OKAPI RESOURCES

FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2019

ABN 21 619 387 085

Contents

The Mambasa Project (Option to earn in to 70% interest)

Background

The Mambasa Gold Project is a brownfields project with several historical colonial gold workings and current artisanal gold activity covering over a 600m strike length and up to 25m in depth. The Mambasa Project consists of two granted licences, PE364 and PE480, located approximately 18km to the south of the town of Mambasa, in the Mambasa District of Ituri Province in the north-eastern DRC.

The Mambasa Project is located in a region of well documented gold production and has impressive potential within a favourable stratigraphic and structural setting that is similar to other large-scale gold deposits within the region including AngloGold Ashanti's Geita (20Moz) mine in Tanzania and Loncor Resources Inc's recently defined Makapela (1Moz) and Kilo Gold's Adumbi (1.3Moz) gold projects (***Figure 1***).

The region is an area that is considered to be under explored and having significant potential for large gold resources.

The Company executed the Mambasa Joint Venture Agreement with Kalubamba SARL and Medidoc FZE which granted Okapi the right to earn a 70% interest in the Mambasa Project and to act as the manager. The Mambasa Joint Venture Agreement provides for an exploration expenditure earn-in by the Company over an approximate 4-year period, with a minimum spend of US$150,000 on exploration work (Phase 1 Assessment) within 12 months of the ASX listing date having already been achieved.

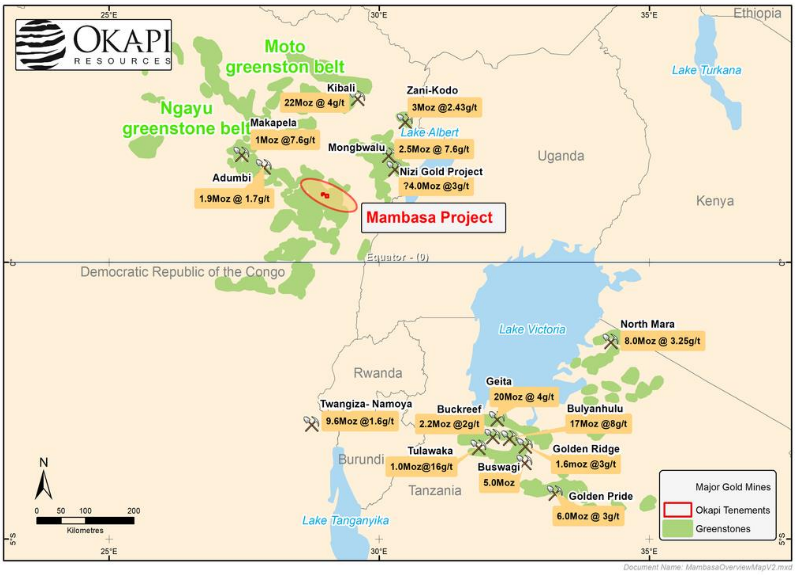

Figure 1: Regional Location Map of the Mambasa Gold Project Showing Nearby Significant Gold Projects.

The Company completed Stage 1 & 2 Soil Sampling programs, after receiving the assay results from the 2nd Stage infill sampling program. This program was designed around areas of interest defined in the initial Stage 1 program. This second round of sampling infilled previous lines at an approximate 125 metre line spacing and at 50 metre centres, with a total of 500 samples analysed returning gold results up to 0.31 g/t gold in soils (***Figure 2***).

The latter results further supported the regional northwest fabric and added more detail to the north-south trending structure identified in the initial in Stage 1 program. The confluence of these 2 orientations is of particular interest as it possibly defines a control on gold mineralisation in the district. This observation is supported by the fact that Mount Pede, an area of significant artisanal mining activity, is located at this juncture.

Desktop analysis of these results was carried out as well as planning of follow up exploration programs.

Okapi has met the Year 1 expenditure commitments for the Mambasa Gold Project as defined by the Joint Venture Agreement.

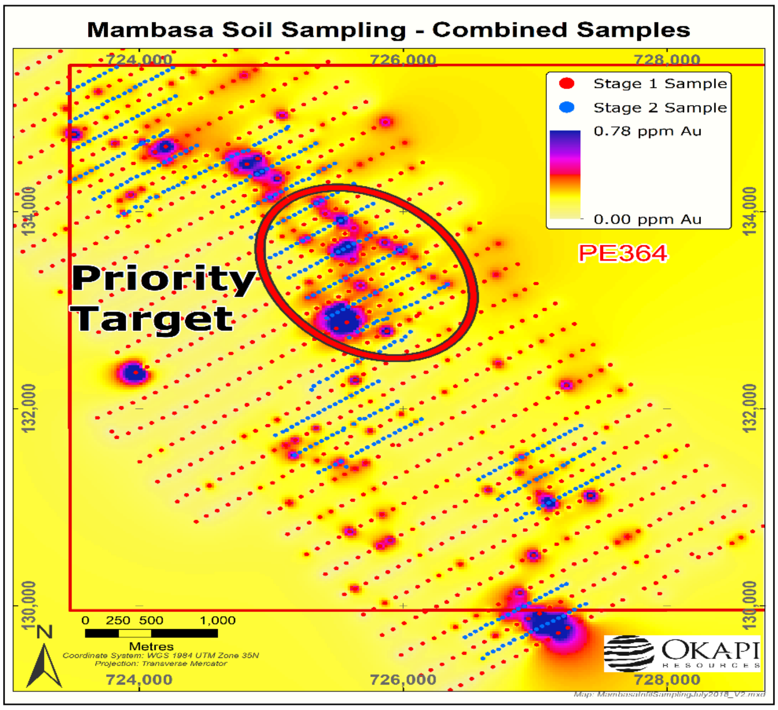

Figure 2: Mambasa Phase 1 Exploration Program - Gold Soil Sampling Results- Stages 1 & 2

The Crackerjack Project (100% owned)

Background

The Crackerjack Project ("Crackerjack") is located approximately 85 kilometres south-west of Halls Creek in the Kimberley District of Western Australia (***Figure 3***).

There had previously been very limited modern exploration work undertaken at Crackerjack, with historic results indicating the presence of high-grade gold mineralisation. The Mount Dockrell area has been worked for alluvial gold and hard rock gold for decades with significant amounts of gold being won.

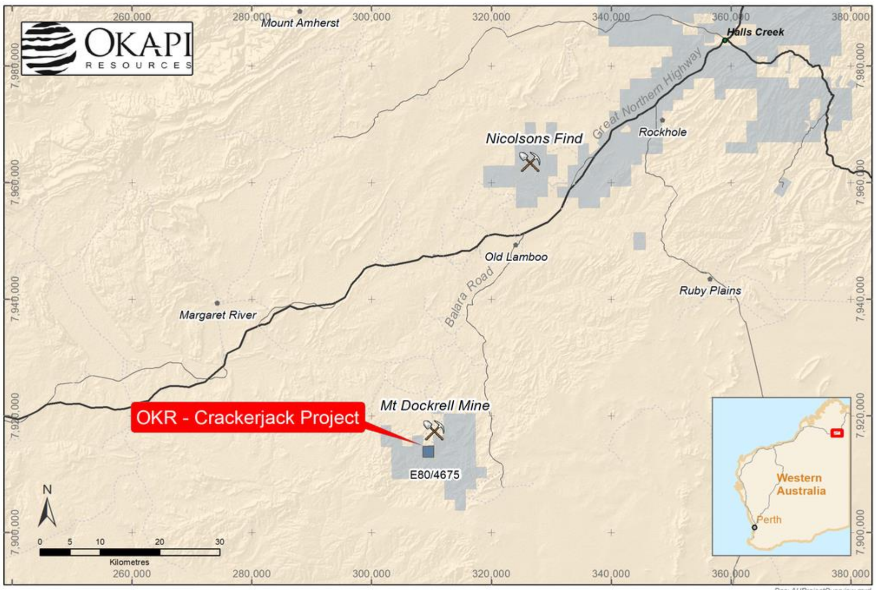

Figure 3: Location Map of the Crackerjack Project

The Company completed a Phase 2 mapping and sampling program, that focused upon following up on the initial program so as to better understand those initial results. This follow-up program consisted of 77 hard rock samples. The assay results have further defined the initial results at and around several prospects (*Figure 4*) on the tenement and included the following significant Phase 2 assay results;

The Sisters - 5.0 g/t Au;
Crackerjack NE – up to 3.8 g/t Au;
Crackerjack – up to 1.9 g/t Au; and
'Crackerjack Shear' – results included 1.5 g/t Au & 0.9 g/t Au

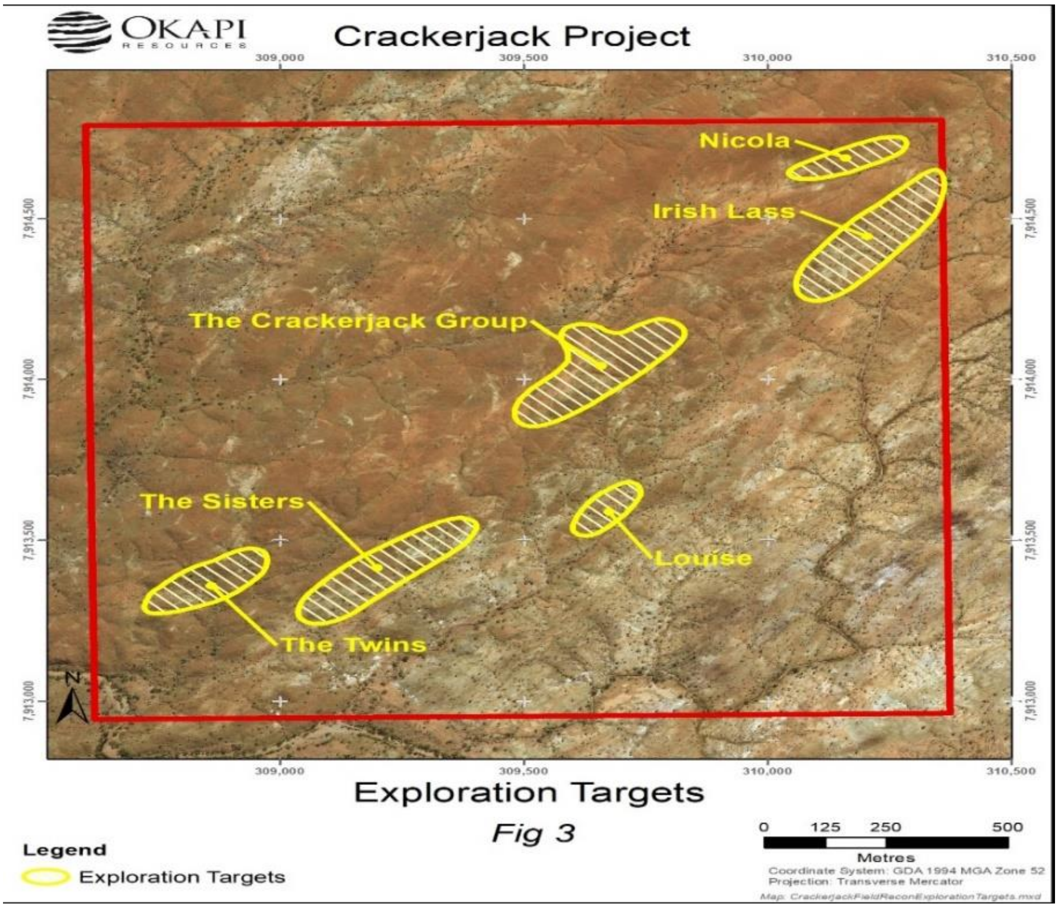

Figure 4: Crackerjack Project Prospectivity Locality Map

Tendao Gold Project

During the half year, the Company secured 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.

Figure 5: Tendao Gold Project Location Map

Subsequent to period end, the Company has decided to cease negotiations in acquiring an equity interest in the Tendao Gold Project. The Company is in discussions with the vendor to assess recouping any funds forwarded to them as part consideration for the acquisition.

CORPORATE

During the half year, Okapi participated in a placement (*$450,000 investment at $0.003 per share*) in ASX listed Amani Gold Limited ("Amani"). Amani owns the Giro Gold Project ("Giro"), which comprises two exploration permits covering a surface area of 497km² and lying within the Kilo-Moto Belt (Democratic Republic of Congo), a significant under-explored greenstone belt and which hosts Randgold Resources' 16 million-ounce Kibali group of deposits within 35km of Giro.

Okapi currently has 7.50% interest in Amani.

Okapi also participated in a placement (CND$200,000 investment at CND$0.25 per share) in CSE listed AJN Resources Inc ("AJN"). AJN is a junior exploration company. AJN's management and directors possess over 75 years of collective industry experience and have been very successful from exploration, to financing, to developing major mines throughout the world with a focus on Africa and especially the DRC.

Competent Person Statement

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr. Nigel Ferguson, a Competent Person whom is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) and Member of the Australian Institute of Geoscientists (MAIG). Mr. Ferguson is a full-time employee of Ridgeback Holdings Pty Ltd and Director of Okapi Resources Limited. Mr Ferguson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration 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 Resources and Ore Reserves'. Mr Ferguson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Your directors submit their report on the consolidated financial statements of Okapi Resources Limited ("Okapi" or the "Company") and the entities it controlled (the "Group") at the end of, or during, the half-year ended 31 December 2019.

DIRECTORS

The following persons were directors of the Company during the whole of the financial period and up to the date of this report unless otherwise indicated:

Nigel Ferguson – Managing Director
Raymond Liu - Non-executive Director
David Nour – Non-executive Director (Appointed 28 November 2019)
Klaus Eckhof – Non-executive Chairman (Retired 28 November 2019)
Michael Montgomery – Technical Director (Retired 28 November 2019)

COMPANY SECRETARY

Leonard Math – Company Secretary
Craig Nelmes – Company Secretary (Resigned 1 August 2019)

PRINCIPAL ACTIVITIES

The Company is in the business of mineral exploration with a specific focus on gold exploration. The Company's primary aim in the near-term is to explore for, discover and develop gold deposits on the mineral exploration projects within the Democratic Republic of Congo ("DRC"), as well as Australia.

The Group's Mineral Exploration Projects consist of early-stage exploration over areas that have not been subject to significant exploration such as the Crackerjack Project, Australia, to more advanced exploration within the Democratic Republic of Congo ("DRC") in areas that have recorded historical mining activity and current artisanal activity at the Mambasa Project.

The Group has also been actively reviewing additional projects or mineral resources investment opportunities that would create wealth for the Group and its shareholders.

FINANCIAL REVIEW

The Group result for the financial period ended 31 December 2019 was a loss after tax of $1,611,308 (2018: $425,624).

EARNINGS PER SHARE

The basic loss per share for the period ended 31 December 2019 was 4.52 cents (2018: 1.24 cents).

LIKELY DEVELOPMENTS

Okapi's focus over the next financial year will be carry out early stage exploration works on its mineral resource projects and to review additional projects that may be presented to the Group.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

On 28 November 2019, Mr Klaus Eckhof and Mr Michael Montgomery retired as Non-executive Chairman and Technical Director respectively. At the same time, Mr David Nour was appointed as Non-executive Director.

There were no other significant changes in the state of affairs of the Group during the financial period.

SUBSEQUENT EVENTS

Subsequent to period end, the Company has decided to cease negotiations in acquiring an equity interest in the Tendao Gold Project. The Company is in discussions with the vendor to assess recouping any funds forwarded to them as part consideration for the acquisition.

Other than disclosed above, no matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in the subsequent financial year.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the period ended 31 December 2019 has been received and forms part of the Directors' report and can be found on page 9 of the financial report.

Signed in accordance with a resolution of the directors made pursuant to s 298(2) of the Corporations Act 2001.

On behalf of the Directors.

Nigel M Ferguson
Director

13 March 2020
Perth, Western Australia

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of Okapi Resources Limited for the half year ended 31 December 2019, I declare that, to the best of my knowledge and belief, there have been:

a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Okapi Resources Limited and the entities it controlled during the half year ended 31 December 2019.

BUTLER SETTINERI (AUDIT) PTY LTD

MARIUS VAN DER MERWE CA
Director

Perth
Date: 13 March 2020

	Note	31 Dec 2019 $	31 Dec 2018 $
Revenue			
Interest income		5,389	27,388
Change in fair value of investments		(210,931)	50,000
Expenditure			
Audit fees		(4,224)	(6,168)
Compliance expenses		(24,313)	(41,520)
Corporate expenses		(54,892)	(27,532)
Depreciation		(8,766)	(4,073)
Director fees		(203,322)	(123,208)
Consultants		(35,037)	(35,209)
Share based payments	6(c)	(77,136)	(77,137)
Exploration expenses	2	(105,657)	(99,345)
Occupancy		(27,633)	(3,570)
Promotional & website		(59,432)	(43,851)
Administration		(62,363)	(41,399)
Impairment	2	(729,683)	-
Foreign exchange losses		(13,308)	-
Loss before income tax		(1,611,308)	(425,624)
Income tax expense		-	-
Loss after income tax from continuing operations		(1,611,308)	(425,624)
Other Comprehensive income			
Items that may be reclassified to profit or loss		-	-
Total comprehensive income for the year		(1,611,308)	(425,624)
Basic and diluted loss per share attributable to the ordinary security holders of the Company (cents per share)		4.52	1.24

The accompanying notes form part of these consolidated financial statements

	Note	31 Dec 2019 $	30 June 2019 $
ASSETS			
Current assets			
Cash and cash equivalents		1,192,871	3,210,759
Trade and other receivables		23,833	53,719
Total current assets		1,216,704	3,264,478
Non-current assets			
Financial assets at fair value through profit or loss	3	1,078,224	620,695
Deferred exploration & evaluation	2	779,074	750,405
Property, plant & equipment		34,994	43,760
		1,892,292	1,414,860
Total assets		3,108,996	4,679,338
LIABILITIES			
Current liabilities			
Trade and other payables		59,622	95,792
Total current liabilities		59,622	95,792
Total liabilities		59,622	95,792
Net assets		3,049,374	4,583,546
Equity			
Issued capital	5(a)	6,236,473	6,236,473
Reserves	6	670,306	593,170
Accumulated losses		(3,857,405)	(2,246,097)
Total equity		3,049,374	4,583,546

The accompanying notes form part of these consolidated financial statements

2019	Issued Capital	Share-based Payments Reserve	Accumulated Losses	Total
	$	$	$	$
Opening Balance – 1 July 2019	6,236,473	593,170	(2,246,097)	4,583,546
Loss for the period	-	-	(1,611,308)	(1,611,308)
Total comprehensive income for the period	-		(1,611,308)	(1,611,308)
Shares issued during the period (Note 4(b))	-	-	-	-
Share based payments – performance rights issued	-	77,136	-	77,136
Share issue costs	-		-	-
Balance as at 31 Dec 2019	6,236,473	670,306	(3,857,405)	3,049,374

2018	Issued Capital	Share-based Payments Reserve	Accumulated Losses	Total
	$	$	$	$
Opening Balance – 1 July 2018	6,236,473	440,155	(1,174,790)	5,501,838
Loss for the period	-	-	(425,624)	(425,624)
Total comprehensive income for the period	-		(425,624)	(425,624)
Shares issued during the period (Note 4(b))	-	-	-	-
Share based payments – performance rights issued	-	77,137	-	77,137
Share issue costs	-		-	-
Balance as at 31 Dec 2018	6,236,473	517,292	(1,600,414)	5,153,351

The accompanying notes form part of these consolidated financial statements

	Notes	31 Dec 2019 $	31 Dec 2018 $
Cash flows from operating activities			
Interest received		5,389	27,388
Payments to suppliers and employees		(625,134)	(586,101)
Net cash outflows from operating activities		(619,745)	(558,713)
Cash flows from investing activities			
Payments for purchase of minerals tenements rights		(729,683)	-
Payment for equity investments		(668,460)	(200,000)
Payments for plant & equipment		-	-
Net cash outflows from investing activities		(1,398,143)	(200,000)
Cash flows from financing activities			
Proceeds from share issue		-	-
Share issue (including IPO) costs		-	-
Net cash inflows from financing activities		-	-
Net (decrease) increase in cash and cash equivalents held		(2,017,888)	(758,713)
Cash and cash equivalents at the beginning of the period		3,210,759	4,926,958
Cash and cash equivalents at the end of the period		1,192,871	4,168,245

The accompanying notes form part of these consolidated financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134: Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2019 and any public announcements made by Okapi Resources Limited and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

Basis of preparation

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted. For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

Significant accounting judgements and key estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. In preparing this interim report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2019.

Accounting policies and methods of computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, the Group adopted the following Accounting policies:

Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Okapi Resources Limited ("company" or "parent entity") as at 31 December 2019 and the results of all subsidiaries for the period. Okapi Resources Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are entities the parent controls when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases.

(i) Subsidiaries (continued)

The acquisition method of accounting is used to account for business combinations by the Group. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

(ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Okapi Resources Limited.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly controlled entity or associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Classification of financial assets at fair value through profit or loss

The Group classifies its equity based financial assets at fair value through profit or loss upon adoption of AASB 9. They are presented as current assets if they are expected to be sold within 12 months after the end of the reporting period; otherwise they are presented as non-current assets. Changes in the fair value of financial assets are recognised in other gains/(losses) in the consolidated statement of comprehensive income as applicable.

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Standards and Interpretations applicable to 31 December 2019

In the half-year ended 31 December 2019, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 July 2019.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and therefore no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations on issue not yet adopted that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 January 2019.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Company and therefore no material change is necessary to Group accounting policies.

2. DEFERRED EXPLORATION & EVALUATION

	31 December 2019 $	30 June 2019 $
Non-current		
Deferred exploration & evaluation – at cost	**779,074**	750,405
Movement for the period		
Beginning of financial period	750,405	594,161
Acquisition cost of mining tenements rights	729,683	-
Exploration and evaluation costs for the period (i)	134,326	334,457
Exploration & project due diligence costs written-off	(105,657)	(178,213)
Impairment (ii)	(729,683)	-
End of the financial period	**779,074**	750,405

(i) The Group has capitalised all costs associated with its 100% Crackerjack (Australia) and its earn-into the Mambasa Project (DRC). The recoverability of the carrying amount of these exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(ii) The impairment relates to the non-refundable option fee paid to acquire 50% interest of the Tendao Gold Project.

3. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2019 $	30 June 2019 $
Financial assets at fair value through profit or loss		
ASX listed equity securities	920,695	620,695
CSE listed equity securities	157,529	-
	1,078,224	620,695

(i) Classification of financial assets at fair value through profit or loss
The Group classifies its equity based financial assets at fair value through profit or loss upon adoption of AASB 9. They are presented as current assets if they are expected to be sold within 12 months after the end of the reporting period; otherwise they are presented as non-current assets. Changes in the fair value of financial assets are recognised in other gains/(losses) in the statement of profit or loss as applicable.

(ii) Amounts recognised in profit or loss
Changes in the fair values of financial assets at fair value have been recorded through profit or loss, representing a net loss of $210,931 for the period.

4. FAIR VALUE MEASUREMENT

Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three (3) levels of a fair value hierarchy. The three (3) levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: unobservable inputs for the asset or liability

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

	LEVEL 1 $	LEVEL 2 $	LEVEL 3 $	TOTAL $
December 2019				
Listed equity securities	1,078,224	-	-	1,078,224
Fair value at 31 December 2019	1,078,224	-	-	1,078,224

5. ISSUED CAPITAL

	31 December 2019 $	30 June 2019 $
(a) Share capital		
36,042,866 ordinary fully paid shares (June 2019: 34,342,867)	6,236,473	6,236,473

(b) Movements in share capital for the financial period	31 December 2019 Number of shares	$
Balance at beginning of the financial period	34,342,867	6,236,473
Issued during the period:		
Vesting of Performance Rights	1,699,999	-
Balance at end of the financial period	36,042,866	6,236,473

(c) Ordinary Performance rights on issue for the half-year

During the financial period Class A Performance Rights have vested and 1,699,999 Performance Rights were converted to Fully Paid Ordinary Shares. There were no new issues of Performance Rights and the current Class of each Performance Rights with specific performance hurdles are detailed below:

	Class A No.	Class B No.	Class C No.	Total No.
Opening – 1 July 2019	1,699,999	2,149,999	2,150,002	6,000,000
No issues for the period	-	-	-	-
Vested during the period	(1,699,999)	-	-	-
Closing – 31 December 2019	-	2,149,999	2,150,002	6,000,000

(d) Performance rights – Vesting Conditions

The Performance Rights shall vest upon satisfaction of the following milestones:

Class A - the Company achieving and maintaining a market capitalisation of $12m or more for a continuous period of 30 days on or before 31 December 2021, and the vesting condition was met on 14 December 2017 and the Performance Rights were exercised during the period.
Class B - the Company achieving and maintaining a market capitalisation of $18m or more for a continuous period of 30 days on or before 31 December 2021.
Class C - the Company achieving and maintaining a market capitalisation of $24m or more for a continuous period of 30 days on or before 31 December 2021.

(e) Performance Rights Plan

The Incentive Performance Rights Plan was last approved by shareholders at the 2017 AGM.

6. RESERVES

	31 December 2019	30 June 2019
	$	$
(a) Reserves		
Share-based payments reserve	670,306	593,170
	670,306	593,170

	31 December 2019
(b) Movements:	
Balance at beginning of period	593,170
Share based payments expense – performance rights (Note 6(c))	77,136
Balance at end of period	670,306

(c) Share based payments – performance rights expense for the period

	Class A	Class B	Class B	Class C	Class C
Number Issued (No.)	1,699,999	1,699,999	450,000	1,700,002	450,000
Grant Date	28-Sep-2017	28-Sep-2017	21-Dec-2017	28-Sep-2017	21-Dec-2017
Expiry/Amortisation Date	14-Dec-2017[1]	31-Dec-2021	31-Dec-2021	31-Dec-2021	31-Dec-2021
Volatility percentage (%)	100%	100%	100%	100%	100%
Risk free rate (%)	1.5%	1.5%	1.5%	1.5%	1.5%
Underlying Fair Value on Grant ($)	$0.20	$0.1112	$0.3187	$0.1007	$0.2958
Total Fair Value ($) – Life of Right	$340,000	$189,040	$143,415	$171,190	$133,110
Total Fair Value ($) – Expensed 6 months to 31 Dec 2019	-[1]	$22,340	$17,927	$20,231	$16,638
					$77,136

[1] The vesting condition was achieved on 14 December 2017 (Note 5(d))

7. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. For management purposes, the Group has identified two reportable segments being exploration activities undertaken in the Australasian and African geographical regions.

Each segment includes the activities associated with the determination and assessment of the existence of commercial economic reserves from the Group's interest (including where an interest is being contractually earned) in mineral assets.

Segment performance is evaluated based on the operating profit or loss and cash flows and is measured in accordance with the Group's accounting policies.

	Australasia		Africa		Consolidated Total	
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
	$	$	$	$	$	$
Segment revenue	-	-	-	-	-	-
Reconciliation of segment revenue to total revenue before tax:						
Interest revenue	-	-	-	-	5,389	27,388
Other revenue	-	-	-	-	-	50,000
Total revenue					5,389	77,388
Segment result	-	(7,288)	(835,340)	(92,855)	(835,340)	(100,143)
Reconciliation of segment result to net loss before tax:						
Share based payments – performance rights and options					(77,136)	(77,137)
Other corporate and administration					(704,221)	(248,344)
Net loss before tax					(1,611,308)	(425,624)

	31 Dec 2019	30 Jun 2019	31 Dec 2018	30 Jun 2019	31 Dec 2019	30 Jun 2019
	$	$	$	$	$	$
Segment operating assets	245,289	244,351	554,099	541,009	799,388	785,360
Reconciliation of segment operating assets to total assets:						
Other corporate and administration assets	-	-	-	-	2,309,610	3,893,978
Total assets					3,108,996	4,679,338
Segment operating liabilties						
Reconciliation of segment operating liabilities to total liabilities:						
Other corporate and administration liabilities	-	-	-	-	(95,791)	(93,217)
Total liabilities					(95,791)	(93,217)

8. LOSS PER SHARE

	December 2019 $	December 2018 $
(a) Reconciliation of earnings used in calculating loss per share		
Loss attributable to the owners of the company used in calculating basic and diluted loss per share	1,611,308	425,624
(b) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	35,666,109	34,342,867
Basic and diluted loss per share attributable to the ordinary security holders of the Company (cents per share)	4.52	1.24

9. SUBSEQUENT EVENTS

Subsequent to period end, the Company has decided to cease negotiations in acquiring an equity interest in the Tendao Gold Project. The Company is in discussions with the vendor to assess recouping any funds forwarded to them as part consideration for the acquisition.

Other than disclosed above, no matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in the subsequent financial year.

In the directors' opinion:

1. the financial statements and notes set out on pages 10 to 20 are in accordance with the Corporations Act 2001, including:

   (a) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

   (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and

2. there are reasonable grounds to believe that Okapi Resources Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

On behalf of the Board.

Nigel M Ferguson
Director

13 March 2020
Perth, Western Australia

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF OKAPI RESOURCES LIMITED

Report on the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of Okapi Resources Limited ("the Company") and its controlled entities ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 31 December 2019 and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half year financial report of the Consolidated Entity is not in accordance with the *Corporations Act 2001* including:

a) giving a true and fair view of the consolidated financial position of the Consolidated Entity as at 31 December 2019 and of its consolidated financial performance for the half year ended on that date; and

b) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' responsibility for the half year financial report

The directors of the Company are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagement ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity,* in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the half year financial report is not in accordance with the *Corporations Act 2001* including; giving a true and fair view of the Consolidated Entity's consolidated financial position as at 31 December 2018 and its consolidated financial performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the review of the half year financial report.

Unit 16, First Floor
Spectrum Offices
100 Railway Road
(Cnr Hay Street)
Subiaco WA 6008

Tel : (08) 6389 5222
Fax : (08) 6389 5255
mail@butlersettineri.com.au
www.butlersettineri.com.au

Locked Bag 18
Subiaco WA 6904
Australia

Butler Settineri (Audit) Pty Ltd
RCA No. 289109 ABN 61 112 942 373

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audited conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

BUTLER SETTINERI (AUDIT) PTY LTD

MARIUS VAN DER MERWE CA
Director

Perth
Date: 13 March 2020