



22 August 2018

## **HIPO SECURES OPTION OVER DRC COBALT PROPERTIES AND SIGNS IN-COUNTRY SERVICES PARTNERSHIP**

- **Hipo has entered into a technical services agreement (TSA) with 1620 Capital (1620) to provide technical and exploration management services for the Company's DRC operations.**
- **The TSA gives Hipo access to top quality technical personnel and logistical support to ensure exploration programs are undertaken economically and are of the highest quality.**
- **1620 consults to a number of ASX, AIM and TSX companies on lithium, cobalt and gold projects in the DRC and has offices in Lubumbashi and Kinshasa.**
- **As part of the agreement, Hipo has also secured an exclusive 18-month option agreement with 1620 to acquire an 80% interest in 2 highly prospective cobalt, copper and tin licenses in the proven Kibarian and Katangan belt structures in the Kolwezi region.**
- **1620 has strong strategic links to nearby ore processing facilities to ensure rapid development of any potential mining operations.**
- **Hipo to very shortly ramp up activity on the Kamola Lithium Project with further developments to follow.**
- **Hipo building three growth pillars – DRC lithium projects, DRC cobalt projects, and Battery Technology investments. Existing Ugandan asset base delivers further upside and optionality.**

Hipo Resources Limited (“**Hipo**”) (**ASX: HIP**) is pleased to announce that it has entered into a strategic technical services agreement with 1620 Capital to provide technical, exploration management and logistical services for its DRC operations which currently comprises the Kamola Lithium Project and newly optioned cobalt, copper and tin licenses PR 13283 and 13284.

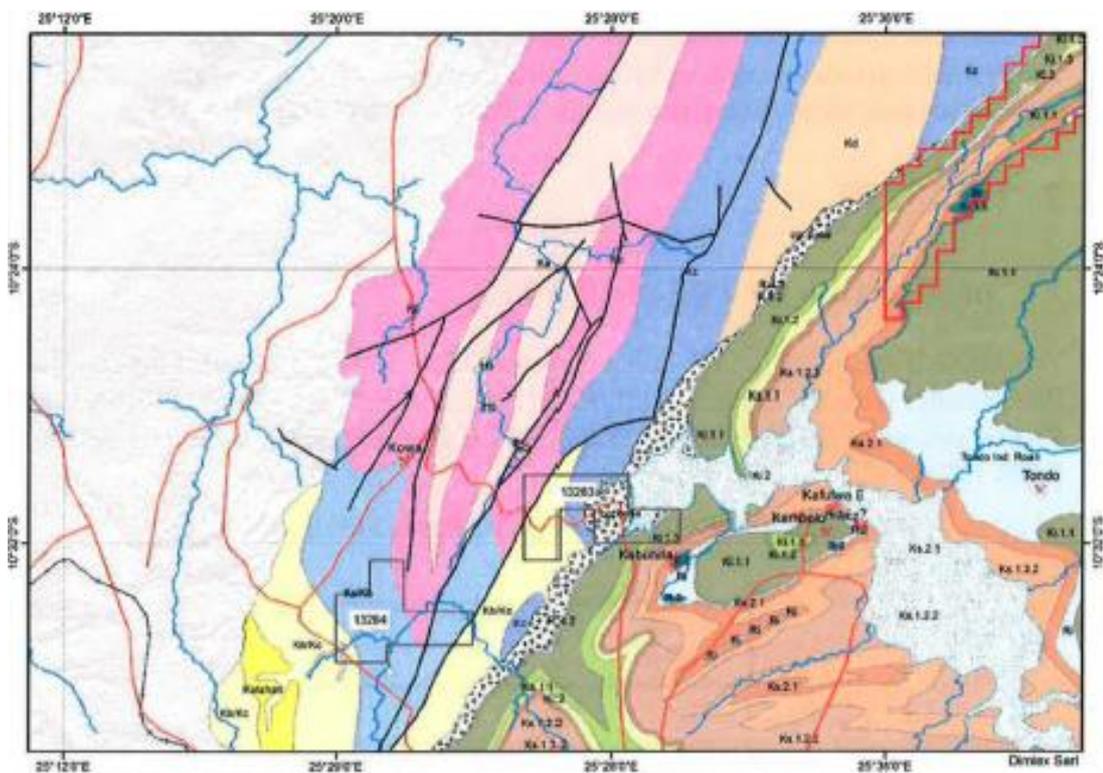


## OPTION SECURED OVER HIGHLY PROSPECTIVE COBALT, COPPER & TIN PROJECTS IN DRC

PR 13283 and 13284 are located along the Mesoproterozoic Kibarian belt, constituted of metasedimentary and plutonic rocks hosted Ta-Nb-Li-W-Sn and Au mineralisations and the Neoproterozoic Katangan sediments hosted Cu-Co mineralization. In the region of Kolwezi the contact between these two belts is visible and is marked by a basal conglomerate. The strike of this contact is NE-SW and dipping toward SE. Each PR licence is approximately 24km<sup>2</sup>. The licenses have been subject to historical work undertaken by a number of groups over the years and which Hipo will be further analysing as part of its advanced exploration program.

Next stage of exploration as part of the Company's exclusive option includes mapping, test pitting and trenching, geophysical and geochemical surveys and a maiden drill program.

The test pitting and trenching work will focus on areas already identified to potentially host cobalt occurrences from historical reports and the initial due diligence work completed.



*Regional geological setting: PR 13283 and PR 13284, Kolwezi DRC*





HIPO Resources Limited

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- 3.3 million options may be exercised once the Company's share price achieves a 10 day VWAP of \$0.07; and
  - 3.4 million options may be exercised once Hipo has obtained a maiden JORC resource at either the Kamola Lithium Project or the two Cobalt licenses (PR 13283 and 13284).
- PR 13283 and 13284 are subject to 1.5% NSR.

**1620 Director John Boardman commented** *"1620 has rapidly developed its corporate and technical capabilities in the DRC across a number of projects and commodities and we have an excellent in-country turnkey solution. The agreement with Hipo Resources is a logical one given our proven skill set in what we can deliver on the technical side for their advanced exploration assets. The arrangement also assists us in being able to develop 2 key licences and potentially utilise ore production as part of our broader strategy in the DRC."*

**HIPO Executive Chairman, Maurice Feilich also commented** *"The next few months will be transformational for Hipo. Having a proven and solid local technical partner in 1620 to assist on both our lithium and cobalt projects in the DRC has significant synergies and benefits for the Company."*

*"We expect to update shareholders very shortly on the progress with respect to our lithium project which we believe holds considerable promise."*

*"We are building three divisions in Hipo – Lithium and Cobalt projects in the DRC through Kamola and the cobalt licences we have just optioned up, the Ugandan phosphate and rare earths which we have recently farmed out, and the establishment of a Battery Technology division with a key opportunity close to being announced. I look forward to updating shareholders on a regular basis on all these developments."*

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