

7 December 2020

**Okapi****Resources**

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## Okapi Enters into an Amended and Restated Binding Farm-In Agreement with Lithium Australia

### Highlights

- **Okapi Resources and Lithium Australia have amended and restated the Mount Day Farm-In Agreement to focus solely on tenement E63/1903**
- **New minimum Exploration Commitment now \$100,000 over two years the ability to earn 75% interest by undertaking exploration to \$800,000 within 48 months**
- **Results from the infill soil sampling to follow up the gold anomaly expected to be released soon**
- **Okapi continues to evaluate a number of additional projects**

**Okapi Resources Limited** (ASX:"OKR") ("**Okapi**" & "**Company**") is pleased to advise that the Company has entered into an Amended and Restated binding Farm-In Agreement with Lithium Australia NL (ASX:"LIT") on a tenement in the Lake Johnston area, Western Australia ("**Amended Agreement**"). The greater tenement package was originally identified by Lithium Australia targeting lithium mineralisation. The revision allows Okapi to focus on the high priority gold targets and reduce expenditure commitments.

As announced on 3<sup>rd</sup> September 2020, Okapi entered into a binding Farm-In Agreement with LIT on tenements E63/1805-1809, E63/1866 and E63/1903 ("**Initial Agreement**")<sup>1</sup>. The Amended Agreement key terms are:

- Okapi has the exclusive right to earn a 75% interest in mineral rights, other than lithium, over tenement E63/1903 only;
- Okapi will undertake a minimum expenditure of A\$100,000 on tenement E63/1903 within 2 years from the execution date of the Amended Agreement ("**Minimum Expenditure**");
- Okapi will be entitled to earn a 75% interest in tenement E63/1903 by undertaking exploration expenditure of not less than \$800,000 (inclusive of the \$100,000 Minimum Expenditure) on the Tenements within 48 months from the execution date of the Amended Agreement;
- If Okapi earns the Farm-in Interest, Okapi must free carry Lithium Australia until completion of a mine plan which is accepted by the Department of Mines, Industry Regulation and Safety as being in compliance with the Mining Law.

<sup>1</sup>Refer to ASX announcement date 3<sup>rd</sup> September 2020 titled "Okapi enters into WA Gold Project"

Tenement E63/1903 is located at the southern end of the Lake Johnston Greenstone Belt in central Western Australia. The belt hosts the Mount Holland Gold Mine (Wesfarmers, ASX:WES) and Lake Johnston nickel mines (Poseidon Nickel, ASX:POS). The Project is located ~10km from the Maggie Hays and Emily Ann underground nickel mines and also the Windy Hill accommodation village owned by Poseidon Nickel (ASX:POS) (Figure 1).

As previously advised, Okapi has applied for an adjacent tenement (E63/2039), to cover a coincident structural and geochemical defined target. The area has been the focus of nickel and lithium exploration with limited follow up on the gold potential. The main target at the Mount Day Project straddles the Okapi tenement application and the Farm-in tenement.

At the Mount Day Project, Okapi has identified a high priority structural target from the magnetics, that is coincident with anomalous gold in a soil anomaly over a 10km strike length (Figures 1 and 2). Limited historical drilling near the main target area reported gold mineralisation, including LJPC004 (RC): 26-28m 2m @ 11.04 g/t gold and LJPC0058 (RC): 71-74m, 3m @ 1.74 g/t.

**For full details and JORC Table 1,2 please refer to ASX announcement date 3<sup>rd</sup> September 2020 titled "Okapi enters into WA Gold Project"**

From the data review undertaken by Okapi, the historical drilling appears to have targeted outcropping material and historical workings, with the main geochemical target not drilled tested.

The soil sample results also coincide with a number of anomalous rock chip samples and historical workings. Most of the available rock chip samples appear to have been focussed on old workings and not on the main gold in soils trend, presenting an opportunity for Okapi. Historical drilling appears to have been focussed on rock chip results and not the adjacent soil anomaly.

Drilling results from drilling undertaken by LionOre in 2003 include:

LJPC004 (RC): 26-28m, 2m @ 11.04 g/t Au

LJPC005 (RC): 26-27m, 1m @ 1.64 g/t Au

LJPC0058 (RC): 71-74m, 3m @ 1.74 g/t Au

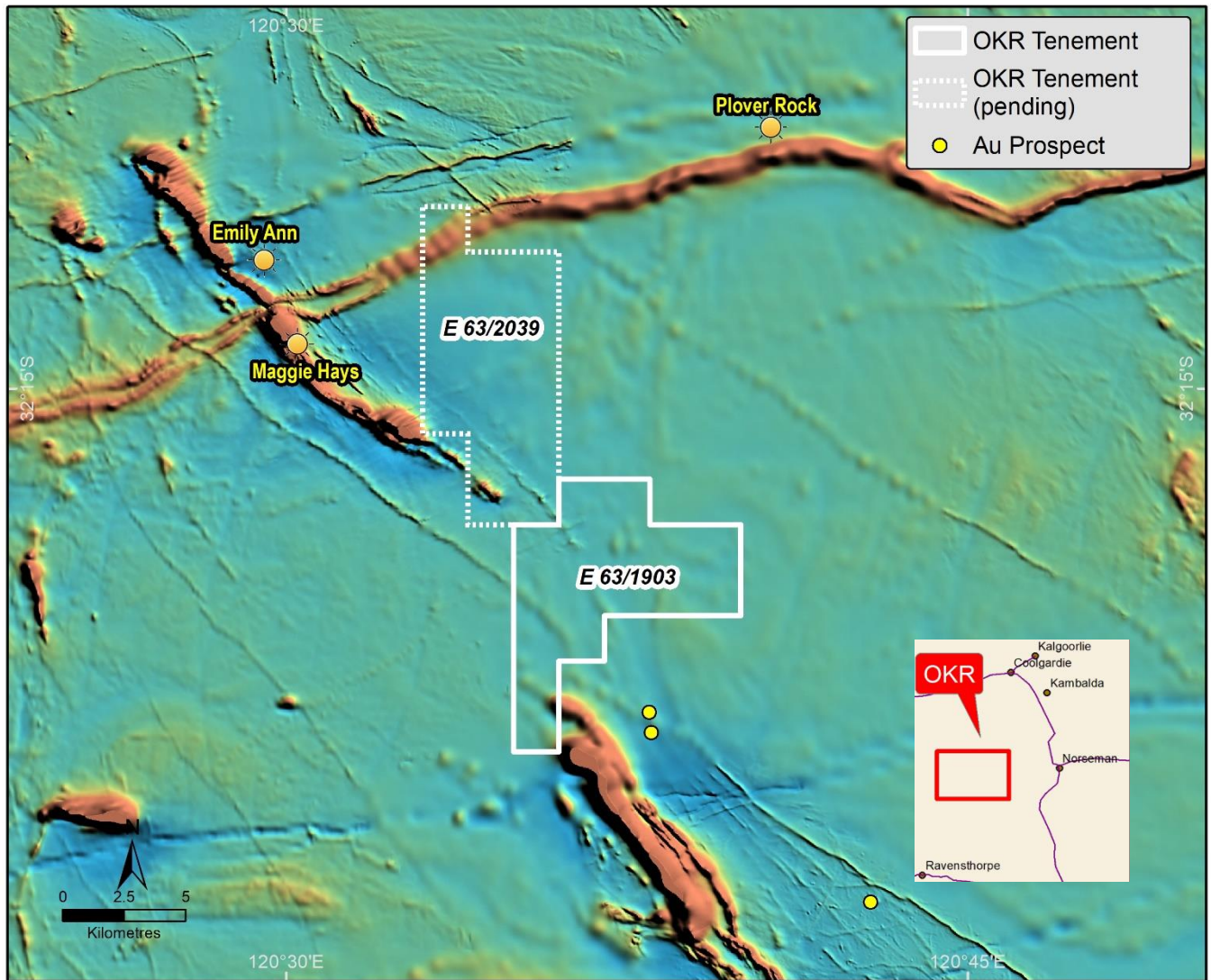
LJPC0094 (RC): 52-59m, 3m @ 0.88 g/t Au, including 1m @ 1.48 g/t Au from 56m

LJPD0105 (DD): 43.85-44.15m, 0.3m @ 1.14 g/t Au

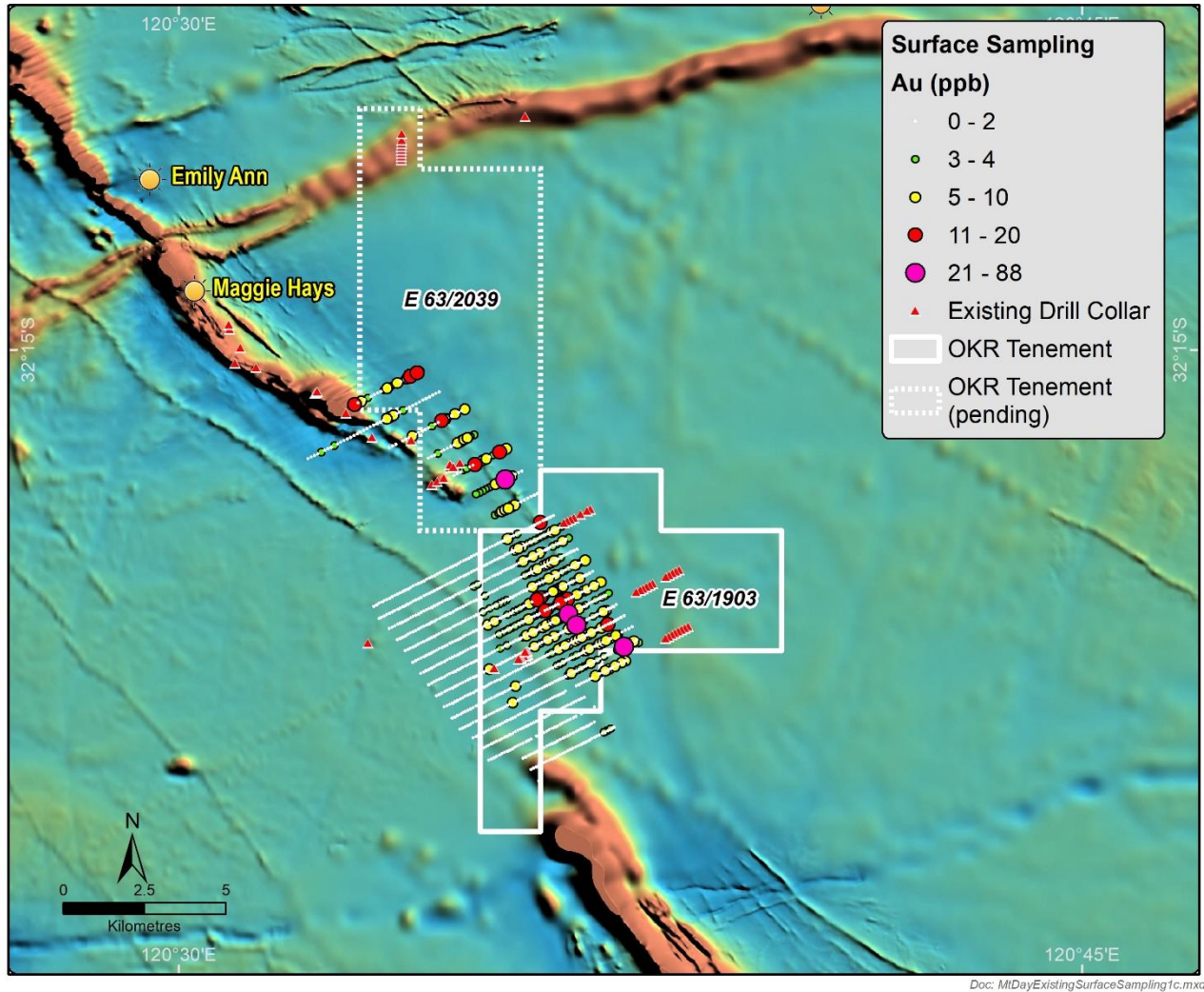
In addition to the gold opportunity the region hosts nickel deposits in the same geological sequence present in the Mount Day Project. Okapi has completed a comprehensive review of historical data and currently waiting for the results from the infill soil sampling program to accelerate target definition at the Mount Day Project, targeting both gold and nickel.

### Tenement Application E63/2039

Okapi has applied for tenement ELA63/2039 (Figure 1 & 2) to cover the regional structure and anomalous gold in soil anomaly. The tenement contains the historical Maggie Hays Hill gold workings; which consist of two lines of SE-trending historical gold workings, hosted in sheared amphibolites and minor felsic units. These are amongst the only historical gold workings in the belt, and have therefore been the focus for gold exploration programmes with drilling located near the outcropping material, The anomalous gold in soil zone sits adjacent to the workings but has not been drill tested.



**Figure 1. Interpreted strike slip structure based on regional aeromagnetic data.**



**Figure 2. Anomalous gold zone from open file data**

This release was authorised by Andrew Shearer, Executive Director of Okapi Resources Limited.

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## **Okapi resources Overview**

Okapi Resources Limited (ASX:OKR) is an Australian-based company engaged in the business of mineral exploration and development. The Company's projects include the Crackerjack project (Western Australia) located ~85km south west of Halls Creek. In the southern Halls Creek Mobile Belt, along the eastern edge of the Kimberley Craton in the Kimberley Goldfields of Western Australia.

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

## **COMPETENT PERSON**

The information in this report that relates to Exploration Results is based on information compiled from DMIRS open file reports system, WAMEX and reviewed by Mr Rhoderick Grivas. Mr Grivas is a member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the exploration processes undertaken to qualify as a Competent Person as defined in the 2012 Editions of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Grivas consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

## **CAUTION REGARDING FORWARD LOOKING INFORMATION**

This Announcement may contain forward looking statements concerning the projects owned or being earned in by the Company. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions.

Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of the Company as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties. Circumstances or management's estimates or opinions could change. The reader is cautioned not to place undue reliance on forward-looking statements.