Quarterly Activities Report

For the Quarter ended 30 September 2019

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ASX: OKR

Issued shares

36,042,866
as at 30 September 2019

Board of Directors

Klaus Eckhof
Non-executive Chairman

Nigel Ferguson
Managing Director

Michael Montgomery
Technical Director

Raymond (Jinyu) Liu
Non-executive Director

Company Secretary

Leonard Math

Registered Office

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West Perth WA 6005

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A.B.N. 21 619 387 085

31 October 2019

HIGHLIGHTS FOR THE QUARTER

Tendao Gold Project

- Option secured to earn an initial 50% equity holding in the Tendao Gold Project ("Tendao Project") in the multi-million ounce Kilo-Moto Greenstone Belt located in the Haut Uele Province, Democratic Republic of Congo
- The Kilo-Moto District hosts Barrick's world-class 13Moz (JORC M&I) Kibali Gold Project, one of the largest gold mines in Africa, that produced over 800koz in 2018
- The Tendao Gold Project is located within the north-west mineral trend of the Kilo-Moto Greenstone Belt which hosts other gold deposits within the district including the Giro and Moku deposits

Okapi Resources Limited (ASX: OKR, "Okapi", "Company") is pleased to report on activities completed during the September 2019 quarter.

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Tendao Gold Project

During the quarter, the Company secure an initial 50% equity holding in the Tendao Gold Project ("Tendao Project") in the multi-million ounce Kilo-Moto Greenstone Belt of the Haut Uele Province, Democratic Republic of Congo.

As announced on the 26 September 2019, Okapi has executed a Binding Term Sheet to earn an initial 50% equity right in Wanga Mining Company SARL (WMC). WMC holds a 100% interest in mineral licences PE5045, PE5050, PE5054, PE5069 and PE13062 located in the Democratic Republic of Congo ("DRC").

The tenements comprise the Tendao Gold Project, which was first mined in the early 1900's and has recorded historical drill intercepts of up to 43.3g/t Au. It should be noted that these results are from the 1940/50's and were obtained from the archives of SOKIMO in Watsa, DRC and no details regarding the nature of the results are available.

The Tendao Gold Project is potentially a significant, advanced gold project in what is a very well-endowed and under explored gold province in northern DRC. It is located in a district of multi-million ounce discoveries and hosts several immediate exploration targets defined by previous work.

The Tendao Gold Project covers an area of over 1,400km^2 and incorporates five exploitation licences (5045, 5050, 5054, 5069 and 13062) in the Haute Uele region of the Orientale Province, Democratic Republic of Congo (Figure 1). The concession area is situated on the western boundary of the Kilo-Moto Gold Belt. To the north, the Kibali River flows across the north-eastern corner of the licence. Along the western border, the Yebu River runs from south to north eventually flowing into the Kibali River. The Kibali Gold Project, owned by Barrick and Anglogold Ashanti, is situated 20 kilometres to the east of the Project licences. Within the Tendao Project area there are numerous sites of historical bedrock and placer gold mining. Many of these locations are now being exploited by local artisanal gold mining activities.

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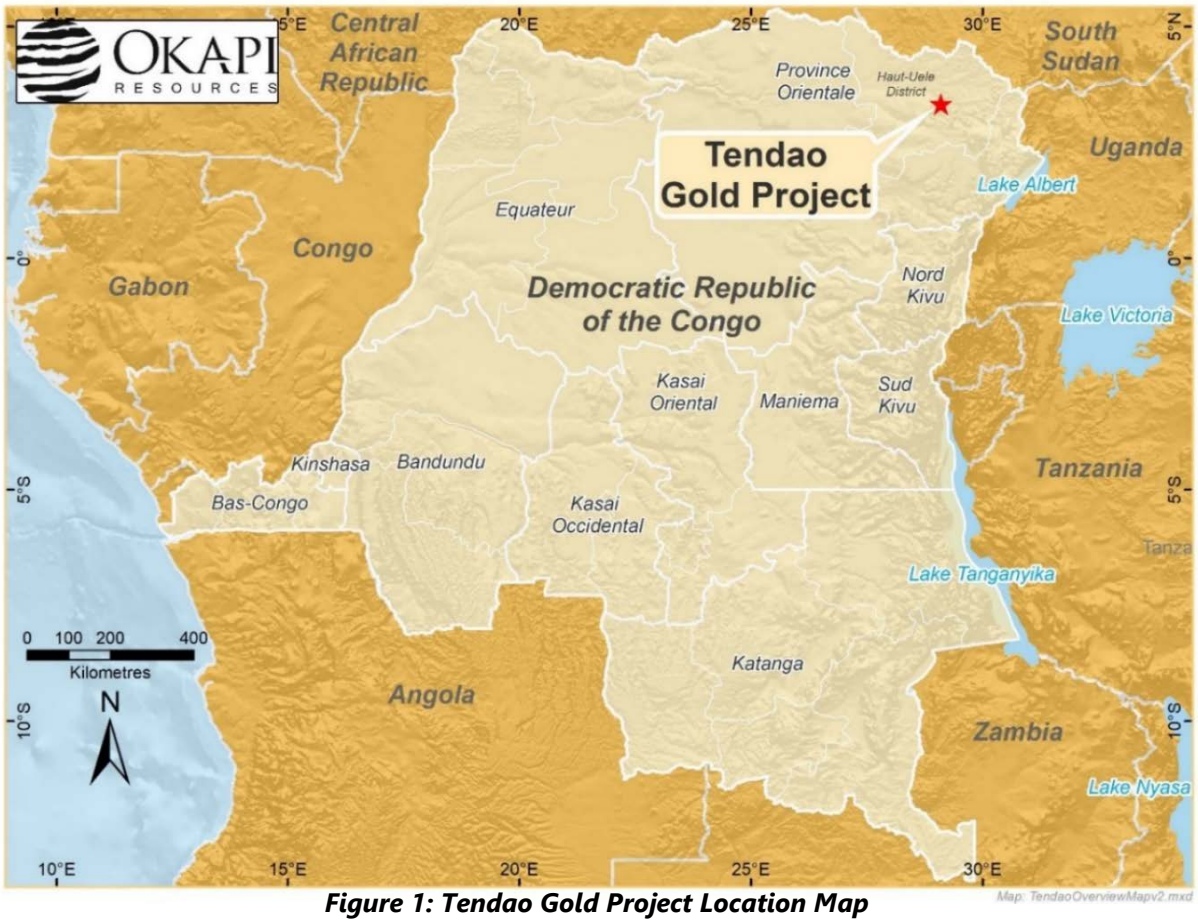


Figure 1: Tendao Gold Project Location Map

Key Terms of the Agreement

- Subject to Shareholders' approval, Okapi is to purchase a 50% equity interest in WMC from Mineral Invest International Congo AB (Mineral Invest) for a total amount of US$7,500,000 paid in tranches as per below:

  i) A non-refundable option fee of US$500,000 upon execution of this agreement, allowing a 30 day Due Diligence period;

  ii) Upon satisfaction of Due Diligence, a payment of US$2,000,000 to be paid within 20 day of notification of decision to proceed (Tranche 1);

  iii) A payment of US$2,500,000 (Tranche 2) within 3 months of the date of the Tranche 1 payment;

  iv) Final Tranche (Tranche 3) of US$2,500,000 to be paid within 3 months of the date of Tranche 2 payment. Mineral Invest has the option to convert part or all of the Tranche 3 payment into Okapi ordinary shares, subject to shareholder and any regulatory approval.

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The conversion price will be based on a 30-day VWAP of Okapi shares traded on the ASX prior to the due date of Tranche 3.

v) Subject to Shareholders' and other regulatory approval including ASX Listing Rule 6.1, Performance Shares with the following vesting conditions, will be issued to Mineral Invest;

No	Milestone Hurdle	Number of shares
1	On the discovery of 1 million ounces of gold at 1.3g/t average to JORC Indicated standard	5,000,000
2	To the discovery of 2 million ounces of gold at 1.3g/t average to JORC Indicated standard	10,000,000
3	Upon the discovery of 5 million ounces of gold at 1.3g/t average to JORC Indicated standard	20,000,000

- Okapi will fund the Tendao Project's operations to the completion of a Definitive Feasibility Study.
- Okapi will have the first right of refusal with respect to the purchase of any equity quota held by the interests of the Tendao Project from the other parties.
- Subject to Shareholders and regulatory approval, Mr. Bijoux Lombeya Lotumbe will be appointed to the Board of Okapi and will be awarded 1,000,000 Performance Rights with the following vesting conditions:

No	Milestone Hurdle	Number of PR
1	The Company achieves and maintains a market capitalisation of A$12 million or more for a 30-day period before the 31st December 2021	333,333
2	The Company has achieved and maintains a market capitalisation A$18 million or more for a 30-day period before 31st December 2021	333,333
3	The Company achieves and maintains a market capitalisation A$24 million or more for a 30-day period before 31 December 2021	333,334

The acquisition price will be funded through existing cash holdings and utilising the available placement capacity to complete a placement to potential sophisticated and professional investors. The Company will also seek shareholders' approval for immediate additional capacity to fund the balance of the acquisition price. A General Meeting will be called as soon as practicable.

Subsequent to quarter end, Company has received a further 21 days extension to conduct the due diligence on the Tendao Project. The request was made by Okapi following delays in receiving corporate documents from Wanga Mining Company SARL.

Please refer to the full ASX announcement dated 26 September 2019.

Corporate

Okapi held cash reserves at end of quarter of $1.9 Million.

On 1 August 2019, Mr. Craig Nelmes resigned as Joint Company Secretary.

The Company also advises that its registered office and principal place of business has changed to:

Office Address: Level 2, 8 Colin Street, West Perth WA 6005

Postal Address: PO Box 520, West Perth WA 6872

Telephone No: +61 8 6117 9338

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For further information please contact:

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Managing Director
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Leonard Math
Company Secretary
Okapi Resources Ltd
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Tenement Holdings and Movements

Schedule of Mining Tenements and Beneficial Interests Held as at the end of the September 2019 Quarter

Project/Location	Country	Tenement	Percentage held/earning
Crackerjack	Australia	E80/4675	100%

Schedule of Mining Tenements and Beneficial Interests Acquired during the September 2019 Quarter

Project/Location	Country	Tenement	Granted Date
Nil			

Schedule of Mining Tenements and Beneficial Interests Disposed of during the September 2019 Quarter

Project/Location	Country	Tenement	Withdrawal Date
Nil			

Competent Person's Statements

The information in this report that relates to Exploration Results is based on, and fairly represents information and supporting documentation compiled by Mr. Michael Montgomery, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr. Montgomery is a consultant of Okapi Resources Limited. Mr. Montgomery has sufficient experience that is relevant to the style of mineralisation and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr. Montgomery consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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