NZURI
COPPER LIMITED

MEDIA
ASX RELEASE

13th February 2018 ASX: NZC

FTBJV EXPLORATION UPDATE

MORE STRONG COPPER AND COBALT INTERCEPTS AT MONWEZI

Highly encouraging drill results confirm near-term potential to define additional resources within economic haulage distance from the Kalongwe Project

Exploration Highlights

- **The shallow copper enrichment at Monwezi 2 indicates open pit mining potential. New high-grade copper intercepts from the target include:**
  - **20.2m @ 1.85% Cu including 7.5m @ 2.39% Cu in DKAL_DD124;**
  - **Best 1m samples of up to 7.7% Cu**
- **300m of strike extension identified and remains open along strike to the SW, with systematic diamond drilling planned as part of the upcoming 2018 exploration program.**
- **Encouraging new high-grade cobalt intercepts from Monwezi 7 target, with results from drill-hole DMON7_DD001 including:**
  - **3m @ 0.11% Co from 34m; and**
  - **2m @ 0.23% Co from 62 m; and**
  - **8m @ 0.2% Co from 71m; and**
  - **8.6m @ 0.17% Co from 103m**
- **High-grade cobalt sample from Monwezi 7 submitted for ore mineral characterisation test work.**

Nzuri Copper Limited (**ASX:** NZC) (**Nzuri** or the **Company**) is pleased to announce additional high-grade drill intercepts from its ongoing exploration program within the Fold & Thrust Belt JV ("FTBJV"), located in the Western Katangan Copperbelt in the Democratic Republic of Congo (DRC).

Building on the positive results reported in the Company's ASX Release of 22 January 2018, the latest results have further reinforced the growing importance of the Monwezi Target Area, which is located 2 to 5km directly along strike from Kalongwe, the Company's flagship copper-cobalt DMS project.

Recent drilling has confirmed the potential to define additional copper and cobalt resources at Monwezi with the potential to significantly extend the Kalongwe mine life.

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Copper Mineralisation at Monwezi 2

Recent drilling at the Monwezi 2 target has delivered the best intercept returned from this area to date, with a thick zone of **20.2m grading 1.85% Cu** intersected from 47m down-hole in DKAL_DD124. The intercept includes a high-grade zone of **7.5m @ 2.39% Cu**. This hole was designed to test the shallow portion of the deposit, commencing at a vertical depth of 35m, and has proved that upgrading of copper occurs in the shallow (supergene) areas.

Drilling and trenching has now confirmed that the mineralisation at Monwezi 2 commences from close to surface and extends over a strike length of approximately 300m to a vertical depth of at least 150m (Figure 1). An additional 300m of strike extent has been sporadically and ineffectively tested by historical drill holes and Nzuri considers that the mineralised zone remains open to the south-west. The mineralised zone is approximately 20m true thickness and dips at 40 degrees to the north-west (Figure 2).

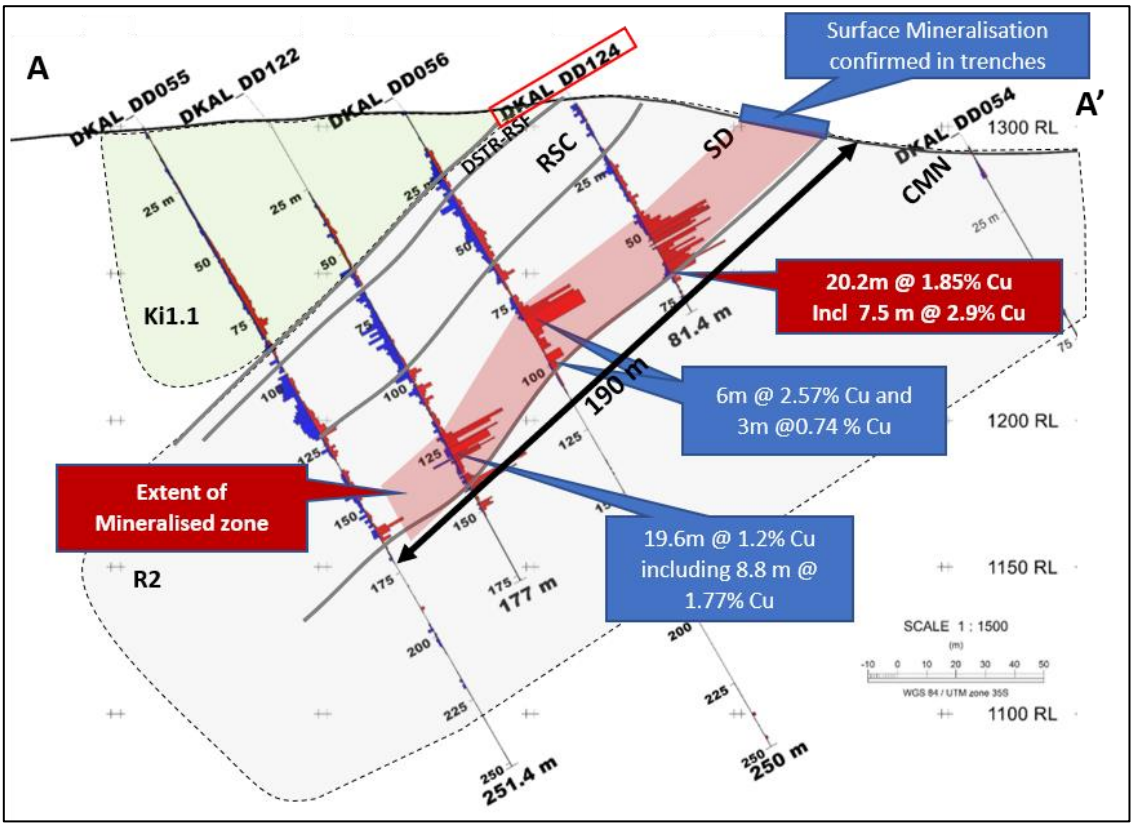

Figure 1: Cross-section for Monwezi 2 Target showing down-dip continuity of copper mineralisation (red bars) and cobalt mineralisation (blue Bars).

The mineralisation style is typical of the Congolese Copperbelt and is similar to that found at the Kalongwe deposit, located 2km to the north-east. Primary sulphide mineralisation at Monwezi 2 occurs as chalcopyrite blebs and veins hosted by the Shale Dolomitique (SD) unit of the Mines Subgroup. Within the supergene-enriched zone, sulphides converted to malachite, chrysocolla and chalcocite occur within the SD, RSF and occasionally in the RSC.

Cores drilled to date show that supergene enrichment has occurred at Monwezi 2, resulting in an upgrading of copper grades close to surface.

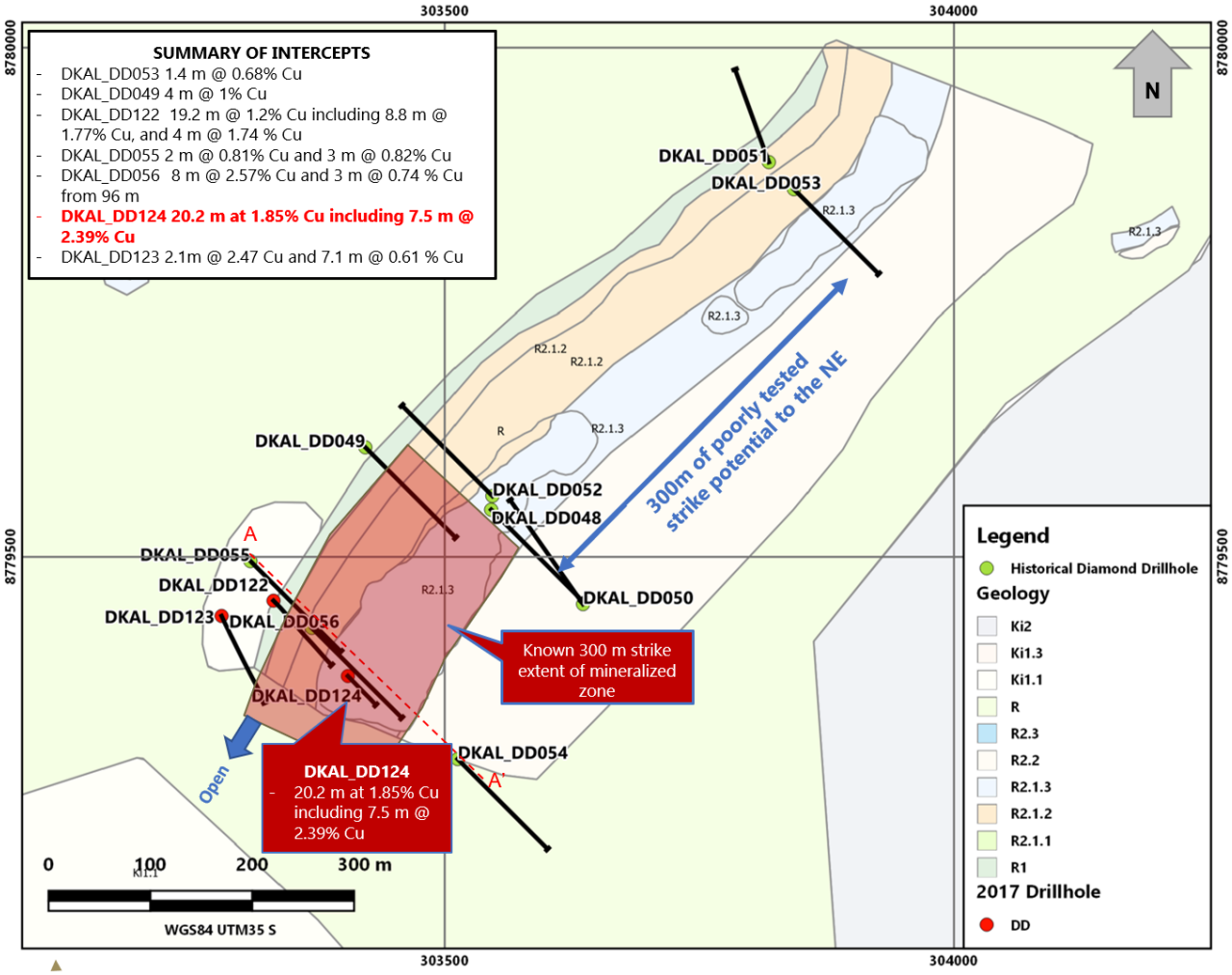

Figure 2: Locations of drill-holes and the mineralised zone at the Monwezi 2 target.

A systematic drilling program is planned at Monwezi 2 as part of the Company's 2018 exploration programme. This will initially include four step-out holes along strike leading to a resource drill-out and Mineral Resource estimation. A series of trenches are currently being excavated to provide geological control ahead of the diamond drilling (Figure 3).

Figure 3: Trenches being excavated at Monwezi 2 ahead of diamond drilling

Cobalt Mineralisation at Monwezi 7

The Monwezi 7 prospect comprises a cluster of several Mines Series Fragments (Figure 4). As outlined in the Company's exploration updates of 17 October 2017 and 22 January 2018, Nzuri followed up historical trenches with RC drill holes which intersected high-grade cobalt mineralisation (hole DMON7_RC02 reported significant cobalt intercepts including 19m @ 0.48% Co, and 7m @ 1.04% Co).

Results have now been received for the first diamond drill hole completed at Monwezi 7 in late December 2017, DMNONDD_001. The assays demonstrate strong cobalt enrichment in mine series units from surface to depths below 100m with results including (Figure 5):

- **3m @ 0.11% Co from 34m; and**
- **2m @ 0.23% Co from 62m; and**
- **8m @ 0.2% Co from 71m; and**
- **8.6m @ 0.17% Co from 103m.**

Sample material has been exported to South Africa for ore mineral characterisation test work and to provide an early insight into the metallurgical properties of the high-grade cobalt material.

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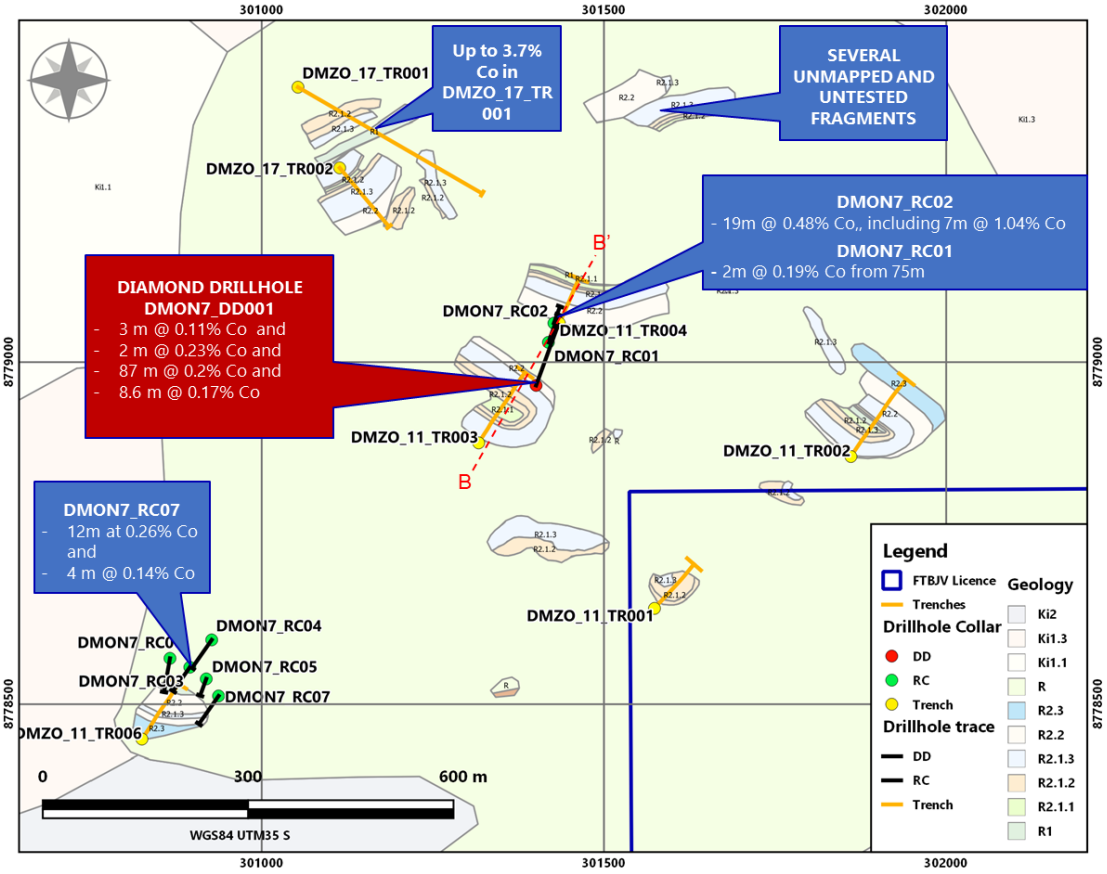

Figure 4: Geological map of the Monwezi 7 area showing and assemblage of Mines Series fragments and the location of trenches and drill holes.

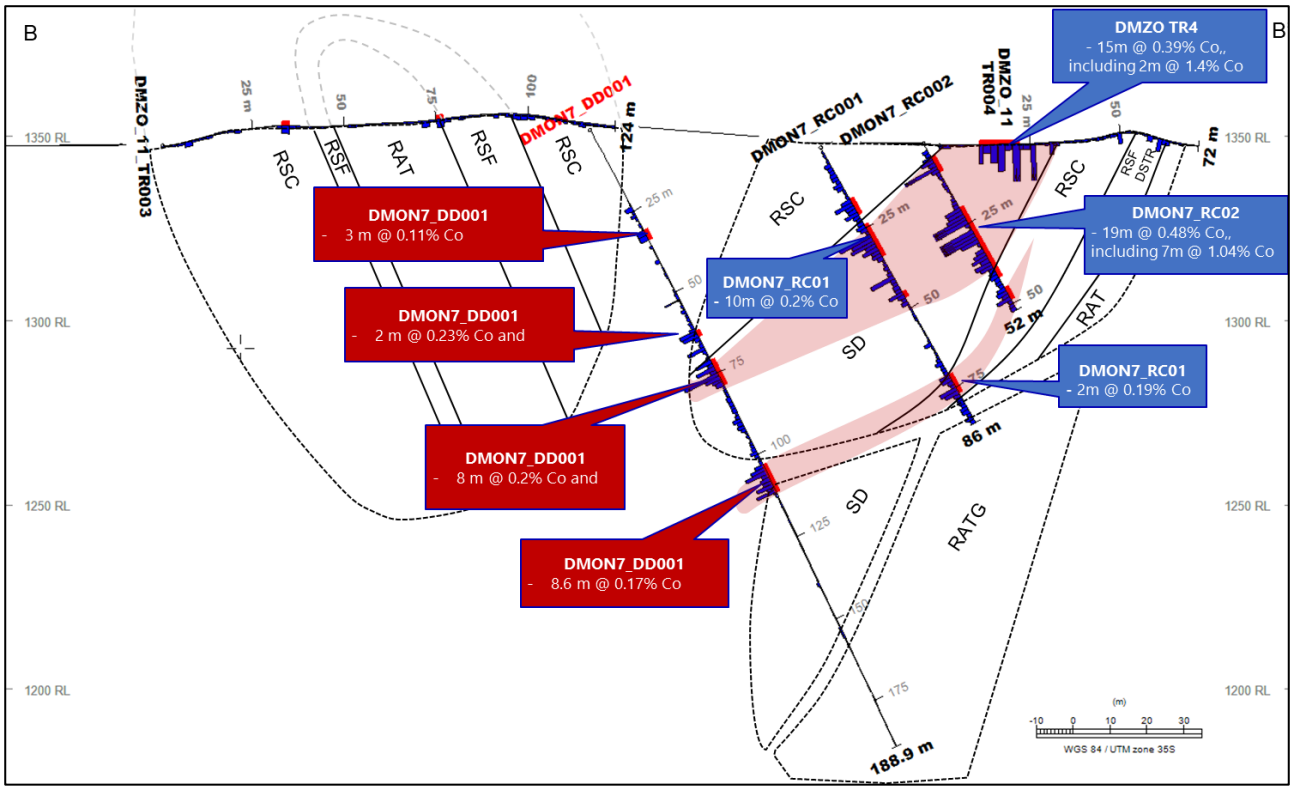

Figure 5: Geological Cross Section of Monwezi 7 showing DMON7_DD01 drill results

Competent Persons Statement

Exploration results

Scientific or technical information in this release that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared by Dr Peter Ruxton, the Company's Technical Director. Dr Peter Ruxton is a member of the Metals, Minerals and Mining (MIMMM) and a Fellow of the Geological Society of London (FGS) and has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Dr Peter Ruxton consents to the inclusion in this report of the information, in the form and context in which it appears.

Mineral resources

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

Ore reserve

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

Forward-looking Statements

This release contains statements that are "forward-looking". Generally, the words "expect," "intend," "estimate," "will" and similar expressions identify forward-looking statements.

By their very nature, forward-looking statements are subject to known and unknown risks and uncertainties that may cause our actual results, performance or achievements, or that of our industry, to differ materially from those expressed or implied in any of our forward-looking statements.

Statements in this release regarding the Company's business or proposed business, which are not historical facts, are "forward looking" statements that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur.

Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made.

About Nzuri Copper Limited

Nzuri Copper Limited (ASX: NZC) is an ASX-listed copper-cobalt company focused on the identification, acquisition, development and operation of high-grade copper and cobalt projects in the Katangan Copperbelt of the Democratic Republic of the Congo (DRC). The Company has two key projects in the DRC: the Kalongwe Copper-Cobalt development project and the Fold and Thrust Belt JV exploration project with Ivanhoe.

Kalongwe Copper-Cobalt project

The Kalongwe Copper-Cobalt deposit ("Kalongwe") is the Company's 85%-owned flagship development project. Kalongwe is located in the Lualaba Province of the DRC and is situated towards the western end of the world-class Central African Copperbelt (Figure 1), less than 15km from where Ivanhoe Mines Mines Ltd (TSX: IVN, "Ivanhoe Mines") has announced a second world-class copper discovery at Kakula (see announcement from Ivanhoe Mines Mines Ltd TSX: IVN on 11 August 2016).

Kalongwe hosts a near-surface JORC resource of 302,000t contained copper and 42,700t contained cobalt as predominantly oxide ore (see ASX announcement on 5 February 2015 for further details).

Fold and Thrust Belt JV project

The Fold and Thrust Belt JV ("FTBJV") project consists of five highly prospective tenements, covering an area of approximately 334 km^2, contiguous to the Kalongwe copper-cobalt deposit in the Central African Copperbelt, Lualaba Province, DRC.

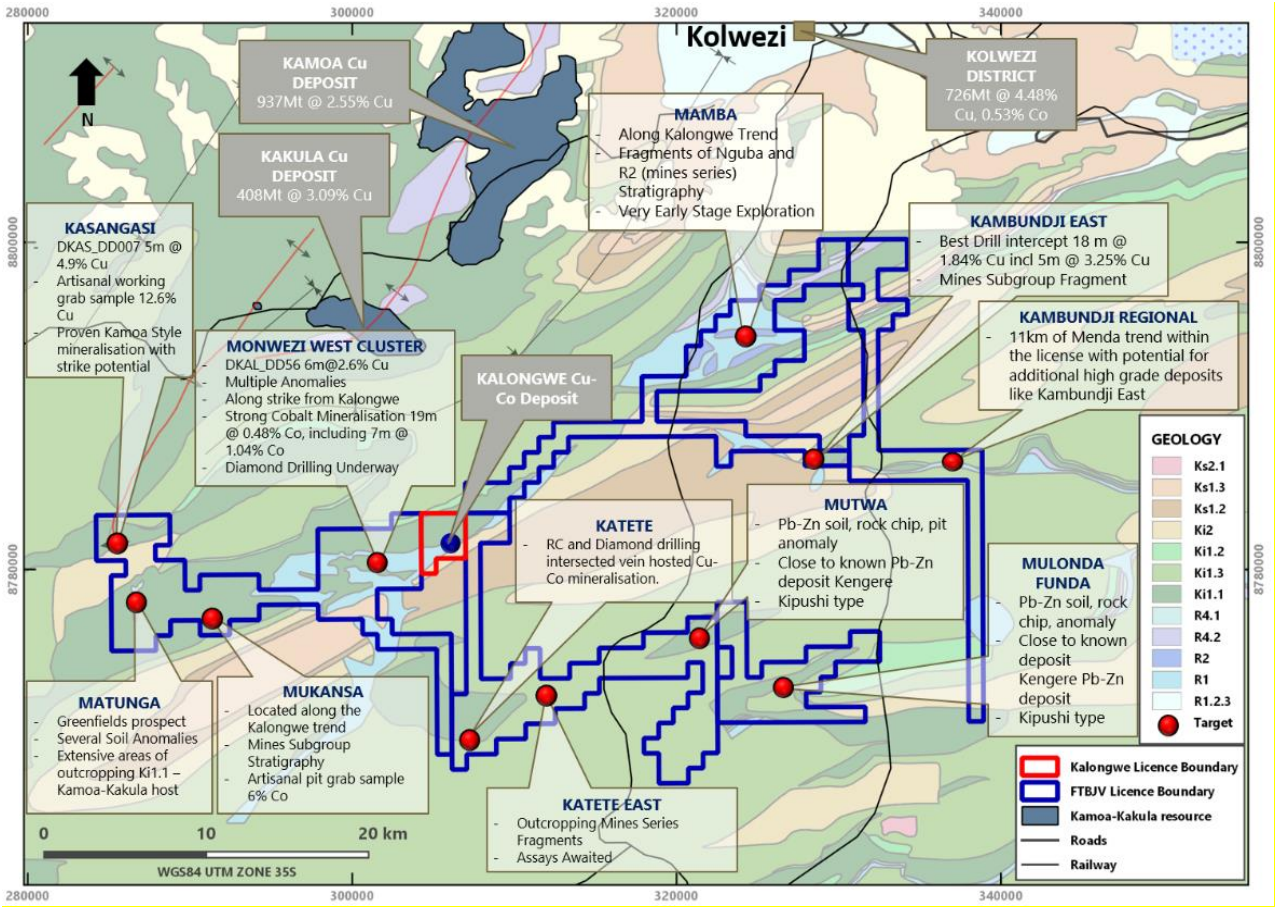

Figure 6: Location of Target Areas on the FTBJV Licence (blue polygons) transposed over the local bedrock geology. Shown also are the locations of known Cu-Co mineralisation in the immediate environs. The Exploitation Permit area for the Kalongwe deposit is shown using a red polygon.

The Company has signed an MOU with Ivanhoe Mines Ltd (TSX: IVN, "Ivanhoe Mines") to acquire up to a 98% interest in the project (see ASX announcement on 24 April 2015 for further details).

The FTBJV project is managed by the Company, covers an area of the western Lufilian Arc, a fold belt that contains the world largest cobalt endowment and some of the richest copper deposits in the world. The project area is considered to offer high-quality exploration targets, for Kamoa-Kakula type targets hosted on redox boundaries within the Grand Conglomerate Formation, as well as structurally controlled copper deposits hosed within the Kamilongwe thrust akin to Mutanda, Deziwa and the Kansuki deposits which occur 60 km to the North East along the structural trend.

Appendix 1: Complete Drill-hole intercepts and collar positions for Monwezi 2, Monwezi 7

Appendix Table 1: Drill Hole Intercepts from boreholes at Monwezi 7 Cobalt Target

Hole ID	Method	Target	From	To	Length (m)	Cu%	Co ppm*	Year Drilled	Comment
DMON7_RC01	RC	Monwezi 7	11	12	1	0.04	1100	2017	
DMON7_RC01	RC	Monwezi 7	16	21	5	0.03	1668	2017	
DMON7_RC01	RC	Monwezi 7	24	34	10	0.03	2002	2017	
DMON7_RC01	RC	Monwezi 7	45	47	2	0.02	1530	2017	
DMON7_RC01	RC	Monwezi 7	71	77	6	0.04	1445	2017	
DMON7_RC02	RC	Monwezi 7	4	9	5	0.04	2236	2017	
DMON7_RC02	RC	Monwezi 7	20	41	19	0.03	**4800**	2017	
including	RC	Monwezi 7	23	30	7	0.04	**10424**	2017	
DMON7_RC02	RC	Monwezi 7	45	49	4	0.03	1409	2017	
DMON7_RC03	RC	Monwezi 7	1	12	11	0.01	1146	2017	
DMON7_RC04	No Significant Intercepts								
DMON7_RC05	No Significant Intercepts								
DMON7_RC06	RC	Monwezi 7	4	10	6	0.02	1752	2017	
DMON7_RC07	RC	Monwezi 7	0	12	12	0.02	**2605**	2017	
DMON7_RC07	RC	Monwezi 7	15	19	4	0.01	1355	2017	
DMON7_DD001	**DD**	**Monwezi 7**	**31**	**34**	**3**	**0.07**	**1100**	**2017**	
DMON7_DD001	**DD**	**Monwezi 7**	**62**	**64**	**2**	**0.1**	**2300**	**2017**	
DMON7_DD001	**DD**	**Monwezi 7**	**71**	**79**	**8**	**0.05**	**2005**	**2017**	
DMON7_DD001	**DD**	**Monwezi 7**	**103**	**111.6**	**8.6**	**0.05**	**1732**	**2017**	

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

Appendix Table2: Drill Hole Collar information for holes drilled at Monwezi 7

Hole ID	Method	Target	East	North	Azimuth	Inclination	Depth	Date Completed
DMON7_RC01	RC	Monwezi 7	301419	8779029	20	-60	86	27/09/2017
DMON7_RC02	RC	Monwezi 7	301427	8779057	20	-60	52	28/09/2017
DMON7_RC03	RC	Monwezi 7	300895	8778554	215	-60	85	03/10/2017
DMON7_RC04	RC	Monwezi 7	300927	8778594	215	-60	100	04/10/2017
DMON7_RC05	RC	Monwezi 7	300919	8778537	200	-75	100	06/10/2017
DMON7_RC06	RC	Monwezi 7	300866	9778567	190	-60	100	07/10/2017
DMON7_RC07	RC	Monwezi 7	300937	8778512	215	-60	100	08/10/2017
DMON7_DD001	**DD**	**Monwezi 7**	**301401**	**8778966**	**20**	**-60**	**188.9**	**20/12/2017**

Appendix Table 3: Drill Hole Intercepts from boreholes at Monwezi 2 Copper Target

Hole ID	Method	Target	From	To	Length (m)	Cu%	Co ppm*	Year Drilled	Comment
DKAL_DD122	DD	Monwezi 2	122	130.82	8.82	1.77	457	2017	
DKAL_DD122	DD	Monwezi 2	138	142	4	1.74	328	2017	
DKAL_DD122	DD	Monwezi 2	147	149.2	2.2	0.57	132	2017	
DKAL_DD123	DD	Monwezi 2	77	82	5	0.51	160	2017	
DKAL_DD123	DD	Monwezi 2	143	145.1	2.1	2.47	252	2017	
DKAL_DD123	DD	Monwezi 2	160.6	167.7	7.1	0.61	104	2017	
DKAL_DD124	**DD**	**Monwezi 2**	**47**	**67.2**	**20.2**	**1.85**	**229**	**2017**	
DKAL_DD049	DD	Monwezi 2	128	132	4	**1.00**	261	2007	
DKAL_DD055	DD	Monwezi 2	120	122	2	0.81	731	2007	
DKAL_DD055	DD	Monwezi 2	158	161	3	0.82	471	2007	
DKAL_DD056	DD	Monwezi 2	79	87	8	**2.57**	155	2007	
DKAL_DD056	DD	Monwezi 2	96	99	3	0.74	62	2007	
DKAL_DD053	DD	Monwezi 2	97	98.4	1.4	0.68	310	2007	Intercept could not be verified
DKAL_DD048	DD	Monwezi 2	No Mineralised Intercepts					2007	
DKAL_DD050	DD	Monwezi 2	No Mineralised Intercepts					2007	
DKAL_DD051	DD	Monwezi 2	No Mineralised Intercepts					2007	
DKAL_DD052	DD	Monwezi 2	No Mineralised Intercepts					2007	
DKAL_DD054	DD	Monwezi 2	No Mineralised Intercepts					2007	

**All intercepts over 5000 ppm co are reported with a cut-off grade of 5000 ppm Cu, minimum width of 2 m, maximum 2 m internal dilution*

Appendix Table4: Drill Hole Collar information for holes drilled at Monwezi 2

Hole ID	Method	Target	East	North	Azimuth	Inclination	Depth	Date Completed
DKAL_DD122	DD	Monwezi 2	303332	8779457	137	-60	177	2017
DKAL_DD123	DD	Monwezi 2	303281	8779442	155	-60	206.1	2017
DKAL_DD124	**DD**	**Monwezi 2**	**303405**	**8779383**	**135**	**-60**	**81.4**	**2017**
DKAL_DD048	DD	Monwezi 2	303545	8779546	135	-60	251	2007
DKAL_DD049	DD	Monwezi 2	303422	8779607	135	-60	251	2007
DKAL_DD050	DD	Monwezi 2	303635	8779453	325	-60	250	2007
DKAL_DD051	DD	Monwezi 2	303818	8779887	340	-60	193.7	2007
DKAL_DD052	DD	Monwezi 2	303546	8779559	315	-60	251.4	2007
DKAL_DD053	DD	Monwezi 2	303843	8779861	135	-60	235.2	2007
DKAL_DD054	DD	Monwezi 2	303512	8779301	135	-60	250	2007
DKAL_DD055	DD	Monwezi 2	303309	8779495	135	-60	251.4	2007
DKAL_DD056	DD	Monwezi 2	303369	8779430	315	-60	250	2007

Appendix 2: Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • 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 (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.	• Diamond Drill core was sampled at a nominal length of 100 cm where visible mineralisation was noted. Intervals immediately above and below were sampled between 50 cm and 1 m samples ensuring that no lithological boundaries were crossed. • Reverse Circulation drilling was utilised to obtain 1 metre samples according to industry norms.
Drilling techniques	• Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Reverse circulation (RC) drilling at 5.5 inch drill hole diameter. • Diamond drilling mentioned in this release utilised a PQ-HQ core sizes where appropriate to maximise core recovery. Core was not orientated due to bad ground conditions
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.	• RC Drill sample recovery was determined by weighing the sample recovered at the cyclone and calculating a theoretical expected recovery for the given rock type according to the drilled hole diameter. RC recovery exceeded 80% and is considered fit for purpose. • Diamond drill recovery is > 90% for all holes. Intervals of core loss are excluded from sample length and samples represent 100% core recovery
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.	• All RC chips were logged for geological (lithology, mineralisation, alteration) according to the Nzuri Copper SOP. All data are stored in a database. The standard is suitable for Reporting Exploration Results. • Diamond drill holes are geologically logged for rock type, alteration and qualitative estimates of mineralisation took place.

Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • 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.	• RC samples recovered dry were riffle split at the drill site to achieve a final sample mass of between 2 kg to 3 kg. Two samples were prepared in this manner. • RC samples recovered wet were cone and quartered to achieve a final sample mass of between 2 kg to 3 kg. Two samples were prepared in this manner. • Diamond drill core is split in half along the core axis. The same side of the core is sampled to prevent bias. • 5 % of the samples were prepared as field duplicates and were submitted to monitor between sample variability and laboratory assay precision. • Samples were submitted to the ALS Laboratory preparation facility in Lubumbashi, DRC, where the entire sample is crushed to < 3mm and a 250 g aliquot is obtained using a rotary splitter followed by pulverising to 85% <75µm. Regular sizing checks were undertaken and reported. • Sample sizes are appropriate to the grain size of the material being sampled.
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, spectrometres, handheld XRF instruments, etc, the parametres 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 (i.e., lack of bias) nd precision have been established.	• Handheld XRF analysis is performed using a Thermo Scientific™ Niton™ XL2 instrument. Each sample was analysed for 60 seconds with no factors applied. CRMs are routinely analysed in the sample stream and are assessed to determine the quality of the analyses. Handheld XRF analyses are not reported, only QAQC passed laboratory analyses. • Samples selected for laboratory analysis were submitted for a four acid digest (sulphuric, nitric, perchloric and hydrofluoric) and ICP-AES finish for multi-elements. • Only QAQC passed laboratory analyses are reported. • QA/QC procedures include; a chain of custody protocol, the systematic submittal of 15% QA/QC samples including field duplicates, field blanks and certified reference samples into the flow of samples submitted to the laboratory.

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.	• Assay verification is undertaken by submitting field duplicates. • At this stage of the exploration programme independent laboratory repeats are not deemed necessary • Data is recorded onto hardcopy log sheets which are stored onsite. This data is captured electronically and imported into the project database during which verification and validation is undertaken. • No statistical adjustments to data have been applied.
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.	• Hole collar locations were determined using a Garmin handheld GPS using the average location function. The holes will be surveyed by differential GPS prior to Mineral Resource estimation, should an estimate be undertaken. • No down hole surveys were collected for the RC drilling component of this exploration update. Diamond drill holes are surveyed using a reflex multishot survey tool. • The grid system for the project is UTM WGS84, Zone 35 South. • Topographical data is determined through the combination of radar telemetry obtained during a high resolution aeromagnetic survey and average location collected by handheld GPS's.
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.	• No resources are reported in this exploration update, hole spacing is variable depending on the intention of the exploration test being applied. • Resource or ore reserve estimation is not reported here.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to 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.	• At this stage the orientation of controlling structures at across the licence is not understood. Bedding is folded and dips direction varies, dip angles of between 0 and -70 degrees are recorded. At this stage it is unknown if drill hole orientation has introduced sampling bias.

Sample security	• The measures taken to ensure sample security.	• An unbroken sample chain of custody was implemented, as follows: ○ Plastic sample bags sealed and placed inside polyweave bags or boxes which are sealed with cable ties or taped closed • Sample shipments examined on arrival at the laboratory and the sample dispatch form signed and returned with a confirmation of the security seals and the presence of samples comprising each batch.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• ALS's sample preparation laboratory located in Lubumbashi was audited in February and passed all required checks. • SGS's sample preparation facility in Lubumbashi was audited in December and passed checks.

Appendix 3: 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.	• All results presented are located entirely within the Fold and Thrust Belt JV Project. The Company signed an MOU with Ivanhoe Mines Ltd (TSX:IVN, "Ivanhoe") in April 2015 to acquire up to a 98% interest in a package of five highly prospective tenements (PRs 688, 689, 702 and portions of PRs 690 and 701.), covering an area of approximately 350 km^2, contiguous to the Kalongwe copper-cobalt deposit in the Central African Copperbelt, Lualaba Province, DRC (see ASX announcement on 22 April 2015 for further details). • The exploration licence was renewed for a period of 5 years in January 2015.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Prior to the commencement of the JV project, Ivanhoe completed exploration on the licences. A comprehensive database containing the results of Ivanhoe's exploration undertaken from 2008 to 2013 was received and utilised for targeting. In the 4^{th} quarter of 2016 a verification programme was undertaken which successfully validated the Ivanhoe data.
Geology	• Deposit type, geological setting and style of mineralisation.	• The project area is in the far west of the Outer Lufilian Arc in an arcuate-shaped belt of folds and thrusts that formed after the closure of the Katangan intra-cratonic basin. Three deposit models are being targeted: (i) strataform copper mineralization in Roan Group lithologies and (ii) secondary remobilization of the mineralization along structures. (iii) Zambian type copper mineralization associated with stratigraphically controlled redox boundaries.

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 relevant appendices. Tables in text of report.

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.	• Intercepts are calculated on a length weighted basis. No upper limit has been applied to copper or cobalt grades in these exploration results. For Copper target intercepts are calculated with a minimum length of 2 m, internal dilution less than 2 m intercepts over 5000 ppm Cu are reported. For cobalt targets 2 m or greater intercepts are calculated all intercepts above 1000 ppm are reported. • All metal grades reported are single element, reported in ppm or percentage units as is indicated.
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').	• All intercepts reported here are drilled widths.
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.	• Drill hole plans are provided as well as sections where necessary.
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.	• In this press release drill holes are reported as intercepts, drill holes which did not intersect Cu or Co mineralisation are reported with "no mineralised intercepts"

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 method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• At this stage assays for all drillholes have been received and have been reported, • An airborne magnetic survey is being undertaken, the data collection phase of work is complete but data processing and the interpretation phase is complete is not complete and the results have not been reported yet.
Further work	• The nature and scale of planned further work (e.g., 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.	• Further work on the FTBJV project is summarised in the text above.