Transformational Acquisition of Portfolio of Advanced, High Grade Uranium Assets Located in the USA

Highlights

- **Okapi to acquire 100% of Tallahassee Resources Pty Ltd, which holds a portfolio of large, high-grade uranium projects in the United States of America**
- **Assets include a strategic position in one of the most prolific uranium districts in the USA – the Tallahassee Creek Uranium District in Colorado**
- **The Tallahassee Uranium Project contains a *JORC 2004 Mineral Resource[1] estimate of 26 million pounds of U_3O_8 at a grade of 540ppm U_3O_8, with significant exploration upside**
- **The Tallahassee Uranium Project was previously part of ASX-listed Black Range Minerals Limited's portfolio with a market capitalisation >$180m in 2007 prior to its maiden resource[2]**
- **The greater Tallahassee Creek Uranium District hosts more than 100 million pounds of U_3O_8 with considerable opportunity to expand the existing resource base by acquiring additional complementary assets in the District**
- **Tallahassee also holds an option to acquire 100% of the high-grade Rattler Uranium Project in Utah**
- **The Rattler Uranium Project includes the historical Rattlesnake open pit mine from which 285,000 tonnes of ore was mined[3] between 1948 and 1954 at grades of 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**
- **The Rattler Uranium Project is located only 85km from the White Mesa Uranium Mill, the only operating conventional uranium mill in the USA hence provides a near-term, low-capital development opportunity**
- **Transaction backed by previous founders and management of Black Range Minerals**
- **Former Black Range Exploration Manager (USA), Ben Vallerine, to join Okapi's Board as Non-Executive Technical Director**
- **Okapi well-funded with circa A$6.3 million in cash and cash equivalents upon completion of Placement with high-impact work programs to commence in 2H 2021**
- **U.S. President Joe Biden's administration embraces nuclear energy to achieve its goal of a net zero carbon economy by 2050 representing the first time the Democrats have supported nuclear energy in almost 50 years**
- **Clear strategy to become a new leader in North American carbon-free nuclear energy by assembling a portfolio of high-quality uranium assets through accretive acquisitions and exploration**

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[1] Black Range Minerals (ASX:BLR) ASX announcement dated 13 August 2007.

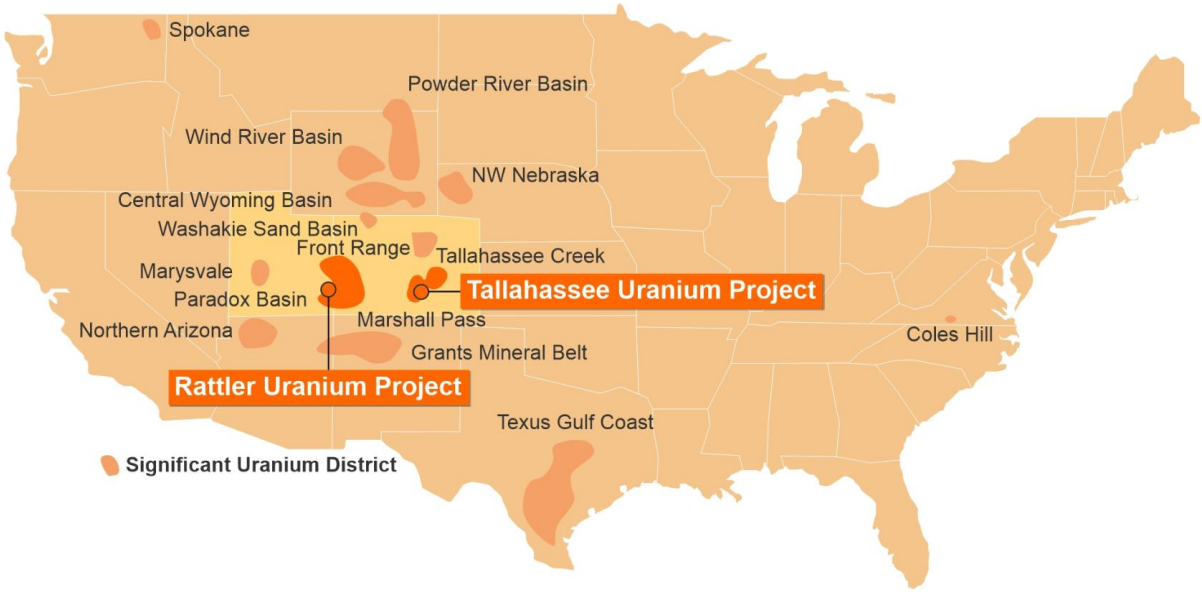
[2] Undiluted market capitalisation of Black Range Minerals as at 22 May 2007 (531m shares on issue trading at $0.34 per share).

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

Cautionary Statement – JORC 2004 Mineral Resource estimate: Readers are cautioned that the JORC 2004 mineral resource estimate for the Tallahassee Uranium Project (specifically the Taylor and Boyer properties), referred to in this announcement are not reported in accordance with the JORC 2012 Code. A Competent Person has not undertaken sufficient work to classify the JORC 2004 estimates as mineral resources in accordance with the JORC 2012 Code. Nothing has come to the attention of Okapi that causes it to question the accuracy or reliability of the former owner's estimates. However, Okapi has not independently validated the former owner's estimates and therefore is not to be regarded as reporting, adopting or endorsing those estimates. Following evaluation and/or further exploration work, it is uncertain whether it will be possible to report this JORC 2004 estimate as a mineral resource in accordance with the JORC 2012 Code.

Okapi Resources Limited (ASX:OKR) (**Okapi** or **Company**) is pleased to advise it has entered into a binding agreement (**Acquisition Agreement**) to acquire 100% of the shares and options in Tallahassee Resources Pty Ltd (**Tallahassee**). The key terms and conditions of the Acquisition Agreement are set out below.

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 north-eastern Utah (**Rattler Uranium Project**).



Okapi's Executive Director, Mr David Nour said, *"This is a transformational opportunity for Okapi to become one of the most prominent uranium developers in the world. Through this acquisition, Okapi is perfectly placed to capitalise on the strengthening uranium market. On behalf of the Board, I welcome Ben and the Tallahassee team."*

RATIONALE FOR THE ACQUISITION

The acquisition of Tallahassee provides Okapi immediate leverage to several large, high-grade North American uranium projects, together with direct access to a team who has in-depth knowledge of, and experience operating in, the North American uranium sector. Okapi's strategy is to capitalise on the bullish outlook for the industry, by rapidly building a North American uranium play via (i) accretive acquisitions; and (ii) successful exploration, in order to become a new leader in North American carbon-free nuclear energy.

The acquisition of Tallahassee represents the foundation on which to implement this strategy.

Electrification of the global economy: Major forecasters expect electricity demand will grow an incremental 55% by 2035 as electric vehicle penetration continues to accelerate. Electric car registrations increased by 41% in 2020 with 10 million electric cars on the world's roads at the end of 2020. As electricity demand increases, so does the need for reliable, emission-free base load power. Electricity generation is the largest and fastest growing contributor to global carbon dioxide (CO_2) emissions. Nuclear power is one of the few energy sources capable of delivering base load carbon-free energy around the clock and currently accounts for 55% of carbon-free electricity in the United States (*source: nei.org*).

US President Joe Biden embraces domestic nuclear industry to achieve net-zero emissions by 2050: In 2020, approximately 60% of US utility-scale electricity generation was produced from fossil fuels (coal, natural gas, and petroleum), 20% from nuclear energy and 20% from renewable energy sources (*source: eia.gov*). The ruling United States Democrat Party recently announced its support of nuclear energy for the first time in almost 50 years. This is part of the Democratic Party's "technology neutral" approach to reduce reliance on fossil fuels, with nuclear energy to play a key role in the provision of green baseload power as part of electrification and decarbonisation of the U.S economy.

US Government to establish a national, strategic uranium reserve*:* Owners and operators of US nuclear power reactors purchased the equivalent of approximately 48 million pounds of uranium in 2019 with less than 12% purchased from domestic sources while a combined total of 42% was purchased from Russia (15%) Kazakhstan (18%) and Uzbekistan (9%) (*source: eia.gov*). In late 2020, the US Senate Committee on Environment and Public Works approved, with bipartisan support, a bill that advances a federal initiative to establish a national, strategic uranium reserve.

Non-OECD demand growth*:* Non-OECD demand growth is expected to continue significantly, led by China. In October 2018 China's NDRC Energy Research Institute said that China's nuclear generating capacity must increase ten-fold to 554 GWe (currently ~50 GWe) by 2050 if the country is to play its part in limiting the global temperature rise to below 1.5 C. The share of nuclear power in China's energy mix would therefore need to increase from current levels of 4% to 28% over this period. 20% of all new nuclear reactors under construction globally are in China.

Global uranium supply and demand fundamentals continue to tighten: Global uranium supply is in deficit with supply and demand fundamentals continuing to tighten with a significant shortfall expected in the coming years (*source: World Nuclear Association*). Furthermore, United States utility contract coverage remains critically low as Kazatomprom and Cameco continue to exercise production discipline limiting short and mid-term production levels.

TALLAHASSEE URANIUM PROJECT, COLORADO, USA

Project Area

The Tallahassee Uranium Project is located in central Colorado, USA, approximately 140km southwest of Denver and 30km northwest of Canon City.

The Tallahassee Uranium Project currently comprises:

(i) Leases over two private properties (the Taylor and Boyer ranches) that provide a 100% interest in approximately 7,400 acres that encompass the Boyer, Noah and Northwest Taylor Uranium Deposits. The lease agreements provide Tallahassee the right to explore, mine and construct infrastructure on these lands; and

(ii) Eight federal lode mining claims that cover a portion of the High Park Uranium Deposit.

The total project area is approximately 7,500 acres (*see Figure 1*).

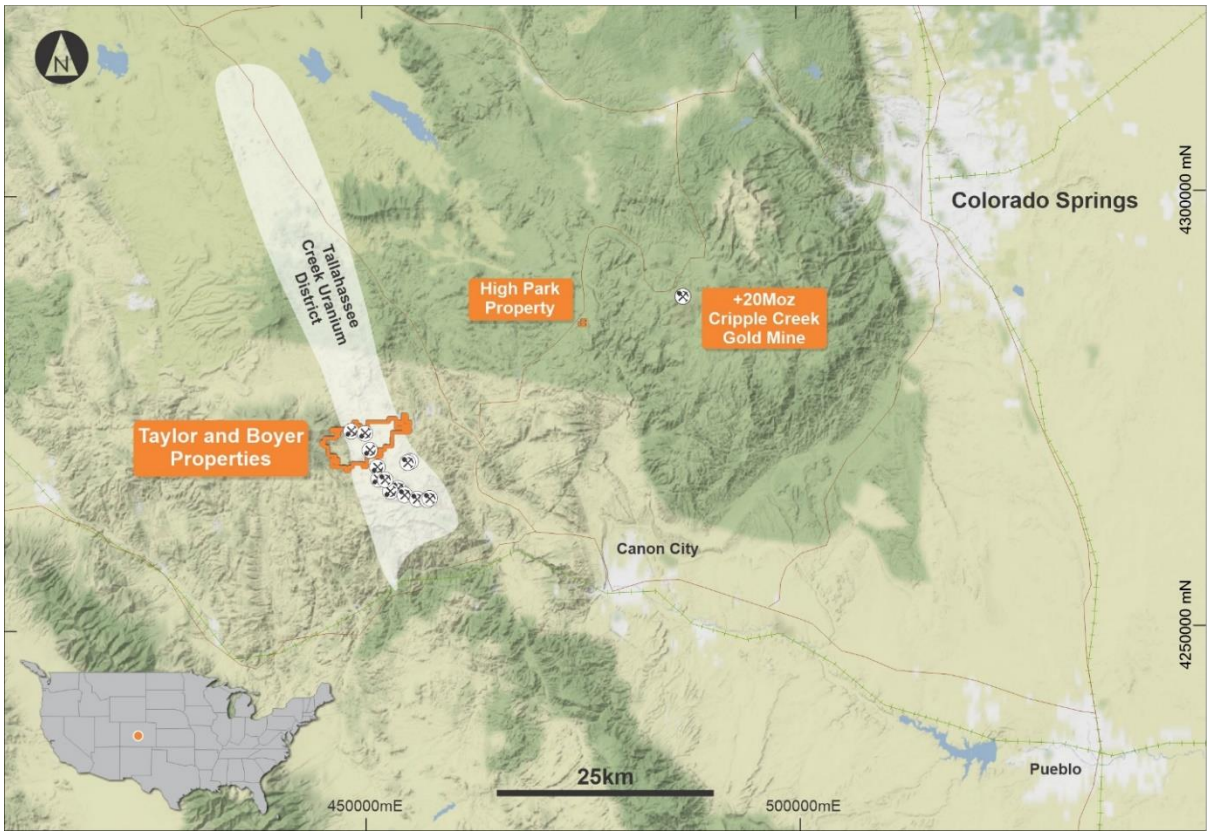


Figure 1. Location of Tallahassee's mineral rights within the Tallahassee Creek Uranium District, Colorado, USA.

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 (*see Figure 2*).

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 (*see Figure 2*).

But 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.[4]

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

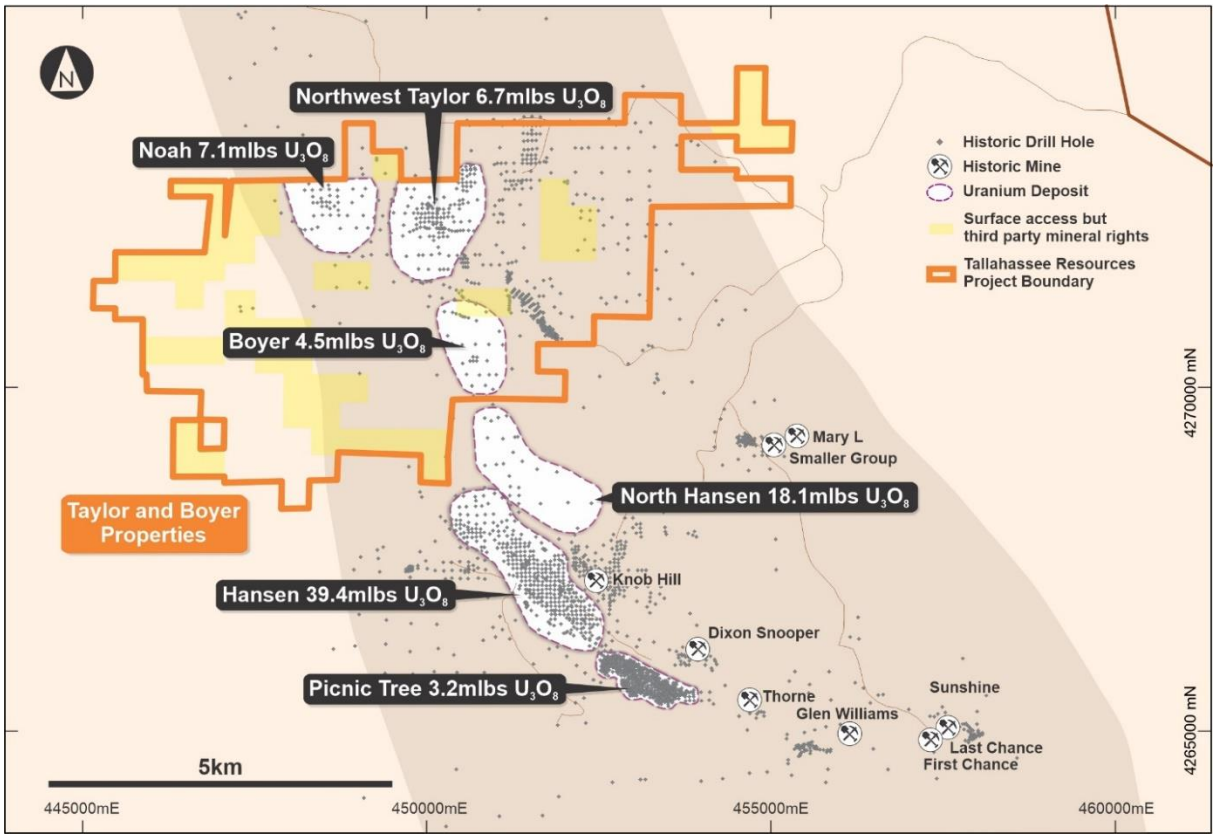


Figure 2. Uranium Deposits and historical mines in the central-western portion of the Tallahassee Creek Uranium District.

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 buildup of carbonaceous material within the host formation during sediment deposition.

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

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 Hansen Deposit is hosted by the Echo Park Formation, whereas the Picnic Tree Deposit is hosted by the overlying Tallahassee Creek Formation. The Noah, Northwest Taylor and Boyer Deposits are all hosted by the more favorable Echo Park sandstones, so mineralization is generally thick and laterally continuous, and commonly comprises high-grade mineralisation within broader, lower-grade envelopes. Depth to mineralisation varies according to depth of cover as well as today's geomorphology, and ranges from around 100 metres up to 270 metres below surface (*see Figure 3*).

Approximately 30km to the northeast of the Noah, Boyer and Northwest Taylor Deposits, Tallahassee holds a 100% interest in eight mining claims that cover a portion of the High Park Uranium Deposit. This mineralization is hosted by an outlier of Tallahassee Creek Formation. The average depth of this mineralisation is around 25-30 metres below surface.

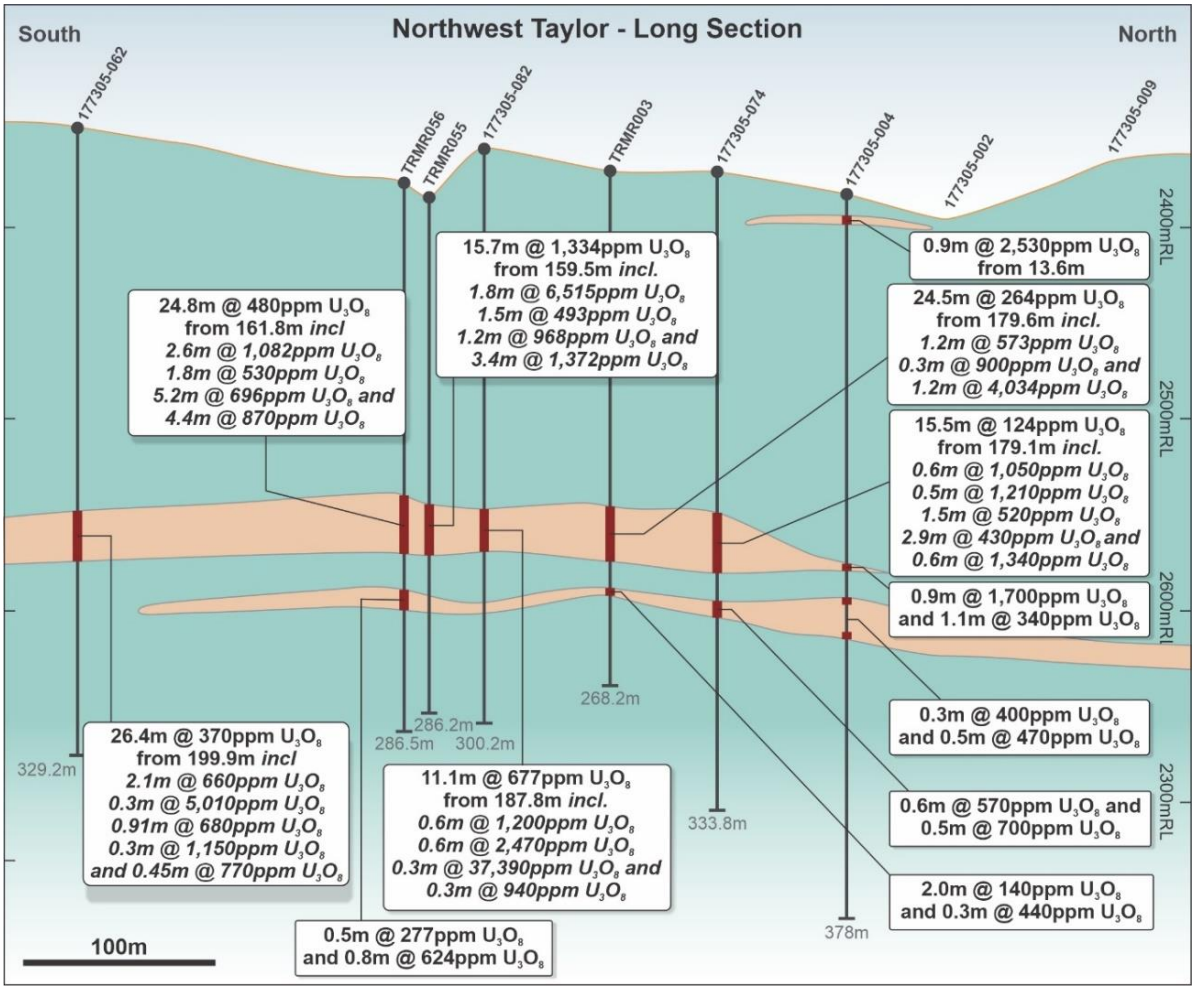


Figure 3. Long Section through the Northwest Taylor Uranium Deposit.

Historical Resources

A JORC 2004 Mineral Resource estimate has previously been reported for Tallahassee Resources current project area (Black Range Minerals ASX announcement dated 13 August 2007). This comprised **26 million pounds of U_3O_8 at a grade of 540ppm U_3O_8** when applying a 250ppm cut-off, with significant exploration upside remaining. The JORC 2004 resources are wholly within the Taylor and Boyer properties.

In addition to the JORC 2004 Mineral Resource estimate for the Taylor and Boyer properties, the High Park deposit also has a historical Mineral Resource estimate. The historical estimate was calculated in 1979 by Dravo Denver Operations, an independent consultant for Wyoming Minerals Corporation, it is estimated that Tallahassee's High Park deposit contains ~ *1.3 million pounds of U_3O_8 at a grade of approximately 1,010ppm U_3O_8.

Cautionary Statement: Readers are cautioned that the historical mineral resource estimates for the High Park property, referred to in this announcement are "historical estimates" under ASX Listing Rule 5.12 and are not reported in accordance with the JORC 2012 Code. A Competent Person has not yet undertaken sufficient work to classify the historical estimates as mineral resources in accordance with the JORC 2012 Code. It is uncertain that, following evaluation and/or further exploration work, it will be possible to report this historical estimate as mineral resources in accordance with the JORC 2012 Code.

ASX Listing Rule 5.12 specifies the additional information that must be provided in a market announcement that contains historical estimates. This information is contained in Appendix 1 together with further details on the historical mineral resource estimates.

Project Acquisition Terms

Tallahassee holds its mineral rights by way of mining agreements with two privately-owned ranches through its wholly owned subsidiary, Usuran Resources Inc. Tallahassee has also staked claims to secure the mineral rights over known uranium mineralisation at the High Park Deposit.

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;
(ii) Making further annual payments, on or before the subsequent anniversary date of that payment, of:
- US$25,000, if the benchmark uranium price if less than US$60/lb U_3O_8;
- US$35,000, if the benchmark uranium price is greater than or equal to US$60/lb but less than US$80/lb U_3O_8;
- US$45,000, if the benchmark uranium price is greater than or equal to US$80/lb but less than US$100/lb U_3O_8; or
- US$55,000, if the benchmark uranium price is greater than or equal to US$100/lb U_3O_8.

(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;

(ii) Making further annual payments, on or before the subsequent anniversary date of that payment, of:
- US$10,000, if the benchmark uranium price if less than US$60/lb U_3O_8;
- US$15,000, if the benchmark uranium price is greater than or equal to US$60/lb but less than US$80/lb U_3O_8;
- US$20,000, if the benchmark uranium price is greater than or equal to US$80/lb but less than US$100/lb U_3O_8; or
- US$30,000, if the benchmark uranium price is greater than or equal to US$100/lb U_3O_8.

(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 Mining Claims

Tallahassee holds a 100% interest in eight (8) federal lode mining claims (for 120 acres) that cover a portion of the High Park Uranium Deposit. Tallahassee can maintain these claims, in perpetuity, providing it makes annual claim maintenance payments to the federal government on or before 1 September each year. These payments currently amount to US$165 per claim per year. No royalty is payable.

Forward Work Plan

Tallahassee is working towards declaring a 2012 JORC Mineral Resource estimate for the Tallahassee Project in the coming months.

Tallahassee anticipates then embarking upon a circa 10,000m drilling program to:

(i) Expand the existing resource base;

(ii) Improve confidence in the existing resource base; and

(iii) Acquire samples that can be used for initial metallurgical testwork.

Depending on the results of this work, initial conceptual mine design work may be undertaken to help determine the most appropriate work programs to implement thereafter.

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.

RATTLER PROJECT, UTAH, USA

Project Area

The Rattler Project comprises 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.**

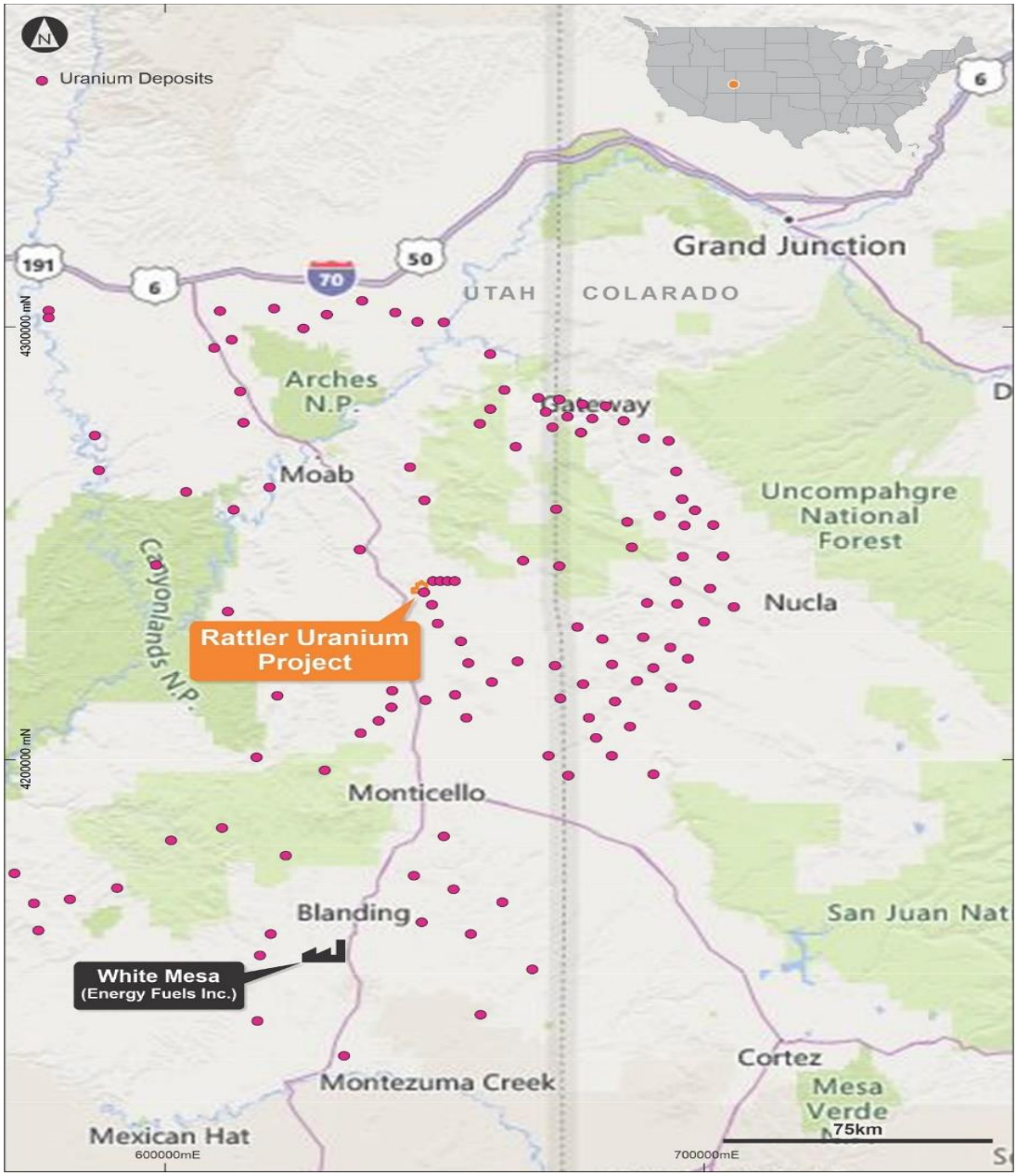


Figure 4. Location of the Rattler Uranium Project, Utah, USA

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 reported[5] 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.

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.

[5] 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.

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

1. US$25,000 in cash or shares (at Tallahassee's election) by 31 December 2021. If a benchmark U_3O_8 price is >US$60/lb, this payment is to comprise US$50,000.
2. 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 U_3O_8 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.

Forward Work Plan
Tallahassee intends undertaking initial reconnaissance work at Rattler in the coming months to endeavour 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.

Tallahassee also intends pursuing acquisition of additional mining claims in neighbouring areas.

ACQUISITION AGREEMENT DETAILS

The material terms of the agreement between Okapi, Tallahassee and shareholders and option holders of Tallahassee (**Vendors**) are summarised below:

- Completion of the Acquisition is conditional on the following key conditions precedent:
    - The receipt of shareholder approval at a general meeting, intended to be held in August 2021 (**Meeting**) for the issue of the Consideration Securities (defined below).
    - The receipt of shareholder approval at the Meeting for the Placement (defined below) and for the directors of Okapi to participate in the Placement.
    - The receipt of shareholder approval for Mr Ben Vallerine to join the Board of Okapi subject to settlement of the Acquisition.
    - The parties obtaining all other shareholder, statutory and regulatory approvals or waivers required to complete the Acquisition.
    - In relation to the Deferred Consideration Shares (defined below): Okapi obtaining confirmation from ASX that the terms of the Deferred Consideration Shares are acceptable to ASX pursuant to ASX Listing Rule 6.1 and ASX Guidance Note 19: Performance Securities and a waiver of ASX Listing Rule 7.3.4 to permit the issue of the Deferred Consideration Shares to occur more than three months after the date of shareholder approval.

- Okapi obtaining ASIC approval to acquire an interest in its own securities of an amount greater than 20% by virtue of entry into the voluntary escrow arrangements described below.

These conditions are to be satisfied by no later than 31 August 2021 (unless mutually extended).

- Subject to the satisfaction of the conditions, on completion, OKR will issue the Vendors 33.5 million shares and 16.75 million unlisted options exercisable at $0.30 and expiring two years from the date of issue (**Consideration Securities**). One third of the Consideration Securities (11,166,666 shares and 5,583,333 options) will be subject to voluntary escrow for 6 months from the date of issue and two thirds of the Consideration Securities (22,333,334 shares and 11,166,667 options) will be subject to voluntary escrow for 12 months from the date of issue.

- A further four tranches of 3 million shares each may be issued to the Vendors upon achievement of the following milestones, within three years of completion of the Acquisition (**Deferred Consideration Shares**):

  - 3,000,000 Shares upon OKR completing a maiden drilling program for 10,000 metres (equivalent) returning a drill intercept of at least (i) 2m @ 0.1% U_3O_8; or (ii) 10m @ 0.05% U_3O_8 on the Tallahassee Uranium Project.
  - 3,000,000 Shares upon OKR announcing a Maiden JORC (2012) Inferred Resource of at least 20Mlbs of U_3O_8 at a minimum grade of 400ppm U_3O_8 on the Tallahassee Uranium Project.
  - 3,000,000 Shares upon OKR announcing a JORC (2012) Inferred Resource of at least 50Mlbs of U_3O_8 at a minimum grade of 400ppm U_3O_8 (via exploration, acquisitions and/or staking new claims) on the Tallahassee Uranium Project.
  - 3,000,000 Shares upon the earlier of OKR completing a positive scoping study on the Tallahassee Uranium Project enabling OKR to progress to the next stage of development.

- The Vendors of Tallahassee are the following parties: Bullseye Geo Services Pty Ltd ATF Haynes Family Trust, Stelabel Pty Ltd ATF The Sealinks Family Trust, Benjamin Mathew Vallerine & Samantha Leigh Blount ATF Avalanche Trust Fund, Silverpeak Nominees Pty Ltd ATF The RGM Hill Trust, Evans Leap Holdings Pty Ltd ATF Evans Leap Holdings Trust, Ch2 Investments Pty Ltd, Kim Robinson, Timothy McCormack, Lachlan James Horn, James Michael Thomson, Kendali Pty Ltd, Longreach 52 Pty Ltd, Spring Plains Pastoral Co (Vic) Pty Ltd <Spring Plains Pastoral Co>, Patrick Coleman Siglin, Jordyn Jean Kiernan and Beverley Nichols. The Vendors are all unrelated parties of the Company. Mr Ben Vallerine is a Vendor and will become a related party of the Company upon joining the Board of Okapi.

BOARD APPOINTMENT

On and from completion of the Acquisition, it is proposed that Mr Ben Vallerine be appointed to the Board of Okapi as Non-Executive Technical Director, subject to shareholders approving Mr Vallerine's appointment and the Acquisition.

Mr Vallerine is a qualified geologist with 20 years' experience and brings considerable in-country experience to the Okapi Board. Ben spent 6 years as Head of Exploration (USA) for Black Range Minerals where he gained considerable experience in the identification, acquisition and exploration of uranium assets. More recently, Ben held the position of exploration manager at Caspin Resources Limited (ASX:CPN).

PLACEMENT

The Company has received firm commitments to raise A$2.84 million (before costs) via a share placement to sophisticated and professional investors through the issue of 14.2 million new fully-paid ordinary shares at A$0.20 per share (**Placement Shares**) and 14.2 million free-attaching unlisted options exercisable at $0.30 each and expiring two years from the date of issue (**Placement Options**) (together, the **Placement Securities**) on the basis of one (1) Option for every one (1) Share issued (the **Placement**).

Subject to receipt of prior shareholder approval, the Company's Directors propose to subscribe up to A$310,000 worth of shares in the Placement.

The issue of the Placement Securities, including the securities to be issued to the Directors, will be subject to receipt of shareholder approval for the Placement and the issue of the Consideration Securities and Deferred Consideration Shares at the Meeting and completion of the Acquisition.

The Placement Shares will rank equally with existing fully paid ordinary shares in the Company.

Funds raised will be used to pay the costs associated with the acquisition of Tallahassee and exploration on the Tallahassee Uranium Projects and general working capital.

This announcement has been authorised for release by the Board of Okapi Resources Ltd.

For further information please contact:

Leonard Math
Executive Director & Company Secretary
Okapi Resources Ltd
T: 08 6117 9338
E: leonard.math@okapiresources.com

Competent Person's Statement

The information in this announcement including exploration results and historic Mineral Resource estimates is based on information reviewed by Mr Ben Vallerine. Mr Vallerine is a shareholder of Tallahassee Resources Pty Ltd and former full-time employee and director of Black Range Minerals Limited and a proposed director of the Company. Mr Vallerine is a member of The Australian Institute of Geoscientists and 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 Ben Vallerine confirms that the information in this announcement provided under Listing Rules 5.12.2 to 5.12.7 (refer Appendix 1) is an accurate representation of the available data and studies for the High Park deposit.

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.

Caution Regarding Forward Looking Statements

This announcement contains forward looking statements which involve several 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.

APPENDIX 1

Accompanying Notes to the High Park Historic Mineral Resource Estimates

ASX Listing Rule 5.12 sets out the parameters whereby historic mineral resource estimates can be reported on the ASX. Accordingly, in addition to the disclosure in the body of this announcement, the Company provides the following information regarding the historic mineral resource estimate for the High Park deposit.

ASX Listing Rule 5.12.1 – Provide the source and date of the historical estimate.

The historic resource has been mentioned in several feasibility studies into mining the Hansen Deposit completed for Cyprus Mines between 1977 and 1982. The resources made up part of the mine plan that was fully permitted for mining in the 1980's and were considered mineable reserves at the time. A report by Dravo Denver Operations titled, "*High Park Minable Reserve Study Prepared For Wyoming Minerals Corporation, June 1979*" (Dravo Report) discusses resources and mineable reserves and has been relied upon for this announcement. This report estimates that within Section 25, 2,089,478 pounds of U_3O_8 are present at a grade of 1,010 ppm U_3O_8. The Company estimates that 65% of this resource is located within properties it controls, or approximately 1,358,161lbs of U_3O_8.

ASX Listing Rule 5.12.2 – If the historical estimate used categories of mineralisation other than those defined in the JORC Code 2012, provide an explanation of the differences

The historical resource estimate was prepared in support of mining and, at the time, was considered to have been estimated with best practice, early computer technology had been utilised. The resource was calculated using the polygonal method with a cut-off of 2 feet @ 0.03% U_3O_8 (0.6m @ 300ppm U_3O_8).

ASX Listing Rule 5.12.3 – Provide the relevance and materiality of the historical mineral resource estimate to the entity.

The Company believes the historic resource estimate discussed is material because it provides an indication of the amount of work completed and the size and scale of the mineralisation delineated to date. The High Park deposit was previously part of a fully permitted mining and processing operation that never eventuated in the early 1980's.

ASX Listing Rule 5.12.4 – Detail the reliability of the historical estimate, including by reference to any of the criteria in Table 1 of JORC Code 2012 which are relevant to understanding of the reliability of the historic mineral resource estimate

The historical estimate was calculated in conjunction with a series of feasibility studies and was part of a fully permitted mining and processing operation that never eventuated. Therefore, the Company believes the reliability of this resource is high.

ASX Listing Rule 5.12.5 – To the extent known provide a summary of the work programs on which the historic estimate is based and a summary of the key assumptions, mining and processing parameters and methods used to prepare the historic estimate

High Park was drilled out by Cyprus Mining Corporation or its agents and JV partners on 30m (100 foot) centres between 1974 and 1980, with over 750 holes drilled for almost 36,000m with an average depth of <50m over the entire deposit. Approximately 315 of these holes are within the Company's mining claims. The Company has reviewed several historic reports that contemplated an economic operation at High Park as part of the greater Hansen Project, therefore the Company was satisfied that the mining and processing factors were achievable especially as the resource is shallow, being <50m.

ASX Listing Rule 5.12.6 – Are there any more recent estimates or data relevant to the reported mineralisation available to the entity.

There are several references to mineable reserves in more recent reports, but they appear to be a re-iteration of the Dravo Report which is the only full report specifically for the purpose of resource/reserve estimation. The Dravo Report is the only report that discuss resources and the methodology used in the calculation.

The Company is aware that another company, Buckingham Resources held the High Park claims around the 2006 – 2014 period but is not aware of any drilling completed and does not have access to any drilling data if any was completed.

ASX Listing Rule 5.12.7 – Detail the evaluation and/or exploration work that needs to be completed to verify the historic estimate as mineral resources or ore reserves in accordance with the JORC Code 2012

As the High Park deposit has been drilled out on 30m centres and all the drilling data and various mining studies are available, the resource at High Park may be calculated with sufficient confidence to satisfy the JORC Code. Black Range completed a series of twin holes nearby at Hansen and Taylor Ranch where the Cyprus drill data was shown to be accurate. Therefore, the High Park resource can likely be calculated using modern techniques but historical data without the need for significant if any new drilling.

ASX Listing Rule 5.12.8 – Explain the proposed timing of any evaluation work and/or exploration work the entity intends to undertake and how the entity intends to undertake that work.

The Company has been in discussions with a US based consultant to convert the historic resources to compliant resources, the Company anticipates that this information will be available in Q3 2021. The Company intends conducting an initial 10,000m drilling program at the Tallahassee Uranium Project as soon as practicable on completion of the transaction and acquisition of any required permits.

APPENDIX 2
JORC CODE, 2012 EDITION – TABLE 1 REPORT

The following Tables are provided to ensure compliance with the JORC Code (2012) edition requirements for the reporting of Exploration Results and to support the historic and JORC 2004 Mineral Resource estimates discussed in this announcement.

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	• The equivalent U_3O_8 (eU_3O_8) grades obtained from the Black Range Minerals (BLR) phases of drilling were calculated by Strata Data and Century Wireline Services, two geophysics and uranium logging companies based in Wyoming, USA. The uranium logging system used was truck mounted and measured both the radiometric and electric signals downhole. Two separate probe models, 9041 and 9057 were manufactured by Century Geophysics and each is capable of measuring total gamma count. The employed tools are regularly calibrated at a United States Department of Energy facility, following industry standards. Calibration of the tools allow for the calculation of eU_3O_8 directly from the total gamma count measured downhole. Calculated eU_30_8 can be a reliable measure of uranium content, but on occasion can be subject to disequilibrium if radioactive elements other than uranium and its natural daughter isotopes are present. • Historically (Cyprus Drilling) grade calculations were completed in a very similar manner although different probe models were used. Among the various geophysical logging companies to complete work historically at the Project, Century Geophysics were one of the preferred contractors for the original exploration.
Drilling techniques	• The dominant drilling technique used has been rotary mud drilling from surface with rotary air and conventional percussion hammer sometimes used to drill through the overburden. Sample cuttings were collected and observed on 5-foot (1.5m) intervals. Historically a limited amount of conventional core drilling was completed through the ore zones. Historic core collection typically involved rotary mud to the top of the ore zone and then a switch to core drilling for collection of the mineralized interval. • NQ3 and HQ3 core drilling was completed in the 2010's by BLR at the nearby Hansen Deposit but not within the Company's current leases.
Drill sample recovery	• Mud rotary drilling is a common drilling technique used when drilling soft or poorly consolidated sediments, as the mud cakes on the borehole wall holding the hole open, allowing down hole logging in an open hole. No mud rotary samples have been sent to the lab for analysis as part of the mineral resource estimate. • Sample recovery has not been documented for rotary mud drilling as downhole logging works on the material present on the open borehole wall. • Typically, a downhole caliper probe was run in conjunction with the gamma and electric logs.

Criteria	Commentary
Logging	• The geological characteristics of rotary cuttings have been visually logged every 5ft (1.5m). Downhole gamma, electric and caliper logs were used to assist in the identification of lithology boundaries. The logs are best described as quantitative. • Core was logged in a qualitative nature and all core was photographed.
Sub-sampling techniques and sample preparation	• There is no core drilled since the 1980's within the Company's current leases. • Non-core material was not submitted to the laboratory for any analysis so there was no conventional quality control and splitting. • As described in "Sampling Techniques" gamma probes were used to calculate the eU_3O_8 values used in the mineral resource estimation. The gamma probes were regularly calibrated. • Core holes were both assayed, and gamma logged to assess any potential dis-equilibrium.
Quality of assay data and laboratory tests	• As described in "Sampling Techniques", gamma probes were used. The calibration of the tool allows for the calculation of eU_3O_8 directly from the total gamma count. eU_30_8 can be a reliable measure of uranium content, but on occasion can be subject to disequilibrium if radioactive elements other than uranium are present. • Core was submitted for chemical assay historically and then chemical data were used to confirm probe data and equilibrium conditions.
Verification of sampling and assaying	• Between 2007 and 2010 six historical holes were twinned with rotary mud drilling on the Company's leases. • A recent (Black Range) rotary mud hole was twinned with a core hole to verify results. A further ten historical rotary mud holes were twinned with HQ core holes. All of these holes were not within the current leases but provide confidence in that generation of historic data. • Primary data was predominantly logged on paper and later entered into spreadsheets and provided to an external database consultant. • Between 2007-2009 the downhole surveyor provided data to the Company in electronic and hard copy format, which is imported into the Company's database. • Disequilibrium studies in the 1970's and 80's concluded that no adjustments are required for the gamma calculated U_3O_8 values.
Location of data points	• The more recent drill collar coordinates have been determined using a handheld survey station GPS using NAD83 zone 13. • Historic holes were professionally surveyed in the late 1970's and 1980's. • The datum used prior to 2000 was US State Plane, Colorado Central 1927, Feet. All recent GPS data were collected in UTM NAD83 and converted to US State Plane using Mapinfo. The accuracy of the conversions and historic data were investigated using known holes with surveyed coordinates and was considered less than the GPS error.
Data spacing and distribution	• Drill spacing is variable across different areas of the Project, spacing is as broad as 800 feet (243m). The drill spacing has been factored into the classification of the mineral resource. • The downhole logging data were provided to the resource geologist

Criteria	Commentary
	on 0.5ft (0.15m) intervals. These were composited to 3ft intervals (0.91m).
Orientation of data in relation to geological structure	• Vertical drilling has exclusively been used as the target strata is sub-horizontal in a Tertiary paleaochannel. Therefore, drilling intercepted the target strata very close to perpendicular.
Sample security	• Wireline logging effectively replaces sampling, so sample security was not an issue.
Audits or reviews	• The Company's Competent Person has reviewed the data.

Section 2 Reporting of Exploration Results
(Criteria listed in the preceding section also apply to this section)

Criteria	Commentary
Mineral tenement and land tenure status	• Within the Project area, Tallahassee has two private Mineral Leases and 8 unpatented mining claims. The Company had a brief legal review of the leases as part of its due diligence, with no red flags raised.
Exploration done by other parties	• Cyprus Mines Corp (Cyprus) conducted an extensive amount of drilling in the region from 1976 through until 1983. They drilled over 520 drill holes for in excess of 100,000 metres within the Company's leases. BLR drilled 64 holes for approximately 20,000 metres on the Company's Leases between 2007 and 2009. Cyprus also conducted even more drilling resulting in three feasibility studies at the neighbouring Hansen Project, including mine designs, process designs and had all permits in place to commence mining in 1982.
Geology	• The deposits that make up the Project are tabular sandstone deposits associated with redox interfaces. The mineralization is hosted in Tertiary sandstones and/or clay bearing conglomerates within an extinct braided stream, fluvial system or paleaochannel. Mineralization occurred post deposition when oxygenated, uraniferous groundwater moving through the host rocks came into contact with redox interfaces, the resultant chemical change triggered the precipitation of uranium oxides. The most common cause of redox interfaces is the presence of carbonaceous material that was deposited simultaneously with the host sediments. In parts of the Project the paleaochannel has been covered by Tertiary volcanics and throughout the basement consists of Pre-Cambrian plutonic and metamorphic rocks. The volcanic and Pre-Cambrian rocks are believed to be the source of the uranium.
Drill hole Information	• No specific drill hole information is discussed in the announcement
Data aggregation methods	• No specific drill hole information is discussed in the announcement
Relationship between mineralisation widths and intercept lengths	• All drilling is vertical and therefore perpendicular to the sub-horizontal lenses rich in U_3O_8.
Diagrams	• The Company has included maps and sections to graphically represent the drilling completed in the past.

Criteria	Commentary
Balanced reporting	• The Company is not reporting exploration drill results. Data is reported within the drafting only where aggregation is subjective.
Other substantive exploration data	• The Company has a substantial drilling database covering the Mining Lease's.
Further work	• The Company has recently acquired the mineral leases and is in the process of planning work programs and shall commence applying for permits in the near future.

Section 3 Estimation and Reporting of Mineral Resources
(The criteria listed in Section 1 and, where relevant, in Section 2, also apply to this Section)

Criteria	Commentary
Database integrity	• Collar details, interval grades and survey data were entered from hardcopy historical records. Electronic data were available for recent drilling. Several sections were double blind entered for accuracy verification. Outliers from initial data entry for collar locations and grade results were investigated and corrected. Grade populations and three-dimensional locations were visually inspected in cross-section and also visually compared with historic maps and sections. • Analytical values used for estimation of U_3O_8% are equivalent U_3O_8% (eU_3O_8%) values, which were obtained by down survey using calibrated geophysical instruments.
Site Visits	• The Competent Person for this report is a former employee of Black Range and has visited the site numerous times between 2006 and 2012.
Geological Interpretation	• There is high confidence in the geologic interpretation. The deposit is horizontally stratified and laterally consistent, drill hole logging and surface mapping supports this conclusion. • The data source for geologic interpretation is primarily drill hole logs and surface mapping. The model currently assumes minimal post mineralisation faulting. • Deposit domains were confined by corresponding geologic units. • Continuity of geology is on a regional sedimentary scale and regular. grade continuity is subject to deposition of carbonaceous material and oxidation reduction interfaces of paleo-groundwater carrying mobilized uranium.
Dimensions	• The Taylor Ranch and Boyer Deposits have an approximate combined strike length of approximately 3000m and width of 500m, and a thickness in varying amenable horizons of 1 to +30m.
Estimation and modeling techniques	• Commonly accepted standard whole-block kriging methodologies were used to estimate the resource in 2007. Uranium domains were modeled using wireframe solids, resources were quantified outside solids with drastically reduced search ranges. • No recovery has been applied for the purposes of the mineral resource estimate. • No deleterious elements (or credits) have been evaluated as part of the mineral resource estimate.

Criteria	Commentary
	• Blocks have been sized as a trade-off between mineralized shapes and general mining selectivity. The block heights are four to six times the half foot sample collection, but block lengths and widths are several times smaller than the drill spacing in order to adequately fit the mineralized shapes. • It is assumed that due to the soft sedimentary nature of the mineral zone good selectivity can be achieved. • The models are single variable, only U_3O_8. • Mineral domains were confined to sedimentary rock units and mineral horizons. Block search anisotropy was also fitted to the stratigraphy with the shortest axis being across dip, or horizon thickness. • Capping was not applied. The high-end portion of the grade distribution was sufficiently uniform after compositing. • Resource models were visually inspected in cross-section by multiple individuals. Any issues were flagged and corrected before finalization of the model. The populations of grades, composites and blocks were reviewed for continuity and moderation of grade toward final estimation.
Moisture	• Tonnages are estimated on a dry basis. Moisture content has not been assessed as part of the mineral resource estimation.
Cut-off parameters	• The JORC 2004 Mineral Resource estimate has been quoted at a 250ppm cut off.
Mining factors or assumptions	• At this stage limited mining assumptions have been considered. Block size of 3ft (0.91m) thick was chosen for deposit within the Company's leases. When further information is known regarding mining methods block dimensioning should be re-evaluated. Dilution has not been applied. Blocks have been assigned as within or outside of the mineral domain and property based on the location of their centroid in 2D.
Metallurgical factors or assumptions	• Metallurgical amenability has not been considered for the mineral resource estimation. Reports covering metallurgy on the adjacent Hansen Deposit have been reviewed by the CP with no red flags.
Environmental factors or assumptions	• Environmental impacts have not been accounted for in the mineral resource estimation. Appropriate baseline environmental studies were commenced by Black Range but not completed.
Bulk density	• Density values have been sourced from the historic feasibility report titled *Mine Feasibility Study of the Hansen Project; Date: June 1980* commissioned by the previous explorer Cyprus Mining. Density determinations were made from 40 core drill holes by reputable analytical laboratories, on a dry basis. • Density values are in line with expected values for sedimentary rocks of average porosity. Vugs have not been observed. • Density values have been measured by rock type. Block tonnages of different rock types were estimated using densities corresponding to rock types.
Classification	• Density values have been measured by rock type. Block tonnages of different rock types were estimated using densities corresponding to rock types.

Criteria	Commentary
Audits or Reviews	• The JORC 2004 Mineral Resource estimate has been reviewed by the CP.
Discussion of relative accuracy/confidence	• Accuracy and variability has been assessed through visual review of cross-sections, comparing blocks to drill hole grades.