Interim Chairman/Non-executive Director ⁵ | 67,857 | 17,000 | 822,600 | 907,457 | 91% |
| David Nour – Executive Director ⁶ | 170,000 | 6,786 | 329,040 | 505,826 | 65% |
| TOTAL | 700,903 | 42,905 | 2,321,440 | 3,065,248 | |

¹ Mr. Hill appointed on 16 February 2022.

² Mr. Ferrier appointed on 13 December 2021

³ During the financial year, Mr. Math provided Directorship, Company Secretarial and Accounting services to Okapi Resources Limited through Lilhorse Corporate Pty Ltd.

⁴ Mr. Vallerine appointed on 25 August 2021. During the year, Mr. Vallerine provided geological consultancy services to Okapi Resources Limited through Peak 8 Geological Consultant Pty Ltd.

⁵ Mr. Schapiro resigned on 16 February 2022.

⁶ Mr. Nour retired on 30 November 2021.

2021

| | | | | | |
|--|----------------|---------------|----------------|----------------|-----|
| Peretz Schapiro – Interim Chairman/Non-executive Director ¹ | 10,581 | 1,005 | - | 11,586 | - |
| David Nour – Executive Director ² | 124,699 | 3,748 | 23,500 | 151,947 | 15% |
| Leonard Math – Executive Director ³ and Company Secretary | 75,562 | - | - | 75,562 | - |
| Rhoderick Grivas – Non-executive Chairman ⁴ | 50,228 | 4,772 | 23,500 | 78,500 | 30% |
| Andrew Shearer – Executive Director ⁵ | 121,321 | 11,526 | 47,000 | 179,847 | 26% |
| Jinju (Raymond) Liu – Non-executive Director ⁶ | 29,917 | - | 11,750 | 41,667 | 28% |
| TOTAL | 412,308 | 21,051 | 105,750 | 539,109 | |

¹ Mr. Schapiro appointed on 13 April 2021.

² Mr. Nour appointed as Executive Director on 10 May 2021. Mr Nour was Non-executive Director since 28 November 2019.

³ Mr. Math appointed as Executive Director on 10 May 2021. During the financial year, Mr. Math provided Directorship, Company Secretarial and Accounting services to Okapi Resources Limited through Lilhorse Corporate Pty Ltd.

⁴ Mr. Grivas appointed on 30 June 2020 and resigned on 10 May 2021.

⁵ Mr. Shearer appointed on 20 July 2020 and resigned on 10 May 2021.

⁶ Mr. Liu resigned on 10 May 2021.

(d) Share based compensation

During the year, following receiving shareholders approval in August 2021, the directors were issued the following Performance Rights.

| | |
|------------------------|------------------------------|
| Peretz Schapiro | 1,200,000 Performance Rights |
| David Nour | 3,000,000 Performance Rights |
| Leonard Math | 2,000,000 Performance Rights |

The Performance Rights were issued under the Company's Performance Rights Plan and have the following vesting conditions as set out below:

- A) **Class A Performance Rights:** the Company achieving and maintaining a market capitalisation of \$20 million or more for a continuous period of 20 trading days on or before 31 December 2025;
- B) **Class B Performance Rights:** the Company achieving and maintaining a market capitalisation of \$35 million or more for a continuous period of 20 trading days on or before 31 December 2025; and
- C) **Class C Performance Rights:** the Company achieving and maintaining a market capitalisation of \$50 million or more for a continuous period of 20 trading days on or before 31 December 2025.

On 29 October 2021, the Performance Rights have vested, and a total 6,200,000 shares were issued.

On 30 November 2021, following receiving shareholders approval, Mr. Benjamin Vallerine was issued 2,000,000 Performance Rights. The Performance Rights were issued under the Company's Performance Rights Plan and have the following vesting conditions as set out below:

- A) **Class A Performance Rights:** the Company achieving and maintaining a share price of \$0.75 or more for a continuous period of 20 trading days on or before 31 December 2025;
- B) **Class B Performance Rights:** the Company achieving and maintaining a share price of \$1.00 or more for a continuous period of 20 trading days on or before 31 December 2025; and
- C) **Class C Performance Rights:** the Company achieving and maintaining a share price of \$1.25 or more for a continuous period of 20 trading days on or before 31 December 2025.

During the year ended 30 June 2022, there was no options granted to directors and key management personnel as part of the remuneration package.

(e) Key Management Personnel Compensation – other transactions

- (i) Options provided as remuneration and shares issued on exercise of such options.
Other than disclosed above, no further options were provided as remuneration during the year and no shares were issued on exercise of such options.
- (ii) Loans to key management personnel
No loans were made to any director or other key management personnel of the Group, including related parties during the financial year.
- (iii) Other transactions with key management personnel
No other transactions with key management personnel occurred during the financial year.

Terms and conditions of related party transactions

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

(f) Share-holdings of Key Management Personnel

The number of shares in the Company held during the financial year by each director of Okapi Resources Limited and other key management personnel of the Company, including related parties, are set out below. There were no shares granted during the year as remuneration.

| 2022 | Opening Balance 1 July 2021 No. | Other changes during the year No. | Closing Balance 30 June 2022 No. |
|---------------------------------|---------------------------------------|---|--|
| Directors | | | |
| Brian Hill ¹ | - | - | - |
| Andrew Ferrier ² | - | - | - |
| Leonard Math | 95,238 | 2,662,393 | 2,757,631 |
| Benjamin Vallerine ³ | - | 6,654,680 | 6,654,680 |
| Peretz Schapiro ⁴ | - | 1,741,000 | 1,741,000 |
| David Nour ⁵ | 3,945,060 | 3,550,000 | 7,495,060 |
| Total | 4,040,298 | 14,608,073 | 18,648,371 |

¹ Mr Hill was appointed on 16 February 2022.

² Mr Ferrier was appointed on 13 December 2021.

³ Mr Vallerine was appointed on 25 August 2021.

⁴ Mr Peretz resigned on 16 February 2022 and held those shares at the time of resignation.

⁵ Mr Nour retired on 30 November 2021 and held those shares at the time of resignation.

| 2021 | Opening Balance 1 July 2020 No. | Other changes during the year No. | Closing Balance 30 June 2021 No. |
|----------------------------------|---------------------------------------|---|--|
| Directors | | | |
| Peretz Schapiro ¹ | - | - | - |
| David Nour | 2,955,133 | 989,927 | 3,945,060 |
| Leonard Math ² | - | 95,238 | 95,238 |
| Rhoderick Grivas ³ | - | 105,263 | 105,263 |
| Andrew Shearer ³ | - | 105,264 | 105,264 |
| Jinyu (Raymond) Liu ³ | 300,000 | - | 300,000 |
| Total | 3,255,133 | 1,295,692 | 4,550,825 |

¹ Mr Peretz was appointed on 13 April 2021.

² Mr Math was appointed on 10 May 2021.

³ Messrs Grivas, Shearer and Liu held those shares at the time of resignation – 10 May 2021.

This is the end of the audited remuneration report.

SHARE OPTIONS

During the year, the following options were issued:

| Options Description | At 1 July 2021 No. | Issued during the year No. | Exercised/lapsed during the year No. | At 30 June 2022 No. |
|---|-----------------------|----------------------------------|--|------------------------|
| Class A: Director Options exercisable at \$0.30 expiring 8 April 2024 | 2,000,000 | - | (875,000) ¹ | 1,125,000 |
| Class B: Director Options exercisable at \$0.35 expiring 8 April 2024 | 2,000,000 | - | (875,000) ¹ | 1,125,000 |
| Class C: Listed Options exercisable at \$0.30 expiring 31 March 2023 | 17,754,135 | 238,095 | - | 17,992,230 |
| Class D: Unlisted Options exercisable at \$0.30 expiring 24 August 2023 | - | 30,950,000 | (1,575,000) | 29,375,000 |
| Class E: Unlisted Options exercisable at \$0.50 expiring 31 December 2024 | - | 3,000,000 | - | 3,000,000 |
| Class E: Unlisted Options exercisable at \$0.60 expiring 31 December 2024 | - | 2,000,000 | - | 2,000,000 |
| Class E: Unlisted Options exercisable at \$0.70 expiring 31 December 2024 | - | 2,000,000 | - | 2,000,000 |
| Total | 21,754,135 | 38,188,095 | (3,325,000) | 56,617,230 |

¹Lapsed during the year.

Subsequent to year end, the following options were issued:

| Options Description | No. |
|---|------------------|
| Class F: Unlisted Options exercisable at \$0.30 expiring 19 July 2024 | 7,899,834 |
| Total | 7,899,834 |

LIKELY DEVELOPMENTS

The Group's focus over the next financial year will be to carry out exploration works on its mineral resource projects and to review additional projects that may be presented to the Group.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

On 26 August 2021, Okapi Resources Limited completed the acquisition of Tallahassee Resources Pty Ltd by issuing the shareholders of Tallahassee 33,500,000 Okapi shares and 16,750,000 options exercisable at 30 cents each expiring 24 August 2023. Tallahassee holds a 100% interest in mineral rights that cover approximately 7,500 acres in the Tallahassee Creek Uranium District of Colorado, USA (Tallahassee Uranium Project) together with an option to acquire 100% of the Rattler Uranium Project, including the historical high-grade Rattlesnake open pit mine, in north-eastern Utah (Rattler Uranium Project).

Mr Benjamin Vallerine was appointed as Non-executive Technical Director on 25 August 2021 as part of the Tallahassee Resources Pty Ltd acquisition.

Mr Andrew Ferrier was appointed as Managing Director on 13 December 2021.

Mr David Nour retired as Executive Director at the conclusion of the Annual General Meeting held on 30 November 2021.

Mr Brian Hill was appointed as Non-executive Chairman on 16 February 2022, replacing Mr Peretz Schapiro.

There were no other significant changes in the state of affairs of the Group during the financial year.

SUBSEQUENT EVENTS

Subsequent to year end, the Company completed a placement raising \$2,369,000 (before costs) through the issue of 15,799,675 fully-paid ordinary shares at A\$0.15 per share (Placement Shares) together with 7,899,834 free-attaching unlisted options exercisable at \$0.30 each and expiring on 19 July 2024 (Placement Options) (together, the Placement Securities) on the basis of one (1) option for every two (2) Shares issued (the Placement). The Placement Securities were issued to sophisticated and professional investors.

Following receipt of shareholder approval at the General Meeting on 22 September 2022, Okapi's Board of Directors, Messrs Brian Hill, Andrew Ferrier, Leonard Math and Benjamin Vallerine subscribed for \$30,000, \$71,000, \$20,000 and \$10,000 worth of Placement Securities, respectively, raising a further of \$131,000.

In July 2022, the Company completed the agreement to acquire an option over a 51% interest in the Hansen Uranium Project in Colorado, USA with STB Minerals LLC (STB).

Okapi paid a total of US\$500,000 cash consideration and has an 8-year option to purchase the 51% mineral interest from STB. Other key terms are disclosed below:

1. Okapi can maintain the option for 5 years by paying US\$250,000 annually subject to any inflation adjustments.
2. During the option period, Okapi has the right to conduct mineral prospecting, exploration, development, mining and related activities on the properties comprising the Hansen Uranium Project.
3. Okapi can continue the option for a further 3 years by paying US\$500,000 annually subject to inflation adjustments.
4. Okapi has the right to exercise the option at any time during the 8 years by payment of US\$5,000,000 at which time STB Minerals will transfer to Okapi it full 51% mineral interest reserving a royalty of 1.5% net returns over their 51% mineral interest (STB Royalty). Upon exercise of the option, Okapi will not be required to pay any further option fees.
5. Okapi would have the right to purchase 50% of STB Royalty at any time after Closing by paying STB Minerals US\$500,000.

On 22 August 2022, the Company completed the sale of the tenement E63/2039 to Nordau Pty Ltd. The Company receive a total cash payment of \$70,000 and the following performance share with the milestones set out below.

| Class | Number of Performance Shares | Performance Shares Value | Performance Milestone | Expiry Date |
|---------|------------------------------|--------------------------|---|---|
| Class A | 1 | \$50,000 | Upon NewCo receiving approval from ASX to be admitted to the official list of ASX (Class A Milestone). | Twelve (12) months from the Completion Date. |
| Class B | 1 | \$300,000 | Upon the Purchaser completing a drilling program and returning a drill intercept of at least 2m @ 1.0% Li ₂ O or 10m @ 0.8% Li ₂ O on the Tenements | Three (3) years from the date NewCo's securities are admitted to the official |

| Class | Number of Performance Shares | Performance Shares Value | Performance Milestone | Expiry Date |
|---------|------------------------------|--------------------------|---|---|
| | | | as verified by an Independent Technical Consultant (Class B Milestone). | list of ASX (ASX Admission Date). |
| Class C | 1 | \$700,000 | Upon the Purchaser returning a Mineral Resource in accordance with the JORC Code 2012 Edition (or the current edition at the time) (JORC Code) of at least 5mt @ >1.0% Li ₂ O on the Tenements as verified by an Independent Technical Consultant (Class C Milestone). | Five (5) years from the ASX Admission Date. |

Since the end of the financial period and to the date of this report, no other matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in the subsequent financial year.

DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

ENVIRONMENTAL REGULATION

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work.

INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, Okapi Resources Limited paid a premium to insure the directors and officers of the Group. The total amount of insurance contract premiums paid is confidential under the terms of the insurance policy.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

PROCEEDINGS ON BEHALF OF THE CONSOLIDATED ENTITY

No person has applied for leave of court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and forms part of the Directors' report and can be found on page 30 of the financial report.

NON-AUDIT SERVICES

There have been no non-audit services provided by the Group's auditor during the year.

Signed in accordance with a resolution of the directors.

On behalf of the Directors.



Brian Hill
Non-executive Chairman

30 September 2022
Perth, Western Australia

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To the Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit Director for the audit of the financial statements of Okapi Resources Limited for the financial year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

A handwritten signature in black ink, appearing to read 'Chris Nicoloff'.

CHRIS NICOLOFF CA
Director

Dated in Perth, Western Australia this 30th day of September 2022

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| | Note | 2022 \$ | 2021 \$ |
|---|------|--------------------|------------------|
| Revenue | | | |
| Interest income | | 333 | 107 |
| Profit from sale of listed investments | | 24,029 | 313,628 |
| Gain from foreign exchange transactions | | 24,886 | - |
| Proceeds from sale of tenement | | 20,000 | - |
| | | <u>69,248</u> | <u>313,735</u> |
| Expenditure | | | |
| Audit fees | 16 | (43,260) | (17,186) |
| ASX, OTC Listing and other compliance expenses | | (303,374) | (75,989) |
| Consulting expenses | | (220,091) | (100,000) |
| Corporate, travel and insurance expenses | | (342,671) | (65,797) |
| Non-cash transaction cost | | (325,853) | - |
| Legal fees | | (213,212) | (53,641) |
| Director and employee fees | | (680,809) | (433,358) |
| Exploration expenses | | (355,222) | (47,177) |
| Investor relations expenses | | (210,522) | (84,150) |
| Promotional, marketing & website | | (100,743) | (840) |
| Termination payments | | (275,000) | - |
| Share based payments | 11 | (4,398,564) | (105,750) |
| Administration | | (116,951) | (20,290) |
| Fixed assets written off | 8 | (10,740) | (26,276) |
| Fair value adjustment to financial asset | | 134,437 | (15,538) |
| | | <u>(7,393,327)</u> | <u>(732,257)</u> |
| Loss before income tax | | (7,393,327) | (732,257) |
| Income tax expense | 3 | - | - |
| | | <u>(7,393,327)</u> | <u>(732,257)</u> |
| Loss after income tax from continuing operations | | | |
| Other Comprehensive income | | | |
| <i>Items that may be reclassified to profit or loss</i> | | - | - |
| Total comprehensive income for the year | | <u>(7,393,327)</u> | <u>(732,257)</u> |
| Loss per share attributable to the ordinary security holders of the Company (cents per share) | 20 | <u>7.13</u> | <u>1.73</u> |

The accompanying notes form part of these financial statements

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| | Note | 2022 \$ | 2021 \$ |
|---|-------|-------------------|------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 4 | 1,190,608 | 3,214,632 |
| Trade and other receivables | 5 | 306,034 | 49,129 |
| Total current assets | | 1,496,642 | 3,263,761 |
| Non-current assets | | | |
| Financial assets | 6 | 529,822 | 440,509 |
| Deferred exploration & evaluation expenditure | 7 | 24,104,994 | 774,070 |
| Property plant & equipment | 8 | - | - |
| | | 24,634,816 | 1,214,579 |
| Total assets | | 26,131,458 | 4,478,340 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | 9 | 356,932 | 125,863 |
| Total current liabilities | | 356,932 | 125,863 |
| Total liabilities | | 356,932 | 125,863 |
| Net assets | | 25,774,526 | 4,352,477 |
| Equity | | | |
| Issued capital | 10 | 31,396,987 | 9,332,580 |
| Reserves | 11(a) | 6,909,219 | 158,250 |
| Accumulated losses | 11(b) | (12,531,680) | (5,138,353) |
| Total equity | | 25,774,526 | 4,352,477 |

The accompanying notes form part of these financial statements

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| | Issued Capital | Reserves | Accumulated Losses | Total |
|--|-------------------|------------------|-----------------------|-------------------|
| | \$ | \$ | \$ | \$ |
| 2022 | | | | |
| <i>Opening Balance</i> | 9,332,580 | 158,250 | (5,138,353) | 4,352,477 |
| Loss for the year | - | - | (7,393,327) | (7,393,327) |
| <i>Total comprehensive income for the period</i> | - | - | (7,393,327) | (7,393,327) |
| Shares issued during the year (net costs) | 3,232,240 | - | - | 3,232,240 |
| Shares issued to vendors | 17,132,127 | - | - | 17,132,127 |
| Shares issued due to vesting of performance rights | 1,700,040 | - | - | 1,700,040 |
| Share based payments (Note 11) | - | 6,750,969 | - | 6,750,969 |
| <i>Balance as at 30 June 2022</i> | 31,396,987 | 6,909,219 | (12,531,680) | 25,774,526 |
| 2021 | | | | |
| <i>Opening Balance</i> | 6,236,473 | - | (4,406,096) | 1,830,378 |
| Loss for the year | - | - | (732,257) | (732,257) |
| <i>Total comprehensive income for the year</i> | - | - | (732,257) | (732,257) |
| Shares issued during the year (net costs) | 3,150,000 | - | - | 3,150,000 |
| Share issue costs | (253,893) | - | - | (253,893) |
| Shares issued to vendors | 200,000 | - | - | 200,000 |
| Share based payments (Note 11) | - | 158,250 | - | 158,250 |
| <i>Balance as at 30 June 2021</i> | 9,332,580 | 158,250 | (5,138,353) | 4,352,477 |

The accompanying notes form part of these financial statements

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| | Note | 2022 \$ | 2021 \$ |
|--|------|--------------------|--------------------|
| Cash flows from operating activities | | | |
| Interest received | | 333 | 107 |
| Payments for suppliers and employees | | (2,649,901) | (1,067,012) |
| Net cash outflows from operating activities | 19 | (2,649,568) | (1,066,905) |
| Cash flows from investing activities | | | |
| Payments for tenement acquisitions / option fees | | (2,501,181) | (120,000) |
| Payments for shares in listed entity | | - | (200,000) |
| Payment for environmental bond | | (183,243) | - |
| Proceeds from sale of equity investment | | 69,153 | 773,526 |
| Acquisition of subsidiary (net) | | 8,575 | - |
| Net cash inflows from investing activities | | (2,606,696) | 453,526 |
| Cash flows from financing activities | | | |
| Proceeds from share issue (nett of costs) | | 3,232,240 | 2,948,606 |
| Net cash inflows from financing activities | | 3,232,240 | 2,948,606 |
| Net (decrease)/increase in cash and cash equivalents held | | (2,024,024) | 2,335,227 |
| Cash and cash equivalents at the beginning of the period | | 3,214,632 | 879,405 |
| Cash and cash equivalents at the end of the period | 4 | 1,190,608 | 3,214,632 |

The accompanying notes form part of these financial statements

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *General information*

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied, unless otherwise stated. The financial statements are for Okapi Resources Limited and its controlled entity.

The financial statements are presented in the Australian currency.

Okapi Resources Limited is a Company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the directors on 30 September 2022. The directors have the power to amend and reissue the financial statements.

(b) *Basis of preparation*

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Okapi Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

Historical cost convention

These financial statements have been prepared on an accrual basis under the historical cost convention. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Significant accounting judgements and key estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances.

Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred an operating loss of \$7,393,327 (30 June 2021: \$732,257) and had cash outflows from operating activities of \$2,649,568 (30 June 2021: \$1,066,905) for the year ended 30 June 2022. The consolidated entity is in exploration phase and does not yet have an income stream.

The directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 months period from the date of signing this financial report. The Directors believe it is appropriate to prepare these accounts on going concern basis because subsequent to the end of the reporting period:

- in July 2022, the Company raised \$2,369,000 (before costs) via the issue of 15,799,675 fully-paid ordinary shares at A\$0.15 per share together with 7,899,834 free-attaching unlisted options exercisable at \$0.30 each and expiring on 19 July 2024 on the basis of one (1) option for every two (2) Shares issued;

- the Company is still in the early stages of operations and is able to scale back activity if required; and
- the Directors have prepared a budget which demonstrates that the Company has sufficient cash to meet its expenditure requirements for a period of not less than twelve months from the date of signing this report.
- The directors have an appropriate plan to raise additional funds and when they are required; and
- The consolidated entity has the ability scale down its operations in order to curtail expenditure, in the event that any capital raisings are delayed or insufficient cash is available to meet projected expenditure.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

Should the Company be unable to continue as a going concern, there is material uncertainty whether it would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts or classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

Exploration expenditure

Exploration and evaluation costs are assessed on the basis of whether or not it is appropriate to carry as a Deferred exploration asset – refer to (h) below.

Standards and Interpretations applicable to 30 June 2022

In the year ended 30 June 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the year reporting periods beginning on or after 1 July 2021.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and therefore no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations on issue not yet adopted that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 July 2021.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Company and therefore no material change is necessary to Group accounting policies.

(c) *Principals of consolidation*

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Okapi Resources Limited ("Company" or "Parent Entity") as at 30 June 2022 and the results of all subsidiaries for the year. Okapi Resources Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are entities the parent controls when it is exposed to, or has rights to, variable returns from

its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

(ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Okapi Resources Limited.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly controlled entity or associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

(d) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the full Board of Directors.

(e) Revenue recognition

Revenue from contract(s) with customers

Revenue is recognised at an amount that reflects the consideration to which the group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be

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delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Interest Revenue

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial assets

(f)

Financial instruments

Classification of financial instruments

The Group classifies its financial assets into the following measurement categories:

- those to be measured at fair value (either through other comprehensive income, or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing financial assets and the contractual terms of the financial assets' cash flows.

The Group classifies its financial liabilities at amortised cost unless it has designated liabilities at fair value through profit or loss or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

Debt instruments

Investments in debt instruments are measured at amortised cost where they have:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost. The measurement of credit impairment is based on the three-stage expected credit loss model described below regarding impairment of financial assets.

Financial instruments designated as measured at fair value through profit or loss

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the income statement as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the income statement as they arise.

Where a financial asset is measured at fair value, a credit valuation adjustment is included to reflect the credit worthiness of the counterparty, representing the movement in fair value attributable to changes in credit risk.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the entity's assessment at the end of each reporting period as to whether

the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months.

Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Recognition and derecognition of financial instruments

A financial asset or financial liability is recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument, which is generally on trade date. Loans and receivables are recognised when cash is advanced (or settled) to the borrowers.

Financial assets at fair value through profit or loss are recognised initially at fair value. All other financial assets are recognised initially at fair value plus directly attributable transaction costs.

The Group derecognises a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

A financial liability is derecognised from the reporting date when the Group has discharged its obligations, or the contract is cancelled or expires.

Offsetting

Financial assets and liabilities are offset and the net amount is presented in the Statement of Financial Position when the Group has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

(g) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(h) Exploration, evaluation and development expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:
 - (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - (b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

(i) Employee benefits

Wages and salaries, annual leave and long service leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and long service leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(j) Cash and cash equivalents

Cash reserves in the statement of financial position comprise cash on hand.

(k) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the net asset or part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority, are presented as operating cash flows.

(l) Trade and other payables

Trade and other payables are carried at cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(m) Contributed equity

Ordinary shares and options are classified as contributed equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(n) Share based payments

The Group provides benefits to employees (including directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'), refer to note 11.

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of options that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award.

Options over ordinary shares have also been issued as consideration for the acquisition of interests in tenements and other services. These options have been treated in the same manner as employee options described above, with the expense being included as part of exploration expenditure.

(o) *Earnings per share*

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

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2. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the full Board of Directors as the Group believes that it is crucial for all Board members to be involved in this process. The Board, with the assistance of senior management as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on risk management.

(a) Market risk

(i) Foreign exchange risk

The Group operates in USA and Canada and has exposures to foreign exchange risk arising from currency exposures.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency and net investments in foreign operations. The Group has not formalised a foreign currency risk management policy, however it monitors its foreign currency expenditure in light of exchange rate movements.

(ii) Price risk

Given the current level of operations, the Group is not exposed to price risk.

(iii) Interest rate risk

The Group is exposed to movements in market interest rates on cash and cash equivalents.

The proportional mix of floating interest rates and fixed rates to a maximum of six months fluctuate during the year depending on current working capital requirements. The weighted average interest rate received on cash and cash equivalents by the Group was nil (2021: nil). Balance subject to fixed rates is nil. Balance subject to variable rates is \$1,190,608 and balances subject to zero rates is nil.

(b) Credit risk

The maximum exposure to credit risk at reporting date is the carrying amount (net of provision for impairment) of those assets as disclosed in the statement of financial position and notes to the financial statements. The only significant concentration of credit risk for the Group is the cash and cash equivalents held with financial institutions. All bank deposits are held with the major Australian banks for which the Board evaluate credit risk to be minimal.

As the Group does not presently have any trade debtors, lending, significant stock levels or any other credit risk, a formal credit risk management policy is not maintained.

(c) Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Group are confined to trade and other payables as disclosed in the Statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the balance date are recorded at amounts approximating their carrying amount.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

3. INCOME TAX

| | 2022 \$ | 2021 \$ |
|---|-------------|------------|
| (a) Income tax expense | | |
| Current tax | - | - |
| Deferred tax | - | - |
| | - | - |
| (b) Numerical reconciliation of income tax expense to prima facie tax payable | | |
| Loss from continuing operations before income tax expense | (7,393,327) | (732,257) |
| Prima facie tax benefit at Australian tax rate of 25% (2021: 26%) <i>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</i> | (1,848,332) | (190,387) |
| Capital raising fees | (22,343) | (26,619) |
| Non-deductible expenses | 1,190,310 | 31,535 |
| Other allowable expenditure | - | - |
| Overseas projects income & expenses | 66,073 | 12,266 |
| Provisions | 8,139 | 19,367 |
| Gain on sale of financial assets | - | (81,543) |
| | (606,153) | (235,381) |
| Tax effect of current year tax losses for which no deferred tax asset has been recognised | 606,153 | 235,381 |
| Income tax expense | - | - |
| (c) Unrecognised deferred tax assets (i) | | |
| Capital raising costs | - | 20,799 |
| Revaluation of assets | - | - |
| Accruals & provisions | 34,470 | 27,385 |
| Carry forward tax losses | 900,732 | 936,760 |
| Gross deferred tax assets | 935,202 | 984,944 |
| Less: Offset of Deferred Tax Asset | (89,988) | (58,633) |
| | 845,214 | 926,451 |

(i) No deferred tax asset has been recognised for the above balance as at 30 June 2022 as it is not considered probable that future taxable profits will be available against which it can be utilised.

4. CURRENT - CASH AND CASH EQUIVALENTS

| | 2022 \$ | 2021 \$ |
|-----------------------------|------------------|------------------|
| Cash at bank & on hand | 1,190,608 | 71,414 |
| Cash – at call deposits (i) | - | 3,143,218 |
| | <u>1,190,608</u> | <u>3,214,632</u> |

(i) At call deposits earn interest at floating rates based on daily bank deposit rates.

5. CURRENT - TRADE AND OTHER RECEIVABLES

| | | |
|-------------------------|----------------|---------------|
| Prepayments | 90,484 | 11,592 |
| GST and tax receivables | 27,880 | 37,537 |
| Environmental bond | 183,243 | - |
| Other receivables | 4,427 | - |
| | <u>306,034</u> | <u>49,129</u> |

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | | |
|--|----------------|----------------|
| Financial assets at fair value through profit or loss: | | |
| Listed Shares | <u>529,822</u> | 440,509 |
| | <u>529,822</u> | <u>440,509</u> |
| Carrying amount at beginning of the year | 440,509 | 715,945 |
| Additions | - | 200,000 |
| Disposal | (45,124) | (459,898) |
| Fair value adjustment to financial asset | 134,437 | (15,538) |
| Carrying amount at end of the year | <u>529,822</u> | <u>440,509</u> |

- (i) Classification of financial assets at fair value through profit or loss
The Group classifies its equity based financial assets at fair value through profit or loss upon adoption of AASB 9. They are presented as current assets if they are expected to be sold within 12 months after the end of the reporting period; otherwise they are presented as non-current assets. Changes in the fair value of financial assets are recognised in other gains/(losses) in the statement of profit or loss as applicable.
- (ii) Amounts recognised in profit or loss Changes in the fair values of financial assets at fair value have been recorded through profit or loss, representing a net gain of \$134,437 for the year.

Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three (3) levels of a fair value hierarchy. The three (3) levels are defined based on the observability of significant inputs to the measurement, as follows: Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly Level 3: unobservable inputs for the asset or liability The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

| | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
|----------------------------|----------------|---------------|---------------|----------------|
| 30 June 2022 | | | | |
| Listed equity securities | <u>529,822</u> | - | - | <u>529,822</u> |
| Fair value at 30 June 2022 | <u>529,822</u> | - | - | <u>529,822</u> |

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7. NON-CURRENT – DEFERRED EXPLORATION & EVALUATION EXPENDITURE

| | 2022 \$ | 2021 \$ |
|---|-------------------|----------------|
| <i>Deferred exploration and evaluation – at cost (i)</i> | | |
| Beginning of financial year/(period) | 774,070 | 249,250 |
| Exploration & evaluation costs and acquisition for the year | 23,686,146 | 571,996 |
| Exploration & project due diligence costs written-off | (355,222) | (47,176) |
| End of financial year | <u>24,104,994</u> | <u>774,070</u> |

- (i) The Group has capitalised all costs associated with its Tallahassee Uranium Project (USA), Rattler Uranium Project (USA), Athabasca Uranium Projects (Canada), Lake Johnston Project (Australia) and Enmore Gold Project (Australia). The recoverability of the carrying amount of these exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. Okapi, through its wholly owned subsidiary Tallahassee Resources Pty Ltd is the 100% owner of the Tallahassee Uranium Project and Rattler Uranium Project in the USA. Okapi, through its wholly owned subsidiary Canada Resources Pty Ltd is the 100% owner of the Athabasca Uranium Projects.

8. NON-CURRENT – PROPERTY PLANT & EQUIPMENT

| | | |
|---------------------------------------|----------|----------|
| <i>Office Equipment – at cost (i)</i> | | |
| Cost | 70,680 | 59,940 |
| Accumulated depreciation | (33,664) | (33,664) |
| Written off | (37,016) | (26,276) |
| Net book amount | <u>-</u> | <u>-</u> |

Reconciliation

A reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial period.

Property, Plant & Equipment

| | | |
|--|----------|----------|
| Carrying amount at beginning of the year | - | 26,276 |
| Additions | 10,740 | - |
| Disposal | - | - |
| Written Off | (10,740) | (26,276) |
| Depreciation | - | - |
| Carrying amount at end of the year | <u>-</u> | <u>-</u> |

9. TRADE AND OTHER PAYABLES

Current

| | | |
|---------------------------------|----------------|----------------|
| Trade payables (i) | 319,763 | 97,197 |
| Accruals and other payables (i) | 37,169 | 28,666 |
| | <u>356,932</u> | <u>125,863</u> |

- (i) Trade and other payables amounts represent liabilities for goods and services provided to the Group with respect to the financial period and which are unpaid. The amounts are unsecured and are usually paid within 30 days of invoice date.

10. ISSUED CAPITAL

| | 2022 Number | 2022 \$ | 2021 Number | 2021 \$ |
|------------------------------|--------------------|-------------------|-------------------|------------------|
| Ordinary shares - fully paid | 117,139,173 | 31,396,987 | 53,348,631 | 9,332,580 |
| Total Share Capital | 117,139,173 | 31,396,987 | 53,348,631 | 9,332,580 |

(a) Movements in share capital

| | | | | |
|---|--------------------|-------------------|-------------------|------------------|
| <i>Balance at beginning of year</i> | 53,348,631 | 9,332,580 | 36,042,866 | 6,236,473 |
| <i>Issued during the year:</i> | | | | |
| Acquisition of Tallahassee Resources Pty Ltd | 33,500,000 | 14,070,000 | - | - |
| Acquisition of uranium projects from ALX Resources Inc. | 3,227,790 | 855,364 | | |
| Issue of shares to consultant | 1,229,634 | 325,853 | | |
| Placement Shares (nett of costs) | 14,438,095 | 2,889,990 | 16,253,135 | 3,150,000 |
| Conversion of Options at \$0.30 | 1,575,000 | 472,500 | - | - |
| Issue of Shares to vendors | - | - | 1,052,630 | 200,000 |
| Vesting of Performance Rights | 6,200,000 | 1,700,040 | - | - |
| Issue of milestone shares - Tallahassee | 3,000,000 | 1,605,000 | - | - |
| Issue of milestone shares - Enmore Gold Project | 620,023 | 275,910 | - | - |
| Issue costs | - | (130,250) | - | (253,893) |
| <i>Balance at the end of year</i> | 117,139,173 | 31,396,987 | 53,348,631 | 9,332,580 |

(b) Share Options on issue for the year

| | Expiry Date | Exercise Price | Balance at start of period | Issued during the period | Converted during the period | Cancelled/ lapsed during the period | Balance at end of period |
|-----------------|-------------|----------------|----------------------------|--------------------------|-----------------------------|-------------------------------------|--------------------------|
| 2022 | | | | | | | |
| Listed | 31/03/23 | \$0.30 | 17,754,135 | 238,095 | - | - | 17,992,230 |
| Unlisted | 08/04/24 | \$0.30 | 2,000,000 | - | - | (875,000) | 1,125,000 |
| Unlisted | 08/04/24 | \$0.35 | 2,000,000 | - | - | (875,000) | 1,125,000 |
| Unlisted | 24/08/23 | \$0.30 | - | 30,950,000 | (1,575,000) | - | 29,375,000 |
| Unlisted | 31/12/24 | \$0.50 | - | 3,000,000 | - | - | 3,000,000 |
| Unlisted | 31/12/24 | \$0.60 | - | 2,000,000 | - | - | 2,000,000 |
| Unlisted | 31/12/24 | \$0.70 | - | 2,000,000 | - | - | 2,000,000 |

The weighted average remaining contractual life for the options over ordinary shares outstanding as at 30 June 2022 was 2.45 years (2021: 2.70)

The weighted average fair value of options over the ordinary shares granted during the financial year was 35.12 cents (2021: 34.08 cents).

The following table sets out the number and weighted average exercise prices of, and movements in, options over ordinary shares during the financial year.

| | 30 June 2022 | | 30 June 2021 | |
|--|-------------------|------------------------|-------------------|------------------------|
| | Number of Options | Weighted Average Price | Number of Options | Weighted Average Price |
| Balance at the start of financial year | 21,754,135 | \$0.3408 | - | - |
| Options: | | | | |
| Granted | 38,188,095 | \$0.3527 | 21,754,135 | \$0.3408 |
| Exercised | (1,575,000) | \$0.30 | - | - |
| Expired | (1,750,000) | \$0.30 | - | - |
| Balance at end of the financial year | 56,617,230 | \$0.3512 | 21,754,135 | \$0.3408 |

(c) Ordinary Performance rights on issue for the year

| | Expiry Date | Exercise Price | Balance at start of period | Granted during the period | Converted during the period | Cancelled/ lapsed during the period | Balance at end of period |
|-------------|-------------|----------------|----------------------------|---------------------------|-----------------------------|-------------------------------------|--------------------------|
| 2022 | | | | | | | |
| Class A | 31/12/25 | - | - | 2,066,666 | (2,066,666) | - | - |
| Class B | 31/12/25 | - | - | 2,066,667 | (2,066,667) | - | - |
| Class C | 31/12/25 | - | - | 2,066,667 | (2,066,667) | - | - |
| Class D | 31/12/25 | - | - | 666,666 | - | - | 666,666 |
| Class E | 31/12/25 | - | - | 666,667 | - | - | 666,667 |
| Class F | 31/12/25 | - | - | 666,667 | - | - | 666,667 |

Vesting Conditions:

Class A: The Company achieving and maintaining a market capitalisation of \$20 million or more for a continuous period of 20 trading days on or before 31 December 2025.

Class B: The Company achieving and maintaining a market capitalisation of \$35 million or more for a continuous period of 20 trading days on or before 31 December 2025.

Class C: The Company achieving and maintaining a market capitalisation of \$50 million or more for a continuous period of 20 trading days on or before 31 December 2025.

Class D: The Company achieving and maintaining a share price of \$0.75 or more for a continuous period of 20 trading days on or before 31 December 2025.

Class E: The Company achieving and maintaining a share price of \$1.00 or more for a continuous period of 20 trading days on or before 31 December 2025.

Class F: The Company achieving and maintaining a share price of \$1.25 or more for a continuous period of 20 trading days on or before 31 December 2025.

| | Class A | Class B | Class C | Class D | Class E | Class F |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Number Issued (No.) | 2,066,666 | 2,066,667 | 2,066,667 | 666,666 | 666,667 | 666,667 |
| Grant Date | 20-08-21 | 20-08-21 | 20-08-21 | 30-11-21 | 30-11-21 | 30-11-21 |
| Expiry/Amortisation Date | 31-12-25 | 31-12-25 | 31-12-25 | 31-12-25 | 31-12-25 | 31-12-25 |
| Volatility percentage (%) | 94% | 94% | 94% | 94% | 94% | 94% |
| Risk free rate (%) | 0.37% | 0.37% | 0.37% | 1.10% | 1.10% | 1.10% |
| Share price at grant date | \$0.375 | \$0.375 | \$0.375 | \$0.445 | \$0.445 | \$0.445 |
| Underlying Fair Value on Grant | \$0.3046 | \$0.2700 | \$0.3480 | \$0.3302 | \$0.3123 | \$0.2896 |
| Total Fair Value – Life of Right | \$629,506 | \$558,000 | \$512,533 | \$220,133 | \$208,200 | \$193,067 |
| Total Fair Value – Expensed to 30 June 2022 | \$629,506 | \$558,000 | \$512,533 | \$220,133 | \$208,200 | \$193,067 |

(d) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(e) Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The working capital position of the Group at 30 June 2022 and 30 June 2021 are as follows:

| | 2022 \$ | 2021 \$ |
|-----------------------------|------------------|------------------|
| Cash and cash equivalents | 1,190,608 | 3,214,632 |
| Trade and other receivables | 306,034 | 49,129 |
| Trade and other payables | (356,932) | (100,073) |
| Working capital position | <u>1,139,710</u> | <u>3,163,688</u> |

11. RESERVES & ACCUMULATED LOSSES

(a) Reserves

| | 2022 | 2021 |
|-------------------------------------|-----------|---------|
| | \$ | \$ |
| <i>Share based payments reserve</i> | 6,909,219 | 158,250 |

Movements:

| | | |
|---|-------------|---------|
| <i>Share based payments reserve</i> | | |
| <i>Balance at the beginning of the year</i> | 158,250 | - |
| Share based payments (options) | 6,175,835 | 158,250 |
| Share based payments lapsed (options) | (46,266) | |
| Share based payments (performance rights) | 2,321,440 | - |
| Share based payments converted (performance rights) | (1,700,040) | - |
| <i>Balance as at the end of the year</i> | 6,909,219 | 158,250 |

(b) Accumulated losses – movements

| | | |
|------------------------------|--------------|-------------|
| Balance at beginning of year | (5,138,353) | (4,406,096) |
| Net loss for the year | (7,393,327) | (732,257) |
| Balance at end of year | (12,531,680) | (5,138,353) |

(c) Share based payments – options expense for the period

| | Class E | Class F | Class G |
|--|-------------|-------------|-------------|
| Number Issued (No.) | 3,000,000 | 2,000,000 | 2,000,000 |
| Grant Date | 3-Sep-2021 | 3-Sep-2021 | 3-Sep-2021 |
| Expiry/Amortisation Date | 31-Dec-2024 | 31-Dec-2024 | 31-Dec-2024 |
| Volatility percentage (%) | 93.7% | 93.7% | 93.7% |
| Risk free rate (%) | 0.01% | 0.01% | 0.01% |
| Underlying Fair Value on Grant (\$) | \$0.52 | \$0.52 | \$0.52 |
| Total Fair Value (\$) – Life of Right | \$956,358 | \$599,839 | \$567,193 |
| Total Fair Value (\$) – Expensed to 30 June 2022 | \$956,358 | \$599,839 | \$567,193 |

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(d) Share based payments – performance rights expense for the period

During the year, 8,200,000 Performance Rights were issued to Directors of the Company. The Performance Rights were valued using Hoadleys Hybrid ESO Model (a Monte Carlo simulation model).

| | Grant Date | Expiry Date | Number Issued | Value per Performance Rights \$ | Total Fair Value \$ | Vested % |
|----------------|------------|-------------|---------------|------------------------------------|------------------------|-------------|
| 2022 | | | | | | |
| Class A | 20/08/21 | 31/12/25 | 2,066,666 | 0.3046 | 629,506 | 100 |
| Class B | 20/08/21 | 31/12/25 | 2,066,667 | 0.2700 | 558,000 | 100 |
| Class C | 20/08/21 | 31/12/25 | 2,066,667 | 0.2480 | 512,533 | 100 |
| Class D | 30/11/21 | 31/12/25 | 666,666 | 0.3302 | 220,133 | - |
| Class E | 30/11/21 | 31/12/25 | 666,667 | 0.3123 | 208,200 | - |
| Class F | 30/11/21 | 31/12/25 | 666,667 | 0.2896 | 193,067 | - |

Vesting Conditions:

Class A: The Company achieving and maintaining a market capitalisation of \$20 million or more for a continuous period of 20 trading days on or before 31 December 2025.

Class B: The Company achieving and maintaining a market capitalisation of \$35 million or more for a continuous period of 20 trading days on or before 31 December 2025.

Class C: The Company achieving and maintaining a market capitalisation of \$50 million or more for a continuous period of 20 trading days on or before 31 December 2025.

Class D: The Company achieving and maintaining a share price of \$0.75 or more for a continuous period of 20 trading days on or before 31 December 2025.

Class E: The Company achieving and maintaining a share price of \$1.00 or more for a continuous period of 20 trading days on or before 31 December 2025.

Class F: The Company achieving and maintaining a share price of \$1.25 or more for a continuous period of 20 trading days on or before 31 December 2025.

On 29 October 2021, Class A, B and C Performance Rights vested, and a total 6,200,000 shares were issued.

Share based payments of \$2,321,439 in relation to the above Performance Rights were expensed to statement of profit or loss and other comprehensive income for the year 30 June 2022.

12. CONTINGENT LIABILITIES

Enmore Gold Project – NSW

The Company entered a binding heads of agreement with Providence Gold and Minerals Pty Ltd (“Providence”) to acquire 100% of the Enmore Gold Project (EL8479) located in New South Wales.

As part of the acquisition consideration, the Company paid \$100,000 cash and issued 1,052,630 shares at a deemed price of \$0.19 per share to Providence. To further acquire the 100% in the Enmore Gold Project, the Company must meet Milestone 1.

Milestone 1

- Okapi having conducted a minimum of 1,000 metres of reverse circulation core drilling on the Tenement, and releasing those drilling results on its ASX announcements platform; and

- Okapi having expended no less than \$200,000 in assessing the Tenement's viability and minerology ("Minimum Expenditure") and releasing a public report verifying that the Company has met the Minimum Expenditure on its ASX announcements platform.

Upon satisfaction of Milestone 1, Okapi to pay \$300,000 either by way of the issue of shares at a deemed issue price equal to the 10-day VWAP immediately prior to the date of issue (in which case the issue will be subject to shareholder approval), or in cash, at the sole and exclusive election of the Company.

In the event Okapi elects not to proceed with the Acquisition and therefore not to make the Milestone 1 payment, the Company shall pay any unspent portion of the Minimum Expenditure to Providence in cash and the parties agree and acknowledge that they shall do all things required to transfer the Tenement back to Providence as soon as is practicable following the Company's decision not to continue with the Acquisition.

During the year, Okapi satisfied Milestone 1 and issued 620,023 shares to Providence and acquired the Enmore Gold Project 100%.

Milestone 2

Okapi defining a JORC Code 2012-compliant Mineral Resource (classified as either Measured or Indicated) of no less than 100k oz gold equivalent at greater than 1.5g/t Au as verified by an Independent Technical Consultant for the Enmore Gold Project.

Upon satisfaction of Milestone 2, Okapi to pay \$400,000, either by way of the issue of Shares at a deemed issue price equal to the 10-day VWAP immediately prior to the date of issue (in which case the issue will be subject to shareholder approval), or in cash, at the sole and exclusive election of the Company.

Providence retains a two percent (2%) net smelter royalty in the Enmore Gold Project.

Tallahassee Uranium Project, Colorado – USA

During the year, Okapi completed the acquisition of Tallahassee Resources Pty Ltd. Tallahassee holds its mineral rights by way of mining agreements with two privately-owned ranches through its wholly owned subsidiary, Usuran Resources Inc.

Taylor Ranch Property

Tallahassee has an initial 10-year lease over the Taylor Ranch (until 10 November 2030), encompassing approximately 5,505 acres, that provides Tallahassee the right to explore, develop and mine uranium resources on that property by:

- (i) Making a cash payment of US\$25,000 on before 10 November 2021 (payment has been made);
- (ii) Making further annual payments, on or before the subsequent anniversary date of that payment, of:
 - o US\$25,000, if the benchmark uranium price is less than US\$60/lb U3O8;
 - o US\$35,000, if the benchmark uranium price is greater than or equal to US\$60/lb but less than US\$80/lb U3O8;
 - o US\$45,000, if the benchmark uranium price is greater than or equal to US\$80/lb but less than US\$100/lb U3O8; or
 - o US\$55,000, if the benchmark uranium price is greater than or equal to US\$100/lb U3O8.
- (iii) Paying a production royalty in the amount of:
 - a. 2.5% for production from land in which the owner holds both surface and mineral rights; and
 - b. 1.5% for production from land in which the owner holds only the surface rights.

If commercial operations have commenced within the initial 10-year lease period, Tallahassee will have the right to extend the lease for as long as commercial production continues by paying the owner US\$55,000 on the annual anniversary of the date of execution of the agreement.

Boyer Ranch Property

Tallahassee has an initial 10-year lease over the Boyer Ranch (until 10 November 2030), encompassing approximately 1,875 acres, that provides Tallahassee the right to explore, develop and mine uranium resources on that property by:

- (i) Making a cash payment of US\$10,000 on before 10 November 2021 (payment has been made);
- (ii) Making further annual payments, on or before the subsequent anniversary date of that payment, of:
 - o US\$10,000, if the benchmark uranium price is less than US\$60/lb U3O8;
 - o US\$15,000, if the benchmark uranium price is greater than or equal to US\$60/lb but less than US\$80/lb U3O8;
 - o US\$20,000, if the benchmark uranium price is greater than or equal to US\$80/lb but less than US\$100/lb U3O8; or
 - o US\$30,000, if the benchmark uranium price is greater than or equal to US\$100/lb U3O8.
- (iii) Paying a production royalty in the amount of:
 - a. 2.0% for production from land in which the owner holds both surface and mineral rights; and
 - b. 0.5% for production from land in which the owner holds only the surface rights.

If commercial operations have commenced within the initial 10-year lease period, Tallahassee will have the right to extend the lease for as long as commercial production continues by paying the owner US\$30,000 on the annual anniversary of the date of execution of the agreement.

High Park Uranium Project

During the year, Okapi entered into a 10 year mining lease with the State of Colorado to secure a 100% interest in the 640 acre landholding at High Park. Okapi has the option to extend the lease for a further 10 years as long as minerals are being produced in paying quantities.

The financial terms of the lease include:

- One-off payment of US\$42,000 (payment has been made);
- Annual rent US\$3,200;
- Annual advanced royalty payment of \$16,800 deductible from future royalty payments (payment has been made); and
- Sliding scale gross production royalty linked to the uranium price ranging from 5% and increasing to 12%, depending on the prevailing uranium price.

Hansen Uranium Project

Subsequent to year end, in July 2022, Okapi completed the an 8-year option agreement to acquire 51% mineral interest in the Hansen Uranium Project with STB Minerals LLC. The following are the key terms of the agreement:

- A one-off payment of US\$500,000 (payment has been made);
- Option for 5 years by paying US\$250,000 annually subject to any inflation adjustments;
- Option for a further 3 years by paying US\$500,000 annually subject to any inflation adjustments;
- Right to exercise the option at any time during the 8 years by payment of US\$5 million to acquire 51% of the mineral interest;
- STB will hold a royalty of 1.5% net returns over their 51% mineral interest (STB Royalty).
- Okapi has the right to purchase 50% of the STB Royalty at any time by paying STB US\$500,000.
- Upon exercise of the option, Okapi will not be required to pay any further option fees.

During the options period, Okapi has the right to conduct mineral prospecting, exploration development, mining and related activities on the properties comprising the Hansen Uranium Project.

Rattler Uranium Project

Tallahassee has the right to acquire a 100% interest in the 51 BLM claims that comprise the Rattler Project by making further payments of:

- i. US\$25,000 in cash or shares (at Tallahassee's election) by 31 December 2021. If a benchmark

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- U3O8 price is >US\$60/lb, this payment is to comprise US\$50,000. (Payment has been made)
- ii. 3 further annual payments of US\$25,000 in cash or shares (at Tallahassee's election) on or before 31 December each year. If a benchmark U3O8 price is >\$60/lb at the time these payments are due, consideration will be US\$50,000.

Tallahassee is required to make all annual claim maintenance payments. Title will be transferred to Tallahassee on completion of the fourth (and final) payment. The vendor will retain a 1% NSR royalty; with Tallahassee having the right to purchase 50% of this for US\$500,000 at any time.

13. COMMITMENTS

(a) Exploration commitments

The Group has certain commitments to meet minimum expenditure on the mineral assets it has an interest in or an option to earn an interest in.

| | 2022 \$ | 2021 \$ |
|--|----------------|----------------|
| Annual commitment Crackerjack Project – WA | | |
| <i>Less than one year (i)</i> | - | 38,000 |
| Annual commitment Lake Johnston Project – E63/2039 - WA | | |
| <i>Less than one year (ii)</i> | - | 20,000 |
| Annual commitment Lake Johnston Project – E63/1903 – WA | | |
| <i>Less than one year (iii)</i> | 33,100 | - |
| <i>More than one year and less than 5 years (iii)</i> | 700,000 | 800,000 |
| | 733,100 | 858,000 |

- (i) Okapi, through its wholly owned subsidiary Panex Resources WA Pty Ltd is the 100% owner of the tenement. In the current financial year, minimum expenditure commitments were not met and the Company has surrendered the tenement.
- (ii) On 25 May 2021, the Company was granted tenement E63/2039 located in the Lake Johnston Project. Subsequent to year end, the Company has sold the tenement to Nordau Pty Ltd.
- (iii) During previous year, the Company entered into a binding Farm-In Agreement with Lithium Australia NL on tenement E63/1903 in the Lake Johnston area, Western Australia. The key terms of the Farm-In Agreement are:
- Okapi has the exclusive right to earn a 75% interest in mineral rights, other than lithium, over tenement E63/1903;
 - Okapi will undertake a minimum expenditure of A\$100,000 on tenement E63/1903 within 2 years from the execution date of the agreement (“Minimum Expenditure”);
 - Okapi will be entitled to earn a 75% interest in tenement E63/1903 by undertaking exploration expenditure of not less than \$800,000 (inclusive of the \$100,000 Minimum Expenditure) on the Tenements within 48 months from the execution date of the Amended Agreement;
 - If Okapi earns the Farm-in Interest, Okapi must free carry Lithium Australia until completion of a mine plan which is accepted by the Department of Mines, Industry Regulation and Safety as being in compliance with the Mining Law.

14. DIVIDENDS

No dividends were paid or recommended for payment during the financial year.

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15. REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

(a) Audit services

Audit and review of financial reports

- Statutory audit – Okapi Resources Limited

Total remuneration for audit services

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$ | \$ |
| | 43,260 | 17,186 |
| | <u>43,260</u> | <u>17,186</u> |

During the year, Hall Chadwick WA replaced Butler Settineri as the auditor of the Group.

16. RELATED PARTY TRANSACTIONS

(a) Parent entity

Okapi Resources Limited (ASX Code: OKR, OTCQB: OKPRF)

(b) Subsidiaries

Interests in subsidiaries are set out in note 18.

(c) Transactions with related parties

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated. The key management personnel compensation is as follows:

| | 2022 | 2021 |
|--|------------------|----------------|
| | \$ | \$ |
| Key Management Personnel Compensation | | |
| <i>Summary Remuneration</i> | | |
| Short-term benefits | 700,903 | 412,308 |
| Post-employment benefits | 42,905 | 21,051 |
| Share based payments | 2,321,440 | 105,750 |
| Total key management personnel compensation | <u>3,065,248</u> | <u>539,109</u> |

Details of remuneration disclosures are provided within the audited remuneration report which can be found on pages 20 to 25 of the Directors' report.

17. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 1(c):

| Name | Country of Incorporation | Class of Shares | Equity Holding ¹ | |
|------------------------------------|--------------------------|-----------------|-----------------------------|-----------|
| | | | 2022 % | 2021 % |
| Panex Resources WA Pty Ltd | Australia | Ordinary | 100 | 100 |
| Okapi Resources Canada Ltd | Canada | Ordinary | 100 | - |
| Tallahassee Resources Pty Ltd | Australia | Ordinary | 100 | - |
| Usuran Resources Inc. ² | USA | Ordinary | 100 | - |
| Rattler LLC ³ | USA | Ordinary | 100 | - |

¹The proportion of ownership interest is equal to the proportion of voting power held.

²Usuran Resources Inc. is a wholly owned subsidiary of Tallahassee Resources Pty Ltd.

³Rattler LLC is a wholly owned subsidiary of Usuran Resources Inc.

18. PARENT ENTITY INFORMATION

| | 2022 \$ | 2021 \$ |
|--|--------------------|------------------|
| Assets | | |
| Current assets | 1,997,598 | 3,674,916 |
| Non-current assets | 24,357,703 | 576,698 |
| Total assets | 26,355,301 | 4,251,614 |
| Liabilities | | |
| Current liabilities | 355,613 | 100,073 |
| Non-current liabilities | - | - |
| Total liabilities | 355,613 | 100,073 |
| Net Assets | 25,999,688 | 4,151,541 |
| Equity | | |
| Contributed equity | 31,396,986 | 9,185,079 |
| Accumulated losses | (12,307,359) | (5,139,288) |
| Reserves | 6,910,061 | 105,750 |
| Total Equity | 25,999,688 | 4,151,541 |
| Total comprehensive loss for the year | | |
| Loss for the year | (7,171,635) | (735,821) |
| Other comprehensive income for the year | - | - |
| Total comprehensive loss for the year | (7,171,635) | (735,821) |

The parent entity has not guaranteed any loans for any entity during the year. The parent entity does not have any contingent liabilities, or capital commitments.

19. STATEMENT OF CASH FLOWS

| | 2022 \$ | 2021 \$ |
|--|--------------------|--------------------|
| (a) Reconciliation of net loss after income tax to net cash outflow from operating activities | | |
| Net loss for the year | (7,393,327) | (732,257) |
| Exploration expenditure capitalised | - | (204,819) |
| Exploration expenditure written off | 355,222 | - |
| Proceeds from sale of tenement and financial asset | (44,029) | - |
| Net (gain)/loss on available for sale asset | (134,437) | (298,090) |
| Fixed assets written off | - | 26,276 |
| Share based payments – performance rights/options | 4,398,564 | 105,750 |
| Expenses paid via share issuance | 325,853 | |
| Change in operating assets and liabilities | | |
| (Increase)/decrease in trade, other receivables and assets | (77,191) | 8,502 |
| Increase/(decrease) in trade and other payables | (80,223) | 27,733 |
| Net cash outflow from operating activities | <u>(2,649,568)</u> | <u>(1,066,905)</u> |

(b) Non-cash investing and financing activities

There were no non-cash investing or financing transactions for the financial year.

20. LOSS PER SHARE

| | 2022 \$ | 2021 \$ |
|--|-------------------------|-------------------------|
| (a) Reconciliation of earnings used in calculating loss per share | | |
| Loss attributable to the owners of the Company used in calculating the loss per share | <u>(7,393,327)</u> | <u>(732,257)</u> |
| | Number of shares | Number of shares |
| (b) Weighted average number of shares used as the denominator | | |
| Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share | <u>103,626,214</u> | <u>42,214,981</u> |

21. SEGMENT INFORMATION

The Group has identified its operating segments based on internal reports that are reviewed by the Board and management. The Group operated in one operating segment during the year, being mineral exploration and in two geographical areas, being Australia and North America. Expenditure, assets and liabilities not directly related to either is referred to as other. In previous financial year, the Group only operated in one operating segment and in one geographical area, being mineral exploration in Australia.

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| (a) Primary Reporting – Business Segments | Mineral Exploration \$ Australia | Mineral Exploration \$ North America | Corporate \$ | Total \$ |
|---|---|---|-----------------|-------------|
| Year ended 30 June 2022 | | | | |
| Revenue | | | | |
| Other | 20,000 | 17,305 | 31,943 | 69,248 |
| Total Segment Revenue | 20,000 | 17,305 | 31,943 | 69,248 |
| Segment Result | | | | |
| Profit/(loss) before income tax | (355,222) | (5,079) | (7,033,026) | (7,393,327) |
| Net Profit/(Loss) | (355,222) | (5,079) | (7,033,026) | (7,393,327) |
| Total Segment Assets | 1,128,208 | 23,188,894 | 1,814,556 | 26,131,458 |
| Total Segment Liabilities | (105,191) | (45,171) | (206,570) | (356,932) |

22. EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to year end, the Company completed a placement raising \$2,369,000 (before costs) through the issue of 15,799,675 fully-paid ordinary shares at A\$0.15 per share (Placement Shares) together with 7,899,834 free-attaching unlisted options exercisable at \$0.30 each and expiring on 19 July 2024 (Placement Options) (together, the Placement Securities) on the basis of one (1) option for every two (2) Shares issued (the Placement). The Placement Securities were issued to sophisticated and professional investors.

Following receipt of shareholder approval at the General Meeting on 22 September 2022, Okapi's Board of Directors, Messrs Brian Hill, Andrew Ferrier, Leonard Math and Benjamin Vallerine subscribed for \$30,000, \$71,000, \$20,000 and \$10,000 worth of Placement Securities, respectively, raising a further of \$131,000.

In July 2022, the Company completed the agreement to acquire an option over a 51% interest in the Hansen Uranium Project in Colorado, USA with STB Minerals LLC (STB).

Okapi paid a total of US\$500,000 cash consideration and has an 8-year option to purchase the 51% mineral interest from STB. Other key terms are disclosed below:

- Okapi can maintain the option for 5 years by paying US\$250,000 annually subject to any inflation adjustments.
- During the option period, Okapi has the right to conduct mineral prospecting, exploration, development, mining and related activities on the properties comprising the Hansen Uranium Project.
- Okapi can continue the option for a further 3 years by paying US\$500,000 annually subject to inflation adjustments.
- Okapi has the right to exercise the option at any time during the 8 years by payment of US\$5,000,000 at which time STB Minerals will transfer to Okapi it full 51% mineral interest reserving a royalty of 1.5% net returns over their 51% mineral interest (STB Royalty). Upon exercise of the option, Okapi will not be required to pay any further option fees.
- Okapi would have the right to purchase 50% of STB Royalty at any time after Closing by paying STB Minerals US\$500,000.

On 22 August 2022, the Company completed the sale of the tenement E63/2039 to Nordau Pty Ltd. The Company receive a total cash payment of \$70,000 and the following performance share with the milestones set out below.

| Class | Number of Performance Shares | Performance Shares Value | Performance Milestone | Expiry Date |
|---------|------------------------------|--------------------------|---|---|
| Class A | 1 | \$50,000 | Upon NewCo receiving approval from ASX to be admitted to the official list of ASX (Class A Milestone). | Twelve (12) months from the Completion Date. |
| Class B | 1 | \$300,000 | Upon the Purchaser completing a drilling program and returning a drill intercept of at least 2m @ 1.0% Li ₂ O or 10m @ 0.8% Li ₂ O on the Tenements as verified by an Independent Technical Consultant (Class B Milestone). | Three (3) years from the date NewCo's securities are admitted to the official list of ASX (ASX Admission Date). |
| Class C | 1 | \$700,000 | Upon the Purchaser returning a Mineral Resource in accordance with the JORC Code 2012 Edition (or the current edition at the time) (JORC Code) of at least 5mt @ >1.0% Li ₂ O on the Tenements as verified by an Independent Technical Consultant (Class C Milestone). | Five (5) years from the ASX Admission Date. |

Since the end of the financial period and to the date of this report, no other matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in the subsequent financial year.

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In the directors' opinion:

- (a) the financial statements and notes set out on pages 31 to 59 are in accordance with the Corporations Act 2001, including:
- (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the company's and the consolidated entity's financial position as at 30 June 2022 and of their performance for the financial year ended on that date;
- (b) the audited remuneration disclosures set out on the pages 20 to 25 of the directors' report complies with section 300A of the Corporations Act 2001;
- (c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (d) a statement that the attached financial statements are in compliance with Australian Accounting Standards has been included in the notes to the financial statements.

The directors have been given the declarations by the executive directors and acting chief financial officer required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the directors.

On behalf of the Board.



Brian Hill
Non-executive Chairman

30 September 2022
Perth, Western Australia

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF OKAPI RESOURCES LIMITED**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Okapi Resources Limited ("the Company") and its controlled entities ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

- a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1b in the financial report which indicates that the Consolidated Entity incurred a net loss of \$7,393,327 during the year ended 30 June 2022. As stated in Note 1b, these events or conditions, along with other matters as set forth in Note 1b, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|---|
| <p>Exploration and Evaluation Expenditure</p> <p>As disclosed in note 7 to the financial statements, as at 30 June 2022, the Consolidated Entity's capitalised exploration and evaluation expenditure was carried at \$24,104,994.</p> <p>The recognition and recoverability of the exploration and evaluation expenditure was considered a key audit matter due to:</p> <ul style="list-style-type: none"> The carrying value represents a significant asset of the Consolidated Entity, we considered it necessary to assess whether facts and circumstances existed to suggest the carrying amount of this asset may exceed the recoverable amount; and Determining whether impairment indicators exist involves significant judgement. | <p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> Assessing management's determination of its areas of interest for consistency with the definition in AASB 6 <i>Exploration and Evaluation of Mineral Resources</i> ("AASB 6"); Assessing the Consolidated Entity's rights to tenure for a sample of tenements; Testing the Consolidated Entity's additions to capitalised exploration costs for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated Entity's accounting policy and the requirements of AASB 6; Testing the status of the Consolidated Entity's tenure and planned future activities, reading board minutes and enquiries with management we assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised exploration costs: <ul style="list-style-type: none"> The licenses for the rights to explore expiring in the near |

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| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|---|
| | <p>future or are not expected to be renewed;</p> <ul style="list-style-type: none"> ○ Substantive expenditure for further exploration in the area of interest is not budgeted or planned; ○ Decision or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and ○ Data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recorded in full from successful development or sale; and <ul style="list-style-type: none"> • We also assessed the appropriateness of the related disclosures in note 7 to the financial statements. |
| <p>Share based payments As disclosed in note 11 to the financial statements, during the year ended 30 June 2022 the Company incurred share based payments totalling \$4,398,564.</p> | <p>Our procedures amongst others included:</p> <ul style="list-style-type: none"> • Analysing agreements to identify the key terms and conditions of share based payments issued and relevant vesting conditions in accordance with AASB 2 Share Based Payments; • Evaluating management's Valuation Models and assessing the assumptions and inputs used; and • Assessing the amount recognised during the year in accordance with the vesting conditions of the agreements. • We also assessed the appropriateness of the related disclosures in note 11 to the financial statements. |

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Consolidated Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not

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detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2022. The directors of the Consolidated Entity are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Okapi Resources Limited, for the year ended 30 June 2022, complies with section 300A of the Corporations Act 2001.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

A handwritten signature in black ink, appearing to read 'Chris Nicoloff'.

CHRIS NICOLOFF CA
Director

Dated in Perth, Western Australia this 30th day of September 2022

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(a) Shareholding

The distribution of members and their holdings of equity securities as at 28 September 2022 is as follows:

| | Ordinary shares | |
|---|-------------------|--------------------|
| | Number of holders | Number of shares |
| 1 - 1,000 | 48 | 18,091 |
| 1,001 - 5,000 | 283 | 826,865 |
| 5,001 - 10,000 | 202 | 1,644,109 |
| 10,001 - 100,000 | 481 | 18,059,262 |
| 100,001 and over | 176 | 115,390,521 |
| | 1,190 | 135,938,848 |
| The number of shareholders holding less than a marketable parcel of shares are: | 152 | 190,475 |

(b) Twenty largest shareholders

The names of the twenty largest holders of quoted ordinary shares are as follows:

| | Listed ordinary shares | |
|--|------------------------|-------------------------------|
| | Number of shares | Percentage of ordinary shares |
| 1 Evans Leap Holdings Pty Ltd <Evans Leap Holdings A/C> | 8,425,000 | 6.2% |
| 2 Mr Benjamin Vallerine & Ms Samantha Blount <Avalanche A/C> | 6,654,680 | 4.9% |
| 3 HSBC Custody Nominees (Australia) Limited | 6,620,845 | 4.87% |
| 4 Equity Plan Services Pty Ltd | 6,200,000 | 4.56% |
| 5 Bullseye Geoservices Pty Ltd <Haynes Family A/C> | 5,869,258 | 4.32% |
| 6 David Nour | 4,780,000 | 3.52% |
| 7 BNP Paribas Nominees Pty Ltd | 4,601,886 | 3.39% |
| 8 Havelock Mining investment Limited | 4,594,181 | 3.38% |
| 9 Silverpeak Nominees Pty Ltd <The RGM Hill A/C> | 4,488,994 | 3.30% |
| 10 McNeil Nominees Pty Ltd | 4,337,036 | 3.19% |
| 11 CH2 Investments Pty Ltd | 2,962,628 | 2.18% |
| 12 ALX Resources Corp | 2,162,619 | 1.59% |
| 13 Massif Holdings Pty Ltd | 2,000,000 | 1.47% |
| 14 Stelabel Pty Ltd <The Sealinks Family A/C> | 1,633,743 | 1.20% |
| 15 Citicorp Nominees Pty Limited | 1,616,242 | 1.19% |
| 16 Valorem Capital Pty Ltd | 1,400,000 | 1.03% |
| 17 Windhager Holding AG | 1,360,000 | 1.00% |
| 18 Colin Weekes | 1,284,666 | 0.95% |
| 19 Kalubamba SARL | 1,000,000 | 0.74% |
| 20 Tambourineman Pty Ltd | 1,000,000 | 0.74% |
| | 72,991,778 | 53.72% |

(c) Substantial shareholders

| | Number of Shares |
|---|------------------|
| Evans Leap Holdings Pty Ltd <Evans Leap Holdings A/C> | 8,425,000 |

(d) Restricted Securities

There are no mandatory restricted securities currently on issue.

(e) On-Market Buy-back

There is no current on-market buy-back.

(f) Listed Option Holders (ASX: OKRO)

The distribution of members and their holdings of equity securities as at 28 September 2022 is as follows:

| | | | Listed Options | |
|---------|---|----------|-------------------|-------------------|
| | | | Number of holders | Number of Options |
| 1 | - | 1,000 | 5 | 2,287 |
| 1,001 | - | 5,000 | 8 | 23,833 |
| 5,001 | - | 10,000 | 8 | 60,783 |
| 10,001 | - | 100,000 | 65 | 3,188,434 |
| 100,001 | | and over | 43 | 14,716,893 |
| | | | 129 | 17,992,230 |

The names of the twenty largest holders of quoted options are as follows:

| | | Listed Options | |
|----|--|-------------------|--------------|
| | | Number of Options | Percentage |
| 1 | Peter Andrew Proksa | 2,013,535 | 11.19 |
| 2 | Xcel Capital Pty Ltd | 1,023,095 | 5.69 |
| 3 | Chunyan Niu | 1,009,357 | 5.61 |
| 4 | Saba Nominees Pty Ltd <Saba A/C> | 907,498 | 5.04 |
| 5 | Evermind Pty Ltd <Evermind Super Fund A/C> | 800,000 | 4.45 |
| 6 | Scott Arthur Cluff <The Cluff Operating A/C> | 750,000 | 4.17 |
| 7 | M&K Korkidas Pty Ltd <M&K Korkidas Pty Ltd A/C> | 542,469 | 3.02 |
| 8 | Muncha Cruncha Pty Ltd | 438,207 | 2.44 |
| 9 | Quid Capital Pty Ltd | 365,790 | 2.03 |
| 10 | Robert Sarkany | 354,951 | 1.97 |
| 11 | McNeil Nominees Pty Ltd | 326,316 | 1.81 |
| 12 | David Nour | 300,000 | 1.67 |
| 13 | Valorem Capital Pty Ltd | 300,000 | 1.67 |
| 14 | Buckingham Investment Financial Services PL <Lennox Head Property> | 285,000 | 1.58 |
| 15 | Louisa Aline Mitchell | 280,000 | 1.56 |
| 16 | Kalgoorlie Mine Management Pty Ltd | 265,000 | 1.47 |
| 17 | Accent Capital GMBH | 263,158 | 1.46 |
| 18 | Ayers Capital Pty Ltd | 256,135 | 1.42 |
| 19 | Martin Alexander Ziegler | 254,778 | 1.42 |
| 20 | Zhichong Zheng | 250,000 | 1.39 |
| | | 10,985,289 | 61.06 |

(g) Unquoted Securities

(OKRAL) Options expiring 24 August 2023 exercisable at \$0.30

| | | | Options (OKRAL) | |
|---------|---|----------|-------------------|-------------------|
| | | | Number of holders | Number of Options |
| 1 | - | 1,000 | - | - |
| 1,001 | - | 5,000 | - | - |
| 5,001 | - | 10,000 | - | - |
| 10,001 | - | 100,000 | 38 | 2,770,000 |
| 100,001 | | and over | 42 | 26,605,000 |
| | | | 80 | 29,375,000 |

(OKRAI) Options expiring 8 April 2024 exercisable at \$0.30

| | | | Options (OKRAI) | |
|---------|---|----------|-------------------|-------------------|
| | | | Number of holders | Number of Options |
| 1 | - | 1,000 | - | - |
| 1,001 | - | 5,000 | - | - |
| 5,001 | - | 10,000 | - | - |
| 10,001 | - | 100,000 | - | - |
| 100,001 | | and over | 4 | 1,125,000 |
| | | | 4 | 1,125,000 |

(OKRAJ) Options expiring 8 April 2024 exercisable at \$0.35

| | | | Options (OKRAJ) | |
|---------|---|----------|-------------------|-------------------|
| | | | Number of holders | Number of Options |
| 1 | - | 1,000 | - | - |
| 1,001 | - | 5,000 | - | - |
| 5,001 | - | 10,000 | - | - |
| 10,001 | - | 100,000 | - | - |
| 100,001 | | and over | 4 | 1,125,000 |
| | | | 4 | 1,125,000 |

(OKRAQ) Options expiring 19 July 2024 exercisable at \$0.30

| | | | Options (OKRAQ) | |
|---------|---|----------|-------------------|-------------------|
| | | | Number of holders | Number of Options |
| 1 | - | 1,000 | - | - |
| 1,001 | - | 5,000 | - | - |
| 5,001 | - | 10,000 | 4 | 33,334 |
| 10,001 | - | 100,000 | 68 | 2,924,925 |
| 100,001 | | and over | 22 | 4,941,575 |
| | | | 94 | 7,899,834 |

(OKRAM) Options expiring 31 December 2024 exercisable at \$0.50

| | | | Options (OKRAM) | |
|---------|---|----------|-------------------|-------------------|
| | | | Number of holders | Number of Options |
| 1 | - | 1,000 | - | - |
| 1,001 | - | 5,000 | - | - |
| 5,001 | - | 10,000 | - | - |
| 10,001 | - | 100,000 | - | - |
| 100,001 | | and over | 1 | 3,000,000 |
| | | | 1 | 3,000,000 |

(OKRAN) Options expiring 31 December 2024 exercisable at \$0.60

| | | | Options (OKRAM) | |
|---------|---|----------|-------------------|-------------------|
| | | | Number of holders | Number of Options |
| 1 | - | 1,000 | - | - |
| 1,001 | - | 5,000 | - | - |
| 5,001 | - | 10,000 | - | - |
| 10,001 | - | 100,000 | - | - |
| 100,001 | | and over | 1 | 2,000,000 |
| | | | 1 | 2,000,000 |

(OKRAO) Options expiring 31 December 2024 exercisable at \$0.70

| | | | Options (OKRAO) | |
|---------|---|----------|-------------------|-------------------|
| | | | Number of holders | Number of Options |
| 1 | - | 1,000 | - | - |
| 1,001 | - | 5,000 | - | - |
| 5,001 | - | 10,000 | - | - |
| 10,001 | - | 100,000 | - | - |
| 100,001 | | and over | 1 | 2,000,000 |
| | | | 1 | 2,000,000 |

(OKRAP) Performance Rights expiring 31 December 2025

| | | | Options (OKRAP) | |
|---------|---|----------|-------------------|------------------|
| | | | Number of holders | Number of Rights |
| 1 | - | 1,000 | - | - |
| 1,001 | - | 5,000 | - | - |
| 5,001 | - | 10,000 | - | - |
| 10,001 | - | 100,000 | - | - |
| 100,001 | | and over | 1 | 2,000,000 |
| | | | 1 | 2,000,000 |

(h) Voting rights

The voting rights attaching to each class of equity securities are set out below:

(i) *Ordinary shares*

All ordinary shares carry one vote per share without restriction.

(ii) *Performance Rights and Unlisted Options*

These securities have no voting rights.

(i) Application of Funds

During the financial year, Okapi Resources Limited confirms that it has used its cash and assets (in a form readily convertible to cash) in a manner which is consistent with the Company's business objectives.

(j) Corporate Governance

The Board of Okapi Resources Limited is committed to Corporate Governance. The Board is responsible to its Shareholders for the performance of the Company and seeks to communicate with Shareholders. In accordance with ASX Listing Rule 4.10.3, the Company has elected to disclose its Corporate Governance policies and its compliance with them on its website, rather than in the Annual Report.

Accordingly, information about the Company's Corporate Governance practices is set out on the Company's website at <https://okapiresources.com/corporate-governance>.

(k) Tenement Schedule

| Project/Location | Location | Tenement | Percentage held/earning |
|-----------------------------|--|--|-------------------------|
| Tallahassee Uranium Project | Colorado, USA | Taylor Ranch – Private Lease | 100% |
| | | Boyer Ranch – Private Lease | 100% |
| | | High Park – Unpatented Mining Claims | 100% |
| | | High Park (New Project Area) – State Lease | 100% |
| | | Hansen | 0% ¹ |
| | | Picnic Tree | 0% ¹ |
| Rattler Uranium Project | Utah, USA | Unpatented Mining Claims | 0% ² |
| Maybell Uranium Project | Colorado, USA | 468 Federal Unpatented Mining Claims | 100% |
| Athabasca Uranium Portfolio | Saskatchewan, Canada | 75 Granted Mineral Claims | |
| | | Newnham Lake Project | 100% |
| | | Middle Lake Project | 80% |
| | | Perch Project | 100% |
| | | Kelic Lake Project | 100% |
| | | Argo Project | 100% |
| | | Lazy Edward Bay Project | 100% |
| Enmore Gold Project | New South Wales, EL8479 Australia | | 100% |
| Lake Johnston Project | Western Australia, E63/1903 Australia | | 0% ³ |

¹Okapi has executed a binding agreement with STB Minerals LLC to earn 51% interest in Hansen and Picnic Tree uranium deposits.

²Okapi has the right to acquire 100% interest upon satisfaction of payments.

³Okapi has executed a binding farm-in agreement with Lithium Australia NL to earn an undivided 75% interest in the tenements.

(l) Resource Estimate

JORC 2012 Resource Estimate as at the date of this report.

| Deposit | Measured | | | Indicated | | | Inferred | | | Total | | |
|----------------------|--------------|---|---|---------------|---|---|---------------|---|---|---------------|---|---|
| | Tonnes (000) | Grade U ₃ O ₈ (ppm) | lbs U ₃ O ₈ (000) | Tonnes (000) | Grade U ₃ O ₈ (ppm) | lbs U ₃ O ₈ (000) | Tonnes (000) | Grade U ₃ O ₈ (ppm) | Lbs U ₃ O ₈ (000) | Tonnes (000) | Grade U ₃ O ₈ (ppm) | lbs U ₃ O ₈ (000) |
| Hansen & Picnic Tree | - | - | - | 7,309 | 640 | 10,360 | 9,277 | 580 | 11,874 | 16,586 | 610 | 22,234 |
| Taylor & Boyer | - | - | - | 7,641 | 520 | 8,705 | 14,869 | 460 | 15,172 | 22,513 | 480 | 23,877 |
| High Park | 2,451 | 550 | 2,960 | 24 | 590 | 30 | 434 | 770 | 734 | 2,907 | 580 | 3,724 |
| Total | 2,451 | 550 | 2,960 | 14,976 | 580 | 19,095 | 24,580 | 510 | 27,780 | 42,007 | 540 | 49,835 |

Notes: Calculated applying a cut-off grade of 250ppm U₃O₈. Numbers may not sum due to rounding. Grade rounded to nearest 10ppm. **Numbers reported are 51% of the Hansen/Picnic Tree due to ownership agreements.

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