



ASX Announcement

ASX Code: OKR

25 January 2018

OKAPI SECURES OPTION FOR 70% INTEREST IN THREE COPPER/COBALT LICENCES IN DRC

Highlights

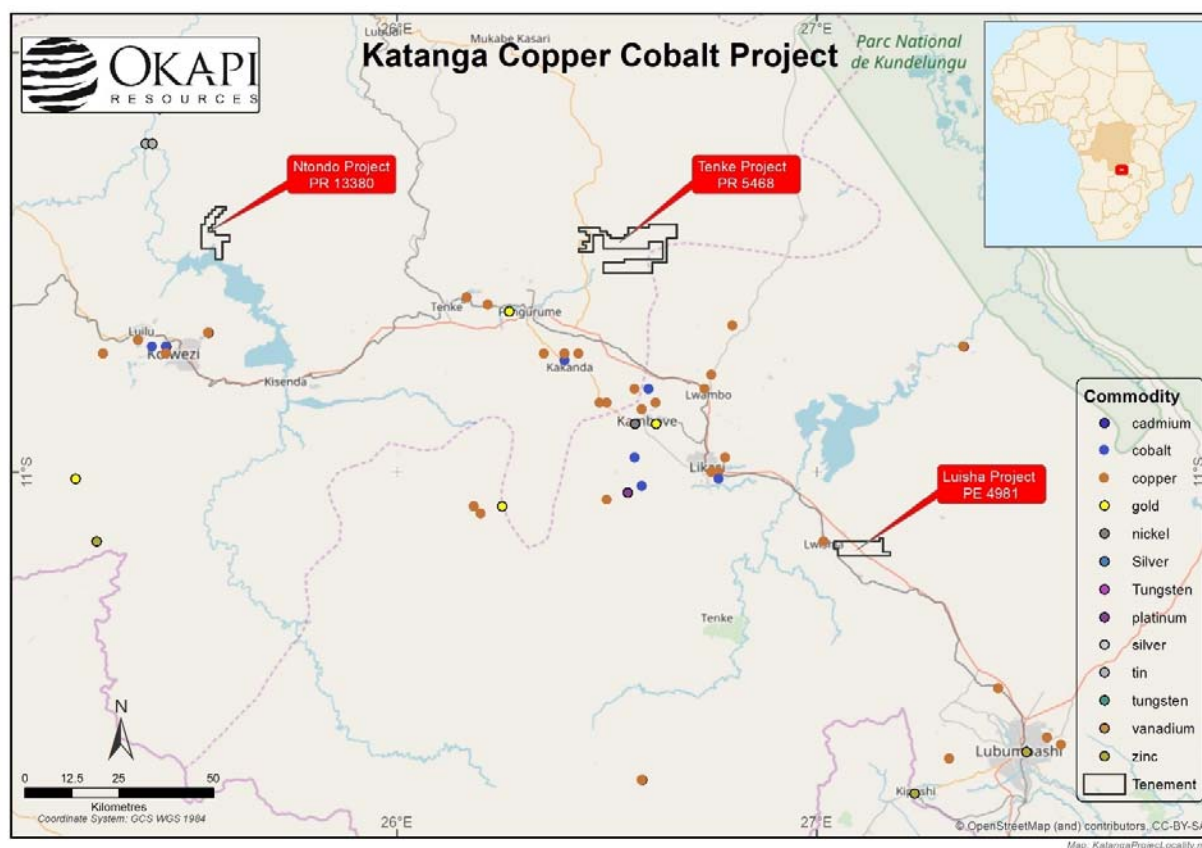
- Option secured to earned up to a 70% interest in three licences namely, the “Tenke”, “Luisha” and “Ntondo” licences collectively known as “The Katanga Copper-Cobalt Project”, prospective for copper and cobalt.
- Located within the world renowned Katanga Copper belt in the Katanga Province of the D.R.C.
- Each licence contains Roan Group Mine Sequence rock units within close or reasonable proximity and along strike to either substantial copper cobalt mines (including the **Tenke Fungurume Mine** some 50km to the east) or know mineral occurrences.
- Initial site visit indicate:
 - limited outcrop, but with visible mineralisation evident in adjacent outcrops;
 - potential strike extensions under alluvial covered low lying ground; and extensively un-explored utilising modern exploration techniques.
- Technical teams have already been mobilised to undertake initial field investigations and exploration planning.
- Firm commitments received for a concurrent \$1.5 Million placement
- The placement is being managed by Peak Asset Management Pty Ltd

Okapi Resources Limited (ASX:“OKR”) (“**Okapi**” & “**Company**”) is pleased to announce that on 21 January 2018, Okapi has executed an Option Agreement with Rubamin FZC (Regis no 01-04-02405) to earn a 70% equity right in mineral licences numbered PR5468; PE4981 and PR13380 located in the Democratic Republic of Congo (“DRC”) (Map 1 below).

The Option Agreement grants Okapi rights to invest in the respective licences by satisfying obligations to sole fund exploration and earn the Project Interest. Subject to meeting the Exploration earn in obligations and delivering a pre-feasibility study, Okapi will earn the Project Interest which equals 70% of the overall Project for each Licence.

Background

Rubamin SARL is the current owner of Research Permits (PR) exploration licences PR 4981, “Luisha Project” of approximately 48km²; PR5468, the “Tenke Project” with a total of 151km² and PR13380, the “Ntongo Project”, covering a total of 48km² is the Ntongo Project.



Map 1- Katanga Copper Cobalt Project

Regional Geological Setting

Regional copper / cobalt mineralisation is hosted by brecciated dolomites and other sedimentary rocks of the highly prospective Roan Formation. These rocks, especially the dolomites, are prone to fracturing and chemically reactive to mineral precipitation and enrichment. The mineralisation can be fundamentally sedimentary in nature or reworked and concentrated by later faulting and fracturing allowing fluid flow and concentration in structural traps. The world class Tenke Fungurume Cu/Co mine is hosted by these rock types.

Tenke Project - PR5468

The area immediately surrounding Okapi's Tenke Project - PR 5468, contains many deposits renowned for copper and cobalt deposits and mines including such known projects as: the main Tenke Fungurume Mine which hosts one of the world's largest known copper and cobalt deposits; the Fwaulu deposit; Kansalawile deposit; Kwatebala deposit; Pumpi and Mambilimba deposits.

These are located close to Okapi's Tenke Project (Map 2) and were all owned or operated by Freeport McMoran. Freeport sold its 56% stake in the Tenke Fugurume mine, located approximately 40kms due west of Okapi's Tenke Project in May 2016 for US\$2.65 billion in order to reduce its global debt.

In December 2013 Lundin Mining (a 24% equity shareholder in the Tenke Fugurume mine) reported 2P Reserves of 141Mt at 2.9% Cu and 0.4% Co and was producing 50,000 tonnes of copper cathode and 3,048 tonnes of cobalt hydroxide per annum.

PR 5468 is also surrounded to the north by PR's 803 and 804, which are held by GICC SARL ("GICC"). Also located in the north we can find the MMG Limited ("MMG") Kinsevere and in the east Mining Development Investment's ("MDI") licence - PR13422.

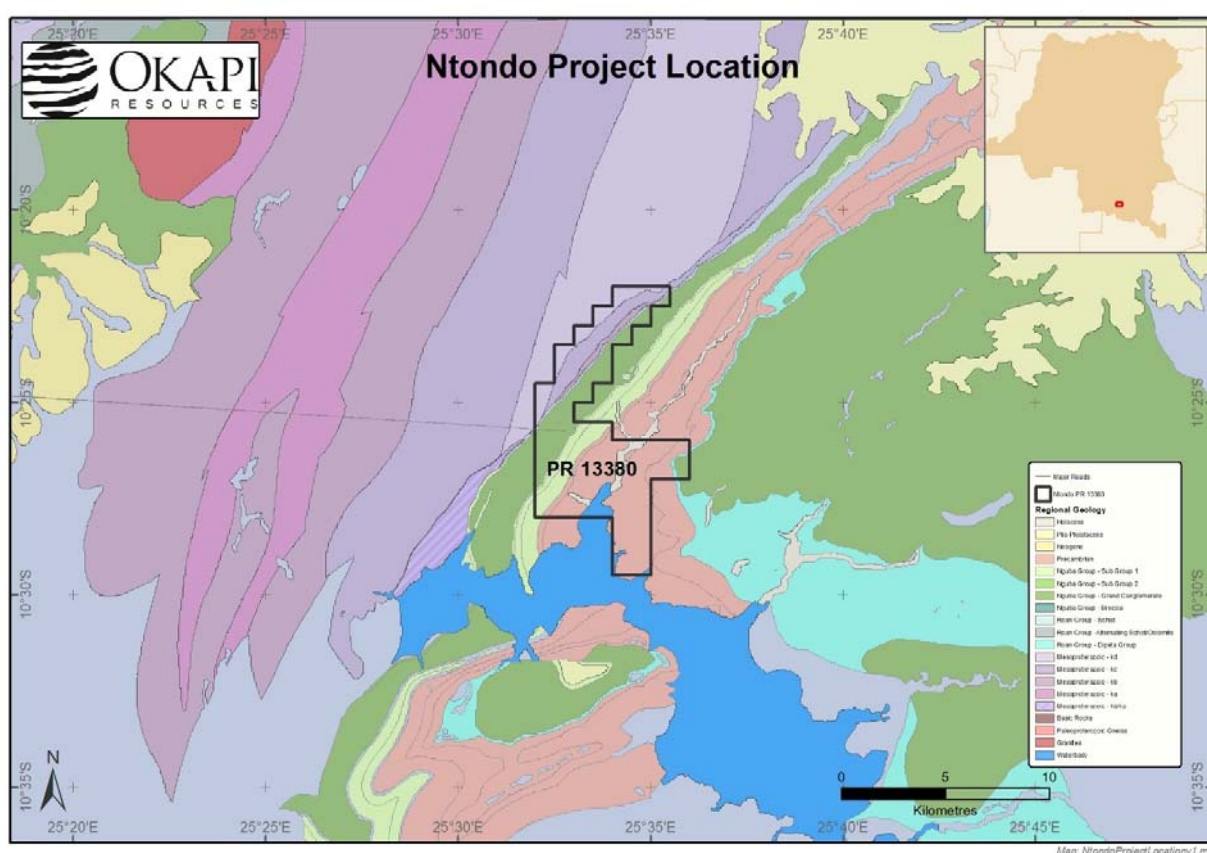
Mineralisation

Based on the initial site observations the predominant mineralisation observed in artisanal workings is malachite with the minor azurite. Artisanal workings follow the supergene enriched joint surfaces, the minor cavity infill mineralisation and supergene mineralisation observed in the fault zones.

Approximately 12kms east of the tenement, hosted by faulted and folded Roan Formation rocks is the Tondo copper cobalt deposit, discovered by Regal Resources in 2006, again confirming the prospectivity of the underlying Roan Formation sedimentary rocks as well as the importance of later faulting with the remobilisation of minerals into structurally controlled low pressure zones.

Other companies exploring nearby include renowned mining and exploration company Chemaf SARL (PR1435) and Brigitte Mbomba (PR12423). These concessions also cover Roan Supergroup rocks.

Some 8km due south of Okapi’s Ntondo Project is a structurally controlled folded zone of younger rocks sitting on top of Roan Formation rocks. This area, known as the Tombolo District has supergene cobalt rich breccia zones currently being mined by artisanal workers as well as associated surface copper oxide mineralisation present.



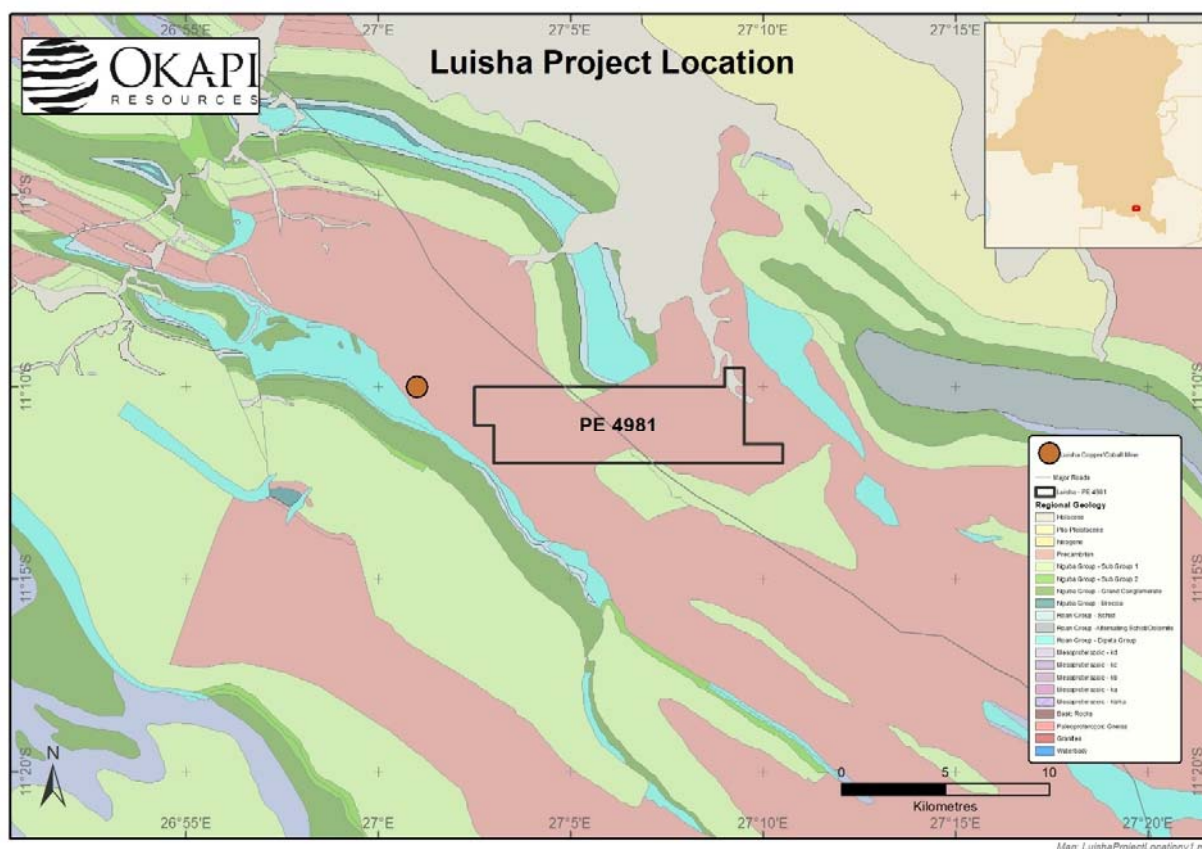
Map 3 – Ntondo Project Location

Luisha Project - PR4981

PR4981 (Map 4) covers a series of conceptual structural targets based on an interpretation of a local airborne geophysical survey, mapping of nearby geological structures, the likelihood of underlying Roan Formation sedimentary rocks under surficial cover and the presence of large copper cobalt mines nearby.

The Luisha South Mine is located only 3kms west of PR4981 and only 75kms NW of Lubumbashi. The Kipoi Cu/Co Project, operated by Perth based Tiger Resources, lies to the south-east of the project area. The Luisha South operation was bought by TSX listed entity African Metals in 2009 and in August 2011 a maiden resource for both the in situ resources and low grade stockpiles was issued (JORC Inferred Resource of 14.7mt @1.1%Cu and 0.3% Co for 161,700tCu and 44,100tCo - contained metal).

At the end of 2014 the Kipoi Mine held resources of 938,000 tonnes of contained copper and were producing 23,000 tonnes of copper cathode per annum with plans to expand to 32,500 tonnes per annum



Map 4- Luisha Project Location

Option/farm in Agreement

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

- Okapi has an Exclusivity Period of 90 Business Days from within which to complete technical, legal and corporate due diligence;
- An option fee of US\$25,000 per Licence is payable on the granting Okapi the Option to acquire the Project Interest;
- Following the payment of the Option Price, Okapi is appointed as Manager and is solely responsible for maintaining the Project, contracting, compliance with DRC Mining Laws and possession and control of Project assets.
- The funding obligations for each licence over a planned three-year period post the DD phase totals US\$3 million for Okapi to earn its full 70% interest. Rubamin has a contractual right for first right of refusal to provide selected drilling services subject to Okapi's rights regarding approval and the satisfaction of legal and competency preconditions;
- If Okapi withdraws after meeting the Year 2 funding obligations, then they may elect to assign to a third party that portion of the earned Project Interest (subject to Rubamin's first right of refusal). If Okapi withdraws from further funding of all Licences, then it surrenders all earned Project Interest
- If Okapi decides to only put one Licence into Development, then the Project Interest will be reduced to 60% of that licence. Okapi has the right to buy back the surrendered 10% to return to the full 70% Project Interest at the agreed price with the safeguard of independent valuation;
- Okapi is required to meet the cost of the pre-feasibility study and deliver a report in accordance with Good Industry Practice.

On an Okapi decision to undertaken development & commercial production

- Following such a decision on the Project, Okapi will be reimbursed the cost of the preparation of the Feasibility Study to ensure that the cost of preparation is borne by the parties pro-rata in accordance with their respective interests;
- The Agreement has a standard dilution mechanism which governs the parties' obligations to meet the costs of Development. No expenditure occurring prior to the execution of the Agreement counts towards the parties' respective contribution to funding.

The Company has commenced full technical and legal due diligence of the licences over the 90 day period as allowed under the agreement. A further announcement will be released to update the market when this DD period is near its end.”

Cautionary Statement

Okapi highlights that data on the Katanga Copper/Cobalt project have been reported to Okapi by the vendor, but Okapi has not completed any work on the tenements covered by this Option Agreement, except for an initial site visit and review by Company employees and/or consultants. Accordingly, Okapi cautions investors that the Company has not yet done sufficient work to be able to report under the JORC Code (2012).

Okapi plans to undertake a full assessment of previous exploration activities in conjunction with detailed geological mapping within the tenement areas during the next 3 months due diligence phase. This work is fully funded by Okapi's existing cash reserves.

\$1.5M Share Placement (\$0.70 cents per new security issued)

Firm commitments have been received from sophisticated and professional clients of peak Asset Management Pty Ltd to raise \$1.5M (before costs) concurrent with the entering into of an option/earn-in Agreement for the Katanga Copper/Cobalt projects in the DRC.

A placement of 2.15 Million shares at an issue price of \$0.70 each will be completed pursuant to the Company's issuing capacity under Listing Rules 7.1 at the upcoming allotment date. The issue price represents a 9% discount to the last 5 trading day VWAP.

The Company considers it prudent to raise additional capital at this time of entering into commitments for new projects to compliment those already held in the DRC as well as Australia.

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About Okapi Resources

Okapi Resources Limited is a new minerals exploration company focused on the discovery and commercialisation of mineral deposits in the Democratic Republic of the Congo (DRC) and Western Australia.

Okapi's primary objective is to discover and develop mineral resources from its current portfolio. The Company has carefully selected projects with historical workings and excellent results. Okapi has a team of professionals with an exemplary record of success and with a particular history in Western Australia and the Democratic Republic of Congo (DRC).

Okapi is also pursuing a growth strategy that aims to appraise and secure further exploration and development opportunities within gold and mineral endowed districts.

For more information please visit: www.okapiresources.com