CAZALY RESOURCES LIMITED

OPTION TO ACQUIRE NAMIBIAN COPPER-COBALT PROJECT

- **71m @ 0.38% Co from 10m including 45m @ 17.1g/t Ga ***
- **Proterozoic Damaran host rocks, north eastern Namibia**
- **Extensive tenement holding, ~200km^2**
- **Hole drilled in 2011, no follow up work for Co recorded as work focussed on iron mineralisation**
- **Large nearby circa 3km long coincident Cu-Co soil anomaly**
- **Four month option to purchase an 85% interest**
- **Local consultants being engaged, work to commence in early 2018**

***** *Analyses by Niton XRF analyser, see Appendix 1. Analyses not completed beyond 81m. Note that the Exploration Results have not been reported in accordance with the JORC 2012*

Cazaly Resources Limited (**ASX: CAZ, "Cazaly"** or **"the Company"**) is pleased to announce it has acquired an option to purchase an 85% equity interest in the Tsumkwe project, located in Namibia and which is prospective for copper-cobalt mineralisation ("**the Project**").

The Project is located in north-eastern Namibia, approximately 750km by road from the capital of Windhoek and about 40km from the border with Botswana (Figure 1). The region has largely been explored for diamonds in the past with limited exploration for base metals.

TENURE

The Project comprises a single exploration licence, EPL6532, which was granted to local Namibian owned company Gemco Investments cc ("**Gemco**") in August 2017 for an initial 3 year period. The Project covers an area of approximately 200 square kilometres. Cazaly has secured a four month option with Gemco to purchase an 85% interest in the Project.

GEOLOGICAL SETTING

The region contains basement Damaran Proterozoic, younger Karoo Supergroup lithologies and

CAZALY RESOURCES LIMITED
Level 2, 38 Richardson Street, West Perth, Western Australia, 6005. PO Box 396, West Perth, Western Australia, 6872
Phone: +61 8 9322 6283 Fax: +61 8 9322 6398 email: admin@cazalyresources.com.au
ACN 101 049334 www.cazalyresources.com.au

extensive overlying Quaternery sands, calcrete and silcrete (Figure 2). The Damaran Proterozoic hosts the world class Tsumeb Cu-Pb-Zn-Ag-Ge-Cd mine in Namibia, renowned for a wealth of rare and unusual minerals and mined from 1907 to 1996. The ore body is a pipe measuring around 120 by 15 metres in cross section, is steeply dipping and extending from the surface to at least 1,000 metres in depth. The Damaran belt is similar to other Proterozoic belts in the world which host large base metal deposits such as the Copperbelt in Zambia, Mount Isa and Century in Australia, Rammelsberg in Germany, Red Dog in the USA and Cirque and Howards Pass in Canada.

THE PROJECT

The Tsumkwe region has only been lightly explored in the past. Mount Burgess Mining NL ("**MTB**") has been active in the region since the late 1990's largely exploring for diamonds although some exploration for base metal and rare earths was conducted. During this work, in mid-2011, MTB announced significant cobalt results from drilling conducted on a strong magnetic anomaly (MTB:ASX release, July 2011).

The first hole into the anomaly (hole NAM917, Target1) was drilled to 110m and returned an intercept of **71M @ 0.38% Co** from 10 to 81m (analyses did not extend past 81m) and a coincident intercept of gallium from 37 to 81m of **45m at 17.11g/t Ga**.

The interval was determined on site with the Company's XRF analyser (but only to 81m) with results to be verified by chemical analysis from an independent laboratory, however whether this was carried out or not was never reported. Lithologies intercepted appear to be a heavily magnetite mineralised amphibolite occurring below a gossan from ~11-17m and ~10m of sand cover.

MTB's quarterly report for the June Quarter, 2011 also presented the results of an infill soil geochemical survey over an area located ~3km to the south west of the drill intercept (*Makuri Vlei* anomaly, Figures 3, 4). This survey assayed for cobalt for the first time and uncovered **a coincident copper-cobalt anomaly over a strike length of ~3km** with cobalt values in the range of 500ppm to 690ppm and copper from 120 to 160ppm.

Figure 1: Location of the Tsumkwe Project, Namibia

Four magnetic anomalies, all located along trend to the north east of the soil anomaly (Figure 3), were targeted by MTB (including Target 1 with the reported cobalt intercept) with drilling returning significant zones of sulphide mineralisation including chalcopyrite, galena, pyrite and other sulphides (MTB:ASX; June 2011 Quarterly Report). However, no assays were ever reported and, given the demand for iron ore at the time, the company quickly focussed its efforts on the

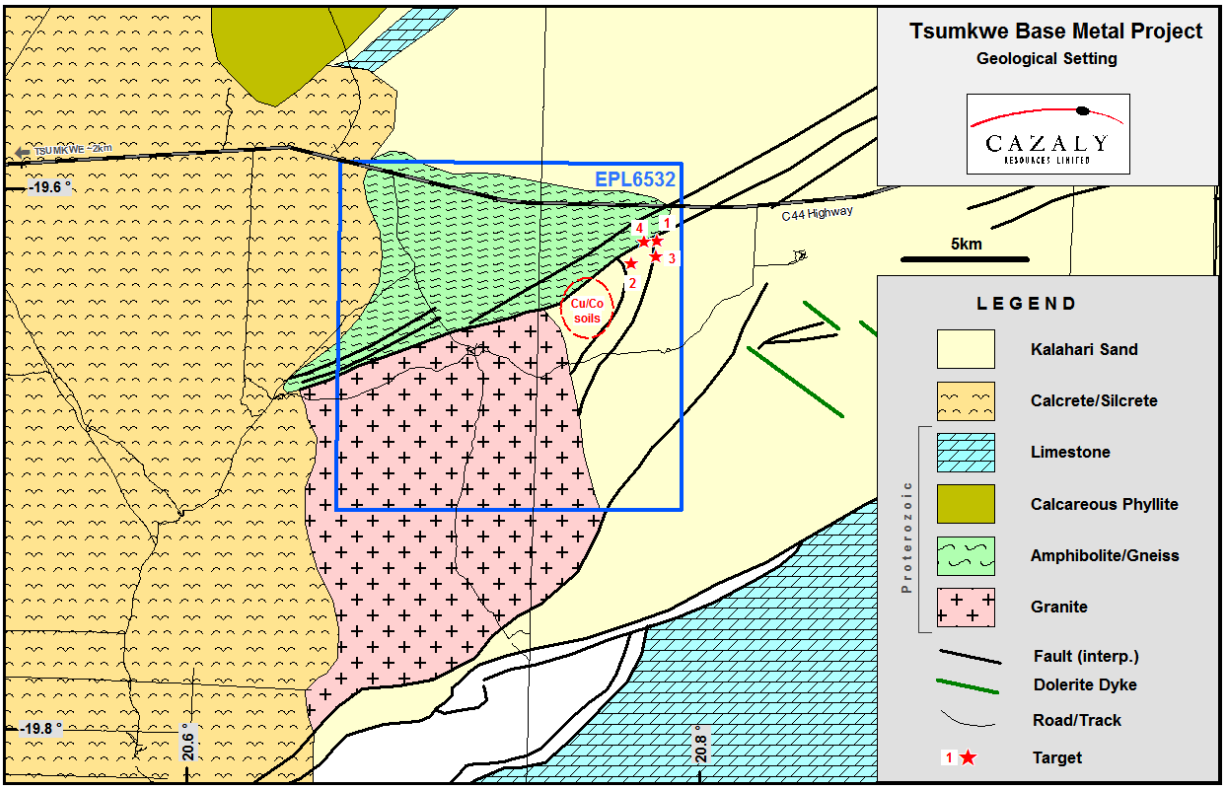

Figure 2: Geological setting of the Tsumkwe project

extensive magnetite mineralisation which was also evident in the drilling (MTB ASX; September 2011 Quarterly Report).

MTB drilled further holes in the area in 2011, focussing on magnetite mineralisation, with no further reporting on cobalt. One of these drillholes, NAM927, drilled near to NAM917, also encountered a gossan from around 11 – 17m (ASX:MTB 30 August 2011). NAM927 confirmed that the body intersected may be a pipe like structure that may be a feeder system to the Cu-Co mineralisation located at the Makuri Vlei soil anomaly.

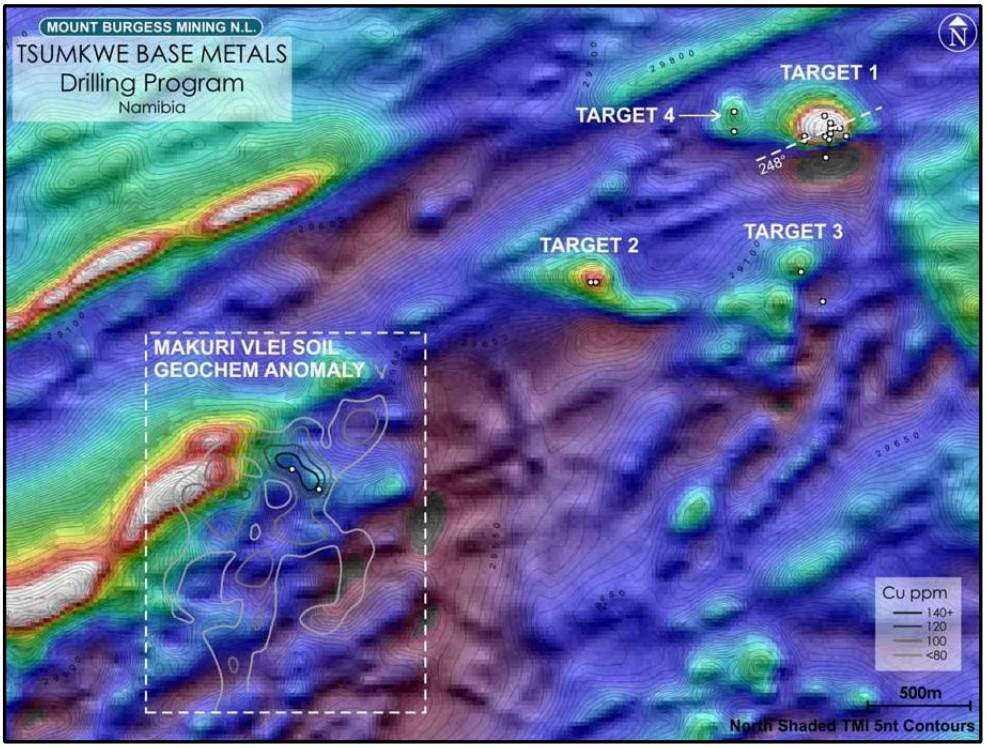

Figure 3: Aeromagnetic image showing 4 Target anomalies and location of the Makuri Vlei Cu-Co soil anomaly (MTB:ASX June 2011 Quarterly Report)

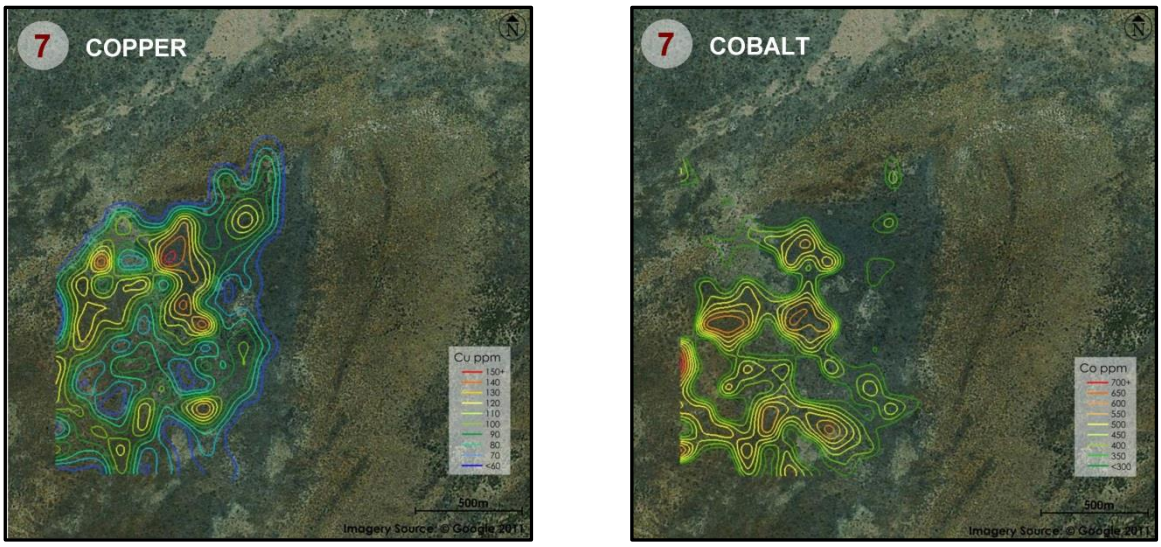

Figure 4: Makuri Vlei coincident copper-cobalt soil anomaly
(MTB:ASX November 2011 AGM presentation)

INFRASTRUCTURE

The project lies 260 kilometres by a well-serviced road from the mining town of Grootfontein and 40km from the border of Botswana.

DUE DILIGENCE

Given the paucity of information and lack of data verification available from reporting, the results from drilling as presented need to be treated with caution. The Company intends to verify the extensive cobalt and gallium intercept reported by twinning drillhole NAM917 at Target 1. If the Company proceeds to completion of the acquisition of an interest in the Project, other drilling will also be conducted including drilling over the extensive Makuri Vlei Cu-Co soil anomaly.

The Company has commenced engaging local technical and legal consultants to assist in its due diligence work on the project however, given the time of year much of Namibia is closed down for the next month delaying any field work.

ACQUISITION TERMS

Cazaly has the right to purchase an 85% equity interest in EPL6532 on the following terms and conditions:

1. The payment of an option fee of US$60,000 for a 4 month exclusive option and due diligence period, which was paid by Cazaly prior to the date of this announcement.
2. At the end of the option period Cazaly can elect to acquire an 85% equity interest in the Project by paying US$650,000 cash and issuing US$250,000 worth of Cazaly stock, subject to any required shareholder approval.
3. Cazaly will free carry all Gemco expenditure in respect of the Project up to the finalisation of a positive definitive feasibility study into mining on the Project.
4. Any requirements for the government's New Equitable Economic Empowerment Framework ("**NEEEF**") shall be satisfied by the Project equity held by Gemco.

Commenting on the Option Agreement, Cazaly Resources Managing Director Nathan McMahon said:

"While we are yet to verify the cobalt and gallium intercept, we are nonetheless encouraged by the potential of this project which has had no follow-up cobalt work as historically the primary focus was on iron mineralisation.

"We are also encouraged by the large nearby 3km copper-cobalt anomaly which returned cobalt values in the range of 500ppm to 690ppm and copper from 120 to 160ppm."

"Cazaly are currently in the process of engaging local consultants with a view to kick-off due diligence on the project early in the new year. This work will include verifying the reported intercept as well drilling over the extensive Makuri Vlei Cu-Co soil anomaly."

BACKGROUND ON COBALT

Cobalt has a diverse range of metallurgical and chemical uses ranging from aircraft engines to rechargeable batteries.

Globally, 58 per cent of cobalt is used in diverse industrial and military applications with the remainder used in the development of lithium-ion batteries used in electronic devices, electric vehicles, and energy storage, according to Cobalt Development Institute (CDI).

Strong demand for rechargeable batteries has been the biggest growth driver for cobalt consumption and demand is forecast to continue to increase as batteries are increasingly adopted in households and vehicles.

Industry insiders anticipate that demand for electric vehicles will increase phenomenally over the next ten years, particularly in North America, Europe and North-East Asia, creating a huge demand for lithium-ion batteries.

Demand from electric carmakers on concerns not enough cobalt can be mined to meet future demand has driven the LME three-month cobalt price from $US32,750 tonne at the start of January 2017 to current price of $US72,000t. This has been exemplified in the last week by automotive maker BMW stating that its needs for car-battery raw materials such as cobalt and lithium will grow 10-fold by 2025.

BACKGROUND ON GALLIUM

Demand for gallium has grown as demand for hand-held and communication electronics, particularly smart phones, has increased in recent times and accounts for approximately three-quarters of demand.

On the supply side, gallium supply largely comes as a by-product of bauxite mining and is extracted from spent liquor at aluminium refineries with China being the largest supplier of refined gallium. Market commentators have suggested that the gallium market will be significantly buoyed by supply cuts and demand recovery, while demand outlook is bullish.

ENDS

For further information please contact:

Nathan McMahon / Clive Jones
Joint Managing Directors
Cazaly Resources Limited
Tel: +61 8 9322 6283
Em: admin@cazalyresources.com.au
Website: www.cazalyresources.com.au

Media
David Tasker / Colin Jacoby
Chapter One Advisors
E: dtasker@chapteroneadvisors.com.au / cjacoby@chapteroneadvisors.com.au
T: +61 433 112 936 / +61 439 980 359

Competent Person's Statement

The information contained herein that relates to Exploration Results, Mineral Resources, Targets or Ore Resources and Reserves is based on information compiled or reviewed by Mr Clive Jones, who is an employee of the Company. Mr Jones is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jones consents to the inclusion of his name in the matters based on the information in the form and context in which it appears.

Disclaimer *Certain statements contained in this announcement, including information as to the future financial or operating performance of Cazaly Resources Limited and its projects, are forward-looking statements that:*

- *may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;*
- *are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Cazaly Resources Limited, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,*
- *involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.*

APPENDIX 1

Historical Reporting of Cobalt Results

A) THE FOLLOWING IS AN EXCERPT FROM THE ORIGINAL MTB ANNOUNCEMENT IN RELATION TO THE REPORTING OF COBALT RESULTS

MTB:ASX 20 July 2011: Significant Cobalt Results, Tsumkwe Base metals Project, Namibia

Cobalt Assay results from XRF Analyser in Geochemical Mode								
Drill Hole	**Northing**	**Easting**	**Dip**	**Az.**	**From**	**To**	**Interval**	**Co%**
NAM917	7,830,904	477,015	90°	0°	10m	81m	71m @	0.38
(Including					*16m*	*18m*	*2m @*	*0.53*
and					*26m*	*37m*	*11m @*	*0.69*
and					*48m*	*61m*	*13m @*	*0.77)*
Iron Assay results from XRF Analyser in Mining Mode								
Drill Hole	**Northing**	**Easting**	**Dip**	**Az.**	**From**	**To**	**Interval**	**Fe%**
NAM917	7,830,904	477,015	90°	0°	26m	38m	12m @	41.10
					47m	61m	14m @	43.22

Note: Samples from 81m to 110m (EOH) have not yet been analysed

Method of on Site XRF Analysis for NAM 917

Drill chip samples from each single meter were sieved down to 0.18mm and stored in brown paper sample packets containing around 60gms of sample. Individual sample packets were then placed on the base of the lead hooded container, over the eye of the XRF analyser

The analysis process for each individual sample packet was triggered and allowed to run for 2 minutes for each sample (as recommended by the manufacturers, Niton).

All samples from each meter between 48m and 58m were subject to 4 x 2 minute assay tests, turning the sample packets for each 2 minute test. All other samples assayed from this drill hole were subject to 2 x 2 minute assay tests, turning the sample packet for each 2 minute test.
Results reported are the calculated average of the number of tests taken for each sample.

XRF calibration checks were conducted at the commencement of assaying and then after each set of 25 assays completed

Verification of on-site XRF Analysis Results

The above results need to be verified by independent laboratory assaying. These results together with assays from all the other holes drilled will be reported to the market once available. Assaying will be conducted for copper, cobalt, zinc, lead, vanadium, gold, silver, gallium, germanium, iron, tin, barium, sulphur, selenium, manganese, cadmium, indium, bismuth and tellurium. It is estimated that this process could take up to six weeks.

B) COMMENTS REGARDING THE REPORTING OF ANOTHER ENTITIES EXPLORATION RESULTS

- The Exploration Results have previously been reported by Mount Burgess Mining NL ("MTB") and not Cazaly Resources Ltd ("CAZ")
- All data was sourced from data as reported in various MTB ASX releases dated;
  - 20 July 2011: Significant Cobalt Results, Tsumkwe base metals Project, Namibia
  - 29 July 2011: Report for the quarter ended June 2011
  - 30 August 2011: Elevated base metal analyses – Tsumkwe Base metals Project, Namibia
  - 5 October 2011: Elevated Iron Assays, Tsumkwe base metals project, Namibia

- 31 October 2011: Report for the quarter ended September 2011

- The results were reported under the 2004 Edition of the “Australasian Code for Reporting of Mineral Resources and Ore Reserves” - the reporting of those Exploration Results may not conform to the requirements in the JORC Code 2012

- Cazaly is cautious about the reliability of the XRF analyses in respect to the reporting of results as reported by MTB.

- A summary of work conducted can be found in the several ASX releases by MTB

- Cazaly intends to replicate drillhole NAM917 by twin drilling in early 2018 so as to report the results in accordance with the JORC Code 2012

- The information in the announcement is an accurate representation of the available data for project

- To date a Competent Person has not done sufficient work to disclose the Exploration Results in accordance with the JORC Code 2012

- It is possible that following further evaluation and/or exploration work that the confidence in the prior reported Exploration Results may be reduced when reported under the JORC Code 2012

- Nothing has come to the attention of the Cazaly that causes it to question the accuracy or reliability of the former owner’s Exploration Results however Cazaly has yet to independently validate the former owner’s Exploration Results and therefore is not to be regarded as reporting, adopting or endorsing those results.

APPENDIX 2

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary

Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*
	• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*
		• All data was sourced from data provided by a previous operator - as reported in various Mount Burgess Mining NL ("MTB") ASX releases dated;
		  • 20 July 2011: Significant Cobalt Results, Tsumkwe base metals Project, Namibia
		  • 29 July 2011: Report for the quarter ended June 2011
		  • 30 August 2011: Elevated base metal analyses – Tsumkwe Base metals Project, Namibia
		  • 5 October 2011: Elevated Iron Assays, Tsumkwe base metals project, Namibia
		  • 31 October 2011: Report for the quarter ended September 2011
		• Drillhole NAM917 was drilled to 110m as a percussion hole. It appears that standard industry practise was undertaken with sampling at 1 metre intervals. Assaying for cobalt was done via a portable XRF machine as detailed in appendix 1.
		• No downhole surveys were undertaken.

Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drilling comprised Percussion drill holes
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No relationship or bias between sample recovery and grade was discussed in the historic reports in detail
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• No geological logs are available in historic reports
Sub-sampling techniques and	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• No Diamond drill core was conducted • With respect to XRF analyses on hole NAM917;

Criteria	JORC Code explanation	Commentary
sample preparation	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Drill chip samples from each single meter were sieved down to 0.18mm and stored in brown paper sample packets containing around 60gms of sample. Individual sample packets were then placed on the base of the lead hooded container, over the eye of the XRF analyser The analysis process for each individual sample packet was triggered and allowed to run for 2 minutes for each sample (as recommended by the manufacturers, Niton). All samples from each meter between 48m and 58m were subject to 4 x 2 minute assay tests, turning the sample packets for each 2 minute test. All other samples assayed from this drill hole were subject to 2 x 2 minute assay tests, turning the sample packet for each 2 minute test. Results reported are the calculated average of the number of tests taken for each sample. XRF calibration checks were conducted at the commencement of assaying and then after each set of 25 assays completed. • No information on any other sample preparation is available from historical reports
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• XRF analyses as above • No other Laboratory QAQC was discussed in the historic reports
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Independent laboratory testing was due to be undertaken but never reported • No information on adjustment of assay data is found in the reports
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drillhole location pickup methods are unknown but assumed to be by hand held GPS. • Locations were reported utilising the UTM WGS84 Zone34 grid system
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drill collar spacing is sporadic across geophysical anomalies • Infill soil sampling at Makuri Vlei; the soil samples were collected from 10cm below surface at sample locations 100m apart N/S and E/W. Samples were sieved down to 0.18mm to collect about 60gms per sample and then stored in standard geochemical soil sampling paper envelopes. Samples were then analysed with an XRF machine • There is insufficient drilling to date or information available to determine a mineral resource
Orientation of data in relation	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to*	• No details provided in the historic reports

Criteria	JORC Code explanation	Commentary
to geological structure	*which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	
Sample security	• *The measures taken to ensure sample security.*	• No details of sample security are recorded in the reports
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No details of audits or review of sampling techniques are recorded in the reports

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary

Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*
	• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*
		• Tenement EPL6532 located in north eastern Namibia is held 100% by Gemco Investments cc. Cazaly Resources Limited (ASX:CAZ) have entered into an option agreement to purchase a 85% interest in the tenement as follows;
		  • Paying an option fee of US$60,000 for a 4 month exclusive due diligence (Paid)
		  • At the end of the option period CAZ can elect to proceed to 85% equity by paying US$650,000 cash and issuing US$250,000 worth of CAZ stock
		  • Cazaly will free carry all Gemco expenditure up to the finalisation of a positive Definitive Feasibility Study into mining
		  • Any requirements for the governments New Equitable Economic Empowerment Framework (“NEEEF”) shall be satisfied by the project equity held by GEMCO
		• Access for past exploration was successful and subject to normal Heritage, landowner and environmental provisions

Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Mount Burgess Mining NL (“MTB”) – ASX releases dated;
		  • 20 July 2011: Significant Cobalt Results, Tsumkwe base metals Project, Namibia
		  • 29 July 2011: Report for the quarter ended June 2011
		  • 30 August 2011: Elevated base metal analyses – Tsumkwe Base metals Project, Namibia
		  • 5 October 2011: Elevated Iron Assays, Tsumkwe base metals project, Namibia
		  • 31 October 2011: Report for the quarter ended September 2011

Geology	• *Deposit type, geological setting and style of mineralisation.*	• The region contains basement Damaran Proterozoic, younger Karoo Supergroup lithologies and extensive overlying Quaternery sands, calcrete and silcrete. The Damaran Proterozoic hosts the world class Tsumeb Cu-Pb-Zn-Ag-Ge-Cd mine in Namibia, mined from 1907 to 1996 and is a pipe-like orebody measuring around 120 by 15 meters in cross section, is steeply dipping and extending from the surface to at least 1,000 meters in depth. The Damaran is similar to other Proterozoic belts in the world which host large base metal deposits such as the Copperbelt in Zambia, Mount Isa and Century in Australia,

Criteria	JORC Code explanation	Commentary
		Rammelsberg in Germany, Red Dog in the USA and Cirque and Howards Pass in Canada.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• See Appendix 1 • The material drillhole is NAM917 (7,830,904N 477,015E UTM WGS84 Zone34, vertical hole, 100m deep anomalous intercept from 10-81m)
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• See Appendix 1 • XRF Intercepts are based on weighted averages • XRF Intercepts are rounded off to two decimal places and as such, rounding errors maybe present
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Due to the paucity of drilling and information supplied no definitive outline of geometry is available.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See body of this ASX release
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• See Appendix 1
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and*	• The data sets for the project will be compiled and reviewed as a part of ongoing due diligence. Historic data will be incorporated in ongoing assessment by the Company • No significant metallurgical test work was noted during a review of the reports • No deleterious or contaminating substances are discussed

Criteria	JORC Code explanation	Commentary
	method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	in the reports
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• The Company is currently engaging technical professional in Namibia to commence its due diligence drilling and other field work at the project. A more detailed investigation on all information related to the Tsumkwe Project will be undertaken. Further work will be proposed once this work has been finalised.