HIPO Resources Limited

2 July 2019

KAMOLA LITHIUM PROJECT UPDATE

- **Positive assay results returned from grab samples at PE 13081, including 1.42% Li_2O at Kirkoff and 0.919% Li_2O at Kabimbi**
- **Assays strongly suggest principle targets for lithium mineralisation occur at PE13081 and at Kamola, at Exploration Licence PR4076**
- **More substantial regional sampling and mapping programme recommended prior to initial localised RC drilling**
- **Hipo to assess current opportunities and further partnerships as part of proceeding with next stage exploration**

HIPO Resources Limited (ASX: HIP) (HIPO or the Company) is pleased to advise it has received assay results from sampling conducted by experienced South African consulting geologists Minex Consulting SARL on the Kamola Lithium Project ("Kamola"), located 51km southwest of Manono on the western border of Tanganyika Province in the Democratic Republic of the Congo (DRC).

As previously reported (see ASX Announcement 8 April 2019), Minex Consulting completed a detailed mapping and sampling program to assess the feasibility of the lithium-bearing pegmatite exploration in the Manono region.

Traverses were conducted over the three permits where significant lithium assays had previously been obtained by Kweneng Group, as well as reconnaissance visits over the areas of known tin-tantalite mineralisation on PE 13081.

Positive results were received from grab samples collected at Kirkoff, with the best result being 1.42% Li_2O, and at Kabimbi with lithium oxide content of up to 0.919% Li_2O. These assay results were returned from an area along a corridor that includes the differentiated and lithium-bearing Kanunka – Bukena – Malemba-Nkulu pegmatites.

Furthermore, grab samples collected from the Kamola pegmatite returned lithium oxide content up to 0.284% Li_2O.

Based on the assay results and the recommendations of Minex Consulting, the most obvious principle targets for lithium mineralisation occur at PE13081 and at Kamola, at Exploration Licence PR4076 (Table 1).

The Company will now consider these recommendations, as well as the associated costs and logistics, and looks forward to providing a further update in due course.

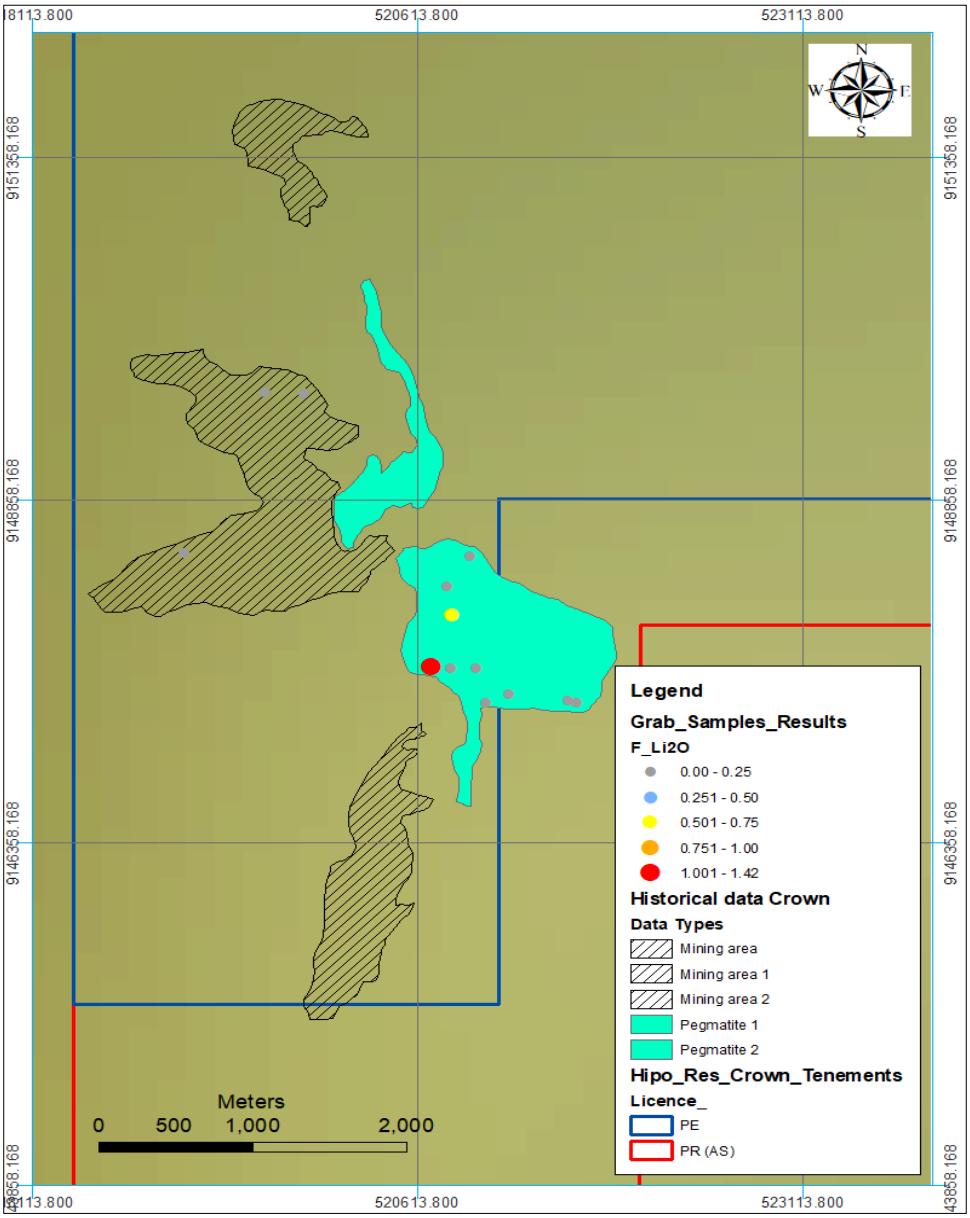

Figure 1 – Crown Project Area

Kamola Lithium Project Overview

In November 2018, Hipo executed a Joint Venture Agreement ("JV") with Crown Mining Sarl ("Crown"), where HIPO can earn a 60% interest in Kamola (ASX release 15 November 2018). The JV is based on exploration and future development of the contiguous Mining License PE 13081 and Exploration Licenses PR 4072 and 4076.

Figure 2: Lepidolite coloured mineralisation, Kabimbi

-ENDS-

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Competent Persons Statement – Exploration Results

The information in this Report that relates to Exploration Results and Mineral Resources of the Company has been reviewed by Kazadi S-B. Barry and Steffen Kalbskopf, who are Members of SACNASP. Mr Kazadi and Kalbskopf have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking to qualify as an Expert and Competent Person as defined under the VALMIN Code and in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Kazadi and Kalbskopf consent to the inclusion in this Report of the matters based on the information in the form and context in which they appear.

Sample No	UTM_E	UTM_N	RL	Li ppm	Li %	LiO2 %	Al_%	As ppm	Ba ppm	Be ppm	Bi ppm	Mn ppm	Mo ppm	Na %	Nb_ ppm	Ni_ ppm	P_ ppm	Pb_ ppm	Rb_ ppm	Sn_ ppm	Sr_ ppm	Ta_ ppm
405451	520762	9147702	730	1210.00	0.121	0.260	9.93	1.3	20	40.6	0.44	1800	0.76	1.8	39.6	4.2	1930	21.8	1400	72.4	7	36.5
405452	520706	9147613	737	890.00	0.089	0.192	9.38	1.7	20	86.7	1.25	1040	0.76	2.99	55.4	4.7	490	17.5	1440	72	5.2	37
405453	520862	9148032	737	640.00	0.064	0.138	8.73	2.5	20	82.3	0.67	1260	0.75	4.78	87.9	3.4	450	15.9	1030	46.9	6	31.8
405454	518565	9148244	637	90.00	0.009	0.019	7.62	9.3	310	4.34	0.31	100	0.61	1	3.7	3.8	40	77	262	23.5	93.9	0.96
405455	519774	9151204	654	6560.00	0.656	1.412	6.9	24.1	920	15.55	0.32	685	0.81	0.08	8.8	5.3	300	38.4	2460	226	52.9	1.02
405456	538317	9144514		137.50	0.014	0.030	7.12	2.8	200	5.45	20.6	163	0.68	1.17	25.8	3.2	860	47	580	17	41.5	3.52
405457	520175	9146215	652	4270.00	0.427	0.919	9	2.7	110	93.7	1.24	1200	0.55	0.14	51.2	2.5	190	43	1910	82	29.1	58.3
405458	533244	9139758	675	1320.00	0.132	0.284	7.64	12.7	30	29.8	1.16	1180	0.54	3.38	46.4	3.4	170	27.3	890	52.9	12.7	48.5
405459	533242	9139742	678	730.00	0.073	0.157	9.04	6.8	70	10.6	0.11	1460	0.46	0.09	15.9	2.1	70	75.6	1200	92.6	4.3	19.5

Table 1 – sampling assay results

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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.*	• Rock chips were collected randomly from weathered exposed insitu bedrock. • The sampling cannot be considered representative of the overall and entire pegmatite body. • The rock chips of the insitu weathered exposed bedrock was completed according to best practice and industry standards. • Given the purpose of first pass ongoing reconnaissance nature of the exploration work, sampling practices employed have been deemed appropriate at the time. • None of the rock chips are appropriate for, or have been used for, Mineral Resources estimates. Recent rock chip sampling has been completed for the purpose of helping to assist with the definition of mineralised zones within the shallow and weathered pegmatite outcrops and have been sampled in accordance with standardized sampling procedures and protocols.
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).*	• This information release does not report drill sampling or results.
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*	• This information release does not report drill sampling or results.

Section 1:	Sampling Techniques and Data	
Criteria	**JORC Code explanation**	**Commentary**
	loss/gain of fine/coarse material.	
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.*	• This information release does not report drill sampling or results. • This information release does not report drill sampling or results. • The location of the rock chips samples from weathered bedrock was logged.
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.*	• This information release does not report drill sampling or results. • This information release does not report drill sampling or results. • The samples from the rock chips were collected and bagged. The bagged samples were sent to ALS Preparation Laboratory in Lubumbashi (DRC) where they were crushed and pulverized to a pulp prior to be sent to the ALS Laboratory in South Africa for analysis. • No duplicate sampling has been undertaken for the rock chips. • 2 Kgs mass of the sample were collected and is appropriate to the sampling methodology and 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, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their*	• All samples from the rock chip samples program were shipped to the ALS laboratory in South Africa for sample preparation and for chemical analysis. • Samples were prepared using the code Prep-31 code under ALS codification (crushed to <2mm and pulverized to -75 microns). The ICP-MS finish multi-elements ME-MS61 that has range for Li of 0.2 to

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Section 1:	Sampling Techniques and Data	
Criteria	**JORC Code explanation**	**Commentary**
	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.*	10,000 ppm (1%) was requested to analyse all rock chips samples collected. • No geophysical instruments were used in collecting or analysis.
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.*	• No verification exploration work has so far been undertaken at this stage. • This information released does not report drill sampling or results. • The data from recent exploration is currently store in hardcopy and digital format at the company's technical office in South Africa. A hard drive copy of this is located at the administration office in country and will be frequently uploaded to the company's database in Perth, WA. • This information released does not report drill sampling or results.
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.*	• The geological data, including easting, northing and elevation have been surveyed using handheld GPS device, giving an accuracy of ± 3m in open-ground. • WGS84 UTM (Zone 35 S) • No survey has been undertaken. Hand held GOS coordinates have been locates sampling to date.
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.*	• Sampling undertaken to date was of a reconnaissance nature and wide spread and focused on weathered exposed insitu bedrock and mapped pegmatite exposures. • Not applicable as no resource estimation. Sampling undertaken to was of a reconnaissance nature and wide spread along geological units. • No composting has been applied.

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Section 1:	Sampling Techniques and Data	
Criteria	**JORC Code explanation**	**Commentary**
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.*	• Not applicable • Not applicable.
Sample security	• *The measures taken to ensure sample security.*	• Rock chips samples were shipped from the field in sealed bags. The integrity of the sealed bags in the laboratory was confirmed by the company's technical adviser.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The sampling techniques and data have been reviewed and the assay results are believed to give a reliable indication of the lithium mineralisation.

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Section 2:	Reporting of Exploration Results.	
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.*	• Refer to the press release body
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Refer to the press release body
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Kamola Lithium Project is an early stage exploration project. There are high grade lithium occurrences only at this stage. Further exploration programs wil be required to determine whether the project has economic potential. • The project lies within the mid-Proterozoic Kibaran Belt – an intracratonic domain, stretching for over 1,300 Km through Katanga and ino southwest Uganda. The belt strikes predominantly SW-NE and is truncated by Ns to NNW-SSE trending Western Rift system. • The Kibaran comprises a sedimentary and volcanic sequence that has been folded, metamorphosed and intruded by at least three separated phases of granite. The latest granite phase (900 to 950 Ma) is assigned to the Katangan cycle and is associated with widespread vein and pegmatite mineralisation containing tin, tungsten, tantalum, niobium, lithium and beryllium. • Deposits of this type occur as clusters and are widespread throughout the Kibaran terrane. In the DRC, the Katangan Tin Belt stretches over 500km from near Kolwezi in the southwest to Kalemie in the

Section 2:	Reporting of Exploration Results.	
Criteria	**JORC Code explanation**	**Commentary**
		northeast comprising numerous occurrences and deposits of which the Manono deposit is currently the largest. •
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.*	• This information released does not report drill sampling and results.
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.*	• No top/lower cut-off grade have been applied. • At this stage it is considered that an insufficient data set has been collected to allow geostatistical methods of any relevance. • Methodology may change as the collected dataset increases. • Not included in the reported results.
Relationship between	• *These relationships are particularly important in the reporting of Exploration Results.*	• No top/lower cut-off grade have been applied. • At this stage it is considered that an insufficient data set has been

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Section 2:	Reporting of Exploration Results.	
Criteria	**JORC Code explanation**	**Commentary**
mineralisation widths and intercept lengths	• *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').*	collected to allow geostatistical methods of any relevance. • Methodology may change as the collected dataset increases. •
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.*	• Refer to the body of this press 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.*	• Due to the nature of the early stage project status and limited sampling to date, the results should be considered indicative only and not material. All results should be considered I the limited context of the sampling program. The samples collected to date are considered representative of the weathered exposed insitu bedrock and mineralisation only.
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.*	• No further data available.
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.*	• Further work may include mapping, soil/stream sampling and bedrock sampling for geochemical anomalies to identify prospective target zones and then small amount of drill testing of higher priority targets, Diamond drilling may be included in subsequent phases of drilling.