



FINANCIAL REPORT
For the half year ended
31 December 2021

okapiresources.com
ASX:OKR | OTC:OKPRF

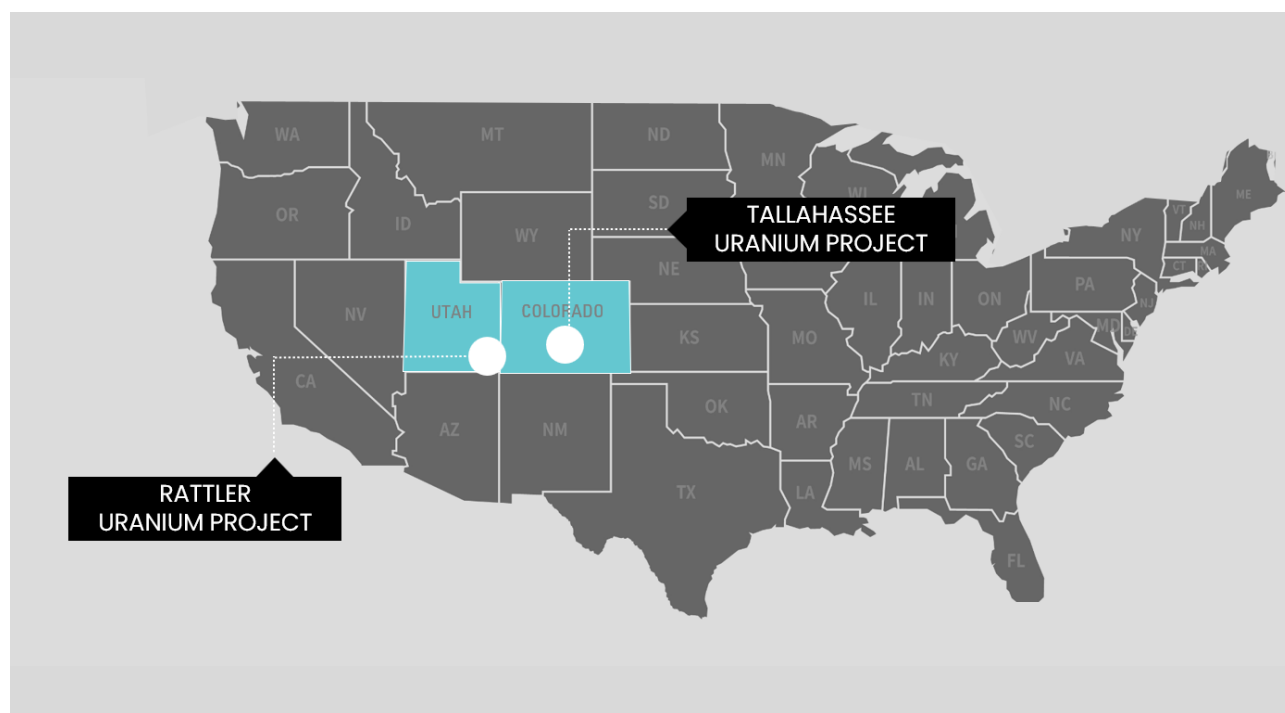


Contents

	Page
Review of Operations	2
Directors' Report	29
Auditor's Independence Declaration	31
Consolidated Statement of Comprehensive Income	32
Consolidated Statement of Financial Position	33
Consolidated Statement of Changes in Equity	34
Consolidated Statement of Cash Flows	35
Notes to the Consolidated Financial Statements	36
Directors' Declaration	45
Audit Review Report to the Members	46

United States Uranium Projects

During the half year, the Company completed the acquisition of Tallahassee Resources Pty Ltd (**Tallahassee**). Tallahassee holds a 100% interest in mineral rights that cover approximately 7,500 acres in the Tallahassee Creek Uranium District of Colorado, USA (**Tallahassee Uranium Project**) together with an option to acquire 100% of the Rattler Uranium Project, including the historical high-grade Rattlesnake open pit mine, in south-eastern Utah (**Rattler Uranium Project**).



Following shareholders' approval at the 2021 General Meeting, the Company acquired 100% of Tallahassee by issuing the shareholders of Tallahassee 33.5 million Okapi shares and 16.75 million Okapi options exercisable at \$0.30 each expiring on 24 August 2023.

The acquisition of Tallahassee provides Okapi immediate leverage to several large, high-grade uranium projects in the United States, together with direct access to a team who has in-depth knowledge of, and experience operating in, the North American uranium sector.

Tallahassee Uranium Project

During the half year, the Company announced a Maiden 2012 Mineral Resource for the Tallahassee Uranium Project estimated at **25.4Mt @ 490ppm U₃O₈** for **27.6 million pounds of U₃O₈** using a 250ppm cut-off grade.

JORC 2012 Mineral Resource Estimate for the Tallahassee Uranium Project												
Property	Measured			Indicated			Inferred			Total		
	Tonnes (000)	Grade U ₃ O ₈ (ppm)	Lbs U ₃ O ₈ (000)	Tonnes (000)	Grade U ₃ O ₈ (ppm)	Lbs U ₃ O ₈ (000)	Tonnes (000)	Grade U ₃ O ₈ (ppm)	Lbs U ₃ O ₈ (000)	Tonnes (000)	Grade U ₃ O ₈ (ppm)	Lbs U ₃ O ₈ (000)
Taylor and Boyer	-	-	-	7,641	520	8,705	14,865	460	15,172	22,506	480	23,877
High Park	2,450	550	2,960	24	590	30	434	770	734	2,907	580	3,724
Total	2,450	550	2,960	7,665	520	8,735	15,299	470	15,906	25,413	490	27,601

Notes: Calculated applying a cut-off grade of 250ppm U₃O₈. Numbers may not sum due to rounding. Grade rounded to nearest 10ppm.

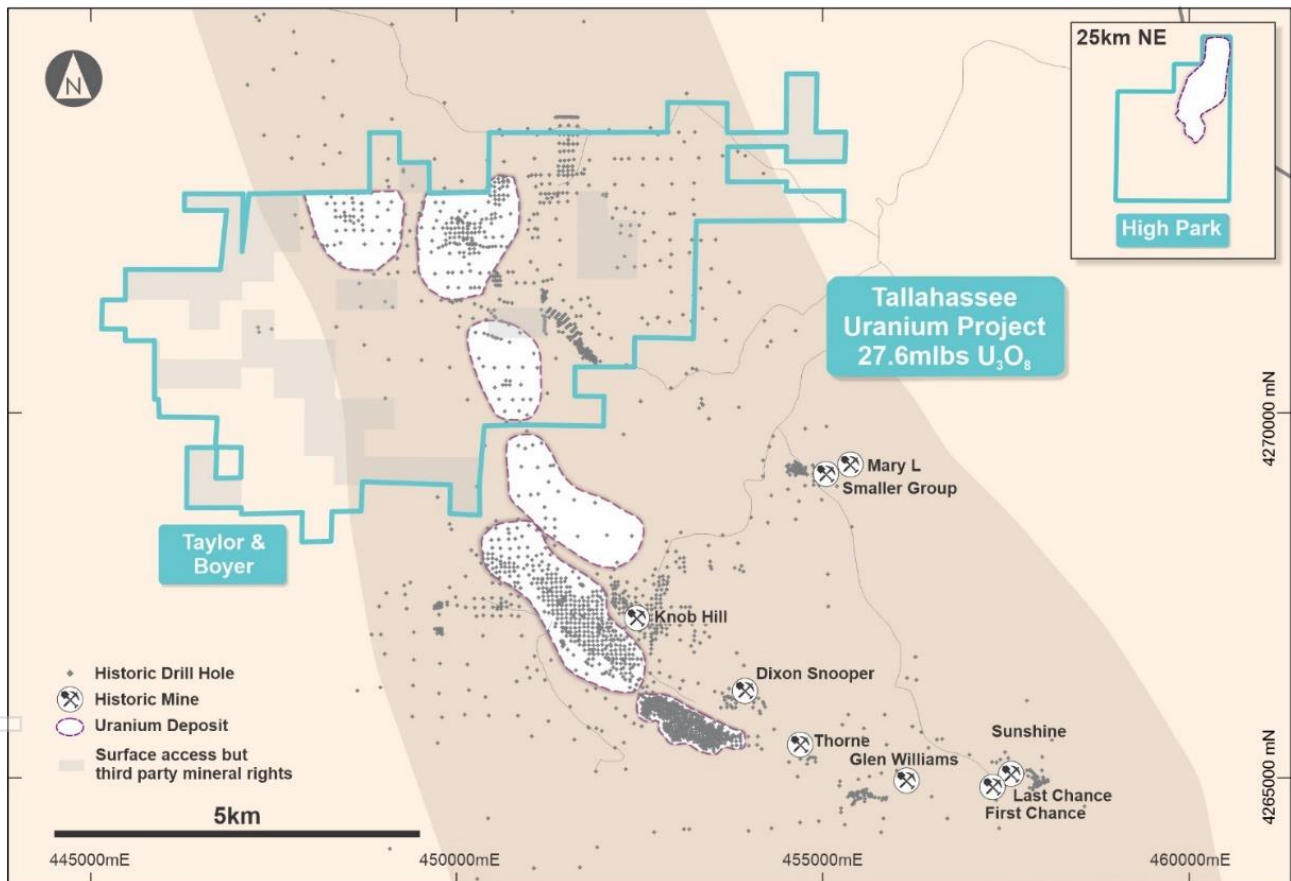


Figure 1 – Tallahassee Uranium Project

Geology and Mineralisation

The uranium deposits in the Tallahassee District are tabular deposits associated with redox interfaces. The mineralisation is hosted in Tertiary sandstones (Echo Park Formation) and/or clay bearing conglomerates (Tallahassee Creek Formation). These formations were deposited in a now extinct braided-stream fluvial system (or paleochannel).

Mineralisation occurred post-sediment deposition, when oxygenated, uraniferous groundwater that moved through the host rocks encountered redox interfaces. The resultant chemical change caused the precipitation of uranium oxides, with the mineralisation typically coating the surface of pre-existing minerals and sand grains. The redox interfaces were commonly a result of the build-up of carbonaceous material within the host formation during

sediment deposition. The paleochannels were later partially buried by the extrusion of the Thirtynine Mile Andesite, which preserved the sedimentary sequences and allowed them to be gradually enriched with uranium. The Noah, Northwest Taylor and Boyer Deposits within the Tallahassee Uranium Project are all hosted by the more favourable Echo Park sandstones, so mineralisation is generally thick and laterally continuous, and commonly comprises high-grade mineralisation within broader, lower-grade envelopes.

History of the Tallahassee Creek Uranium District

Uranium mineralisation was first discovered in the Tallahassee Creek area in 1954. Between 1954 and 1972 sixteen small open pit and underground mines operated, with total production of approximately 80,000 tonnes of ore at an average grade of 2,500ppm U_3O_8 , for 435,000 pounds U_3O_8 .

Western Nuclear conducted the first systematic exploration in the district between 1962 and 1966, drilling 15 holes for 3,700m. Importantly they identified thick sequences of sandstone that were not evident at the surface or in the past producing mines. In 1974 Cyprus Mines began acquiring land and exploring the district. In 1977 Cyprus discovered the Hansen Uranium Deposit, with a drill hole that intersected a 13-metre interval averaging 1,600ppm U_3O_8 . Cyprus continued to undertake broad-spaced drilling around the Hansen Deposit, discovering extensions of the uranium mineralisation in a paleochannel system that hosts what are now known to be the Northwest Taylor, Noah and Boyer Deposits.

Cyprus focused predominantly on the development of the Hansen and adjacent Picnic Tree Deposits, where multiple feasibility studies were completed, culminating in the definition of reserves at the Hansen Deposit of 27 million pounds of U_3O_8 at a grade of 800ppm U_3O_8 . By 1981 all permits had been obtained to develop the Hansen Deposit by way of an open pit mining operation. But mining never commenced because of a downturn in the global uranium industry.

Between 2007 and 2014 Black Range Minerals Limited consolidated ownership of mineral rights through the Tallahassee Creek Uranium District and completed multiple drilling programs. Black Range defined JORC 2012 compliant resources, within its landholdings, that totaled 90.4 million pounds of U_3O_8 at a grade of 600ppm U_3O_8 across multiple deposits.¹

More than 2,220 holes have been drilled in the district, for approximately 350,000 metres.

Forward Work Plan

Tallahassee holds a 100% interest in mineral rights that cover approximately 7,500 acres in the Tallahassee Creek Uranium District of Colorado, USA with large swathes of ground untested or poorly tested by drilling. Further work is required to fully define the boundaries of the prospective mineralised channel. There is considerable scope to expand on this Maiden JORC 2012 Mineral Resource through further exploration and accretive acquisitions.

Tallahassee also considers there are opportunities to acquire additional mineral rights in close proximity to those it currently holds, with such areas providing opportunity to:

- (i) Expand the resource base through either discovery of additional resources on previously underexplored property or through acquisition of properties that contain known mineralisation, including, in some cases, historical resources; and
- (ii) Enhance the economics of developing a stand-alone mining operation by expanding the Project's resource base.

In October 2021, the Company announced it has acquired additional high-grade uranium pounds through the execution of a 640 acre mining lease with the State of Colorado covering a highly strategic landholding that is immediately south of, and contiguous with Okapi's existing land position over the High Park Deposit located in the greater Tallahassee Uranium District (**New Project Area**).

¹ Black Range Minerals ASX Announcement, Hansen / Taylor Ranch Uranium Project – JORC Code 2012 Mineral Resource Estimate, 23 April 2014.

The New Project Area is contiguous with Okapi's existing mining claims at the High Park Uranium deposit located 25km northeast of the Company's flagship Tallahassee Uranium Project. Okapi has the right to explore, prospect, develop and mine uranium within the New Project Area. The New Project Area was previously drilled out on 30 metre centres with approximately 550 holes drilled for 26,000m completed in the late 1970's. The New Project Area was previously held by Black Range Minerals Limited² who established a JORC 2012 Resource of 2.48 million pounds of U_3O_8 at 570ppm U_3O_8 . Mineralisation at High Park is shallow within 5 metres of the surface with an average thickness of around 2 metres. The mineralisation is amenable to open pit mining with a trial mining program completed in 1977 where over 10kt of ore was successfully mined and processed at the former Cañon City Processing Facility. Mineralisation is hosted by clay-bearing conglomerates within an extinct fluvial system or palaeochannel. Uranium mineralisation occurred post deposition of the conglomerate as oxygenated, uraniferous groundwaters moved through the host rocks with uranium deposited at redox boundaries associated with trapped organic matter within the conglomerate.

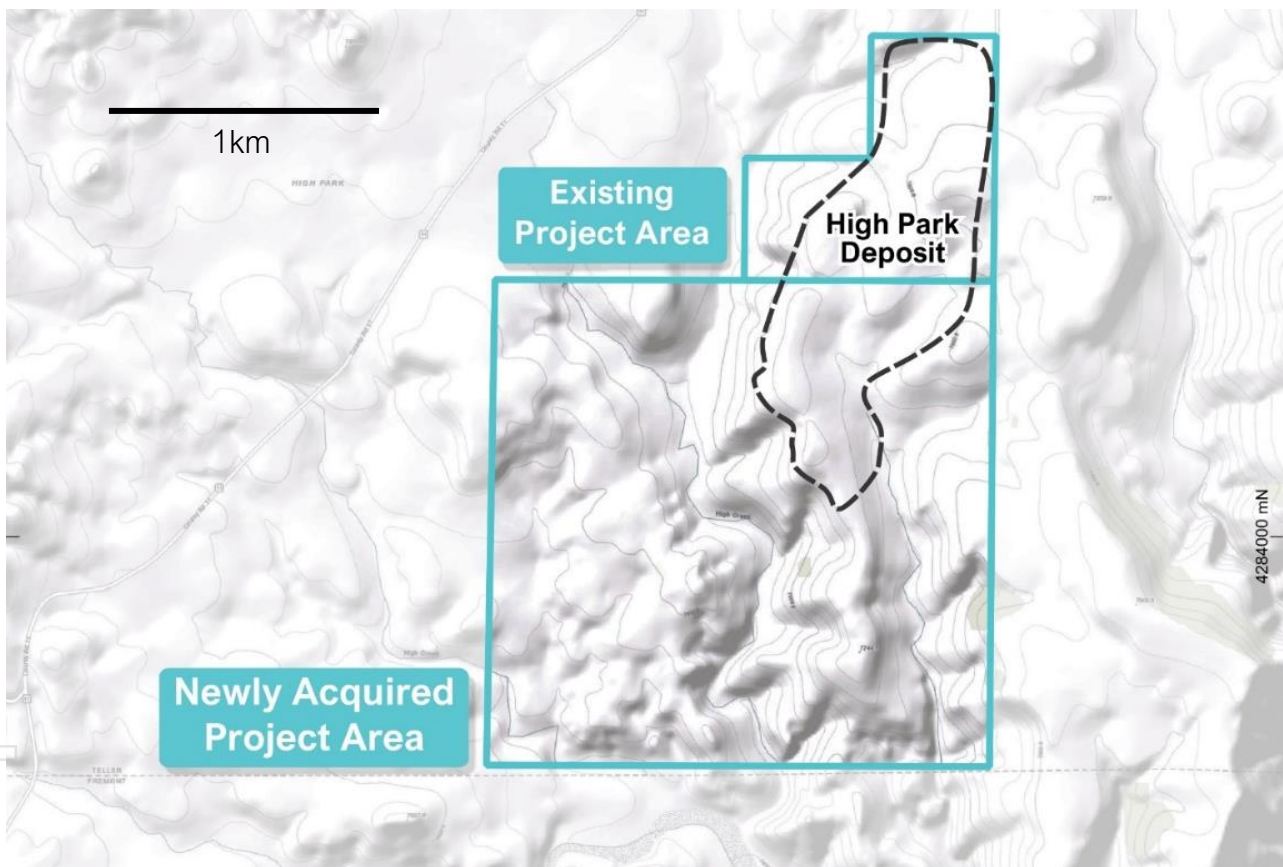


Figure 2 – High Park Uranium Project

² Hansen / Taylor Ranch Uranium Project – JORC Code 2012 Mineral Resource Estimate, 23 April 2014



Figure 3 – Location map showing the proximity of the High Park Property to the Tallahassee Uranium Project

Rattler Uranium Project

The original Rattler Project was comprised of fifty-one (51) Bureau of Land Management (BLM) unpatented Federal mining claims (encompassing approximately 1,000 acres) located approximately 85km north of Energy Fuels Inc's White Mesa Uranium/Vanadium mill in Utah – the only operating conventional uranium mill in the USA (see Figure 4).

The project area includes the historical Rattlesnake open pit mine, which was discovered around 1948 and operated through until about 1954. Historic production from the Rattlesnake pit reportedly totalled **285,000 tonnes of ore @ 2,800ppm U_3O_8 and 10,000ppm V_2O_5 for 1.6 million pounds of U_3O_8 and 4.5 million pounds of V_2O_5 .**³

In September 2021, Okapi acquired a 100% interest in the historical Sunnyside Uranium Mine by staking mining claims that cover 960 acres adjacent to Okapi's existing Rattler Uranium Project in Utah, USA. The Sunnyside Uranium Mine comprises several small past-producing pits and adits where uranium was mined in the early 1900s at grades reported to have been 1,500 ppm U_3O_8 and 1.5% V_2O_5 . The acquisition of the Sunnyside Uranium Mine complements the Company's existing Rattler Uranium Project which is contiguous with Energy Fuels' La Sal Project. The La Sal Project is fully permitted for mining and operated from 2006 to 2012.

The acquisition of the Sunnyside Uranium Mine increases Okapi's total landholding in Utah by 90%, from approximately 1,000 acres to a total of approximately 1,960 acres. The Company's expanded project area in the La Sal Uranium District now comprises ninety-eight (98) Bureau of Land Management (BLM) unpatented Federal mining claims.

³ "Rattler Vanadium-Uranium Project" prepared by North American Mine Services, February 2021, 12 pages, unpublished.

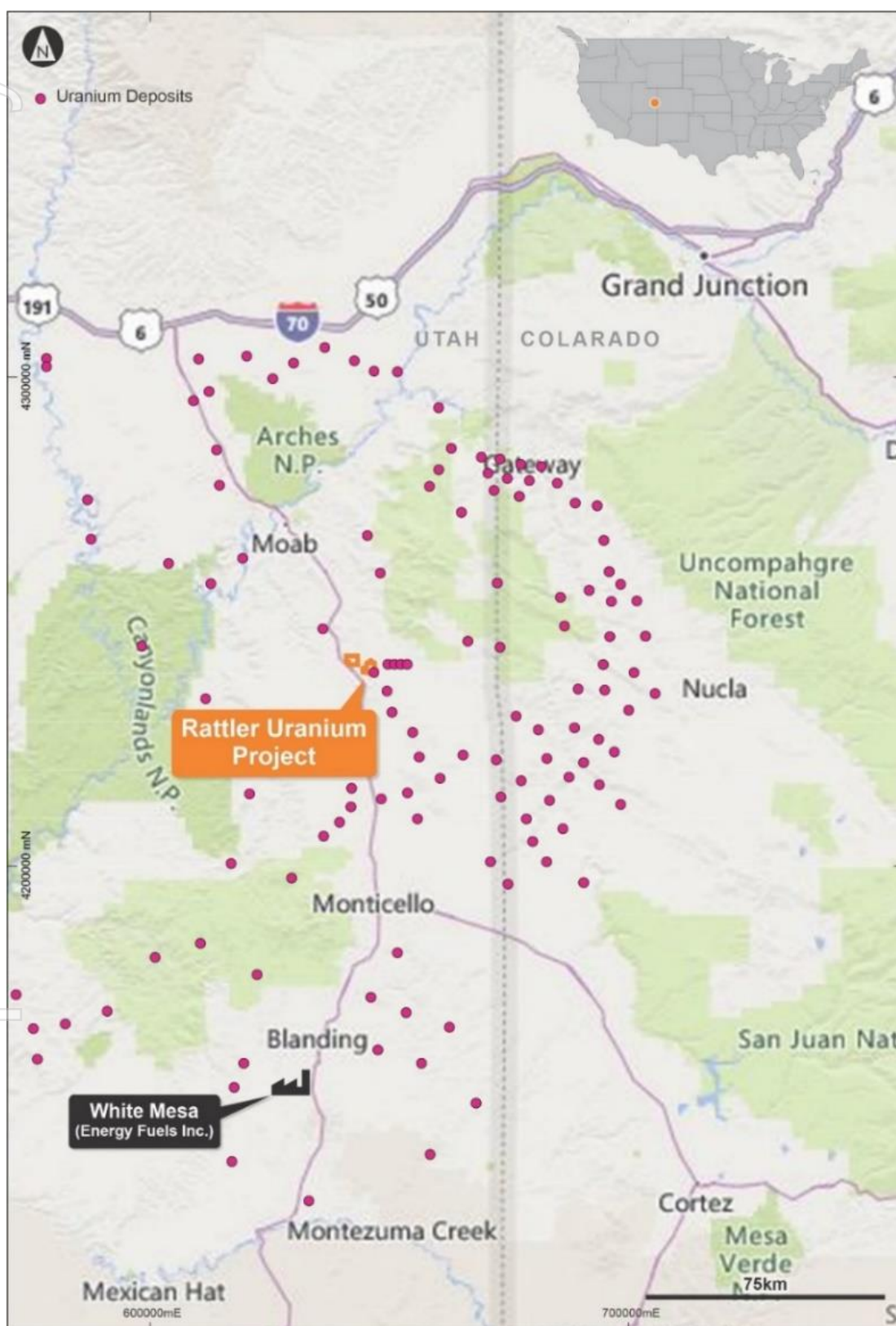


Figure 4 – Location map showing the proximity of the Rattler Uranium Project to the White Mesa Uranium/Vanadium Processing Facility.

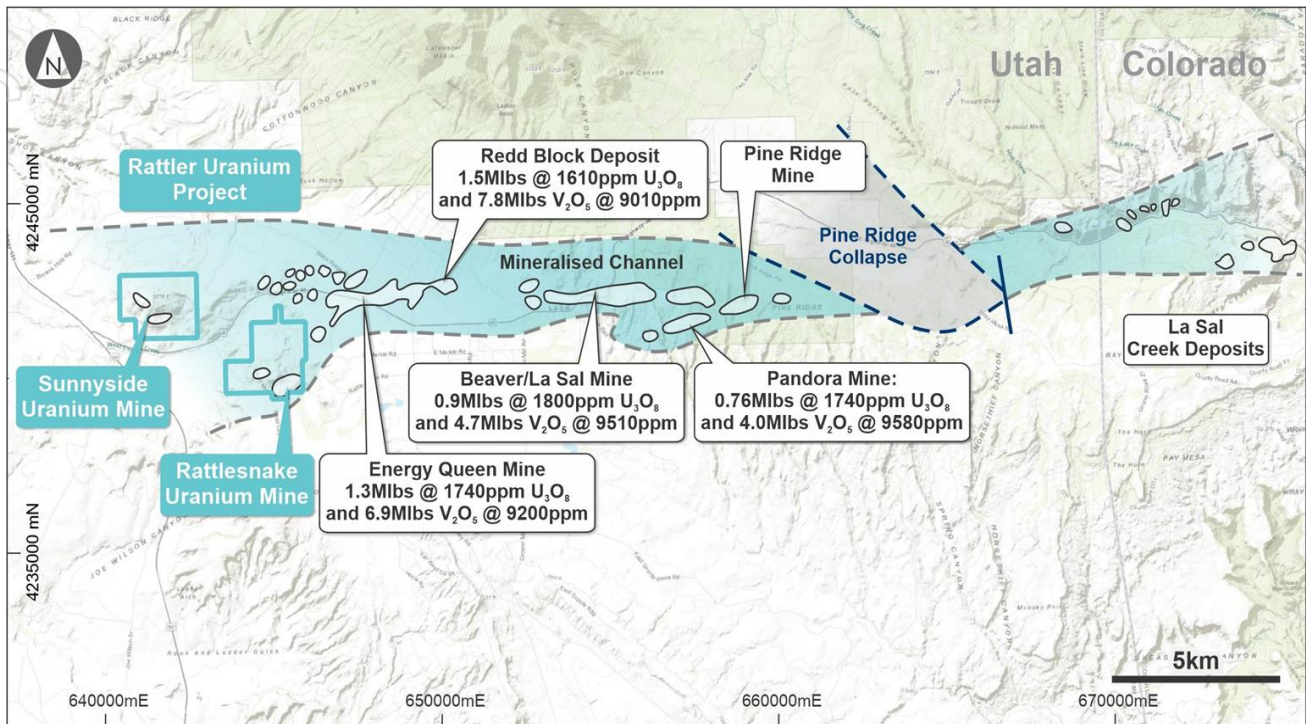


Figure 5 – La Sal Uranium District, including the Rattler Uranium Project.

History of Uranium Exploration and Development in the District

The Rattlesnake Deposit was discovered in outcropping rocks of the Jurassic Morrison Formation around 1948. Extensions of similar mineralisation in adjoining areas were subsequently identified through exploration drilling. The adjacent Pandora, La Sal, Beaver, Energy Queen and Pine Ridge mines, all within 15km of the Rattlesnake mine, operated during the 1970s until the early 1980s, with ore from these mines processed at mills in Uravan, Moab (both now closed) and Blanding (now Energy Fuels' White Mesa Mill).

Historic production in the immediate district is estimated to comprise around 6.4 million pounds of U_3O_8 at 3,200ppm U_3O_8 and 29 million pounds of V_2O_5 at 14,600ppm V_2O_5 .

Denison Mines and Energy Fuels Inc. reactivated mining at Pandora in 2006, producing a further 412,000 tons of ore between 2006 and 2012 for 1.66 million pounds U_3O_8 at 2,000ppm U_3O_8 and 8.4 million pounds of V_2O_5 at 10,200ppm V_2O_5 .

In 2014 Energy Fuels reported⁴ that remaining resources at the Pandora, La Sal, Beaver, Energy Queen and Redd Deposits comprise a total of 1.2Mt at 1,700ppm U_3O_8 and 8,880ppm V_2O_5 , for 4.5 million pounds U_3O_8 and 23.4 million pounds of V_2O_5 .

Geology

Deposits of the La Sal Trend are sandstone-hosted deposits within the Salt Wash member of the Jurassic Morrison Formation. Deposits are localised in areas of reduced grey sandstone or grey/green mudstone within red, oxidised, hematite-rich rocks of the Morrison Formation. In thin beds of sandstone, mineralisation is tabular, but in more massive sections of sandstone, mineralisation "rolls" across the bedding.

⁴ Technical Report on La Sal District Project (Including the Pandora, Beaver and Energy Queen Projects), San Juan County, Utah, USA. Prepared for Energy Fuels Inc. by Douglas C. Peters, Peters Geosciences. March 25, 2014.

The uranium- and vanadium-bearing minerals occur in fine-grained coatings on the detrital grains; fill pore spaces between sand grains; and replace some carbonaceous and detrital quartz and feldspar grains. The primary uranium mineral is uraninite (pitchblende) with minor amounts of coffinite.

Exploration Potential

The Rattlesnake deposit is the only outcropping uranium deposit in the immediate area. All other deposits have been discovered with exploration drilling. Mineralisation has reportedly been discovered with exploration drilling immediately down-dip from the Rattlesnake deposit (to the north) – but no drilling information is available. There are reports that some of this mineralisation may have been mined.

If historical drilling data cannot be located, new drilling is warranted, as there is considerable potential to discover additional high-grade mineralisation.

Forward Work Plan

Tallahassee has commenced initial reconnaissance work at Rattler and will continue in the coming months to determine where historic drilling has been undertaken (based on ground disturbance). If historical drilling data cannot be located, initial drilling programs are expected to target areas where high-density historical drilling is evident, as this is likely to correspond with trends of high-grade mineralisation.

Competent Persons Statement

Information on the Mineral Resources presented, together with JORC Table 1 information, is contained in the ASX announcement titled “Okapi’s Maiden JORC 2012 Resources of 27.6m Pounds of U_3O_8 ” which was released as an announcement on 19 October 2021. The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant market announcements, and that the form and context in which the Competent Persons findings are presented have not been materially modified from the original announcements.

Where the Company refers to Mineral Resources in this announcement (referencing previous releases made to the ASX), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimate with that announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not materially changed from the original announcement.

The information in this report that relates to geology, exploration results and historical Mineral Resource estimates and the database used in the JORC resource calculations is based on information compiled by Mr Ben Vallerine, a Competent Person who is a Member of the Australasian Institute of Geoscientists. Mr Vallerine is a director and shareholder of Okapi Resources. Mr Vallerine 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 Vallerine consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ASX Announcement references:

12 July 2021 – Transformational Acquisition of High Grade Uranium Assets
26 August 2021 – Okapi Completes Acquisition of US Uranium Assets
14 September 2021 – Okapi Acquires Historical Sunnyside Uranium Mine
12 October 2021 – Okapi Acquires Additional High-Grade Uranium Pounds
19 October 2021 – Okapi’s Maiden JORC 2012 Resource of 27.6Mlbs of U_3O_8
24 November 2021 – Exploration Commences at Rattler Uranium Project

A map of North America showing the locations of uranium projects. The map highlights three specific areas in light blue: Saskatchewan, Utah, and Colorado. Three white dots indicate the project locations, each with a corresponding label in a black box:

- ATHABASCA BASIN URANIUM PROJECTS**: Located in Saskatchewan.
- RATTLER URANIUM PROJECT**: Located in Utah.
- TALLHASSEE URANIUM PROJECT**: Located in Colorado.

The map also shows the borders of various Canadian provinces and territories (Yukon, Northwest Territories, Nunavut, British Columbia, Alberta, Manitoba, Ontario, Quebec, Newfoundland and Labrador, New Brunswick, Nova Scotia, Prince Edward Island, New Brunswick, and Nova Scotia) and the United States (Alaska, Washington, Oregon, Idaho, Nevada, California, Arizona, New Mexico, Texas, Montana, Wyoming, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Missouri, Arkansas, Louisiana, Mississippi, Alabama, Georgia, Florida, Tennessee, Kentucky, Indiana, Illinois, Michigan, Minnesota, Wisconsin, Pennsylvania, New York, Vermont, New Hampshire, Maine, and Nova Scotia).

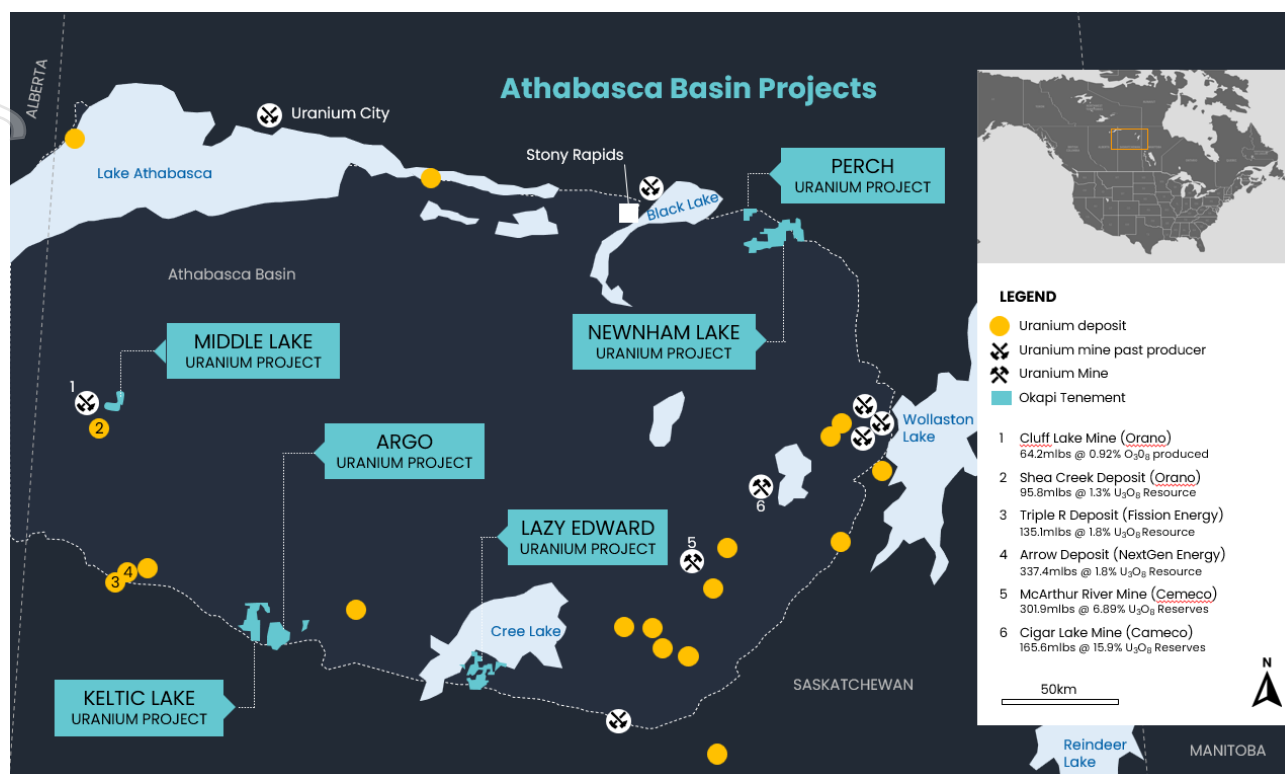


Figure 6 – Location of Okapi's Athabasca Projects

The Athabasca Basin is home to the world's largest and highest-grade uranium mines including Cameco's McArthur River and Cigar Lake uranium mines. A number of world-class discoveries have been made in recent years in the Athabasca Basin including the Triple R, Arrow and Hurricane discoveries.

The material terms of the Property Purchase Agreement between Okapi and the vendor, ALX, (**Acquisition Agreement**) are summarised below:

- **Acquisition:** Okapi has agreed to purchase and ALX has agreed to sell an undivided 100% legal and beneficial interest in five of the six Athabasca Projects and an 80% interest in the sixth Athabasca Project, the Middle Lake Exploration Project, for the consideration and subject to the conditions precedent set out below.
- **Consideration:**
 - pay ALX cash in the amount of A\$1,000,000;
 - issue ALX with A\$1,050,000 worth of fully paid ordinary shares in Okapi Shares calculated by way of the 10-day volume weighted average price of Shares up to the day prior to that date which is Five business days following the satisfaction or waiver of the conditions precedent; and
 - grant to ALX a 1.5% net smelter returns royalty (**NSR**) on minerals produced from certain mineral claims the subject of the acquisition that do not bear existing royalties. Okapi may at any time acquire up to 50% of the NSR from ALX by payment to the Vendor of CAD\$1,000,000.
- **Voluntary escrow:** The Consideration Shares will be escrowed as follows:
 - 33% of the Consideration Shares shall be released six months after the Closing Date;
 - 33% of the Consideration Shares shall be released on the date that is nine months after the Closing Date;
 - 34% of the Consideration Shares shall be released on the date that is 12 months after the Closing Date.

Subsequent to half year, the Company completed the acquisition with ALX. (Refer ASX announcement dated 31 January 2022 titled, "Closed Acquisition of Athabasca Exploration Properties")

Athabasca Forward Work Program

Okapi will embark on phased and integrated explorations programs on the newly acquired projects over the next 12 months. As already stated, two properties – Middle Lake and Newnham Lake – have been prioritised for drilling as soon as the necessary drilling permits have been received from the Government of Saskatchewan, while also coordinating and consulting with First Nations to ensure that stakeholders are properly represented.

In the interim, Okapi is working on a comprehensive compilation, review and reinterpretation of historic exploration program data with a view to creating updated geologic models moving toward the goal of generating drill targets on all six properties.

Okapi will also be applying the latest image interpretation and modelling technologies to remotely identify underlying potential for economic uranium mineralisation in both the Athabasca Group sediments and the Pre-Cambrian Basement rocks below the unconformity. This will be followed up with conventional surface-based exploration methods using portable, hand-held devices to identify near surface uranium, thorium and other pathfinder elements. The exploration field data will then be incorporated into the already developed geologic models and applied to drill targeting.

Overview of the Athabasca Basin, Canada

The Athabasca Projects are all located in Saskatchewan, Canada. Saskatchewan was ranked as the number one region globally for mining investment opportunity in the Mining Journal's 2020 World Risk Report.⁵ The Athabasca Basin is home to the world's largest and highest-grade uranium mines including Cameco's McArthur River and Cigar Lake uranium mines. Cigar Lake and McArthur River contain total mineral reserves of **165.6mlbs @ 15.9% U₃O₈**⁶ and **391.9mlbs @ 6.9% U₃O₈**⁶ respectively.

The Athabasca Basin is ovoid in shape elongated in an east-west direction covering approximately 100,000km² in northern Saskatchewan and into Alberta, see Figure 6. The Athabasca Group comprises a sedimentary package that is up to 2,200 metres thick consisting of a sequence of mature, quartzose sandstones and conglomerates. The Athabasca Basin unconformably overlies both the Hearne and Rae Archean Provinces and the slightly younger Wollaston Domain. Uranium mineralisation occurs in both the Athabasca Group and the underlying basement domains which defines the two dominant styles of mineralisation in the Athabasca Basin.

Mineralisation in the Athabasca Basin unconformity deposits occur in two main styles commonly referred to as ingress or basement hosted and egress or Athabasca sandstone hosted, although it is quite common for both styles to occur in the same area. Figure 7 below shows the variety of morphologies and depths that these deposits can form. As the six properties being acquired all straddle the edge of the Athabasca Basin the potential mineralised zones will be shallower.

⁵ Saskatchewan Gets Top Global Ranking in International Mining Report | News and Media | Government of Saskatchewan

⁶ Cameco website <https://www.cameco.com/businesses/uranium-operations/canada/cigar-lake/reserves-resources>

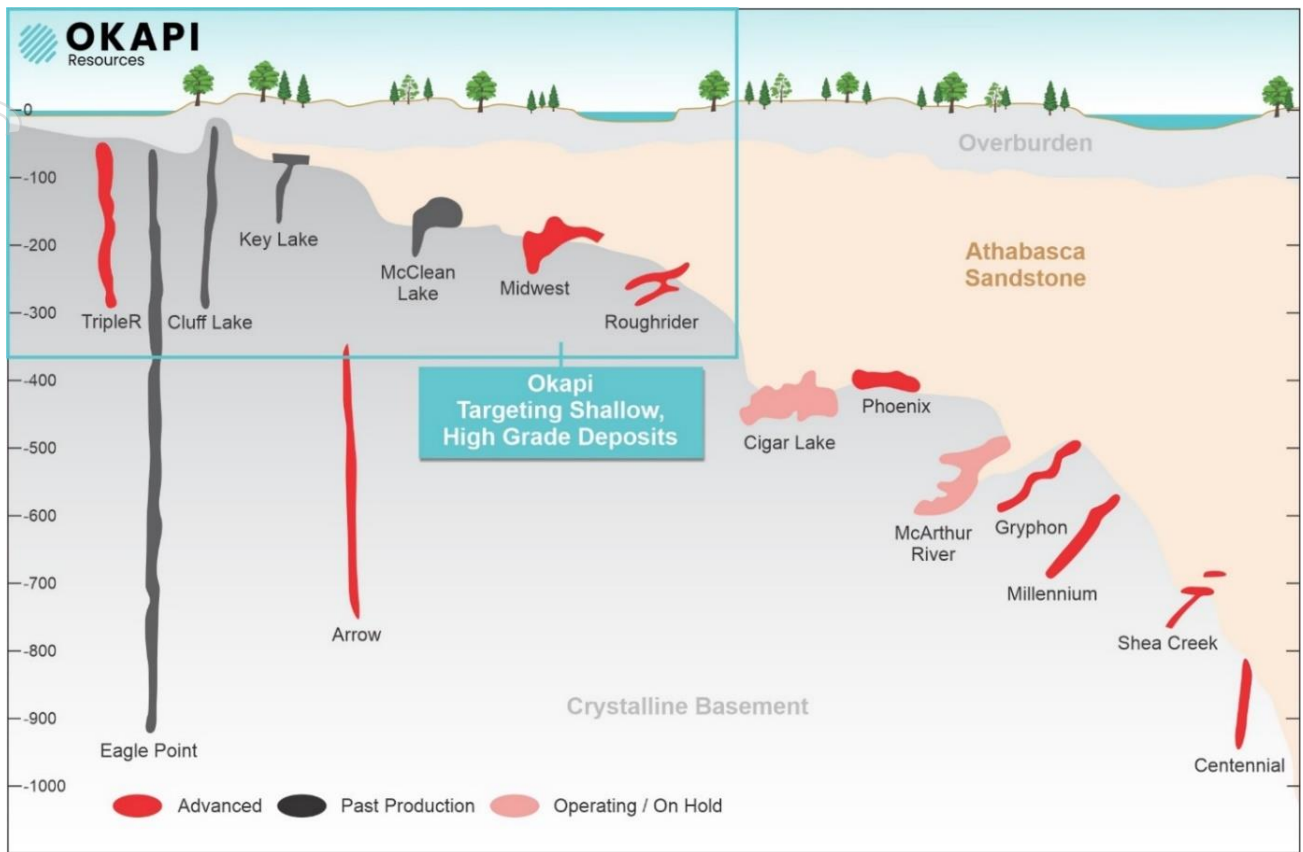


Figure 7 – Morphology, depth and stratigraphy of uranium deposits in the Athabasca Basin

Middle Lake Project (80%)

The Middle Lake Project adjoins the former Cluff Lake Mine. The Cluff Lake Mine was operated by Orano (formerly Areva), the French multinational nuclear fuel company, from 1980 to 2002 producing 64.2mlbs of U_3O_8 @ 0.92% U_3O_8 ⁷. The Middle Lake Project comprises three claims totalling 4,833 hectares and borders the Cluff Lake Mine property on two sides.

The Middle Lake Project is also located 10km north of Orano-UEX's Shea Creek deposit (Resources of 96mlbs @ 1.3% U_3O_8)⁷, 75km north of NextGen's Arrow Deposit (Resources of 337.4mlbs @ 1.8% U_3O_8)⁸ and 75km from Fission Uranium Corp's Triple R Deposit (Resources of 135.1mlbs @ 1.8% U_3O_8)⁹.

Boulder-trains with grades of up to 16.9% U_3O_8 ⁸ have been discovered in the northern portion of the Middle Lake Project. In the southern area there are 6 sandstone boulders together that assayed between 0.32% and 3.7% U_3O_8 with adjacent basement boulder assaying 8.95% and 1.72% U_3O_8 .^{7,9,10}

Limited historical drilling has intersected anomalous radioactive anomalism and strong pale green alteration associated with the Cluff Lake breccia; at the Donna Zone this alteration and brecciation is 40 metres thick and sits on a 3km long VTEM anomaly that is coincident with boulder train samples containing up to 16.9% U_3O_8 . Further historical drilling to the south encountered 10 metre wide pyritic-graphitic shear to breccia zones which are an ideal reductant for the precipitation of uranium. These host rocks and alteration zones that are similar to those that hosted significant uranium mineralisation at Orano's Cluff Lake Mine.

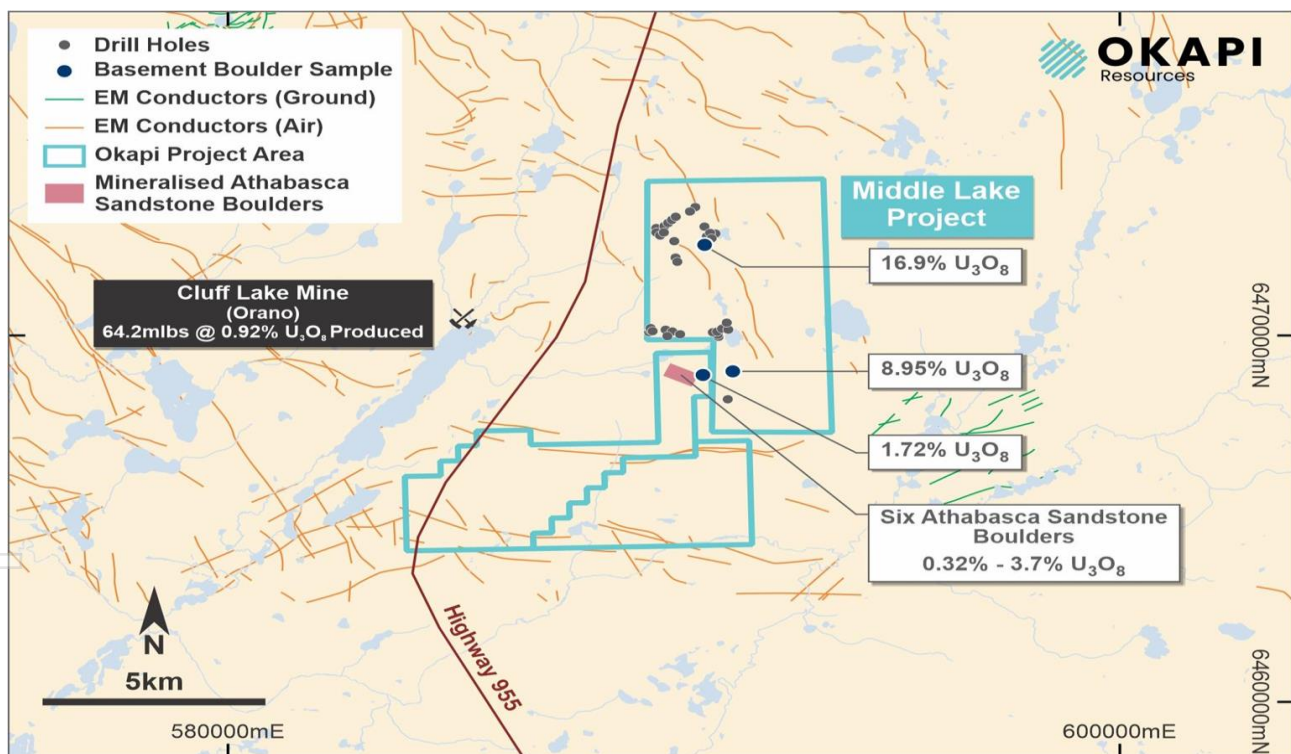


Figure 8 – Middle Lake Project

⁷ Technical Report on the Shea Creek Property, Northern Saskatchewan, with an Update Mineral Resource Estimate, UEX Corporation May 31, 2013.

⁸ Arrow Deposit, Rook I Project, Saskatchewan, NI43-101 Technical Report on Feasibility Study, 22 February 2021.

⁹ Fission Uranium website <https://fissionuranium.com/projects/triple-r-deposit/project-overview/>.

¹⁰ Middle Lake Winter 2015 Drilling Program Report, Middle Lake Property, August 2015.

Newnham Lake Project (100%)

Newnham Lake consists of 14 claims totalling 16,940 hectares and straddles the north-eastern margin of the Athabasca Basin. Newnham Lake is underlain by a series of graphitic metapelites where several fault zones have been identified along strike and cross cutting the basement rocks. Multiple intercepts with grades between 1,000ppm U_3O_8 and 2,000ppm U_3O_8 have been intersected in relatively shallow historical drilling within a 25km folded and faulted conductive trend.

Importantly, the depth to the Athabasca Basin unconformity at Newnham Lake is approximately 100 metres deep mitigating the need to drill deep holes in order to discover either sandstone or basement hosted uranium mineralisation. Limited historical work has been undertaken to explore for deeper basement style mineralization despite extensive alteration, anomalous geochemistry and favourable rock types, with most historical drill holes continuing less than 25 metres beyond the Athabasca unconformity.

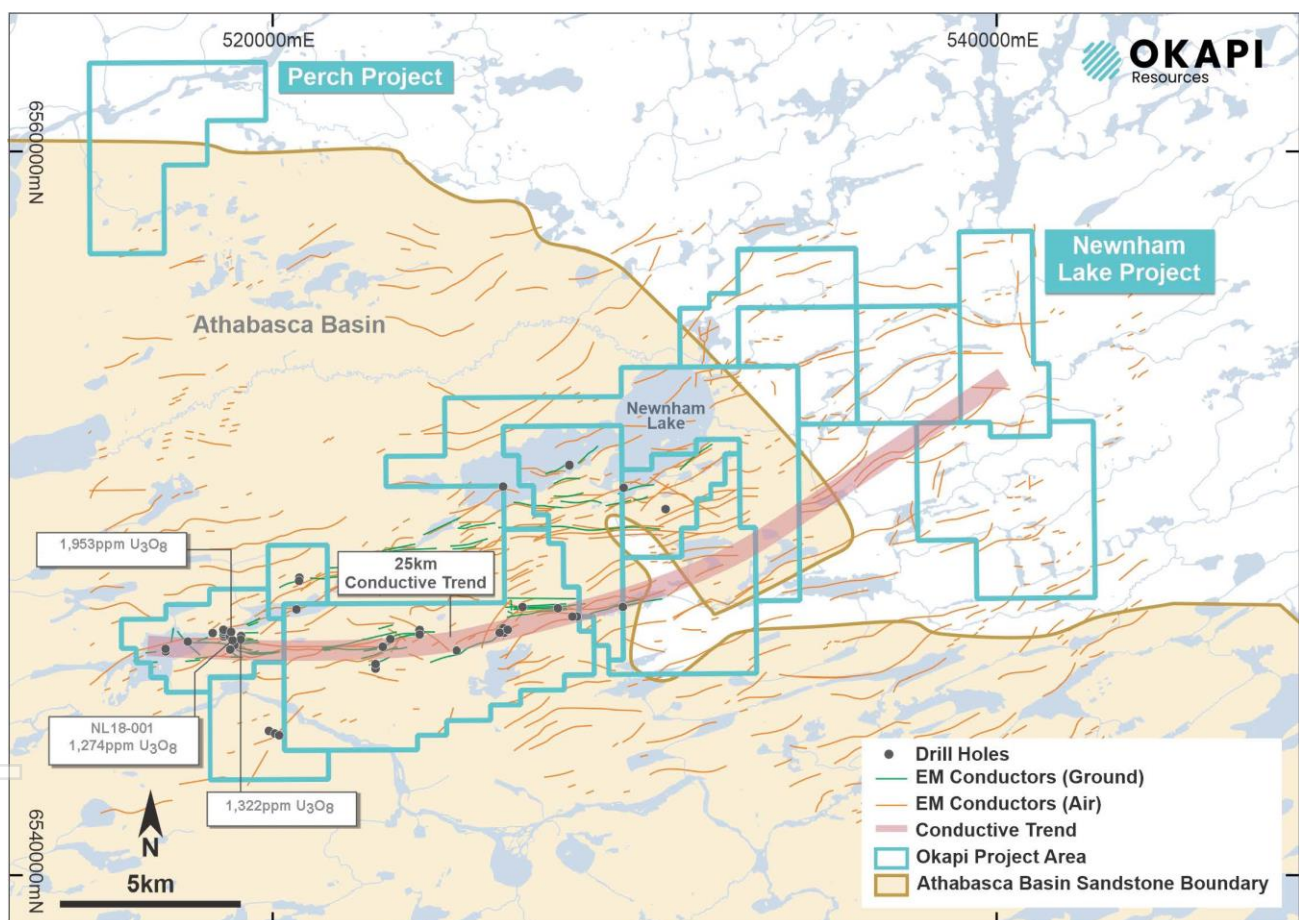


Figure 9 – Newnham Lake Project

Previous drilling at Newnham Lake has focused on the areas within the Athabasca Basin where mineralisation has been identified but the same mineralised structures continue past the edge of the basin. These areas have not been tested and make up approximately 50% of the property at Newnham Lake and there is potential for basement hosted deposits akin to Triple R and Arrow in the southern part of the basin. Historical exploration in the Newnham Lake Project area was largely undertaken prior to the understanding of the importance of basement-hosted uranium deposits.

Several high-impact drill targets have been identified at the Newnham Lake Project. A single hole (NL18-001) was drilled on the Property in 2018 and it returned 7.2m @ 310ppm including 0.5m @ 1,274ppm U_3O_8 . This drill hole was following up on historic mineralisation and requires additional follow up to potentially locate the source of the uranium mineralisation at depth or along strike.

Perch Project (100%)

The Perch Project consists of one mining claim, totalling 1,682 hectares and straddles the north-eastern margin of the Athabasca Basin approximately 20km northeast of the Newnham Lake Project. The depth to the basement contact is less than 100m. Historical exploration has highlighted a prospective 4km long conductive trend leading from the Athabasca Group sediments and into Precambrian basement rocks. Two holes have been drilled into the trend with one of those holes returned **498ppm U_3O_8** and anomalous Cu-Ni-Zn, pathfinder elements for uranium mineralisation and the other returning grades of up to **504ppm U_3O_8** . These intercepts have not been followed up with further drilling.¹¹

Lazy Edward Bay Project (100%)

The Lazy Edward Bay Project consists of 42 mining claims, totalling 11,263 hectares and straddles the southern margin of the Athabasca Basin. Lazy Edward is approximately 55km west of the Key Lake Mill (Cameco) and 55km east of the Centennial Uranium Deposit (Orano-Cameco). Historical drilling has returned grades of up to **908ppm U_3O_8** ¹² with anomalous nickel, boron and other pathfinder elements. Lazy Edward is a large package containing multiple conductive trends that have not been comprehensively tested.

Kelic Lake Project (100%)

The Kelic Lake Project contains 12 mining claims covering an area of 13,620 hectares and straddles the southern boundary of the Athabasca Basin. Kelic Lake Project is located approximately 65km east of NextGen's Arrow Deposit and Fission Uranium Corp's Triple R Deposit. Kelic Lake has structural zones with known uranium enrichment and clay alteration observed within drill holes. Conductive graphitic pelites have been defined by geophysics and confirmed by drilling, these pelites are important in the formation of unconformity related uranium deposits. Geochemical and biogeochemical sampling have returned anomalous uranium values. Irregularities in the depth to the unconformity as defined by drilling indicates structural complexities that may be conducive to the concentration of metalliferous hydrothermal fluids. Kelic Lake is an exciting exploration target.

Argo Project (100%)

The Argo Project consists of three contiguous mining claims totalling 6,975 hectares, that covers a prospective area between the Company's Kelic Lake Project to the west and Cameco Corporation's Centennial Uranium Deposit and Dufferin Uranium Zone. Argo straddles the southern uranium margin where sandstone thickness is less than 250 metres. A high-sensitivity airborne radiometric survey was flown in 2018 and identified several areas of anomalous radioactivity, including certain spot anomalies that could represent the presence of radioactive boulders. Approximately half of the targets have been ground-truthed with the discovery of boulders considered highly anomalous in uranium. Follow up of this target and the remaining unchecked radioactive targets was strongly recommended but has not been undertaken.

¹¹ Perch Property Summer 2017 Core Relogging and Sampling Program Report, July 2020.

¹² Uranerz Exploration and Mining Limited Assessment Report, February 28, 1981 to December 31, 1982, Submission 7, June 1984.

Competent Person's Statement

The information in this announcement that relates to exploration results at the Athabasca Projects is based on information reviewed by Mr Ben Vallerine. Mr Vallerine is a shareholder and Director of Okapi Resources Limited. Mr Vallerine is a member of The Australian Institute of Geoscientists. Mr Vallerine has sufficient experience that is relevant to the style of mineralisation under consideration as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting on Exploration Results, Mineral resources and Ore Reserves". Mr Vallerine consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Refer to ASX announcement dated 9 November 2021 titled "Okapi to acquire High-Grade Uranium Assets – Athabasca Basin" for the JORC details of the Athabasca Projects. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement of 9 November 2021.

Caution Regarding Forward Looking Statements

This announcement contains forward looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. The forward-looking statements are made as at the date of this announcement and the Company disclaims any intent or obligation to update publicly such forward looking statements, whether as the result of new information, future events or results or otherwise.

Tabulation of Resources Referenced

Deposit	Owner	Status	Category	Tonnes	U3O8 lbs	Grade	Cut-Off	Criteria	Source
Cluff Lake	Orano	Past-Producer	-	-	64,200,000	0.92	-	Actual Production	Technical Report on the Shea Creek Property, Northern Saskatchewan, with an Update Mineral Resource Estimate, UEX Corporation May 31, 2013
Shea Creek	Orano (51%) UEX Corp. (49%)	Deposit	Inferred	1,272,200	28,192,000	1.01	0.30%	NI 43-101 Compliant	Technical Report on the Shea Creek Property, Northern Saskatchewan, with an Update Mineral Resource Estimate, UEX Corporation May 31, 2013
			Indicated	2,067,900	67,663,000	1.48			
			Measured	-	-	-			
			TOTAL	3,340,100	95,855,000	1.30			
Arrow	NexGen Energy Ltd.	Deposit	Inferred	4,399,000	80,700,000	0.83	0.25%	NI 43-101 Compliant	Arrow Deposit, Rook I Project, Saskatchewan, NI 43-101 Technical Report on Feasibility Study, February 22, 2021
			Indicated	1,572,000	47,100,000	1.36			
			Measured	2,183,000	209,600,000	4.35			
			TOTAL	8,154,000	337,400,000	1.87			
Triple R	Fission	Deposit	Inferred	1,221,000	32,810,000	1.22	0.25%	NI 43-101 Compliant	Fission Uranium Website: https://fissionuranium.com/projects/triple-r-deposit/project-overview/
			Indicated	2,216,000	102,360,000	2.10			
			Measured	-	-	-			
			TOTAL	3,437,000	135,170,000	1.79			
Cigar Lake	Cameco	Production	Proven Reserves	268,700	103,800,000	17.53	N/A	Posted Proven and Probable Reserves as at 31 Dec 2020	Cameco Website: https://www.cameco.com/businesses/uranium-operations/canada/cigar-lake/reserves-resources
			Probable Reserves	203,200	61,700,000	13.78			
			TOTAL	471,900	165,600,000	15.92			
McArthur River	Cameco	Production on Hold	Proven Reserves	2,041,000	320,200,000	7.12	N/A	Posted Proven and Probable Reserves as at 31 Dec 2020	Cameco Website: https://www.cameco.com/businesses/uranium-operations/canada/cigar-lake/reserves-resources
			Probable Reserves	540,000	71,700,000	6.02			
			TOTAL	2,581,000	391,900,000	6.89			

Deposit	Owner	Status	Category	Tonnes	U3O8 lbs	Grade	Cut-Off	V2O5 lbs	V2O5 Grade	Criteria	Source
La Sal Project	Energy Fuels	Production on Hold	Inferred	167,829	3,732,000	0.10	0.10%	1,901,000	0.51	NI 43-101 Compliant	Technical Report on La Sal District Project (including the Pandora, Beaver and Energy Queen Projects), San Juan County, Utah, USA March 25, 2014.
			Indicated	119,476	367,000	0.14		1,930,000	0.73		
			Measured	915,350	3,732,000	0.19		19,596,000	0.97		
			TOTAL	1,202,655	4,460,000	0.17		23,427,000	0.88		

Australian Mineral Projects

Enmore Gold Project

During the half year, Okapi Resources Limited proceeded to acquire the Enmore Gold Project (EL8479) located in New South Wales from Providence Gold and Minerals Pty Ltd ("**Providence**").

The Enmore Gold Project is located 30km SE of Armidale in north eastern NSW, near the recently recommissioned Hillgrove Antimony-Gold Mine (Figure 10) where past production exceeds 730,000 ounces of gold. The Enmore Gold Project ("**Enmore**") is underexplored and remains highly prospective for identifying potentially economic high-grade gold mineralisation on known prospects, and for discovering new mineralised areas on the 135km² exploration licence. Historic exploration at Enmore has largely focussed on the potential for locating and developing open-cut resources, leaving the exploration potential for deeper gold occurrences largely untouched.

Okapi has conducted a preliminary due diligence of available data considering the underground potential. The Company is very encouraged by both the apparent high-grade potential, and the limited relevant systematic exploration testing of higher-grade gold reefs within the broader structural lodes.

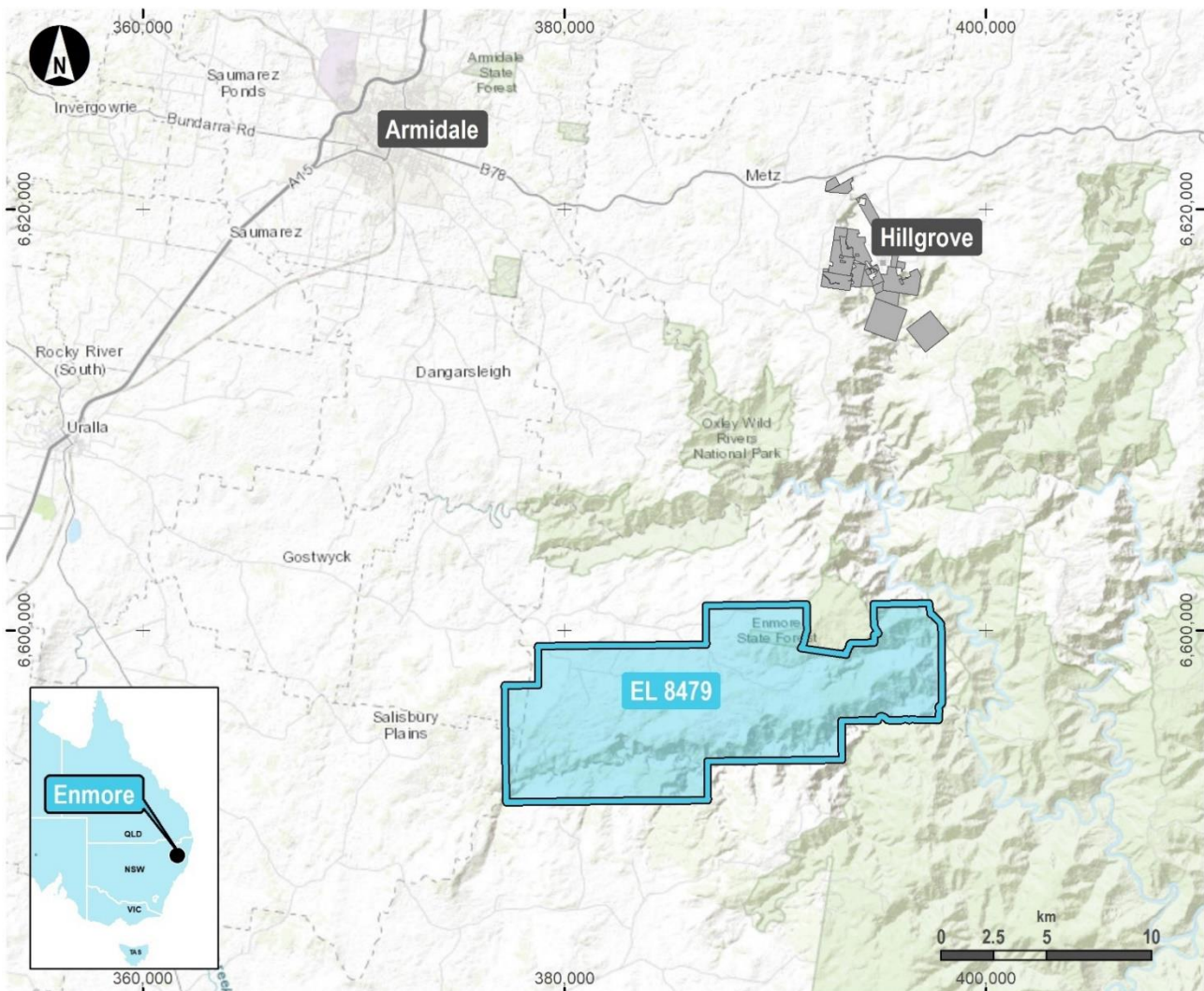


Figure 10: Location of the Enmore Gold Project

During the half year, Okapi completed 10 drill holes for 1,257m across three prospects, being Sunnyside East, Sunnyside West and Bora. Assay results have been returned for all holes with significant results returned from all 10 of the holes.

Gold mineralisation at Enmore is believed to be controlled by northwest oriented structures, similar to those that control mineralisation at the Hillgrove deposit and particularly where they intersect northeast structures.

Okapi's maiden drilling program intersected significant, thick, shallow gold mineralisation with exceptional results received including 174m @ 1.83 g/t gold, from surface, with this hole, OSSRC06, ending in mineralisation, with the deepest interval returning 3m @ 8.86 g/t gold from 171m to EOH.

Refer to ASX announcement dated 16 September 2021 titled "*Outstanding Drill Results at the Enmore Gold Project, NSW*" for the full drilling results including the JORC tables 1 and 2.

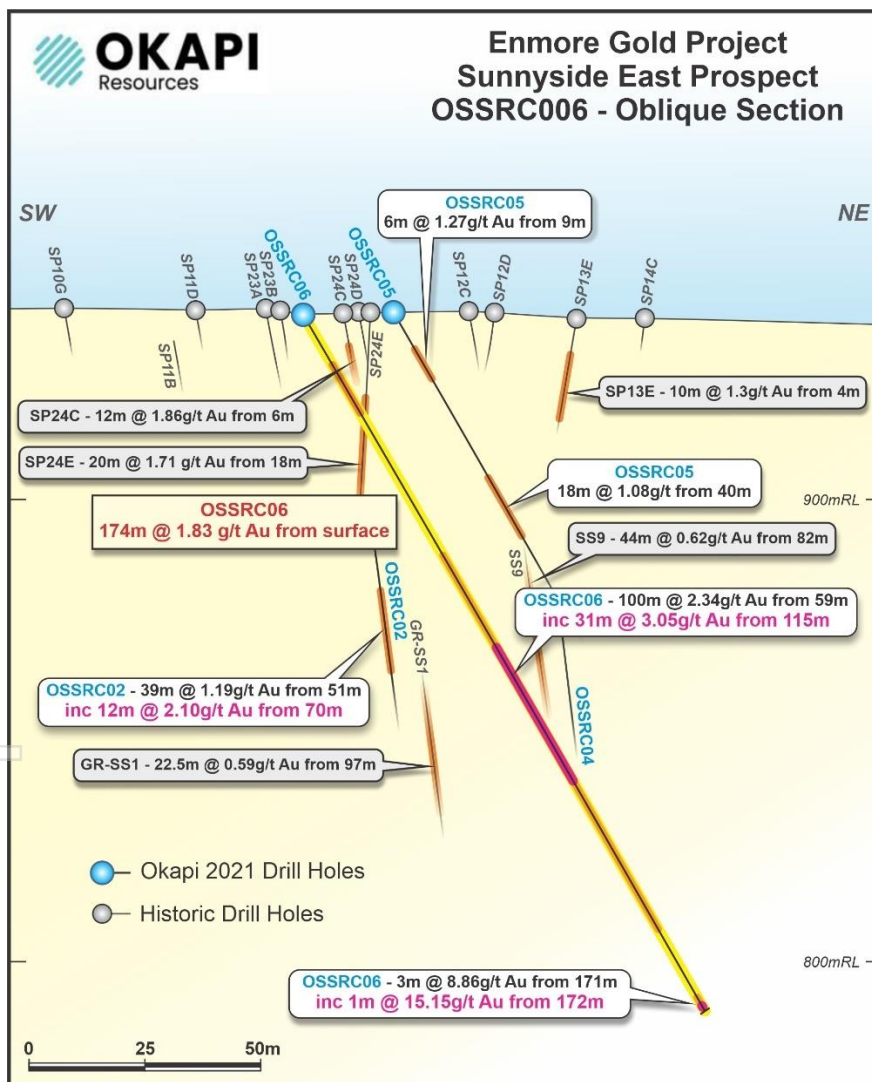


Figure 11 – Oblique section showing down hole mineralisation in select drilling completed to date at the Sunnyside East Prospect, including significant intersections in the Company's recently completed drilling program

Sunnyside East Prospect

Significant, shallow mineralisation has been intersected at the Sunnyside Prospect, where gold mineralisation is present over some 400m between Sunnyside East and Sunnyside West along the district-scale Sunnyside fault. Mineralisation remains open at depth, with drill hole OSSRC06 being terminated at 174m depth, with the final 3m interval assaying 3m @ 8.86 g/t gold, including 1m @ 15.15 g/t gold from 172m. Significant results from recent drilling at Sunnyside East include;

- ¹³Hole OSSRC06
 - 174m @ 1.83 g/t gold from surface including
 - 100m @ 2.34 g/t gold from 59m, and including
 - 31m @ 3.05 g/t gold from 115m, with the hole terminating in
 - 3m @ 8.86 g/t gold from 171m, including
 - 1m @ 15.15 g/t gold from 172m
- Hole OSSRC01
 - 37m @ 1.27 g/t gold from 27m, including
 - 3m @ 3.12 g/t gold from 53m
- Hole OSSRC02
 - 39m @ 1.19 g/t gold from 51m, including
 - 12m @ 2.10 g/t gold from 70m
- ¹³Hole OSSRC05
 - 6m @ 1.24 g/t gold from 9m
 - 18m @ 1.08 g/t gold from 40m
 - 22m @ 1.00 g/t gold from 81m
 - 9m @ 1.48g/t gold from 130m

Cross-cutting faults are known to have an important control on the location of high-grade gold at Hillgrove. Okapi recognised evidence of similar cross cutting structures at Enmore, but there had been limited work targeting these structures.

Drill holes OSSRC05 and OSSRC06 targeted such cross-cutting structures at the Sunnyside East Prospect, with exceptional results returned from OSSRC06. Mineralisation in OSSRC06 appears to be improving with mineralisation and is open along strike and at depth.

¹³All intercepts are downhole widths and OSSRC05 and OSSRC06 have been drilled parallel to strike and do not represent true widths. Okapi does not have enough information at this stage to estimate true width with more work required. Okapi cautions readers that true thickness are likely to be significantly thinner than the downhole widths reported.

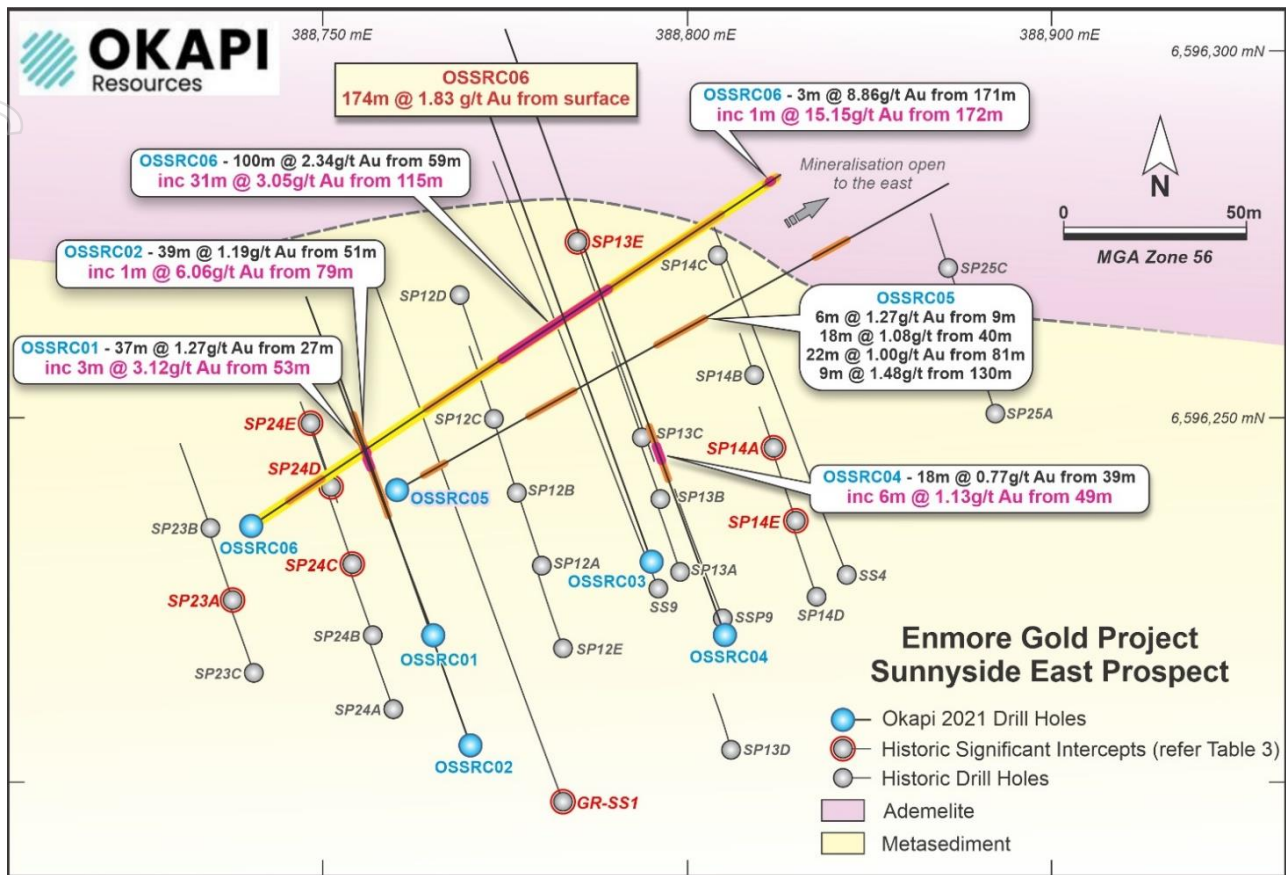


Figure 12 – Plan view showing surface projections of drilling completed to date at the Sunnyside East Prospect, including significant intersections in Okapi's maiden drilling program.

Sunnyside West Prospect

Previous drilling at Sunnyside West Prospect, located 400m west of Sunnyside East, intersected shallow gold mineralisation. Further mineralisation was intersected in recent drilling, with both holes returning significant results including:

- OSSRC07
 - 7m @ 1.25 g/t gold from 30m, including
 - 1m @ 5.61g/t gold from 36m
- OSSRC08
 - 17m @ 0.69 g/t gold from 20m, including
 - 7m @ 1.10 g/t Au from 20m

Significant mineralisation has now been delineated over 400m between Sunnyside East and Sunnyside West, with mineralisation remaining open at depth and along strike in both directions. 144 holes have been completed at Sunnyside with only 9 greater than 100m and 2 greater than 126m deep.

Further work is required at Sunnyside, including follow up on these new drill intercepts to try and understand the geometry of the primary mineralisation and to further locate potential high-grade shoots that may be associated with cross cutting structures.

Previous drilling at Sunnyside has yielded shallow but significant drilling results as reported to the market on December 17, 2020 “*Okapi Signs Agreement to Acquire Highly Prospective Enmore Gold Project and Raises \$2.5M*” and includes;

- 4m @ 11.94g/t Au from 0m in hole SP3B
- 20m @ 1.7g/t Au from 18m, inc 4m @ 4.4g/t Au in hole SP24E
- 2m @ 14.6g/t Au from 46m in hole SP13E
- 8m @ 3.0g/t Au from 0m, inc 2m @ 2.8g/t in hole SP4C
- 12m @ 1.9 g/t Au from 6m, inc 6m @ 2.4g/t Au in hole SP24C
- 10m @ 2.8g/t Au from 0m, inc 2m @ 6.2g/t Au in hole SP18B

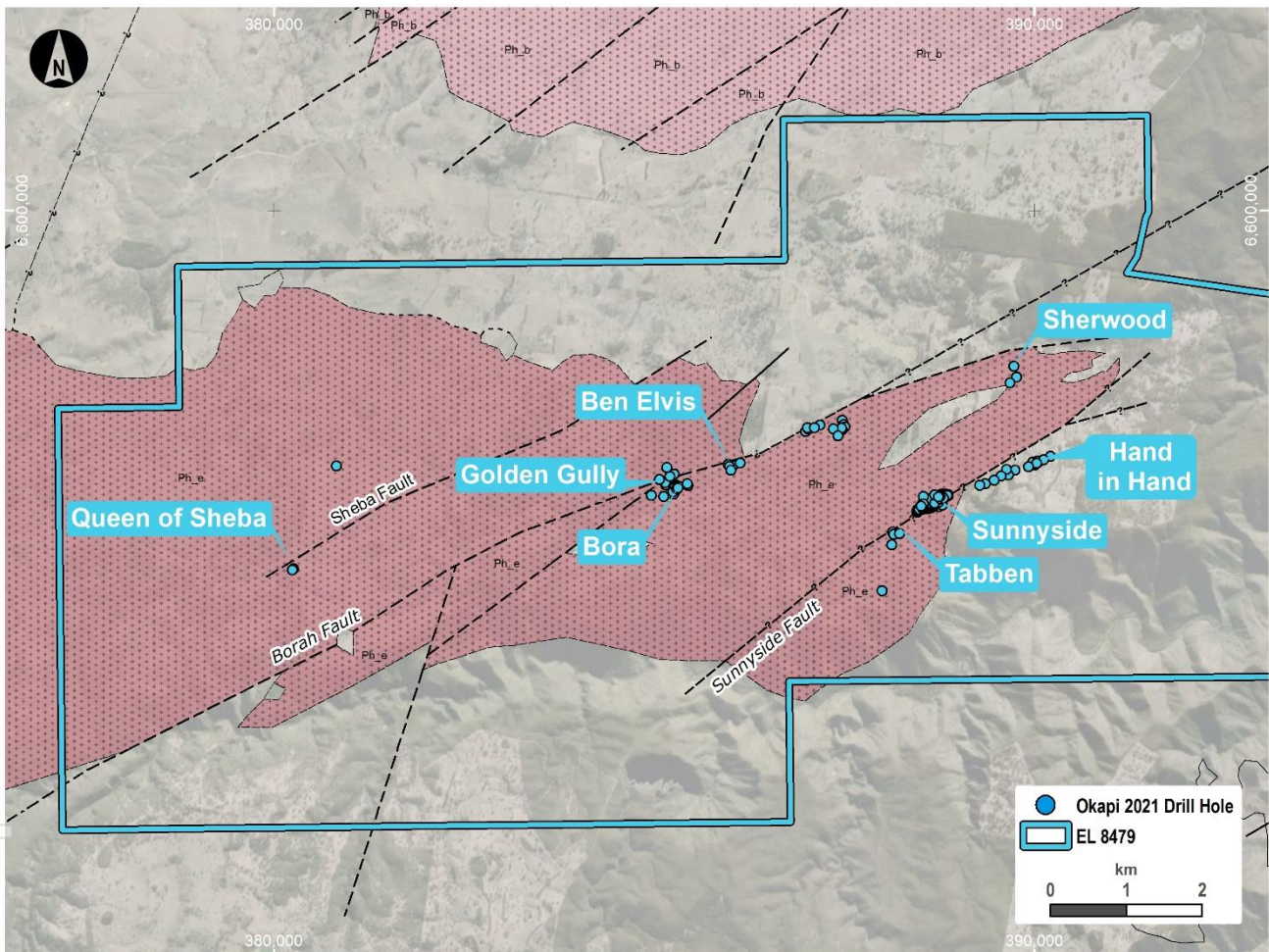


Figure 13 – Enmore Gold Project, prospect location map

Bora Prospect

Okapi’s RC drill program also included two holes at the Bora Gold Prospect 4km west of Sunnyside, the holes targeted a small-scale historic mine. Drilling intersected several siliceous veins within the host adamellite. Further work is required to assess the significance of these results and plan follow up work. The better intercepts from the recent program include;

- Hole OBARC01
 - 3m @ 0.51g/t gold from 53m
 - 2m @ 0.52g/t gold from 69m
- Hole OBARC02
 - 2m @ 0.58g/t gold from 67m

There is significant exploration potential at Enmore, with 39 identified prospects – the majority of which are untested with deep drilling and limited to no modern geophysics or other targeting methods applied across the project. The mineralisation at Enmore generally comprises structurally controlled orogenic style gold (\pm antimony) mineralisation.

Planning for a follow-up drilling program at the Enmore Gold Project is well advanced for Q1 2022.

Competent Person's Statement

The information in this report that relates to geology, exploration results is based on information compiled by Mr Ben Vallerine, a Competent Person who is a Member of the Australasian Institute of Geoscientists. Mr Vallerine is a director and shareholder of Okapi Resources. Mr Vallerine 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 Vallerine consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

Lake Johnston Project

The Lake Johnston Project consists of Okapi's 100% owned tenement E63/2039 and the Mount Day Joint Venture Project (Farm-in to earn 75%). The tenements are located approximately 450km east of Perth, Western Australia in the Lake Johnston Greenstone Belt. The belt hosts the Maggie Hays and Emily Ann underground nickel mines.

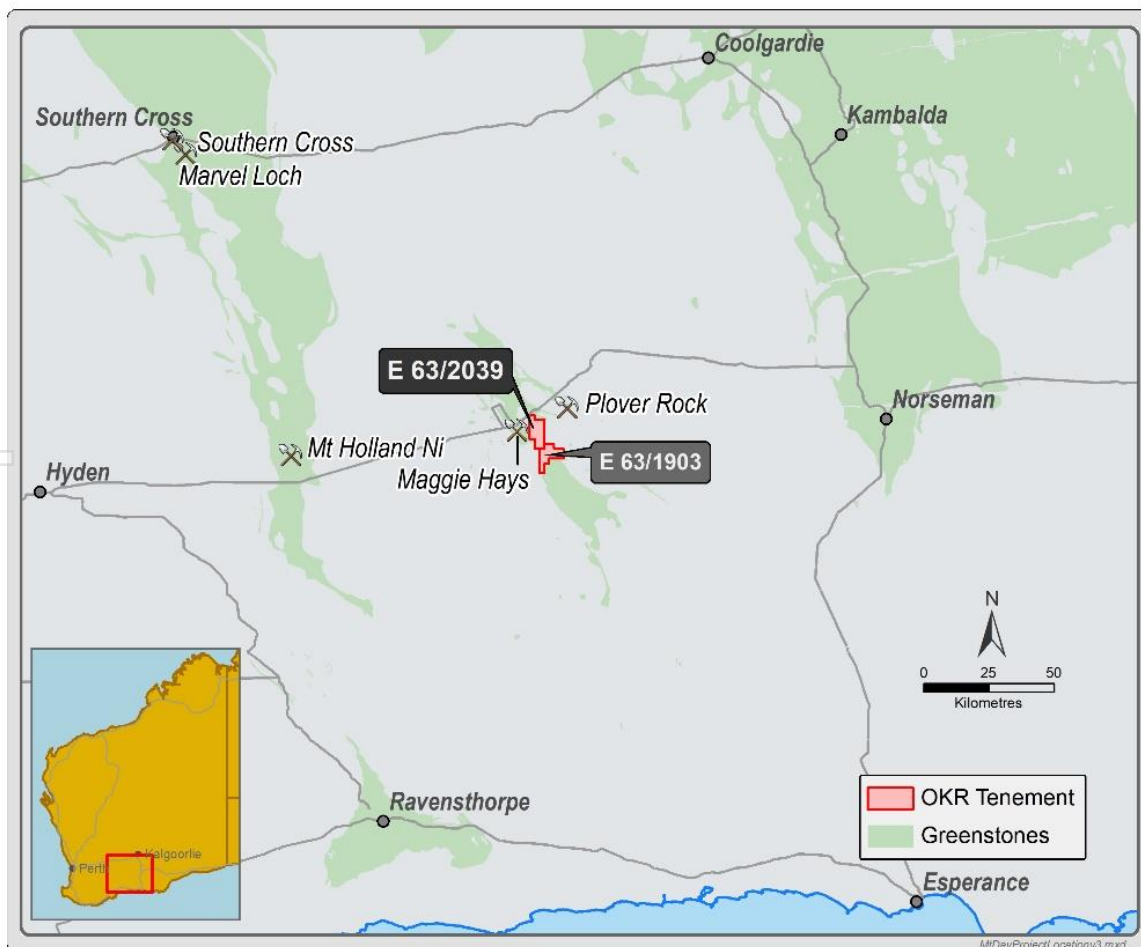


Figure 14 – Location of Okapi's Lake Johnston Project tenements in southern Western Australia

During the half year, the Company completed a soil sampling program on tenement E63/2039. A lithium target over 2km in length has been generated from the results including lithium in soil results of up to 86ppm.

Several gold anomalies have also been identified over 5km in strike length and several hundred metres width on the tenement, along interpreted structures that also extend to gold anomalies on the adjoining joint venture tenement E63/1903.

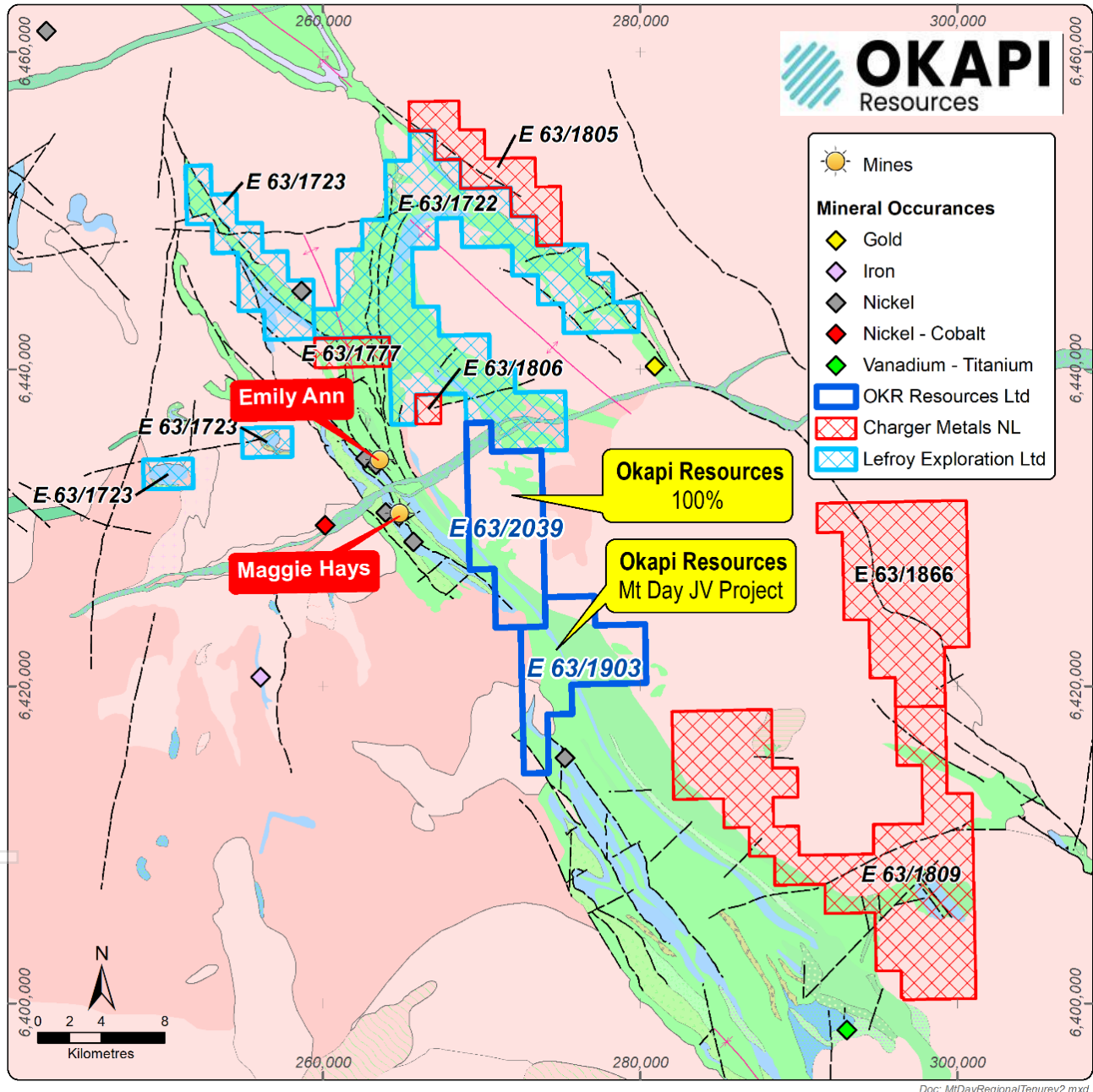


Figure 15 – Location of Okapi's tenements neighbouring to Charger Metals and Lefroy Exploration tenements.

Okapi's program comprised 664 samples on a 200m x 50m grid, to infill and complement historical results. A strong lithium target has been generated from the soil program, with anomalous results recorded in lithium (Li), caesium (Cs) and rubidium (Rb) - metals typically associated with lithium-bearing (LCT) pegmatites.

An anomalous lithium zone above 25 ppm Li over 2,000 m of strike length has been recorded by Okapi from the results of this program (Figure 16). A peak lithium-in-soil result of 86 ppm Li compares well with the nearby results on E63/1903 announced by Charger Metals NL (ASX: CHR) on 28th July 2021.

It was noted from basic mapping conducted during the soil program that several pegmatites were recorded in the zones of LCT mineralisation. The extent of these pegmatites will be confirmed in the near future with more detailed mapping and sampling, with a view towards finalising drilling positions.

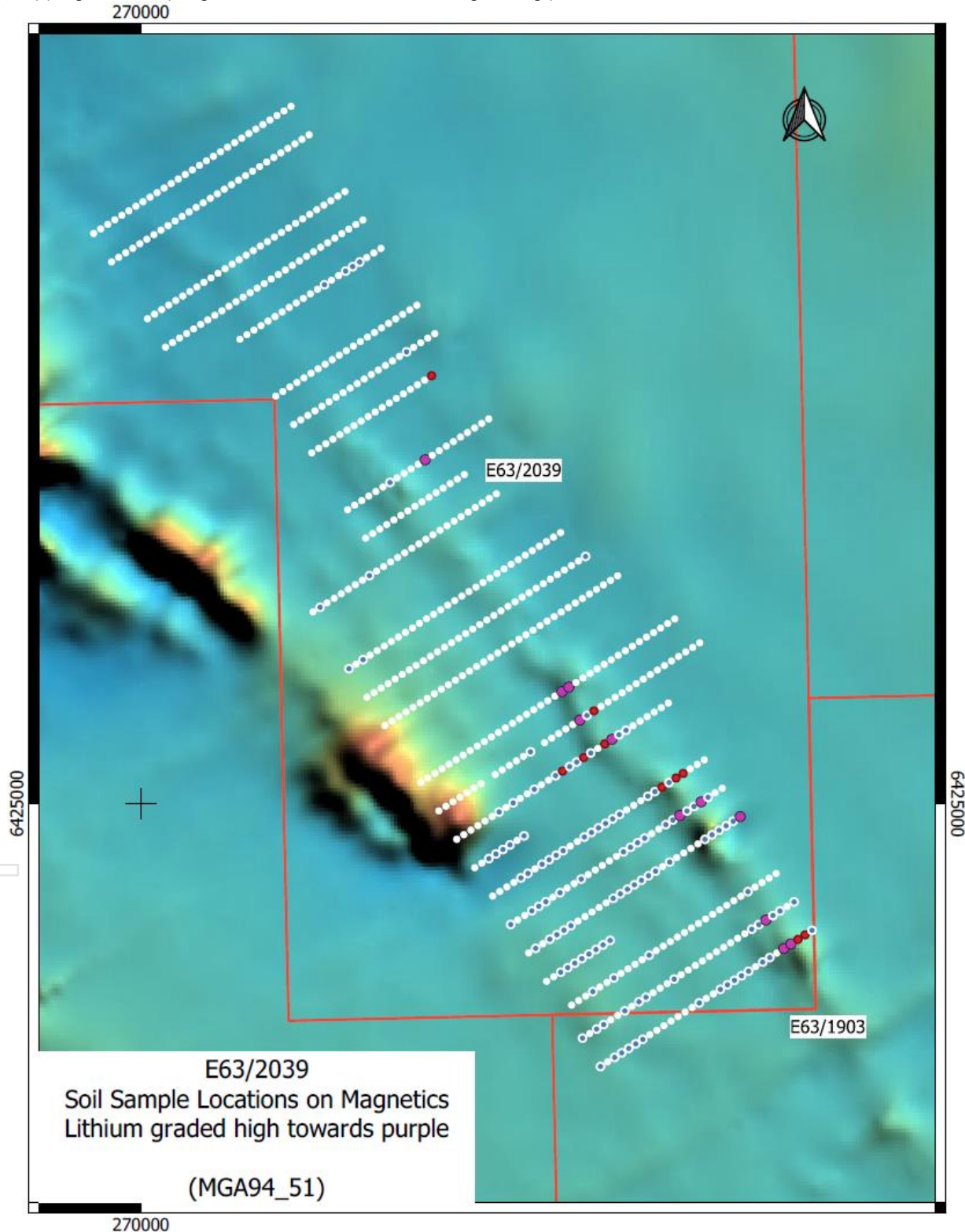


Figure 16 – Location of soil samples on E63/2039 showing lithium-in-soil anomalism on regional aeromagnetic imagery

Gold anomalies have also been determined that provide a robust confirmation and extension of historically-reported anomalism. Significantly, the anomalism extends over 5km on E63/2039 along interpreted structures where they lie under shallow soil cover and are predominantly not associated with the historic Maggie Hays Hill gold workings (*Figure 17*). Most of the currently identified anomalous gold trends have not yet been tested by drilling.

The semi-continuous gold anomalies are present above highly metamorphosed intrusive mafics and ultramafics and are accompanied by a zone of silver (Ag), bismuth (Bi) and tungsten (W) anomalism supportive of a gold mineral system. The highest assay values (up to 78 ppb Au) correlate well with zones of shearing and deformation observed in outcrop.

Okapi's results reinforce the presence of elevated gold-in-soil anomalism along interpreted structures and in proximity to intrusive felsic bodies on the tenement. The anomalies also lay north-west along strike from gold targets on the adjoining tenement E63/1903. In total, the recent work has confirmed the presence and tenor of gold-in-soil anomalism over nearly 15km of strike length on the project tenements. It was also noted that the gold anomalism is open to the north, past the end of the soil sampling program.

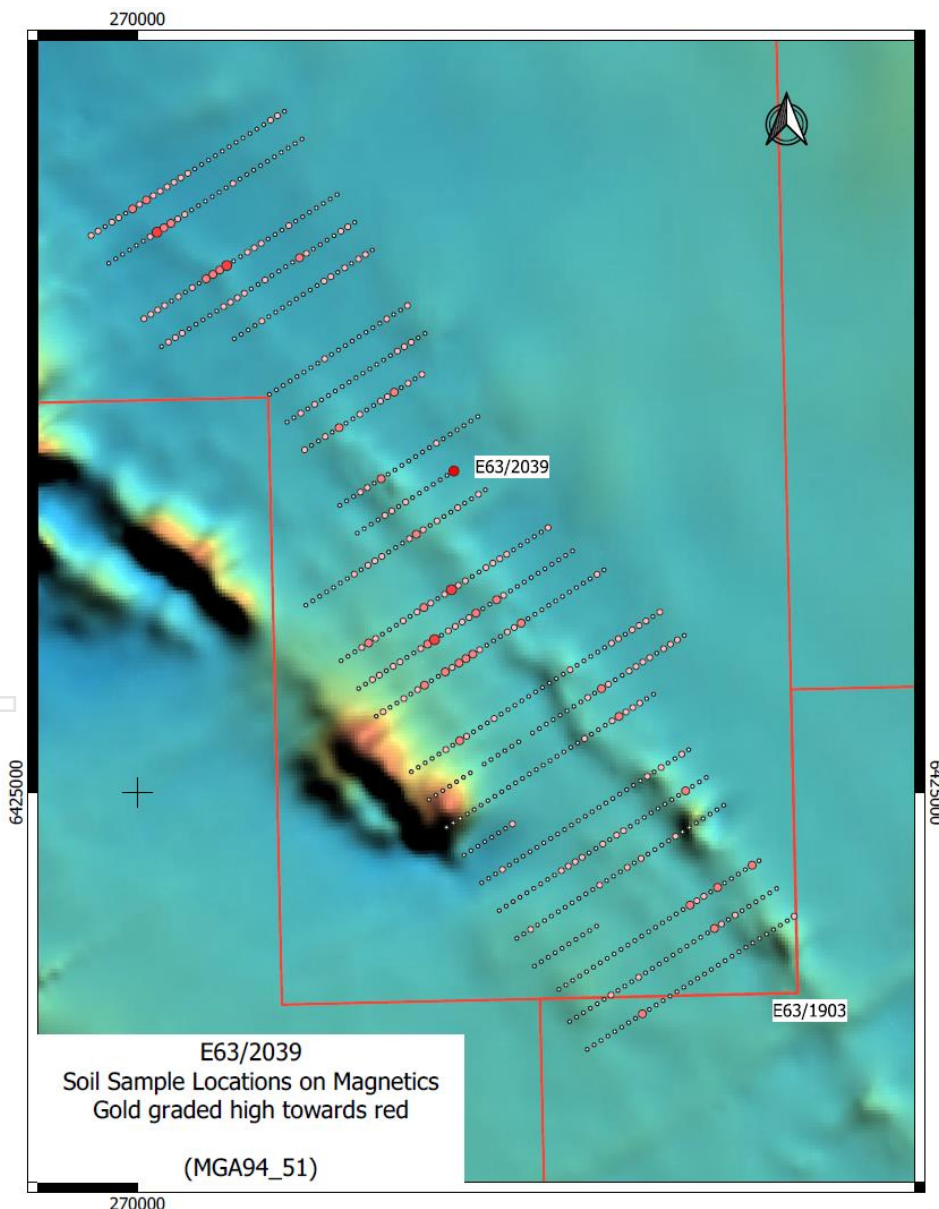


Figure 17 – Location of soil samples on E63/2039 showing gold-in-soil anomalism on regional aeromagnetic imagery

During the half year, no exploration activities were conducted on the joint venture tenement E63/1903.

Competent Person's Statement

The information in this announcement which relates to Exploration Results is based on information compiled by Mr Matthew Ridgway who is an employee of Hydra Consulting Pty Ltd and is a member of the Australian Institute of Geoscientists (AIG). Mr Ridgway is a consultant to Okapi Resources Limited and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Ridgway consents to the inclusion in this announcement of the matters based on that information in the form and context in which it appears.

The Crackerjack Project (100% owned)

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

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.

No exploration was conducted during the half year period.

Corporate

During the half year, highly experienced mining executive, Mr Andrew Ferrier was appointed as Managing Director of Okapi Resources Limited. Mr Ferrier has more than 15 years of experience in both management, corporate finance and principal investing roles in the global mining sector. He has previously held senior roles for Pacific Road Capital, a large mining-focused private equity investment firm where he worked for 12 years across USA, Canada and Australia. Andrew holds a Bachelor of Chemical Engineering (First Class Honours) and Bachelor of Commerce from the University of Sydney. Andrew also holds a Masters of Applied Finance from Macquarie University and is a CFA charterholder. Mr Ferrier has significant knowledge and understanding of the North American Uranium space having been heavily involved in the development, permitting and sale of the Reno Creek ISR Uranium project in Wyoming, USA. Reno Creek is now the largest permitted preconstruction ISR project in the USA.

Following the completion of the acquisition of Tallahassee and its portfolio of large, high-grade uranium projects in the United States in August 2021, geologist Mr Ben Vallerine was appointed as Technical Director, bringing considerable uranium experience within the US. Mr Vallerine is a qualified geologist with 20 years' experience who brings considerable in-country experience to Okapi. Mr Vallerine spent 6 years living in the US as Exploration Manager, USA for Black Range Minerals Limited where he gained considerable experience in the identification, acquisition, exploration and development of uranium projects. More recently he has held the position of Exploration Manager at Caspin Resources Limited (ASX:CPN).

As part of the acquisition of Tallahassee, the Company completed a placement raising \$2.84 million (before costs) through the issue of 14.2 million fully-paid ordinary shares at A\$0.20 per share (Placement Shares) together with 14.2 million free-attaching unlisted options exercisable at \$0.30 each and expiring on 24 August 2023 (Placement Options) (together, the Placement Securities) on the basis of one (1) option for every one (1) Share issued (the Placement). The Placement Securities were issued to sophisticated and professional investors.

In September 2021, Okapi appointed Canaccord Genuity (Australia) Ltd (Canaccord Genuity) as its corporate advisor. Canaccord Genuity will assist with the Company's ongoing capital markets strategy, provide introductions to a broader investor community both domestically and internationally, and other advisory services. Canaccord Genuity is a leading independent financial services firm with a global presence and strong credentials in the uranium sector.

Mr David Nour retired as Executive Director of Okapi Resources Limited at the 2021 Annual General Meeting. Mr Nour has been instrumental to the development of the Company including the transformational transaction with Tallahassee. The Board thank David for his leadership, drive and commitment during his time as director of the Company.

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 2021.

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:

Brian Hill – Non-executive Chairman (Appointed 16 February 2022)
Andrew Ferrier – Managing Director (Appointed 13 December 2021)
Leonard Math – Executive Director
Benjamin Vallerine – Non-executive Technical Director (Appointed 25 August 2021)

David Nour – Executive Director (Retired 30 November 2021)
Peretz Schapiro – Non-executive Director (Resigned 16 February 2022)

COMPANY SECRETARY

Leonard Math – Company Secretary

PRINCIPAL ACTIVITIES

The Company is in the business of mineral exploration with a specific focus on uranium exploration in North America and gold exploration in Australia. The Company's primary aim in the near-term is to explore for, discover and develop uranium deposits on the uranium exploration projects in North America.

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 2021 was a loss after tax of \$5,890,712 (2020: \$140,347).

EARNINGS PER SHARE

The basic loss per share for the period ended 31 December 2021 was 6.48 cents (2020: 0.39 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

Mr Andrew Ferrier was appointed as Managing Director on 13 December 2021.

Mr Benjamin Vallerine was appointed as Non-executive Technical Director on 25 August 2021 as part of the Tallahassee Resources Pty Ltd acquisition.

Mr David Nour retired as Executive Director at the conclusion of the Annual General Meeting held on 30 November 2021.

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

SUBSEQUENT EVENTS

On 31 January 2022, Okapi completed the acquisition of six advanced exploration projects in the world's premier high grade uranium district, the Athabasca Basin from ALX Resources Corp (TSXV:AL) (ALX). Okapi paid ALX cash in the amount of A\$1,000,000 and issued ALX 3,277,790 fully paid ordinary shares as part of the consideration.

In addition to the consideration set out above, Okapi has also issued Geonomik Pty Ltd (and their nominees) 1,229,634 fully paid ordinary shares in Okapi for the consideration for finder and introduction services provided to Okapi.

Mr Brian Hill was appointed as Non-executive Chairman on 16 February 2022, replacing Mr Peretz Schapiro who resigned on the same day.

Subsequent to half year, Okapi acquired the Maybell Uranium Project in Colorado, USA via staking 468 federal unpatented mining claims covering 3,600 ha. Okapi has secured a significant portion of the Maybell mineralised trend, which includes the area of historical production and other known mineralised occurrences and prospects. Based on the historical production and exploration data there is significant potential for the further delineation and discovery of near surface uranium resources at the Maybell Uranium Project.

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 2021 has been received and forms part of the Directors' report and can be found on page 31 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.



Andrew Ferrier
Managing Director

15 March 2022
Perth, Western Australia

To the Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the audit of the financial statements of Okapi Resources Limited for the financial year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully,

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD


CHRIS NICOLOFF CA
Director

Dated this 15th day of March 2022
 Perth, Western Australia

	Note	31 Dec 2021 \$	31 Dec 2020 \$
Revenue			
Interest income		-	107
Foreign exchange gain		11,408	-
Profit from sale of listed investments		-	242,347
Expenditure			
Audit fees		(21,213)	(7,686)
Compliance expenses		(99,495)	(22,771)
Corporate expenses		(446,609)	(25,249)
Director fees		(207,716)	(121,279)
Consultants		(94,740)	(29,773)
Share based payments		(4,398,565)	-
Exploration expenses written off		(10,595)	(2,736)
Fixed asset written off		(10,740)	-
Investor Relations		(293,813)	(23,570)
OTC Listing expenses		(103,664)	-
Termination payment		(132,000)	-
Administration		(102,571)	(32,139)
Fair value adjustment to financial asset		19,601	(117,599)
Loss before income tax		(5,890,712)	(140,347)
Income tax expense		-	-
Loss after income tax from continuing operations		(5,890,712)	(140,347)
Other Comprehensive income			
<i>Items that may be reclassified to profit or loss</i>		-	-
Total comprehensive income for the year		(5,890,712)	(140,347)
Basic and diluted loss per share attributable to the ordinary security holders of the Company (cents per share)	7	6.48	0.39

The accompanying notes form part of these consolidated financial statements

	Note	31 Dec 2021 \$	30 June 2021 \$
ASSETS			
Current assets			
Cash and cash equivalents		4,011,106	3,214,632
Trade and other receivables		124,032	49,129
Total current assets		4,135,138	3,263,761
Non-current assets			
Financial assets at fair value through profit or loss	3	460,110	440,509
Deferred exploration & evaluation	2	21,816,314	774,070
		22,276,424	1,214,579
Total assets		26,411,562	4,478,340
LIABILITIES			
Current liabilities			
Trade and other payables		329,796	125,863
Total current liabilities		329,796	125,863
Total liabilities		329,796	125,863
Net assets		26,081,766	4,352,477
Equity			
Issued capital	5(a)	30,200,770	9,332,580
Reserves	6	6,910,061	158,250
Accumulated losses		(11,029,065)	(5,138,353)
Total equity		26,081,766	4,352,477

The accompanying notes form part of these consolidated financial statements

2021	Issued Capital	Share- based Payments Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
<i>Opening Balance – 1 July 2021</i>	9,332,580	158,250	(5,138,353)	4,352,477
Loss for the period	-	-	(5,890,712)	(5,890,712)
<i>Total comprehensive income for the period</i>	-	-	(5,890,712)	(5,890,712)
Shares issued during the period (Note 5(b))	20,998,440	-	-	20,998,440
Share issue costs	(130,250)	-	-	(130,250)
Share based payments	-	6,751,811	-	6,751,811
<i>Balance as at 31 Dec 2021</i>	<u>30,200,770</u>	<u>6,910,061</u>	<u>(11,029,065)</u>	<u>26,081,766</u>
2020	Issued Capital	Share- based Payments Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
<i>Opening Balance – 1 July 2020</i>	6,236,474	-	(4,406,096)	1,830,378
Loss for the period	-	-	(140,347)	(140,347)
<i>Total comprehensive income for the period</i>	-	-	(4,546,443)	1,690,031
Shares issued during the period (Note 5(b))	1,696,170	-	-	1,696,170
Share issue costs	(112,394)	-	-	(112,394)
<i>Balance as at 31 Dec 2020</i>	<u>7,820,250</u>	<u>-</u>	<u>(4,546,443)</u>	<u>3,273,807</u>

The accompanying notes form part of these consolidated financial statements

	Notes	31 Dec 2021 \$	31 Dec 2020 \$
Cash flows from operating activities			
Interest received		-	107
Payments to suppliers and employees		(2,360,026)	(292,873)
Net cash outflows from operating activities		(2,360,026)	(292,766)
Cash flows from investing activities			
Payments for purchase of minerals tenements rights		(50,000)	(45,000)
Payment for property, plant and equipment		(10,740)	-
Proceeds from sale of equity investments		-	569,736
Net cash outflows from investing activities		(60,740)	524,736
Cash flows from financing activities			
Proceeds from share issue (net of cost)		3,217,240	1,583,776
Net cash inflows from financing activities		3,217,240	1,583,776
Net (decrease) increase in cash and cash equivalents held		796,474	1,815,746
Cash and cash equivalents at the beginning of the period		3,214,632	879,405
Cash and cash equivalents at the end of the period		4,011,106	2,695,151

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 2021 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.

Going Concern

The Company incurred an operating loss of \$5,890,712 (31 Dec 2020 \$140,347) and had cash outflows from operating activities of \$2,360,026 (31 Dec 2020 \$292,766) for the half-year ended 31 December 2021. The consolidated entity is in exploration phase and does not yet have an income stream.

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business for the following reasons:

- in August 2021, the Company raised \$2.84 million (before costs) pursuant to the offer under its placement by the issue of 14,200,000 shares at an issue price of \$0.20 per share;
- the Company is still in the early stages of operations and is able to scale back activity if required; and
- the Directors have prepared a budget which demonstrates that the Company has sufficient cash to meet its expenditure requirements for a period of not less than twelve months from the date of signing this report.

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 2021.

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 2021 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.

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.

Standards and Interpretations applicable to 31 December 2021

In the half-year ended 31 December 2021, 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 2021.

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 2021.

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 2021 \$	30 June 2021 \$
Non-current		
Deferred exploration & evaluation – at cost	<u>21,816,314</u>	<u>774,070</u>
<i>Movement for the period</i>		
Beginning of financial period	774,070	249,250
Acquisition Tallahassee and Rattler Uranium Project	19,728,287	-
Enmore Gold Project milestone payment	275,910	-
Exploration and evaluation costs for the period (i)	1,048,642	571,996
Exploration & project due diligence costs written-off	(10,595)	(47,176)
End of the financial period	<u>21,816,314</u>	<u>774,070</u>

- (i) The Group has capitalised all costs associated with its Tallahassee Uranium Project (USA), Rattler Uranium Project (USA), Crackerjack Project (Australia), Lake Johnston Project (Australia) and Enmore Gold Project (Australia). 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. Okapi, through its wholly owned subsidiary Tallahassee Resources Pty Ltd is the 100% owner of the Tallahassee Uranium Project and Rattler Uranium Project in the USA. Okapi, through its wholly owned subsidiary Panex Resources WA Pty Ltd is the 100% owner of the Crackerjack tenement.

3. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2021 \$	30 June 2021 \$
<i>Financial assets at fair value through profit or loss</i>		
Listed Shares	<u>460,110</u>	<u>440,509</u>
	460,110	440,509

(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 gain of \$19,601 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 2021				
Listed equity securities	460,110	-	-	460,110
Fair value at 31 December 2021	460,110	-	-	460,110

5. ISSUED CAPITAL

	31 December 2021 \$	30 June 2021 \$
(a) Share capital		
112,631,749 ordinary fully paid shares (June 2021: 53,348,631)	30,200,770	9,332,580
	31 December 2021	
	Number of shares	\$
(b) Movements in share capital for the financial period		
<i>Balance at beginning of the financial period</i>	53,348,631	9,332,580
<i>Issued during the period:</i>		
Acquisition of Tallahassee Resources Pty Ltd	33,500,000	14,070,000
Placement at \$0.20 per share (net of costs)	14,200,000	2,839,990
Placement at \$0.21 per share (net of costs)	238,095	50,000
Conversion of Listed Options at \$0.30 per share	1,525,000	457,500
Vesting of Performance Rights	6,200,000	1,700,040
Issue of milestone shares – Tallahassee	3,000,000	1,605,000
Issue of milestone shares – Enmore Gold Project	620,023	275,910
Share issue costs	-	(130,250)
<i>Balance at end of the financial period</i>	112,631,749	30,200,770

(c) Share Options on issue for the half-year

	Expiry Date	Exercise Price	Balance at start of period	Issued during the period	Converted during the period	Cancelled/ lapsed during the period	Balance at end of period
2021							
Listed	31/03/23	\$0.30	17,754,135	238,095	-	-	17,992,230
Unlisted	08/04/24	\$0.30	2,000,000	-	-	(875,000)	1,125,000
Unlisted	08/04/24	\$0.35	2,000,000	-	-	(875,000)	1,125,000
Unlisted	24/08/23	\$0.30	-	30,950,000	1,525,000	-	29,425,000
Unlisted	31/12/24	\$0.50	-	3,000,000	-	-	3,000,000
Unlisted	31/12/24	\$0.60	-	2,000,000	-	-	2,000,000
Unlisted	31/12/24	\$0.70	-	2,000,000	-	-	2,000,000

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

	Expiry Date	Exercise Price	Balance at start of period	Granted during the period	Converted during the period	Cancelled/ lapsed during the period	Balance at end of period
2021							
Class A	31/12/25	-	-	2,066,666	(2,066,666)	-	-
Class B	31/12/25	-	-	2,066,667	(2,066,667)	-	-
Class C	31/12/25	-	-	2,066,667	(2,066,667)	-	-
Class D	31/12/25	-	-	666,666	-	-	666,666
Class E	31/12/25	-	-	666,667	-	-	666,667
Class F	31/12/25	-	-	666,667	-	-	666,667

Vesting Conditions:

Class A: The Company achieving and maintaining a market capitalisation of \$20 million or more for a continuous period of 20 trading days on or before 31 December 2025.

Class B: The Company achieving and maintaining a market capitalisation of \$35 million or more for a continuous period of 20 trading days on or before 31 December 2025.

Class C: The Company achieving and maintaining a market capitalisation of \$50 million or more for a continuous period of 20 trading days on or before 31 December 2025.

Class D: The Company achieving and maintaining a share price of \$0.75 or more for a continuous period of 20 trading days on or before 31 December 2025.

Class E: The Company achieving and maintaining a share price of \$1.00 or more for a continuous period of 20 trading days on or before 31 December 2025.

Class F: The Company achieving and maintaining a share price of \$1.25 or more for a continuous period of 20 trading days on or before 31 December 2025.

6. RESERVES

	31 December 2021 \$	30 June 2021 \$
(a) Reserves		
Share based payments reserve	6,910,061	158,250
(b) Movements in reserves for the financial period		
Balance at beginning of the financial period	158,250	-
Share based payments (options)	6,176,677	158,250
Share based payments lapsed (options)	(46,266)	-
Share based payments (performance rights)	2,321,440	-
Share based payments converted (performance rights)	(1,700,040)	-
Balance at end of the financial period	6,910,061	158,250

7. LOSS PER SHARE

	December 2021 \$	December 2020 \$
(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	5,890,712	140,347
(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	90,897,248	36,382,488
Basic and diluted loss per share attributable to the ordinary security holders of the Company (cents per share)	6.48	0.39

8. CONTINGENT LIABILITIES

Enmore Gold Project – NSW

The Company entered a binding heads of agreement with Providence Gold and Minerals Pty Ltd ("Providence") to acquire 100% of the Enmore Gold Project (EL8479) located in New South Wales.

As part of the acquisition consideration, the Company paid \$100,000 cash and issued 1,052,630 shares at a deemed price of \$0.19 per share to Providence.

To further acquire the 100% in the Enmore Gold Project, the Company must meet Milestone 1.

Milestone 1

- Okapi having conducted a minimum of 1,000 metres of reverse circulation core drilling on the Tenement, and releasing those drilling results on its ASX announcements platform; and
- Okapi having expended no less than \$200,000 in assessing the Tenement's viability and minerology ("Minimum Expenditure") and releasing a public report verifying that the Company has met the Minimum Expenditure on its ASX announcements platform.

Upon satisfaction of Milestone 1, Okapi to pay \$300,000 either by way of the issue of shares at a deemed issue price equal to the 10-day VWAP immediately prior to the date of issue (in which case the issue will be subject to shareholder approval), or in cash, at the sole and exclusive election of the Company.

In the event Okapi elects not to proceed with the Acquisition and therefore not to make the Milestone 1 payment, the Company shall pay any unspent portion of the Minimum Expenditure to Providence in cash and the parties agree and acknowledge that they shall do all things required to transfer the Tenement back to Providence as soon as is practicable following the Company's decision not to continue with the Acquisition.

During the half year, Okapi satisfied Milestone 1 and issued 620,023 shares to Providence and acquired the Enmore Gold Project 100%.

Milestone 2

Okapi defining a JORC Code 2012-compliant Mineral Resource (classified as either Measured or Indicated) of no less than 100k oz gold equivalent at greater than 1.5g/t Au as verified by an Independent Technical Consultant for the Enmore Gold Project.

Upon satisfaction of Milestone 2, Okapi to pay \$400,000, either by way of the issue of Shares at a deemed issue price equal to the 10-day VWAP immediately prior to the date of issue (in which case the issue will be subject to shareholder approval), or in cash, at the sole and exclusive election of the Company.

Providence retains a two percent (2%) net smelter royalty in the Enmore Gold Project.

Tallahassee Uranium Project, Colorado – USA

During the year, Okapi completed the acquisition of Tallahassee Resources Pty Ltd. Tallahassee holds its mineral rights by way of mining agreements with two privately-owned ranches through its wholly owned subsidiary, Usuran Resources Inc.

Taylor Ranch Property

Tallahassee has an initial 10-year lease over the Taylor Ranch (until 10 November 2030), encompassing approximately 5,505 acres, that provides Tallahassee the right to explore, develop and mine uranium resources on that property by:

- (i) Making a cash payment of US\$25,000 on before 10 November 2021 (payment has been made);
- (ii) Making further annual payments, on or before the subsequent anniversary date of that payment, of:
 - o US\$25,000, if the benchmark uranium price is less than US\$60/lb U3O8;
 - o US\$35,000, if the benchmark uranium price is greater than or equal to US\$60/lb but less than US\$80/lb U3O8;
 - o US\$45,000, if the benchmark uranium price is greater than or equal to US\$80/lb but less than US\$100/lb U3O8; or
 - o US\$55,000, if the benchmark uranium price is greater than or equal to US\$100/lb U3O8.
- (iii) Paying a production royalty in the amount of:
 - a. 2.5% for production from land in which the owner holds both surface and mineral rights; and
 - b. 1.5% for production from land in which the owner holds only the surface rights.

If commercial operations have commenced within the initial 10-year lease period, Tallahassee will have the right to extend the lease for as long as commercial production continues by paying the owner US\$55,000 on the annual anniversary of the date of execution of the agreement.

Boyer Ranch Property

Tallahassee has an initial 10-year lease over the Boyer Ranch (until 10 November 2030), encompassing approximately 1,875 acres, that provides Tallahassee the right to explore, develop and mine uranium resources on that property by:

- (i) Making a cash payment of US\$10,000 on before 10 November 2021 (payment has been made);
- (ii) Making further annual payments, on or before the subsequent anniversary date of that payment, of:
 - o US\$10,000, if the benchmark uranium price is less than US\$60/lb U3O8;
 - o US\$15,000, if the benchmark uranium price is greater than or equal to US\$60/lb but less than US\$80/lb U3O8;
 - o US\$20,000, if the benchmark uranium price is greater than or equal to US\$80/lb but less than US\$100/lb U3O8; or
 - o US\$30,000, if the benchmark uranium price is greater than or equal to US\$100/lb U3O8.
- (iii) Paying a production royalty in the amount of:
 - a. 2.0% for production from land in which the owner holds both surface and mineral rights; and
 - b. 0.5% for production from land in which the owner holds only the surface rights.

If commercial operations have commenced within the initial 10-year lease period, Tallahassee will have the right to extend the lease for as long as commercial production continues by paying the owner US\$30,000 on the annual anniversary of the date of execution of the agreement.

High Park Uranium Project

During the half year, Okapi entered into a 10 year mining lease with the State of Colorado to secure a 100% interest in the 640 acre landholding at High Park. Okapi has the option to extend the lease for a further 10 years as long as minerals are being produced in paying quantities.

The financial terms of the lease include:

- One-off payment of US\$42,000 (payment has been made);
- Annual rent US\$3,200;
- Annual advanced royalty payment of \$16,800 deductible from future royalty payments (payment has been made); and
- Sliding scale gross production royalty linked to the uranium price ranging from 5% and increasing to 12%, depending on the prevailing uranium price.

Rattler Uranium Project

Tallahassee has the right to acquire a 100% interest in the 51 BLM claims that comprise the Rattler Project by making further payments of:

- i. US\$25,000 in cash or shares (at Tallahassee's election) by 31 December 2021. If a benchmark U3O8 price is >US\$60/lb, this payment is to comprise US\$50,000. (Payment has been made)
- ii. 3 further annual payments of US\$25,000 in cash or shares (at Tallahassee's election) on or before 31 December each year. If a benchmark U3O8 price is >\$60/lb at the time these payments are due, consideration will be US\$50,000.

Tallahassee is required to make all annual claim maintenance payments. Title will be transferred to Tallahassee on completion of the fourth (and final) payment. The vendor will retain a 1% NSR royalty; with Tallahassee having the right to purchase 50% of this for US\$500,000 at any time.

9. SUBSEQUENT EVENTS

On 31 January 2022, Okapi completed the acquisition of six advanced exploration projects in the world's premier high grade uranium district, the Athabasca Basin from ALX Resources Corp (TSXV:AL) (ALX). Okapi paid ALX cash in the amount of A\$1,000,000 and issued ALX 3,277,790 fully paid ordinary shares as part of the consideration.

In addition to the consideration set out above, Okapi has also issued Geonomik Pty Ltd (and their nominees) 1,229,634 fully paid ordinary shares in Okapi for the consideration for finder and introduction services provided to Okapi.

Mr Brian Hill was appointed as Non-executive Chairman on 16 February 2022, replacing Mr Peretz Schapiro who resigned on the same day.

Subsequent to half year, Okapi acquired the Maybell Uranium Project in Colorado, USA via staking 468 federal unpatented mining claims covering 3,600 ha. Okapi has secured a significant portion of the Maybell mineralised trend, which includes the area of historical production and other known mineralised occurrences and prospects. Based on the historical production and exploration data there is significant potential for the further delineation and discovery of near surface uranium resources at the Maybell Uranium Project.

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 32 to 44 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 2021 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.


Andrew Ferrier
Managing Director

15 March 2022
Perth, Western Australia

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

Conclusion

We have reviewed the accompanying half-year financial report of Okapi Resources Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Okapi Resources Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Okapi Resources Limited financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Financial Report

The directors of the Okapi Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such 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 for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us 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 financial position as at 31 December 20XX and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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 audit 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.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD



CHRIS NICOLOFF CA
Director

Dated 15th day of March 2022
Perth, Western Australia