Minxcon Consulting

Trigon Metals Inc.

NI 43-101 Technical Report on the Kombat Copper Project, Namibia

Mineral Resource Report

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This Report titled "NI 43-101 Technical Report on the Kombat Copper Project, Namibia - Mineral Resource Report" was prepared on behalf of Trigon Metals Inc.. The Report is compliant with National Instrument 43-101 and Form 43-101 F1. The effective date of this Report is 28 February 2018.

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OPERATIONAL RISKS

The business of mining and mineral exploration, development and production by their nature contain significant operational risks. The business depends upon, amongst other things, successful prospecting programmes and competent management. Profitability and asset values can be affected by unforeseen changes in operating circumstances and technical issues.

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Certain statements contained in this document other than statements of historical fact, contain forward-looking statements regarding the operations, economic performance or financial condition, including, without limitation, those concerning the economic outlook for the mining industry, expectations regarding commodity prices, exchange rates, production, cash costs and other operating results, growth prospects and the outlook of operations, including the completion and commencement of commercial operations of specific production projects, its liquidity and capital resources and expenditure, and the outcome and consequences of any pending litigation or enforcement proceedings.

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LIST OF UNITS AND ABBREVIATIONS

The following units were used in this Report, and are in metric terms:-

Unit	Description
%	Per cent
/	Per
°	Degrees
°C	Degrees Celsius
cm	Centimetres
g/t	Grams per tonne
ha	Hectares
kg	Kilogram
km	Kilometres
kt	Kilo tonnes
ktpm	Kilo tonnes per month
kV	Kilo volt
m	Metres
mm	Millimetres
m^3	Cubic metres
m^3/h	Cubic metres per hour
Ma	Million years
Mt	Million tonnes
MVA	Mega volt ampere
ppm	Parts per million
ppb	Parts per billion
t	Tonnes
tpd	Tonnes per day

The following abbreviations were used in this Report:-

Abbreviation	Description
Ag	Silver
AMIS	African Mineral Standards
amsl	Above Mean Sea Level
Bureau Veritas	Bureau Veritas Namibia (Pty) Ltd Mineral Laboratory
Capex	Capital Expenditure
CIM	Canadian Institute of Mining, Metallurgy and Petroleum
Cu	Copper
CuEq	Copper Equivalent
DCF	Discounted Cash Flow
DDH	Diamond Drillholes
ECC	Environmental Clearance Certificate
EIA	Environmental Impact Assessment
EMA	Environmental Management Act, No. 7 of 2007
EMP	Environmental Management Plan
FCFF	Free Cash Flow to Firm
Grove	Grove Mining (Pty) Ltd
Kombat Copper	Kombat Copper Inc.
Kombat or Project	Kombat Copper Project
Manila	Manila Investments (Pty) Ltd
MET	Ministry of Environment and Tourism
Minerals Act	Minerals (Prospecting and Mining) Act, No. 33 of 1992
Minxcon	Minxcon (Pty) Ltd
MME	Ministry of Mines and Energy
NI 43-101	National Instrument 43-101 (Standards of Disclosure for Mineral Projects), Form 43-101F1 and the Companion Policy Document 43-101CP
NPV	Net Present Value
OMEG	Otavi Minen und Eisenbahn Gesellschaft
OML	Otavi Mountainland
Ongopolo	Ongopolo Mining and Processing Limited
Ongopolo Mining	Ongopolo Mining Limited
Opex	Operating Expenditure
P&E	P&E Mining Consultants Inc.
PEA	Preliminary Economic Assessment
Pb	Lead
RC	Reverse Circulation
Sabre	Sabre Resources Limited
SLR Namibia	SLR Consulting Namibia (Pty) Ltd
TCL	Tsumeb Corporation Limited
The Report	NI 43-101 Technical Report on the Kombat Copper Project, Namibia - Mineral Resource Report" prepared for Trigon Metals Inc. with an effective date of 28 February 2018
TLB	Tractor-Loader-Backhoe
Trigon or the Client	Trigon Metals Inc.
TSF	Tailings Storage Facility
Weatherly	Weatherly International PLC
Zn	Zinc

ITEM 1 - EXECUTIVE SUMMARY

Minxcon (Pty) Ltd ("Minxcon") was commissioned by Trigon Metals Inc. ("Trigon" or "the Client") to complete an updated Mineral Resource estimation on their Kombat Copper Project ("Kombat" or "Project"), situated in Grootfontein District, Otjozondjupa Region, Namibia.

This Report was compiled in compliance with the specifications embodied in the Standards of Disclosure for Mineral Projects as set out by the Canadian Code for reporting of Mineral Resources and Mineral Reserves - National Instrument 43-101 (Standards of Disclosure for Mineral Projects), Form 43-101F1 and the Companion Policy Document 43-101CP ("NI 43-101"). Only terms as defined by The Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") have been utilised in this Report.

Item 1 (a) - Property Description

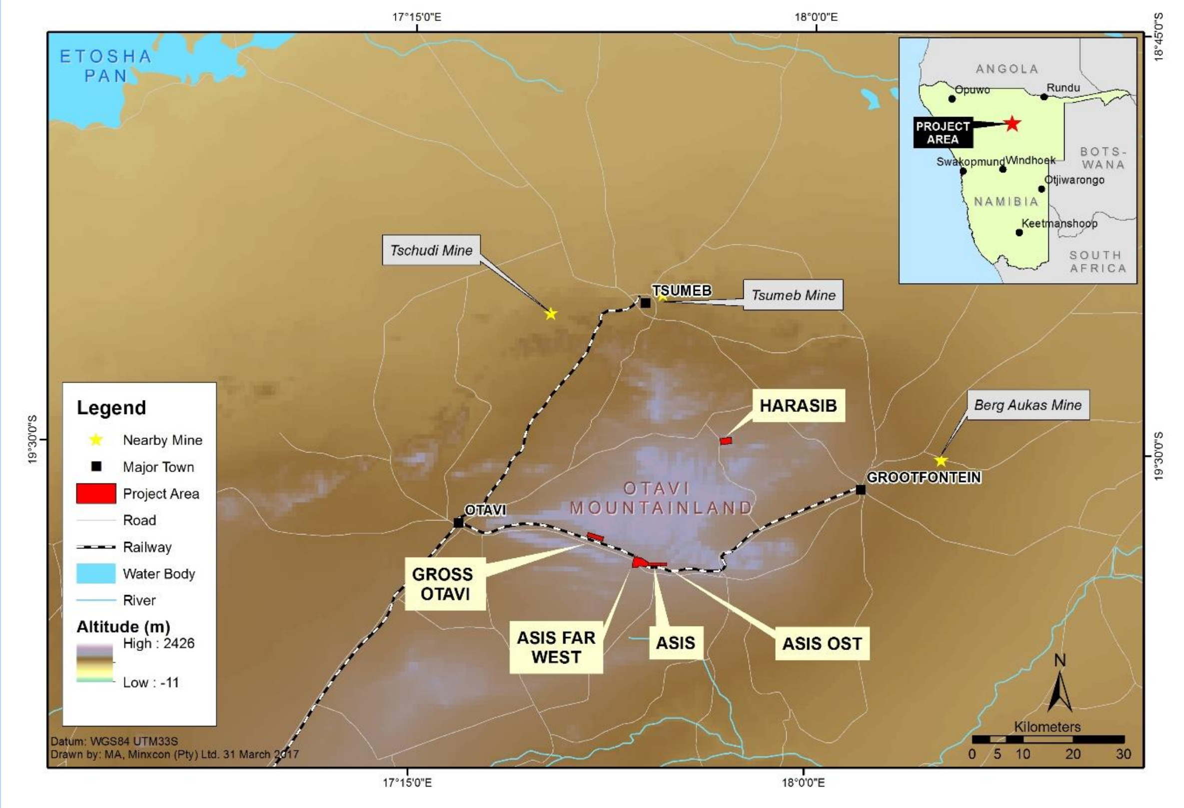
The Kombat Copper Project occurs within the Otavi Mountain Range in a region which is associated historically and currently with high grade copper mineralisation and as such, is characterised by numerous historic mine workings and prospects. The copper mineralisation is also associated with substantial lead and silver content. Kombat is situated on the B8 road to Grootfontein, some 37 km east of Otavi and 45 km due west of Grootfontein. The small ex-mining town of Kombat lies adjacent to the south of the Project. The Project is easily accessible via paved roads with direct access to the individual properties via unpaved district and farm roads. A rail network traverses the Project Areas, linking the Kombat concentrator to the Tsumeb smelter in Tsumeb as well as Walvis Bay port some 500 km southwest.

The Project is a collective term for the licence areas and deposits that include Gross Otavi, Asis (including the Kombat Central, Kombat West and Kombat East deposits), Asis Far West (including the Asis West, Asis Far West and Asis Gap deposits) and Asis Ost. A ~39 ha tailings storage facility ("TSF") for the processed ore is located off the licence areas some 1.5 km south of the Asis licence boundary. The Harasib lead-zinc exploration project lies to the northeast, but is excluded from this Mineral Resource estimation.

The contiguous Asis Far West, Asis and Asis Ost licence areas are centred on the co-ordinates 19°42'37"S 17°42'13"E (WGS84 UTM 33S), with Gross Otavi situated some 8 km due northwest of the Asis licence areas and the TSF 1 km south.

The regional location of the Project is illustrated in the following figure.

Regional Location of the Project with Nearby Mines



Regional Location of the Project with Nearby Mines	February 2018

Item 1 (b) - Ownership of the Property

The Project is comprised of five valid mining licences, namely the contiguous ML9 (Asis Ost), ML16 (Asis Far West) and ML73B (Asis), as well as ML21 (Harasib) and ML73C (Gross Otavi). The total combined area covered by the licences is some 1,219 ha. All the licences are held in the name of Manila Investments (Pty) Ltd ("Manila") – an indirect subsidiary of Trigon – and all are valid and expire on 31 March 2019. The renewal application process is underway and Trigon intends to submit the application documents before 31 March 2018.

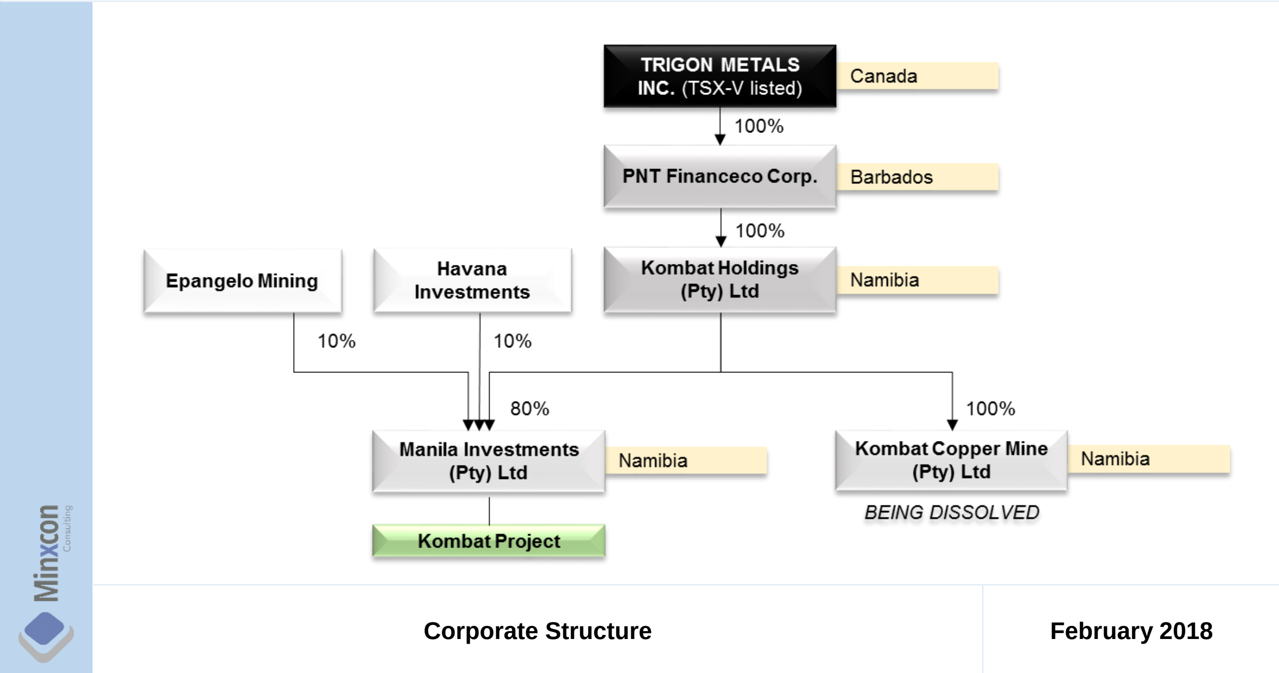
An Environmental Impact Process is currently underway in support of an application for an Environmental Clearance Certificate ("ECC") for open pit mining in ML73B and associated activities, processing of the ore at the existing process plant (to be refurbished), and associated activities, and dewatering the Asis Far West shaft and conducting further underground exploration activities in ML16.

The tailings storage facility ("TSF") is located within the Kombat Town limits and does not fall within any mineral rights area. Trigon does, however, own the land over which the TSF is situated. As the current Minerals Act does not deal with the utilisation of tailings and specifically includes tailings under the definition of waste, an ECC will be required in order to extract resources from the TSF.

In April 2012, Kombat Copper Inc. ("Kombat Copper") acquired 80% of the outstanding shares of Manila whose primary asset was a 100% interest in the formerly producing Kombat Copper Mine, as well as all related mining licences and assets, including all mining surface infrastructure and equipment. In June 2016, Kombat Copper initiated a corporate restructuring plan. In addition to various other corporate initiatives, Kombat Copper also undertook a rebranding in December 2016, and the company was renamed Trigon Metals Inc.

The corporate structure of Trigon is shown in the following figure.

Corporate Structure

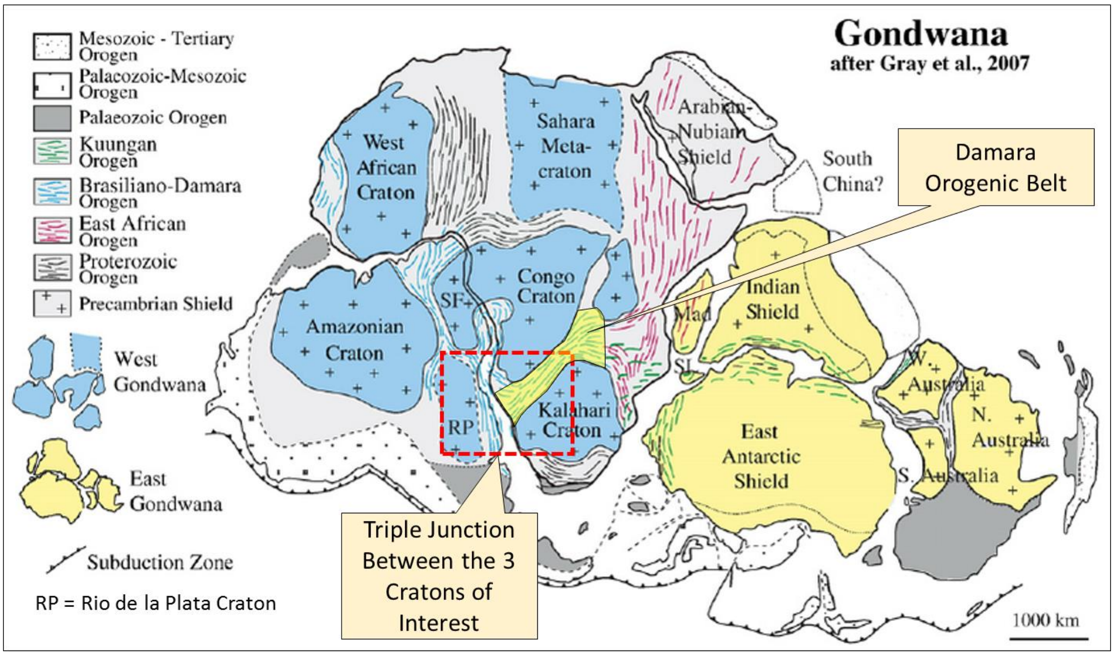


Item 1 (c) - Geology and Mineral Deposit

Regional Tectonics

The Damara Orogenic Belt (or Damara Orogen) was formed late during the supercontinent formation of Gondwana at the collisional triple junction of the Congo, Kalahari and Rio de la Plata Cratons during early Palaeozoic time, as presented in the figure to follow.

Location of the Damara Orogenic Belt during the Amalgamation of the Gondwana Supercontinent



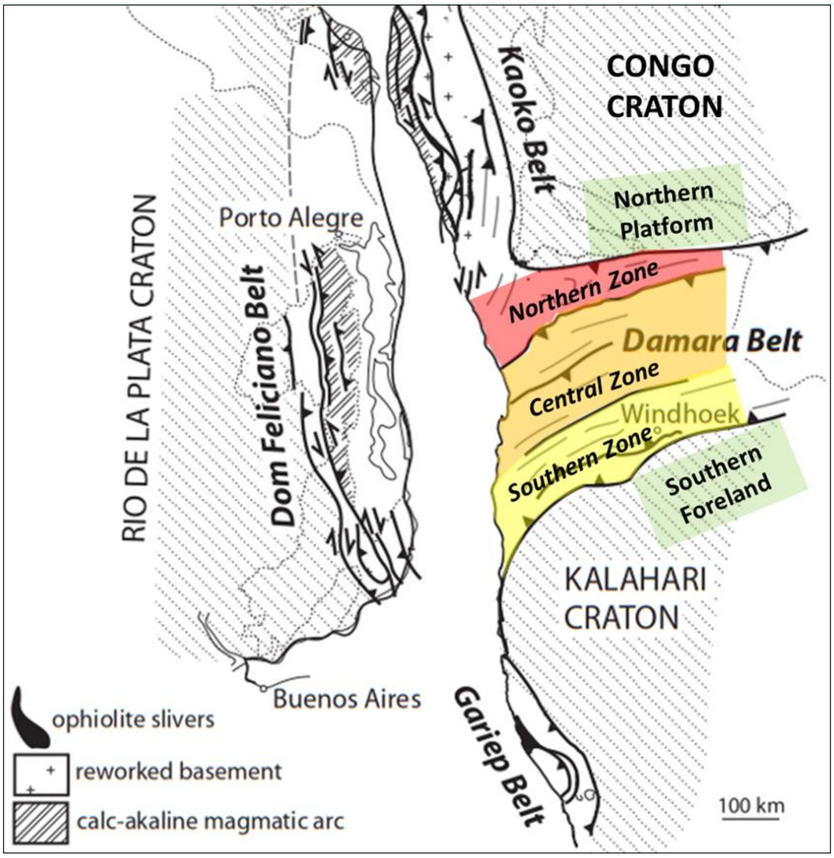
Source: Adapted from Meert and Lieberman (2007)

Location of the Damara Orogenic Belt during the Amalgamation of the Gondwana Supercontinent	February 2018

The northeast trending Damara Orogenic Belt was formed when the passive continental margins of the Congo and Kalahari Cratons collided with thrusting of basin sediments onto the Kalahari Craton from 495 Ma through to 480 Ma.

The Damara Orogenic Belt may be divided into three major zones separated by northeast trending lineaments, namely the 1) Northern 2) Central and 3) Southern Zones (refer to the figure below). The Damara Belt is bordered to the north by the Northern Platform on the Congo Craton and to the south by the Southern Foreland of the Kalahari Craton. The contact between the Northern Platform and the Northern Zone is marked by an arcuate chain of major basement ridges and domes extending over 1,000 km and which affected later carbonate sedimentation called the Otavi Mountainland ("OML").

Location of the Cratons and Orogenic Belts, with Tectonics in Play during the Formation of the Damara Orogen



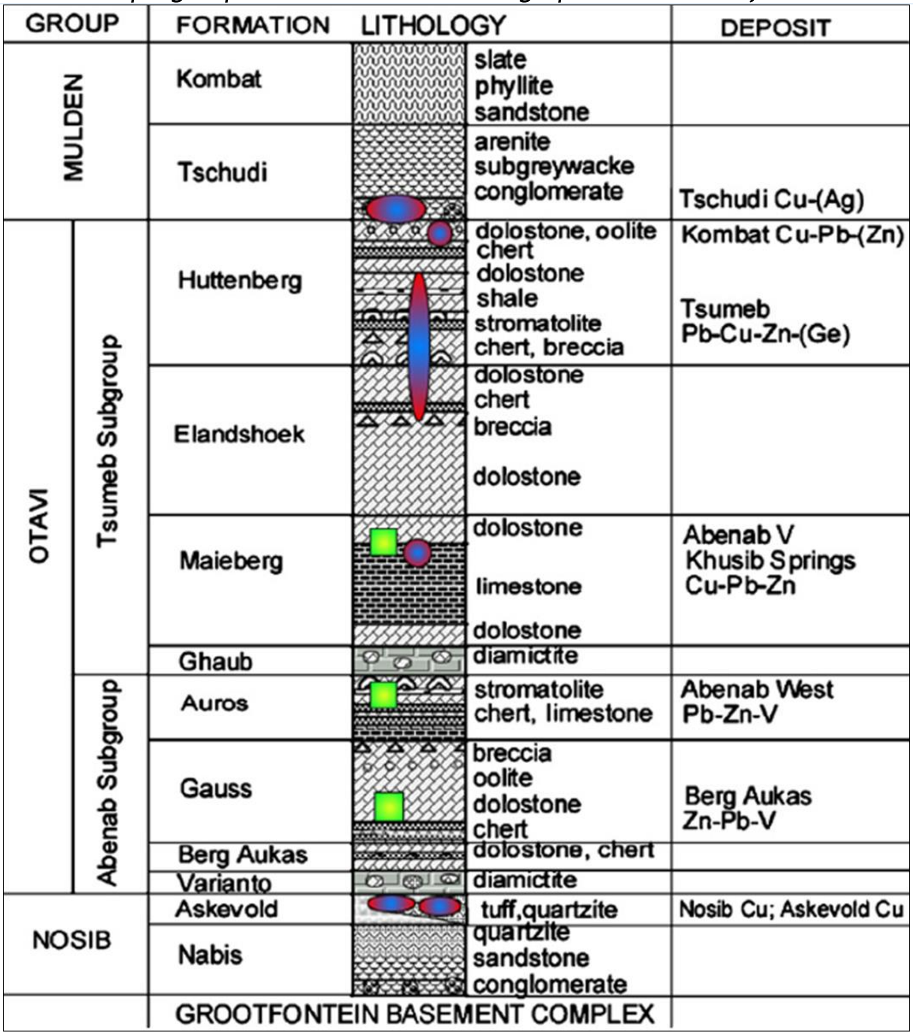
Adapted from: Gray et.al. (2008)

The Location of the Cratons and Orogenic Belts, with Tectonics in Play during the Formation of the Damara Orogen	February 2018

Stratigraphy of the Damara Orogenic Belt

The Paleoproterozoic basement to the Damara Supergroup is known as the Grootfontein Inlier. The Damara Supergroup is divided into the Nosib, Otavi and Mulden Groups as presented in the stratigraphic column in the following figure.

Stratigraphy of the Damara Supergroup and the Relative Stratigraphic Locations of Known Mineral Deposits



Source: Kamona, A.F. & Günzel, A. (2007)

The Stratigraphy of the Damara Supergroup and the Relative Stratigraphic Locations of Known Mineral Deposits	February 2018

The Otavi Group was deposited as a carbonate platform on the Northern Platform of the Congo Craton and consists of the Abenab Subgroup and the overlying Tsumeb Subgroup.

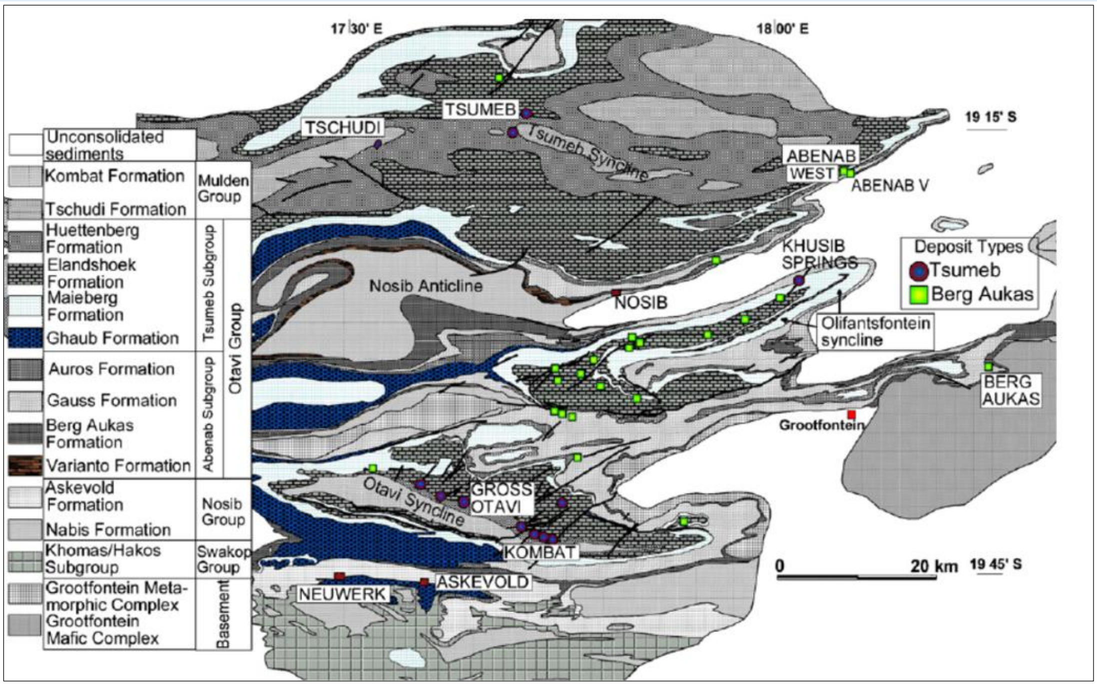
The Kombat ore deposits are located towards the top of the Hüttenberg Formation, where erosion and chemical weathering of the formation resulted in the development of karst topography and a major unconformity prior to deposition of the overlying Mulden Group. The Mulden Group consists of the Tschudi and Kombat Formations as depicted in the figure above.

The Tschudi Formation consists of a basal conglomerate, a fining-upward feldspathic arenite with minor greywacke and intraformational breccias. The Kombat Formation overlies the Tschudi Formation and consists of a sequence of siltstone, sandstone and shale separated by a prominent middle member of black shale with siltstone. In some areas the Kombat Formation has been metamorphosed to form slate which at Kombat limits the vertical extent of the orebodies.

Item 1 (d) - Overview of the Project Geology

The Kombat Mine is located in the OML on the Northern Platform Margin of the Damara Orogenic Belt. The Damara Supergroup rocks of the OML have been folded into generally east to west trending synclines and anticlines, as presented in the figure below.

Geology of the Otavi Mountain Land and the Locations of Known Mineral Deposits

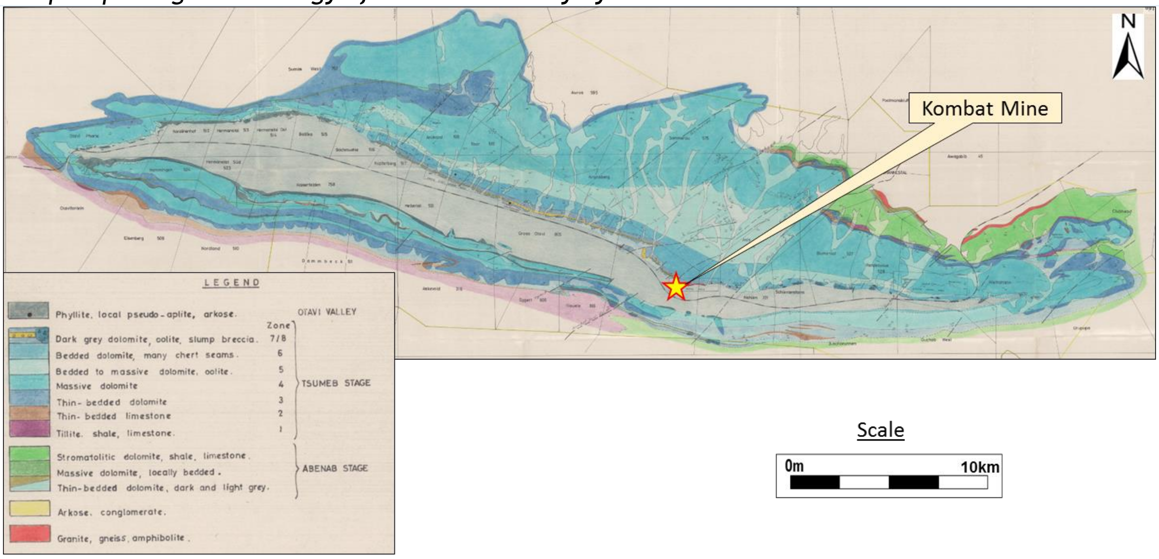


Source: Kamona, A.F. & Günzel, A. (2007)

Geology of the Otavi Mountain Land and the Locations of Known Mineral Deposits	**February 2018**

The formation of a complex foreland thrust belt to the west may have influenced sedimentary patterns of the Mulden Group within the OML, while closure of the Damara Orogenic Belt resulted in recumbent shearing with an overthrust sense to the southwest on a low-angle shear zone. High temperature rocks containing metamorphic brines were thrust over the cooler Mulden Formation rocks, resulting in the formation of the Otavi Valley syncline as depicted in the figure below. Further instability of the cratonic plates resulted in northwest-trending open, upright warps.

Historical Map Depicting the Geology of the Otavi Valley Syncline



Source: Map Supplied by Kombat Mine

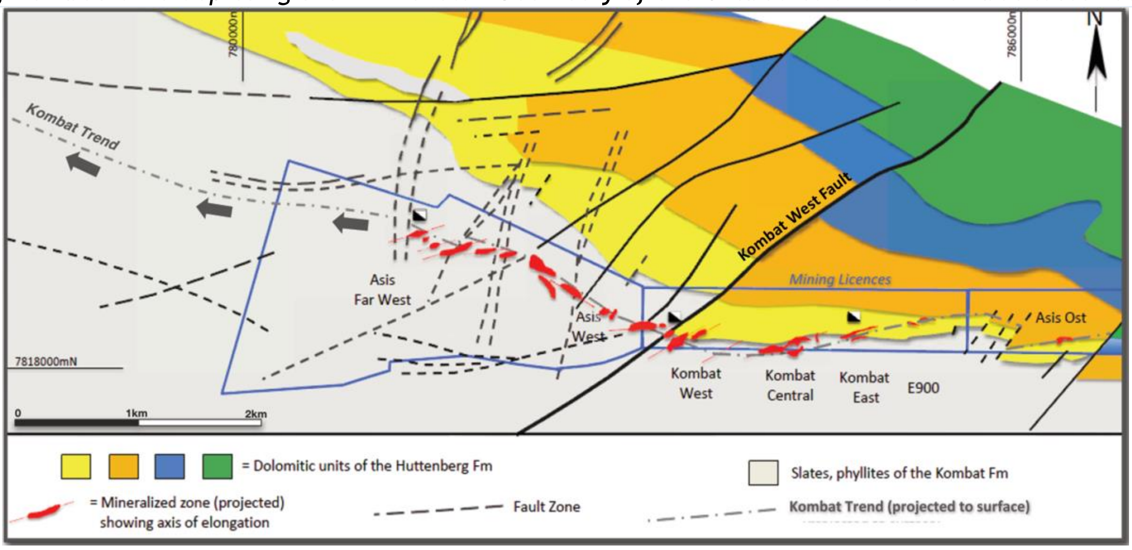
Historical Map Depicting the Geology of the Otavi Valley Syncline	**February 2018**

Item 1 (e) - Local Property Geology

The orebodies on Kombat and Otavi are situated on the northern limb of the canoe-shaped Otavi Valley Syncline. The northern limb dips to the south at between 20° and 75°. Several northeast and east trending normal and strike-slip faults cross-cut the syncline and post-date mineralisation.

Seven distinct zones of mineralisation separated by barren dolostone are strung out over a distance of 6km along the Kombat monoclinal lineament. All mineralised zones have surface expression except for Asis West where the orebody is down-faulted along the Kombat West Fault, as depicted in the figure below.

Geology of Kombat Mine depicting the En 'Echelon Geometry of the Orebodies and the Kombat West Fault



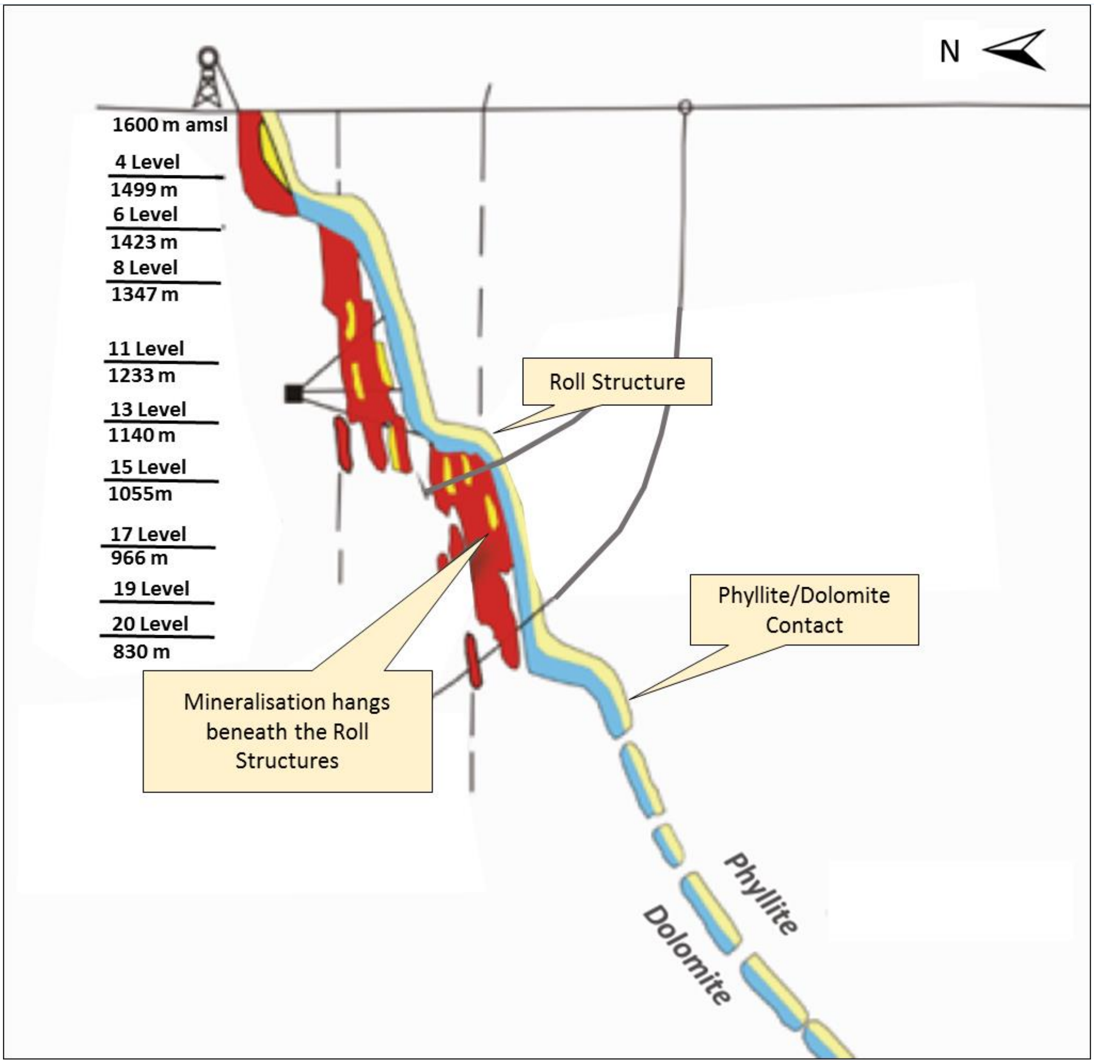
Source: Trigon Metals Presentation, March 2017

Geology of Kombat Mine depicting the En 'Echelon Geometry of the Orebodies and the Kombat West Fault	**February 2018**

The orebodies occur in the dolostone of the Hüttenberg Formation below monoclinal flexures on the contact between the Kombat and Hüttenberg Formations. In general the ore loci are defined by breccia bodies in dolostone and a variety of structural controls resulting in an en échelon pattern and a crosscutting relationship with the contact.

The country rock above the orebodies is sheared and fractured into "roll structures". A relation between the orebodies and the feldspathic sandstone of the Kombat Formation is also indicated. The ore lenses abut against the contact and hang like pendants beneath the flexures as depicted in the figure below.

Schematic Diagram Depicting the Relation of the Hanging Orebodies relative to the Roll Structures and Phylite/Dolomite Contact



Source: Trigon Metals Presentation, March 2017

Schematic Diagram Depicting the Relation of the Hanging Orebodies relative to the Roll Structures and Phylite/Dolomite Contact	**February 2018**

They are steep in orientation and transgressive to stratigraphy. With depth the massive sulphides horsetail and merge into thready, stringers until they become disseminated in calcitised zones of net-vein fractures.

The Kombat orebodies are interpreted to have formed as a result of the release of both CO_2 and CH_4 from the Mulden shales. This converted the anhydrite (in the dolostones) to calcite releasing SO_4 into the brines. The brines also migrated along the basin margin faults and thrusts, picking up base metals along the way.

The CO_2 and S reacted with downward migrating oxidizing groundwater producing sulphuric acid that ate its way up through the last four hundred metres of the rotated fold-thrust fracture systems in the carbonates, forming a hypogene karst system. Unconsolidated sand was subsequently forced through the fracture system forming sandstones. The overlying Mulden phyllite acted as a barrier preventing the upward migration of base metal bearing brines, subsequently precipitating sulphides by reduction in structurally controlled roll structures.

Item 1 (f) – STATUS OF EXPLORATION

The Kombat operations are classed as an advanced property, which historically has undergone long-lived production and plenty of historical exploration from geophysical and geochemical surveys conducted during the 1960s to 1990s to surface and underground drilling, where some 2,183 drillholes have been recorded and validated.

Recent surface drilling programmes commenced in 2012 through to 2015 under the auspices of Kombat mine personnel, which utilised modern QAQC methodologies. Drilling prior to 2012 is classed as historical as very little QAQC was conducted on this core (which is mostly still available on site) with the exception of some confirmatory sampling conducted by P&E Mining Consultants in 2014.

Additional RC drilling was concluded in 2017 to upgrade the Mineral Resource from an Inferred category to an Indicated category. During this drilling campaign, 48 RC drillholes were drilled with a total length of 2,179 m. The Mineral Resource upgrade was focused on the shallow open pittable Mineral Resource at Kombat Central and Kombat East. The underground Mineral Resource was not the focus and will be drilled at a later stage.

Item 1 (g) – MINERAL RESOURCE ESTIMATES

The Mineral Resource statement for the Kombat operations is presented relative to the 150 m depth cut-off with respect to the possible employable mining strategy. The open pittable Mineral Resources are stated at copper equivalent ("CuEq") cut-off grade of CuEq 0.60% for the Kombat section and 0.77% for Gross Otavi, and the underground mineable Mineral Resources are stated at the cut-off grade of CuEq 1.4%.

The Mineral Resources have been depleted for the Kombat and Asis sections. No historical voids are available for the Otavi section, but it was indicated by mine personnel that very little development has taken place. This was evidenced by Minxcon personnel upon the site visit to Otavi. The Otavi section in the Mineral Resource has been discounted by 1% in order to account for historical mining with an additional 7.5% as a porosity factor due to the presence of karst voids. Density for the hard rock has been estimated.

Inferred and Indicated Mineral Resources have been estimated for the Kombat operations and a 15% and 10% geological loss has been applied to the Inferred and Indicated Mineral Resource, respectively. No tailings have been declared at a 0.4% Cu cut-off but this is seen as an upside potential at 0.3% Cu cut-off. All Mineral Resources are limited to the property boundaries of the Project Area. Columns may not add up due to rounding. Inferred Mineral Resources have a low level of confidence and, while it would be reasonable to expect that the majority of Inferred Mineral Resources would upgrade to Indicated Mineral Resources with continued exploration, due to the uncertainty of Inferred Mineral Resources, it should not be assumed that such upgrading will occur.

The table below presents the estimated Mineral Resources for the potential open pit areas.

Open Pittable Mineral Resources for the Kombat Operations as at 28 February 2018

Mine Area	Mineral Resource Class	Tonnes	Density	Cu	Pb	Ag	Cu Content	Pb Content	Ag Content
		Mt	t/m³	%	%	ppm	t	t	kg
Kombat East	Indicated	0.951	2.82	1.03	0.92	1.01	9,806	8,721	961
Kombat Central	Indicated	0.578	2.81	1.32	0.41	5.96	7,623	2,341	3,440
Kombat West	Indicated	-	-	-	-	-	-	-	-
Total	**Indicated**	**1.529**	**2.82**	**1.14**	**0.72**	**2.88**	**17,428**	**11,062**	**4,401**
Kombat East	Inferred	0.318	2.81	0.91	0.42	1.87	2,888	1,322	593
Kombat Central	Inferred	0.264	2.82	1.29	0.61	5.70	3,412	1,612	1,508
Kombat West	Inferred	0.357	2.88	2.75	2.61	2.22	9,801	9,326	791
Total Kombat	**Inferred**	**0.939**	**2.84**	**1.71**	**1.31**	**3.08**	**16,101**	**12,260**	**2,892**
Otavi	Inferred	0.643	2.84	0.93	2.50	0.85	6,006	16,053	546
Total	**Inferred**	**1.582**	**2.84**	**1.40**	**1.79**	**2.17**	**22 107**	**28 313**	**3 437**
Open pit	**Total**	**3.111**	**2.83**	**1.27**	**1.31**	**2.47**	**39,535**	**39,375**	**7,838**

Note:

1. The open pit Mineral Resource is declared to a depth of 150 m with a CuEq cut-off of 0.6% for Kombat and 0.77% for Otavi.
2. A geological loss of 15% for the Inferred and 10% for the Indicated Mineral Resource has been applied.
3. The Mineral Resources are exclusive of Mineral Reserves.
4. Mineral Resources are reported as total Mineral Resources and are not attributed.

The following table presents the estimated Mineral Resources for the potential underground areas.

Underground Mineral Resources for the Kombat Operations as at 28 February 2018

Mine Area	Mineral Resource Class	Tonnes	Density	Cu	Pb	Ag	Cu Content	Pb Content	Ag Content
		Mt	t/m³	%	%	ppm	t	t	kg
Kombat East	Inferred	0.079	2.86	1.93	2.25	0.71	1,521	1,773	56
Kombat Central	Inferred	0.023	2.89	2.23	3.86	8.39	514	890	193
Kombat West	Inferred	0.104	2.91	2.79	4.15	3.27	2,899	4,307	339
Kombat	**Inferred**	**0.206**	**2.89**	**2.40**	**3.39**	**2.86**	**4,934**	**6,971**	**588**
Asis West	Inferred	2.475	2.88	4.05	1.28	32.36	100,214	31,735	80,078
Asis Gap	Inferred	0.166	2.83	2.35	0.35	21.15	3,909	590	3,514
Asis Far West	Inferred	1.082	2.85	3.42	0.10	35.81	37,000	1,036	38,763
Asis	**Inferred**	**3.723**	**2.87**	**3.79**	**0.90**	**32.86**	**141,122**	**33,361**	**122,355**
Underground	**Total**	**3.929**	**2.87**	**3.72**	**1.03**	**31.29**	**146,056**	**40,331**	**122,943**

Note:

1. The underground Mineral Resource (below 150 m) is declared at a CuEq cut-off of 1.4%.
2. A geological loss of 15% for the Inferred and 10% for the Indicated Mineral Resource has been applied.
3. The Mineral Resources are exclusive of Mineral Reserves.
4. Mineral Resources are reported as total Mineral Resources and are not attributed.

The table to follow presents the total combined Mineral Resources for the Kombat operations.

Combined Mineral Resources for the Kombat Operations as at 28 February 2018

Mine Area	Mineral Resource Class	Tonnes	Density	Cu	Pb	Ag	Cu Content	Pb Content	Ag Content
		Mt	t/m³	%	%	ppm	t	t	kg
Kombat East	Indicated	0.951	2.82	1.03	0.92	1.01	9,806	8,721	961
Kombat Central	Indicated	0.578	2.81	1.32	0.41	5.96	7,623	2,341	3,440
Kombat West	Indicated	-	-	-	-	-	-	-	-
Total	**Indicated**	**1.529**	**2.82**	**1.14**	**0.72**	**2.88**	**17,428**	**11,062**	**4,401**
Kombat East	Inferred	0.397	2.85	1.11	0.78	1.63	4,409	3,096	648
Kombat Central	Inferred	0.287	2.84	1.37	0.87	5.92	3,926	2,502	1,701
Kombat West	Inferred	0.461	2.88	2.76	2.96	2.45	12,700	13,633	1,130
Otavi	Inferred	0.643	2.84	0.93	2.50	0.85	6,006	16,053	546
Asis West	Inferred	2.475	2.88	4.05	1.28	32.36	100,214	31,735	80,078
Asis Gap	Inferred	0.166	2.83	2.35	0.35	21.15	3,909	590	3,514
Asis Far West	Inferred	1.082	2.85	3.42	0.10	35.81	37,000	1,036	38,763
Total	**Inferred**	**5.511**	**2.86**	**3.05**	**1.25**	**22.93**	**168,163**	**68,644**	**126,380**
Total (Indicated & Inferred)		**7.040**	**2.85**	**2.64**	**1.13**	**18.58**	**185,591**	**79,706**	**130,781**

Note:

1. The open pit Mineral Resource is declared to a depth of 150 m with a CuEq cut-off of 0.77% for Otavi and 0.6% for Kombat.
2. The underground Mineral Resource (below 150 m) is declared at a CuEq cut-off of 1.4 %.
3. A geological loss of 15% for the Inferred and 10% for the Indicated Mineral Resource has been applied.
4. The Mineral Resources are exclusive of Mineral Reserves.
5. Mineral Resources are reported as total Mineral Resources and are not attributed.

No Mineral Reserves have been declared for the Kombat Copper Project.

Item 1 (h) - QUALIFIED PERSON'S CONCLUSIONS AND RECOMMENDATIONS

Conclusions

Minxcon reviewed all the information and has made the following observations regarding the Project:-

The Inferred confidence in the Mineral Resource classification for the Kombat operations is based on a combination of factors such as low local drillhole data density, lack of QAQC on the historical drillhole datasets, inaccurate depletion voids and that underground stope sampling data was not available to assist in constraining the mineralised halos. The methodology employed by Minxcon for the historical mine void depletions in the underground portion may be aggressive but necessary based on the survey data available.

A considerable volume of historical geological mapping and interpretation and drillhole core is preserved at the mine that has not been included in the current modelling which may serve to significantly increase the confidence in the Mineral Resource estimate in future.

Minimal measured bulk density values are available to support the current estimate contributing to the Inferred Mineral Resource classification, regardless of the use of the Tsumeb Formula used in density calculations, which relates sulphide make-up and sulphide content to bulk density. However, additional density measurements were taken in the 2017 RC drilling campaign which supported the figures used to date.

The 2017 drilling campaign achieved the its aim of upgrading the open pit Mineral Resources from an Inferred Mineral Resource to an Indicated Mineral Resource and substantiated the geological model, albeit at a slightly lower grade in places.

Recommendations

Minxcon recommends that all sections and plans with historical stope void profiles be digitised and incorporated into the mine void model in order to accurately deplete the Mineral Resource estimate.

Largescale re-assay and bulk density assessments should be undertaken from the existing wealth of drillhole core on the mine in order to increase assay confidence in the historical drilling dataset. All samples should be sent to an accredited laboratory.

Historical geological mapping (underground and surface) should be digitally captured and elevated in order to lend further integrity to the digital Mineral Resource estimation process.

The 2017 drilling campaign was Phases 1 and 2 of the recommended drilling for the Project. Additional drilling (Phases 3 and 4) is recommended to further improve the confidence in the orebody and to increase Mineral Resources, and should also consider the oxide sulphide transition.

Item 1 (i) – Preliminary Economic Assessment

Minxcon was commissioned by Trigon in April 2017 to complete a scoping level study on the Kombat Project. This Report details a scoping-level study in the form of a Preliminary Economic Assessment ("PEA") conforming to NI 43-101 standards and requirements. The PEA includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorised as Mineral Reserves (the "PEA Study"), and there is no certainty that the PEA will be realised. The pit optimisations were rerun on the updated 2018 Mineral Resources in order to update the valuation, however, the 2017 PEA parameters were preserved as a DFS is currently underway. The overall information presented here is per the 2017 PEA, bar the open pit production profile and the economic analysis which have been updated to reflect the 2018 Mineral Resource (open pit only).

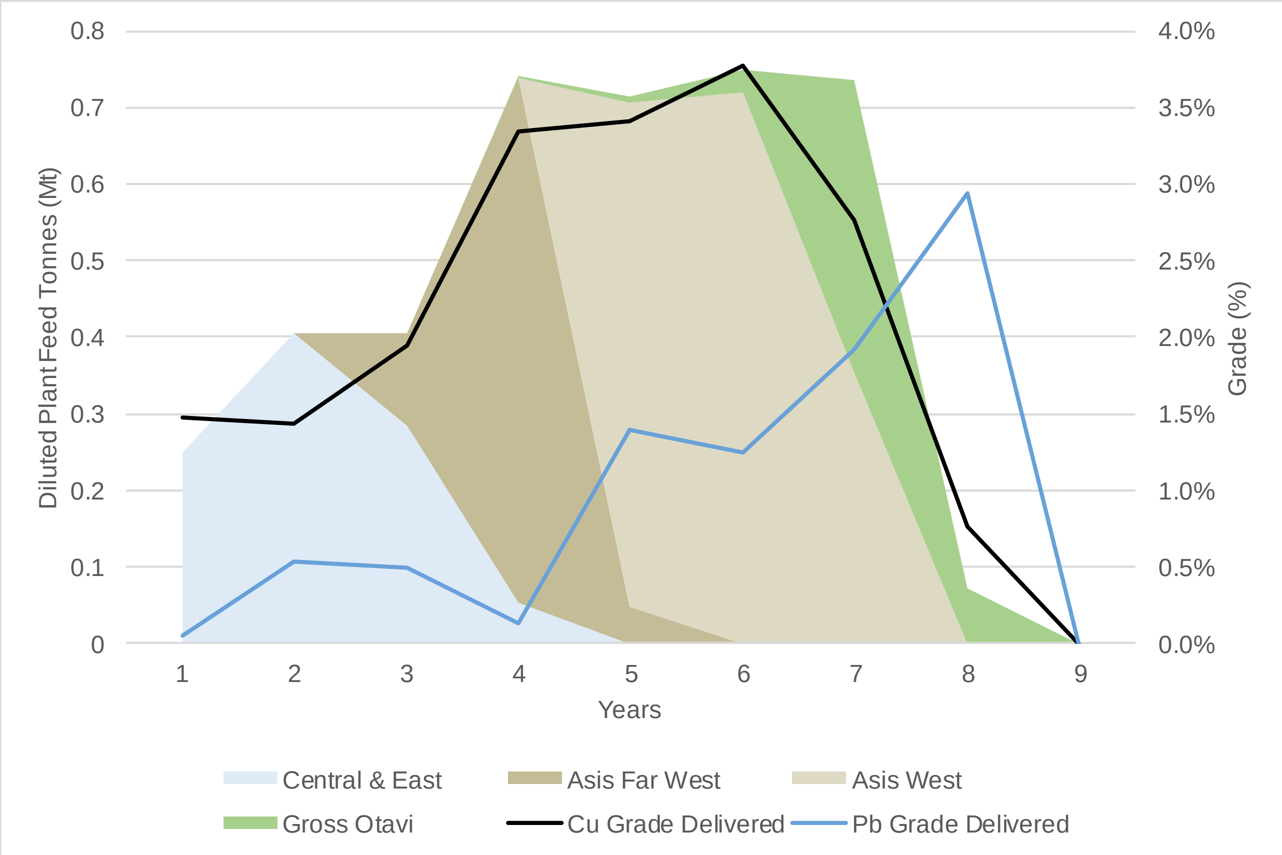
The purpose of the PEA is to investigate the economic viability of the open pit and underground mining potential targeting the copper and lead resources at Kombat East, Kombat Central, Asis Far West, Asis West and Gross Otavi areas. The PEA investigated mining methods, treatment methods and development of additional infrastructure. The study focussed on the total Inferred Mineral Resource to determine the economic viability, upside potential as well as future exploration requirements. A discounted cash flow ("DCF") valuation was carried out on the PEA Study areas and includes Inferred and Indicated Mineral Resources. The value derived from the PEA is considered representative of the upside potential value of the current copper and lead resources.

Mining

The Kombat mining operations comprise conventional open pits and underground cut and fill mining operations. The Kombat East and Kombat Central open pits reach a depth of 95 m. Kombat East stripping ratio is 8.01 with 0.46 Mt of ore at a copper grade of 1.26%. Kombat Central has a higher stripping ratio at 8.74 with 0.53 Mt of ore at a copper grade of 1.49%. Gross Otavi has a stripping ratio of 10.18 with 0.53 Mt of ore at a copper grade of 1.16% and a lead grade of 3.39%. Asis Far West requires 6,865 m of development and contains 0.85 Mt of ore at a copper grade of 3.67% and Asis West requires 11,153 m of development and contains 1.74 Mt of ore at a copper grade of 4.08%.

The modifying factors comprise 1% and 5% ore loss and 2% and 10% dilution for the open pit and underground respectively. Minor geological losses of 5% and a mine call factor of 100% were applied to the operations. The diluted production profile is shown in the figure to follow.

Diluted Plant Feed Tonnes



Mining Operating Cost

The open pit mining operating cost was sourced from a previously submitted proposal from a reputable industry known mining contractor with the variable cost for Kombat East and Kombat Central taken at an average depth of 40 m and for Gross Otavi it was taken at an average depth of 50 m. The underground mining operating cost was sourced from a previous study and inflated. The fixed cost for the operation was estimated by Minxcon.

Engineering and Infrastructure

The Kombat operation is well established and easily accessible via the existing road and rail network in the area. Although all major infrastructure such as power supply, water supply, shaft and associated equipment and infrastructure, buildings and amenities are already in place and sufficient for the operation of the mining areas, minor repairs and upgrades will be required on particularly the Kombat substation and power distribution network. The open pit operation will require minimal additional infrastructure as contractor mining will be done. Underground infrastructure will require more extensive upgrades and repairs as the majority of the underground workings is flooded.

Processing

The existing Kombat plant has a capacity of 30 ktpm and consists of a three-stage crushing, rod and ball milling, flotation, concentrate thickening and filtering plant which is capable of producing separate copper and lead concentrates. Historic production efficiencies were used to estimate plant recoveries. The plant will produce a copper concentrate when treating material from Kombat, Asis and Asis Far West areas at recoveries of between 87% and 93%. Lead and copper concentrates will be produced when treating Gross Otavi material at recoveries of 80% and 70% respectively.

The owner-operated plant will be refurbished before it is recommissioned to treat open pit material from the Kombat area at a throughput of 30 ktpm. The plant will then be expanded to 60 ktpm in year 4 before underground production commences in year 5 at Asis Far West.

Financial Valuation

The scope of this valuation exercise was to determine the financial viability of the Project. This was done by using the discounted cash flow method on a Free Cash Flow to the Firm ("FCFF") basis, to calculate the nett present value ("NPV") and the intrinsic value (fundamental value based on the technical inputs, and a cash flow projection that creates an NPV) of the Project in real terms. The discounted cash flow model is based on the total Mineral Resource, including Inferred and Indicated, to determine the potential value of the Project.

The NPV is derived using post-royalties and tax and pre-debt real cash flows, after taking into account operating costs, treatment and refining fees paid to the smelter, corporate overheads, capital expenditures for the mining operations and the processing plant, as well as using forecast macro-economic parameters. The valuation reflects the full value of the operation and no attributable values were calculated. The model was set up in financial years with the first year 2019 starting in April 2018 and ending March 2019. The following macro-economic and commodity price forecasts were used in the discounted cash flow model.

Macro-Economic Forecasts and Commodity Prices over the Life of Mine (Real Terms)

Item	Unit	2019	2020	2021	2022	2023	Long-term
Silver	USD/oz.	17.6	17.9	18.1	18.3	18.2	19.0
Copper	USD/tonne	6,758	6,682	6,740	6,688	6,595	6,551
Copper	USD/lb	3.07	3.03	3.06	3.03	2.99	2.97
Lead	USD/tonne	2,410	2,231	2,115	2,050	1,990	1,966
Lead	USD/lb	1.09	1.01	0.96	0.93	0.90	0.89

Source: Various Bank and Broker Forecasts (February 2018), Minxcon.
Note: Conversion: 1 Pound = 2,204.62 tonnes.

Costs reported for the Kombat operations consist of plant and mining operating costs. Other costs (C1) include concentrate transport costs, treatment costs and refining costs. Other cash costs (C3) include the corporate overheads cost. The royalty amount includes the Namibian revenue royalty of 3%. Kombat has an all-in sustainable cost of USD105/milled tonne that equates to USD1.81/CuEq pound.

Financial Cost Indicators

Item	Unit	Kombat Copper PEA
Net Turnover	**USD/Milled tonne**	**174**
Mine Cost	USD/Milled tonne	36
Plant Costs	USD/Milled tonne	12
Other Costs	USD/Milled tonne	29
Direct Cash Costs (C1)	**USD/Milled tonne**	**77**
Capex	USD/Milled tonne	21
Production Costs (C2)	**USD/Milled tonne**	**97**
Royalties	USD/Milled tonne	5
Corporate Overheads	USD/Milled tonne	3
All-in Sustainable Costs (C3)	**USD/Milled tonne**	**105**
All-in Sustainable Cost Margin	**%**	**40%**
EBITDA*	USD/Milled tonne	90
EBITDA Margin	%	51%
Copper Product Recovered	t	105,326
Copper Equivalent	tonnes	106,629
Net Turnover	**USD/Copper Equivalent lb**	**3.01**
Mine Cost	USD/Copper Equivalent lb	0.62
Plant Costs	USD/Copper Equivalent lb	0.20
Other Costs	USD/Copper Equivalent lb	0.50
Direct Cash Costs (C1)	**USD/Copper Equivalent lb**	**1.33**
Capex	USD/Copper Equivalent lb	0.36
Production Costs (C2)	**USD/Copper Equivalent lb**	**1.68**
Royalties	USD/Copper Equivalent lb	0.08
Corporate Overheads	USD/Copper Equivalent lb	0.05
All-in Sustainable Costs (C3)	**USD/Copper Equivalent lb**	**1.81**
EBITDA*	USD/Copper Equivalent lb	1.55

The table below illustrates the Project NPV at various discount rates with a best-estimated value of USD96 million at a real discount rate of 10.92% and a healthy IRR of 85.2%.

Valuation Summary

Item	Unit	Kombat Copper PEA
NPV @ 0%	USD million	172
NPV @ 5%	USD million	133
NPV @ 10%	USD million	104
NPV @ 10.92%	**USD million**	**96**
NPV @ 15%	USD million	82
NPV @ 20%	USD million	65
IRR	%	85.2%
All-in Sustainable Cost Margin	%	39.6%
Peak Funding Requirement*	USD million	-30.15
Payback Period	Years	3.6
Break-even Copper Price	USD/Copper Equivalent t.	4,001

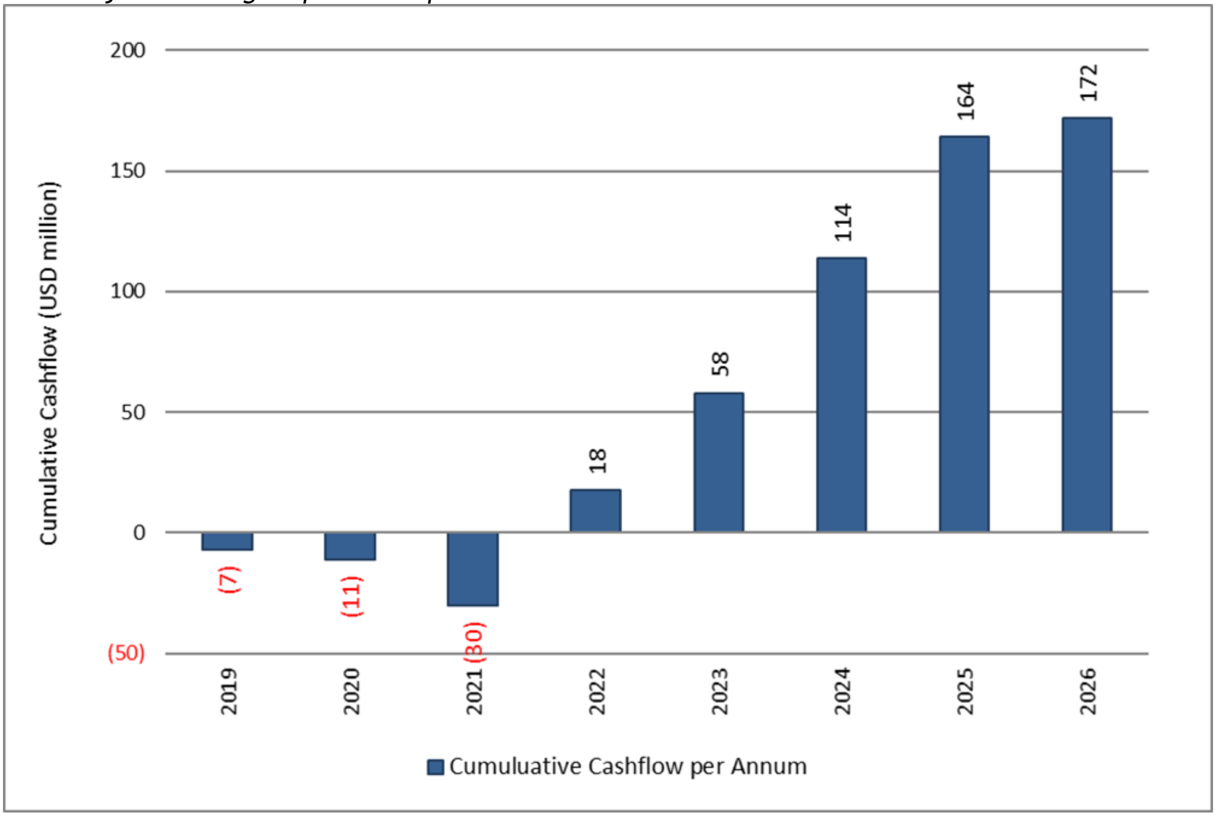
Notes:

1. * The Peak Funding Requirement is the maximum cumulative cash flow needed for the Project.

The annual cash flow before capital expenditure, total capital expenditure and cumulative cash flow forecast for the combined project over the life of mine is displayed in the figures below. The open pits will require the least work and time before they can go into operation. While the open pits are being mined it enables the combined Project to pay back the initial infrastructure and plant capital and make a small return while at the same time generates the time for the underground Project to complete the studies, exploration, refurbishment, dewatering and development required to come into full production.

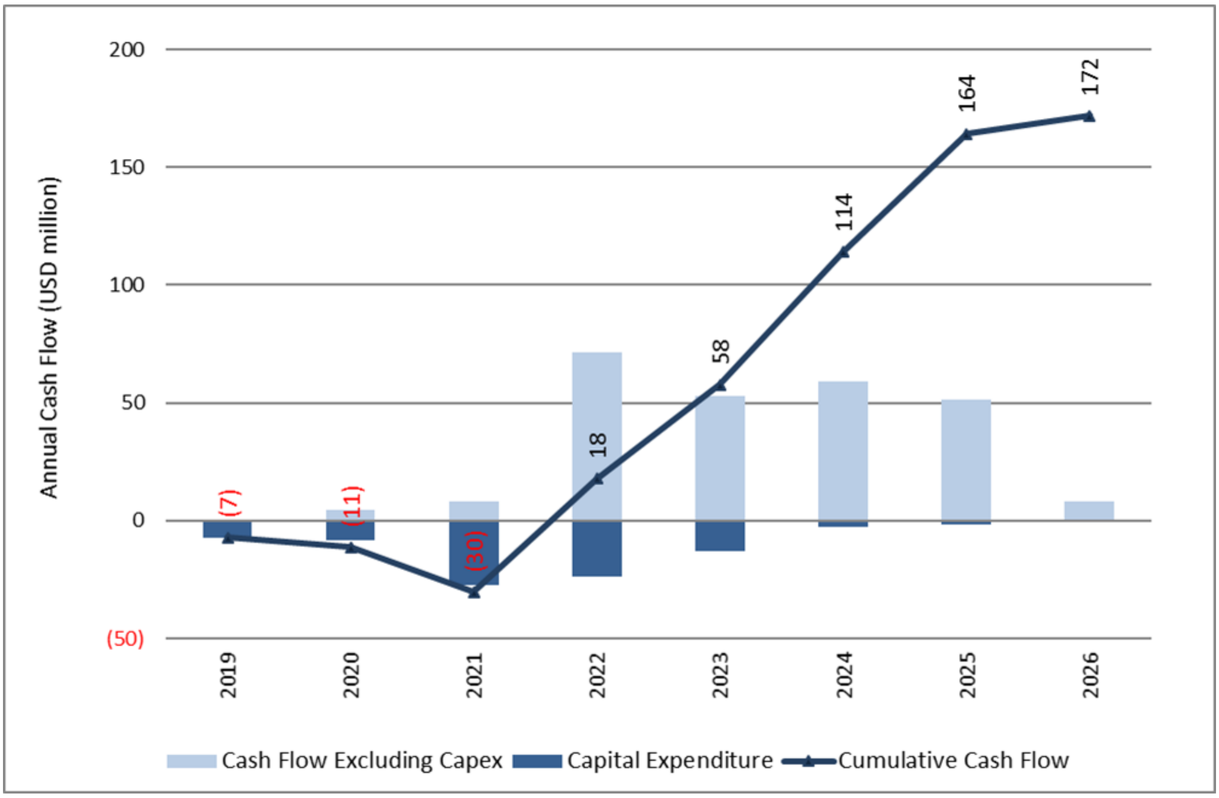
The peak funding requirement of the combined project per annum is displayed in the figure to follow as the minimum value of the cumulative cashflow over the life of mine.

Peak Project Funding Requirement per Annum



This maximum combined cash flow required amounts to USD30 million in 2021, thereafter the business is cash positive and no additional funding is required. The combined annual and cumulative cashflow over the life of mine is illustrated below.

Combined Annual and Cumulative Cash Flow



The current valuation is based on the current existing Mineral Resource that has been drilled to date. It is important to note that throughout its history, the mine rarely had a reserve inventory of more than three to five years due to the fact that exploration drilling was not done well in advance. One of the reasons for this is the nature of the orebody and the execution of the historical exploration work. The short life of mine of each of the areas is thus an indication of what the current known Mineral Resource offers. The potential exists for the areas to increase the Mineral Resources and the life of the operations as the production commences that will extend the cash flows far beyond the current model valuated.

ITEM 2 - INTRODUCTION

Item 2 (a) - Issuer Receiving the Report

Minxcon (Pty) Ltd ("Minxcon") was commissioned by Trigon Metals Inc. ("Trigon" or "the Client") to complete an updated Mineral Resource estimation on their Kombat Copper Project ("Kombat" or "Project"), situated in Namibia.

Trigon is an incorporated company listed on the Toronto Venture Exchange, trading under the symbol *TM*.

Item 2 (b) - Terms of Reference and Purpose of the Report

Minxcon was commissioned by the Client to compile a Mineral Resource Report for the Project located in Otjozondjupa Region, Namibia (this "Report").

This Report, entitled NI 43-101 Technical Report on the Kombat Copper Project, Namibia - Mineral Resource Report was compiled in compliance with the specifications embodied in the Standards of Disclosure for Mineral Projects as set out by the Canadian Code for reporting of Mineral Resources and Mineral Reserves - National Instrument 43-101 (Standards of Disclosure for Mineral Projects), Form 43-101F1 and the Companion Policy Document 43-101CP ("NI 43-101"). Only terms as defined by The Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") have been utilised in this Report.

The effective date of this Report is 28 February 2018.

Minxcon carried out the following scope of work for this Report:-

- Review History of the Project;
- Produce Key Plans and Maps for Report;
- Describe Topography and Climate;
- Review Legal Aspects and Security of Tenure;
- Review Project Data which includes:-
  - Sampling Governance;
  - Sample Method, Collection, Validation, Preparation & Storage;
- Review the Quality Assurance and Quality Control ("QAQC");
- Prepare Geological Section;
- Prepare Mining Section;
- Prepare Financial Section; and
- Compile NI 43-101 Technical Report.

Item 2 (c) - Sources of Information and Data Contained in the Report

In the compilation of this Report, Minxcon utilised information as provided by the Client. This includes internal company reports, technical correspondence and maps, as received from the following persons:-

- Mr Fanie Müller: Trigon Vice President Operations and Country Manager.
- Ms Sarah Roberts: Trigon Vice President Finance, Mergers & Acquisitions.
- Mr Willem Kotze: Kombat Mine previous Technical Manager; currently an independent consultant to Trigon.

In addition to the previous historical data, Trigon supplied Minxcon with all the relevant data for the additional drilling that was completed during the latter part of 2017. The detail of this drilling data is supplied in the data section of this Report.

Additional information was sourced from those references listed in Item 27 and duly referenced in the text where appropriate.

Item 2 (d) – Qualified Persons' Personal Inspection of the Property

The Qualified Person of the Report is Mr U Engelmann (BSc (Zoo. & Bot.), BSc Hons (Geol.), Pr.Sci.Nat., MGSSA). Mr Engelmann completed a site visit to the Project properties during the period 23 to 25 August 2017.

The site visit was led by Trigon Resource team consisting of:-

- Mr Fanie Müller: VP Operations and Country Manager.
- Mr Willem Kotze: independent consultant to Trigon.

During this visit, drill site positions were ground truthed and surface geology was investigated. In addition, Mr Engelmann compiled exploration standard operation procedures ("SOPs") for Trigon.

Mr Engelmann previously completed a site visit on 9 to 10 April 2017 together with Mr Laurence Hope in the capacity of Minxcon Mineral Resource Geologist. During this visit, Mr Engelmann visited the core storage facilities and other areas of interest on the mine site.

A site inspection aimed at investigating infrastructure and mining activities was completed on 29 January 2018 to 2 February 2018 by the following Minxcon personnel, and accompanied by Mr Fanie Müller:-

- Mr Julian Knight in the capacity of Metallurgist.
- Mr Jano Visser in the capacity of Mechanical Engineer.

A site inspection had previously been conducted on 6 March to 7 March 2017 and attended by the following Minxcon personnel:-

- Mr Daan van Heerden in the capacity of Minxcon Director.
- Mr Julian Knight in the capacity of Metallurgist.
- Mr Paul Obermeyer in the capacity of Mineral Resource Manager.

Mr Obermeyer reviewed all available data as provided on site, as well as reviewed the core storage and geological archives on the mine during the site visit to the mine. He also viewed some of the underground workings and existing open pits. In addition, he took receipt of all data and reports pertinent to Mineral Resource estimation for the purposes of generating the Mineral Resource estimate covered in this Report.

ITEM 3 – RELIANCE ON OTHER EXPERTS

Minxcon utilised the services of Mr André Deiss as an Associate Consultant to Minxcon, who assisted with the determination of the natural grade cut-off utilised in the generation of the grade shells. Mr Deiss was also responsible for conducting the initial Mineral Resource estimate for Trigon and reviewing the Mineral Resource update that was completed by Mr L. Hope of Minxcon.

ITEM 4 - PROPERTY DESCRIPTION AND LOCATION

Item 4 (a) - AREA OF THE PROPERTY

The Kombat Copper Project occurs within the Otavi Mountain Range in a region associated historically and currently for its high grade copper mineralisation and as such, is characterised by numerous historic mine workings and prospects. The copper mineralisation is also associated with substantial lead and silver content.

The Project is a collective term for the licence areas and deposits as presented in Table 1. The five licence areas encompass a total of approximately 1,219 ha.

Table 1: Kombat Licence Areas and Associated Deposits

Licence Area	Deposit
Gross Otavi	Gross Otavi
Asis	Kombat Central
	Kombat West
	Kombat East
Asis Far West	Asis West
	Asis Far West
	Asis Gap
Asis Ost	Asis Ost

The Asis Ost deposit has been mined out and therefore is included neither in this Report, nor the Mineral Resource estimation. A ~39 ha tailings storage facility ("TSF") for the processed ore is located off the licence areas some 1.5 km south of the Asis licence boundary. The TSF has been included in the Mineral Resource estimation. In addition to these, Trigon also holds rights to the ~264 ha Harasib exploration project that targets a lead-zinc anomaly, but has been excluded from this Mineral Resource estimation.

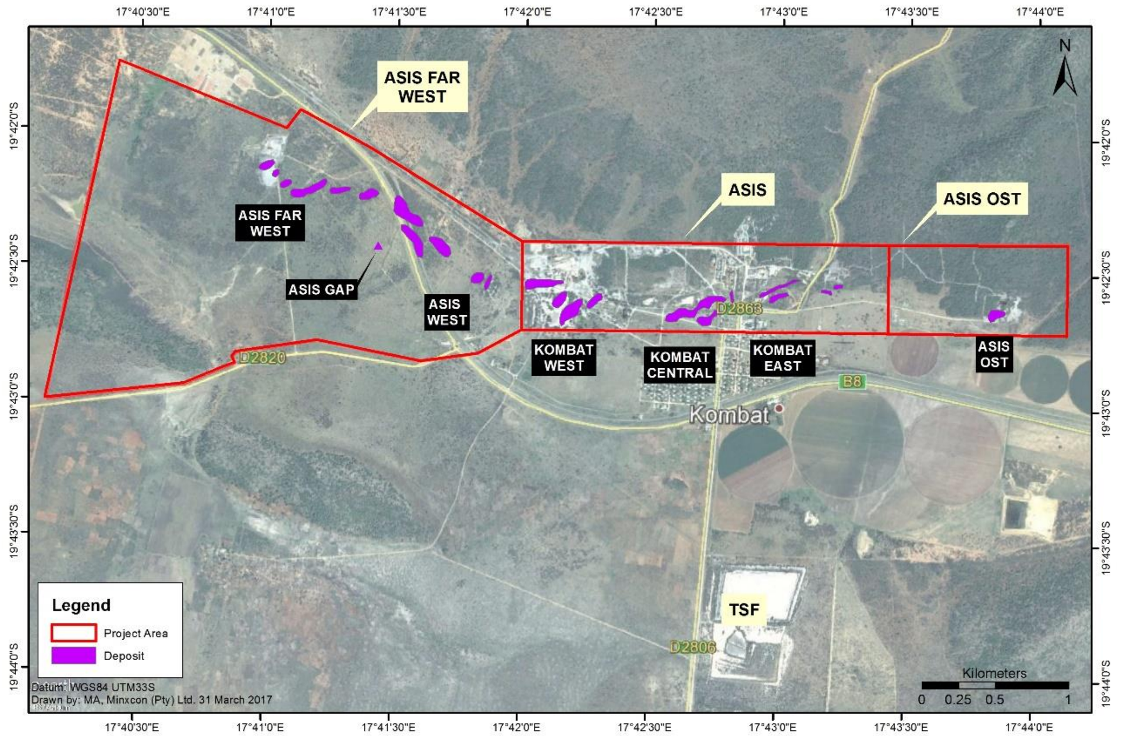
The location of the project areas relative to each other is depicted in Figure 1.

Figure 1: Location of the Project Areas

Location of the Project Areas | **February 2018**

The location of the deposits on the Asis and Kombat sections is presented in Figure 2.

Figure 2: Location of the Deposits



Note: Deposit boundaries have been traced from external sources and may not reflect accurately.

Location of the Deposits	February 2018

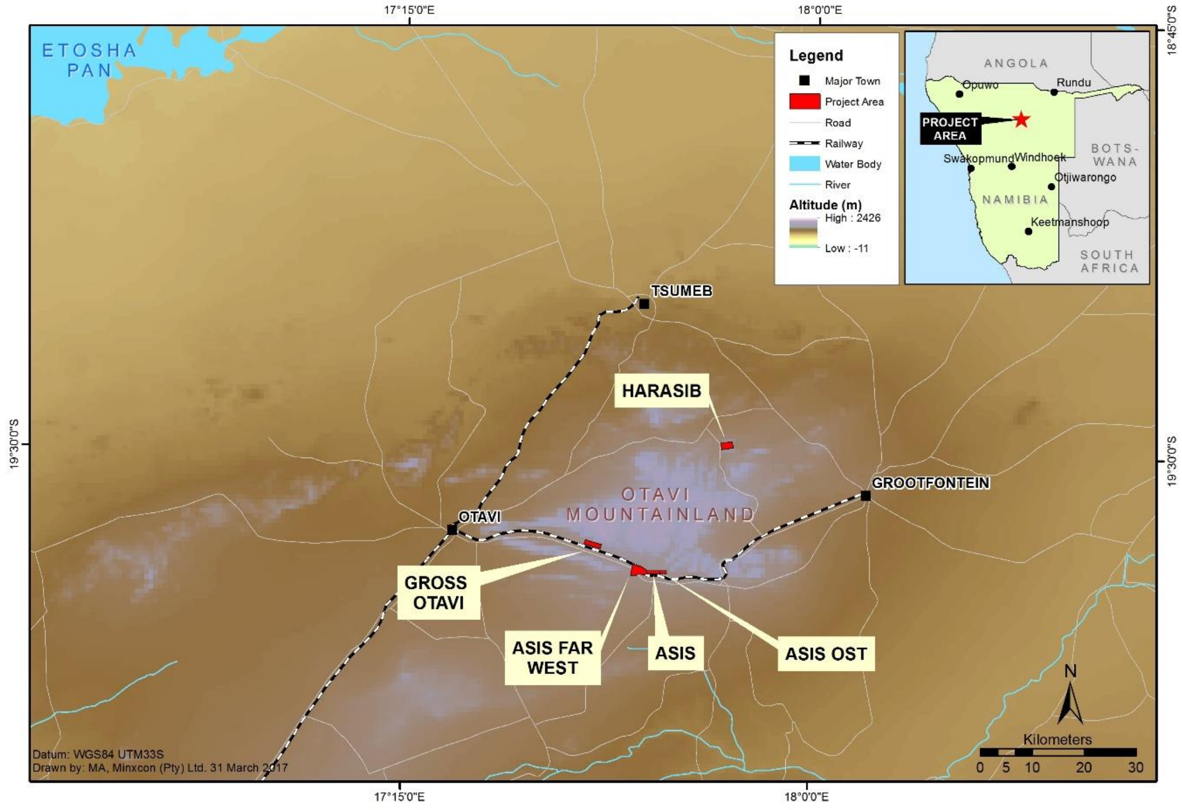
Item 4 (b) - Location of the Property

The Kombat Copper Project occurs within the Grootfontein District, Otjozondupa region, Namibia. Kombat is situated on the B8 road to Grootfontein, some 37 km east of Otavi and 45 km due west of Grootfontein. Tsumeb lies 50 km due north of Asis. The country capital of Windhoek is situated 326 km due south-southwest, while the regional capital Otjiwarongo is approximately 139 km southwest of Kombat (as the crow flies). In addition, the small ex-mining town of Kombat lies adjacent to the south of the Project. This is clearly shown in Figure 2. The Etosha Pan lies 145 km northwest.

The contiguous Asis Far West, Asis and Asis Ost licence areas are centred on the co-ordinates 19°42’37”S 17°42’13”E (WGS84 UTM 33S). Gross Otavi lies some 8 km due northwest of the Asis licence areas, while the TSF lies 1 km to the south. Harasib lies 27 km due northeast on the co-ordinates 19°29’07”S 17°50’25”E (WGS84 UTM 33S).

Figure 3 shows the regional location of the Project Areas.

Figure 3: Regional Location of the Project



Regional Location of the Project	February 2018

Item 4 (c) - Mineral Deposit Tenure

The issuing and control of mineral rights in Namibia is regulated by the Minerals (Prospecting and Mining) Act, No. 33 of 1992 ("Minerals Act"); the Diamond Act, No. 13 of 1999; and the Minerals Development Fund of Namibia Act, No. 19 of 1996. Mineral rights are administered by the Ministry of Mines and Energy ("MME").

The Project is comprised of five valid mining licences in the Grootfontein District, namely the contiguous ML9, ML16 and ML73B, as well as ML21 and ML73C. The licences comprise a total area of some 1,219 ha and are held in the name of Manila Investments (Pty) Ltd ("Manila"). The following Table 2 details the licences, as sourced from the online cadastral portal that is regularly updated, http://portals.flexicadastre.com/namibia/.

Table 2: Mineral Licences

ML Number	Area	Minerals	Issue Date	Expiry Date	Area ha
14/2/3/2/9	Asis Ost	Base and rare metals, non-nuclear fuel minerals, precious metals, precious stones, semi-precious stones	20 July 1971	31 March 2019	74.1239
14/2/3/2/16	Asis Far West	Base and rare metals	3 August 1977	31 March 2019	467.8013
14/2/3/2/21	Harasib	Base and rare metals	24 April 1980	31 March 2019	264.1346
14/2/3/2/73B	Asis	Base and rare metals and precious metals	1 April 1994	31 March 2019	150.1931
14/2/3/2/73C	Gross Otavi	Base and rare metals and precious metals	1 April 1994	31 March 2019	262.2800
Total Area					1218.5329

The renewal application process is underway and Trigon intends to submit the application documents before 31 March 2018.

Minxcon is not qualified to give legal opinion and has relied on the licence details as provided on the flexicadastre online system, the filed P&E report of 2014, as well as the P&E Competent Person's reliance on legal counsel Lorentz Angula Inc. including their legal due diligence opinion. Minxcon has had sight of the above licences and is satisfied with their validity.

TSF

The existing TSF does not fall within a mining licence area.

The Minerals Act does not deal with the utilisation of tailings and specifically includes tailings under the definition of waste and not under the definition of mineral. Thus, it is interpreted that the Minerals Act does not apply to tailings. The scope of Environmental Management Act, No. 7 of 2007 ("EMA"), however, is wider than that of the Minerals Act and applies to the extraction of all resources, not only resources that fall under the definition of minerals in the Minerals Act. Any extraction or resources from tailings dams will therefore be a listed activity. An Environmental Clearance Certificate ("ECC") is therefore required in order to extract resources from tailings dams.

Currently, there is no valid ECC over the area of the TSF. Such will be required should the TSF be mined. Both the existing TSF and various options for a new TSF in a different location have been included in Manila's EIA Scoping Report (2018a) as will be submitted to the Ministry of Environment and Tourism ("MET"): Department Environmental Affairs ("DEA") in terms of Manila's application for an ECC for open pit mining and dewatering for underground exploration activities. However, the activity relating to "extraction of resources from the TSF", is not part of the current EIA scope/application and was not assessed as such.

Item 4 (d) - Issuer's Title to/Interest in the Property

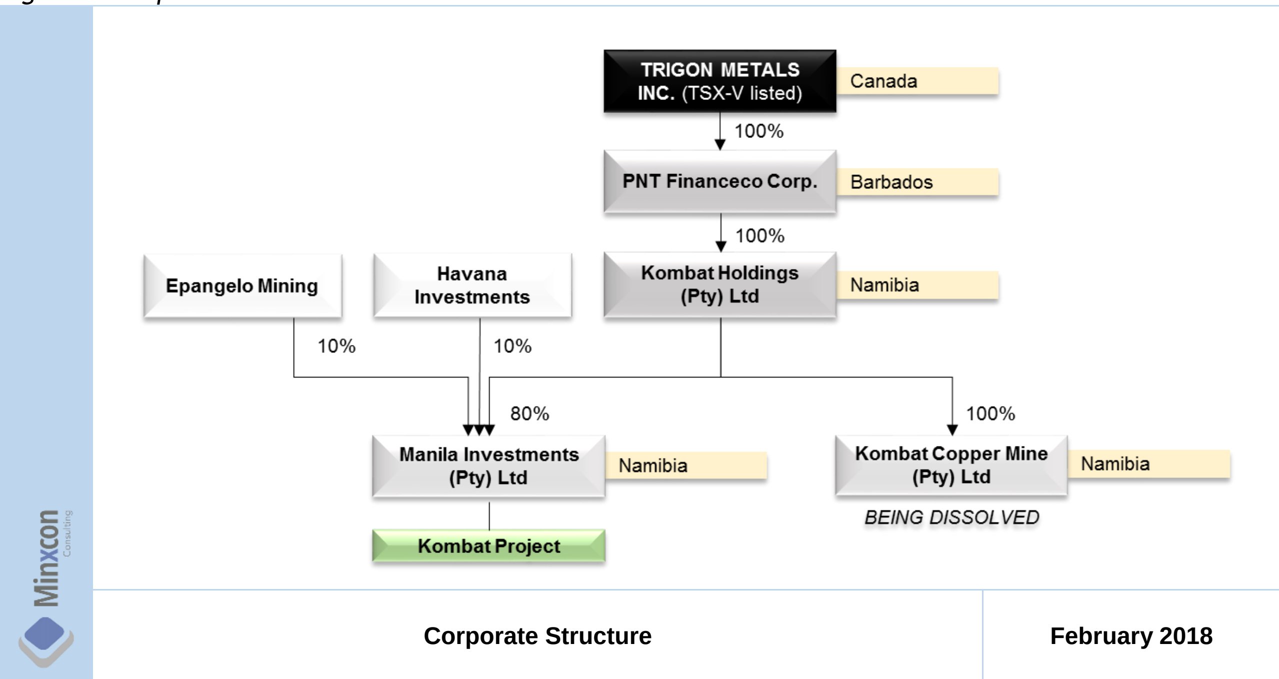
Corporate Structure

In April 2012, Kombat Copper Inc. ("Kombat Copper", formerly Pan Terra Industries Inc.) acquired 80% of the outstanding shares of Manila whose primary asset was a 100% interest in the formerly producing Kombat Copper Mine, as well as all related mining licences and assets, including all mining surface infrastructure and equipment (P&E, 2014).

In December 2016, Kombat Copper undertook a rebranding, in terms of which the company was renamed Trigon Metals Inc.

The following Figure 4 shows the current corporate structure of Trigon, as provided by the Client.

Figure 4: Corporate Structure



TSF

The existing TSF is located within the Kombat Town limits and does not fall within any mineral licence area held by Trigon or its subsidiaries. Manila does, however, own the land under the TSF.

Manila is also considering various other locations for a new TSF, with the preferred being a new, lined, TSF located ±500 m west of the process plant area within ML16. The construction and operation of this proposed new TSF was assessed as part of the above-mentioned EIA Scoping process.

Surface Rights

In terms of the Namibian Minerals Act, the holder of a mineral licence may carry out such operations authorised by the licence on, or under, the land in respect of which the licence was granted. If the holder is for any reason prevented by the owner of private land from entering the land in order to exercise his rights in terms of his licence, he may apply to the Minerals Ancillary Rights Commission to be granted those rights.

Manila is the owner of the surface area for the mine infrastructure area including the office, the Kombat Central Pit area (Erf 8) and the No. 3 Shaft infrastructure area (Erf 78) that lies within the Asis ML area.

The Gross Otavi and Harasib surface areas are farmland. Asis Far West is classified as government settlement land, although previous management indicated that as the shaft has been sunk there, it will be made available for mining.

Trigon or its subsidiaries do not own the surface rights on the other ML areas and there are currently no agreements in place with any of the landowners. This will have to be established in order to carry out exploration and mining activities.

Item 4 (e) – Royalties and Payments

The Namibian government confirmed a royalty schedule in 2006, originally introduced in 2004, for the following:-

- 3% Royalty levied on the market value of base, precious, and rare metals and nonnuclear mineral fuels; and
- 2% Royalty levied on semi-precious stones, industrial minerals and nuclear mineral fuels.

For the Project, a 3% government royalty is applicable.

Normal tax is levied on taxable income of companies, trusts and individuals from sources within or deemed to be within Namibia. Mining companies other than diamond mining companies are subject to a company tax rate of 37.5%.

Apart from the government taxes and royalties, there are no further back-in-rights, payments or other agreements and encumbrances to which the properties are subject.

Item 4 (f) – Environmental Liabilities

In terms of the Minerals Act, the holder of a mineral licence must take all steps to the satisfaction of the minister to remedy any damage caused by any mining activities. Currently, Manila does not have an environmental trust fund or financial provision for closure and rehabilitation. This will have to be established. Furthermore, a detailed Mine Closure Plan needs to be developed.

Item 4 (g) – Permits to Conduct Work

Prospecting ECC

In terms of the Minerals Act a mineral licence may only be issued once the applicant has been furnished with an ECC (valid for three years), which in turn may require an Environmental Impact Assessment ("EIA") to be completed as determined by the Environmental Commissioner. An ECC for the exploration activities on MLs 73B, 73C, 16, 9 and 21 was issued on 18 September 2017 and will expire on 17 September 2020.

Mining ECC

In terms of the EMA and EIA Regulations, an Environmental Impact Assessment ("EIA") process has been undertaken by Manila for the proposed open pit mining project, under commission to SLR Environmental Consulting (Namibia) (Pty) Ltd ("SLR Namibia"). An application form was submitted to the Ministry of Mines and Energy (MME) as the Competent Authority (for their forwarding to the Ministry of Environment and Tourism (MET): Department Environmental Affairs (DEA)) on 5 October 2017 for an ECC for open pit mining in ML73B and associated activities, processing of the ore at the existing process plant (to be refurbished), and associated activities, and dewatering the Asis Far West shaft and conducting further underground exploration activities in ML16. The scoping study has been completed and comments have been received from interested and affected parties. It is intended to submit the final document to MET on or before 31 March 2018.

The EIA process included a screening phase and a scoping phase, which includes an impact assessment, and an Environmental Management Plan ("EMP").

In an environmental gap analysis by SLR Namibia in September 2016, it was identified that a "domestic wastewater & effluent discharge exemption" permit was issued to Manila in 2016 for the wastewater treatment system/facility. This facility was sold with the Kombat Town and the permit is therefore issued under the wrong company/entity.

TSF ECC

There is no ECC over the area of the current TSF. Such will be required should the TSF be mined.

Manila is currently investigating alternative location options for the TSF, with preference being held for a new lined TSF located within ML16. Both the existing TSF (for further deposition of tailing) and various options for a new TSF have been included in Manila's application to the MET:DEA for an ECC for open pit mining and dewatering for underground exploration activities, although no application has been made for an ECC for extraction of the TSF material.

Water Abstraction Permit

Once Manila is in a position to recommence mining, a water abstraction permit will have to be obtained in terms of the Water Act, No. 54 of 1956.

Water supply to the Kombat office, etc. is supplied from a tie-in off the NamWater pipeline (abstracting water from the mine's underground water).

Item 4 (h) - OTHER SIGNIFICANT FACTORS AND RISKS

High volumes groundwater at the mine areas has historically been a challenge for mining. Going forward, emphasis should be placed on geohydrological assessments and continued groundwater monitoring. All work should be conducted taking cognisance of groundwater levels and impacts.

Minxcon is not aware of any significant factors or risks prevalent to the Project that may affect access or operations.

ITEM 5 - ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

Item 5 (a) – TOPOGRAPHY, ELEVATION AND VEGETATION

The Project is located in the southern part of the Otavi Mountains within a large synclinal feature that creates a roughly east-west trending valley sloping westwards, namely the Otavi Valley. The Project Areas occur on the northern inner limb of this syncline; thus, the land gently dips to the south. The topography is characterised by gently rolling hills with rugged karst topographical outcrops caused by the dolomitic nature of the majority of underlying rocks.

Elevations range from 1,600 m above mean sea level ("amsl") within the valley up to over 1,900 m amsl towards the valley edges. The Kombat Mine lies at some 1,610 m amsl.

Vegetation in the region is dominantly low grasslands with rocky outcrops generally covered by low shrubs to thorny, bushveld-type trees.

Item 5 (b) – ACCESS TO THE PROPERTY

The Kombat Copper Project is easily accessible as it is located along the B8 highway, midway between the towns of Grootfontein and Otavi. Gross Otavi lies 1 km north and Harasib 25 km north-northeast of this highway. Access to the individual properties is via unpaved district and farm roads (P&E, 2014).

The Transnamib railway line traverses the copper Project Areas, as shown in Figure 3, and a rail siding occurs at Asis. In addition to connecting the Project with major Namibian cities, the railroad also connects the Project to port facilities at Walvis Bay some 500 km southwest and to the Tsumeb smelter in Tsumeb.

Item 5 (c) – PROXIMITY TO POPULATION CENTRES AND NATURE OF TRANSPORT

The populations of the nearby towns of Tsumeb, Otavi and Grootfontein are respectively about 19,000, 5,000 and 24,000 (2011 statistics). Basic services such as food, lodging and fuel can be found at these towns, as well as labour. Both skilled and unskilled labour are available at these towns, with many of them having previous mining experience. Tsumeb hosts an operational copper smelter and a full range of mining-related services and suppliers can be sourced from here (P&E, 2014).

The Project lies immediately adjacent to the small ex-mining town of Kombat. Apart from housing, the town hosts a school, clinic, police station and derelict recreational facility.

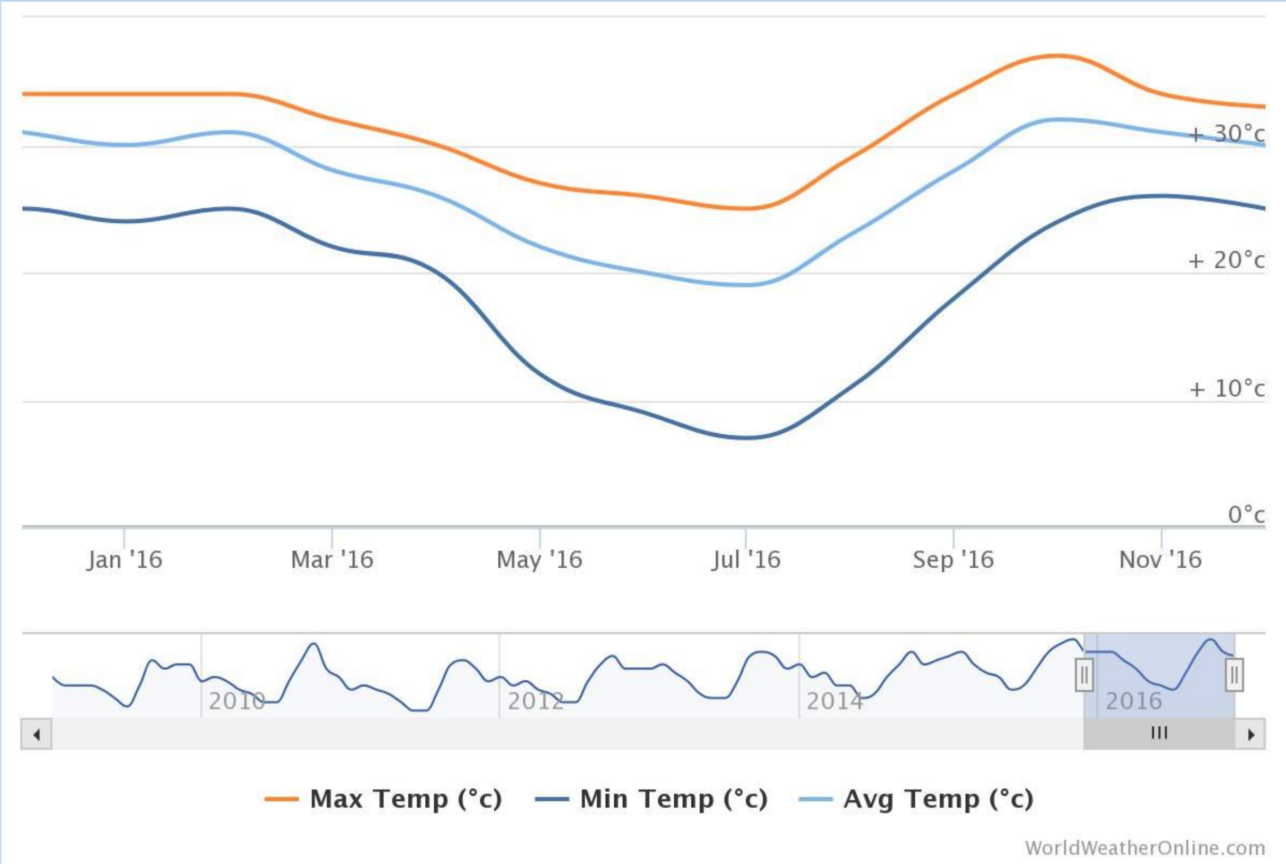
Tsumeb, Otavi and Grootfontein are linked via established road and railway networks. Grootfontein town hosts an airport with two asphalt runways some 4 km south of the town's centre (P&E, 2014). Tsumeb also hosts a small airport, located just east of the town. A small landing strip provides private services to Kombat town.

Item 5 (d) – CLIMATE AND LENGTH OF OPERATING SEASON

The prevailing climate at Kombat is known as a local steppe, or semi-arid, climate (climate-data.org).

The region experiences high average temperatures throughout the year. Summer months are from September to February, with temperatures averaging 30°C, and winters from March to August, with temperatures averaging 20°C. October is generally the warmest month and July the coolest. Figure 5 shows the average annual temperatures as recorded at Kombat.

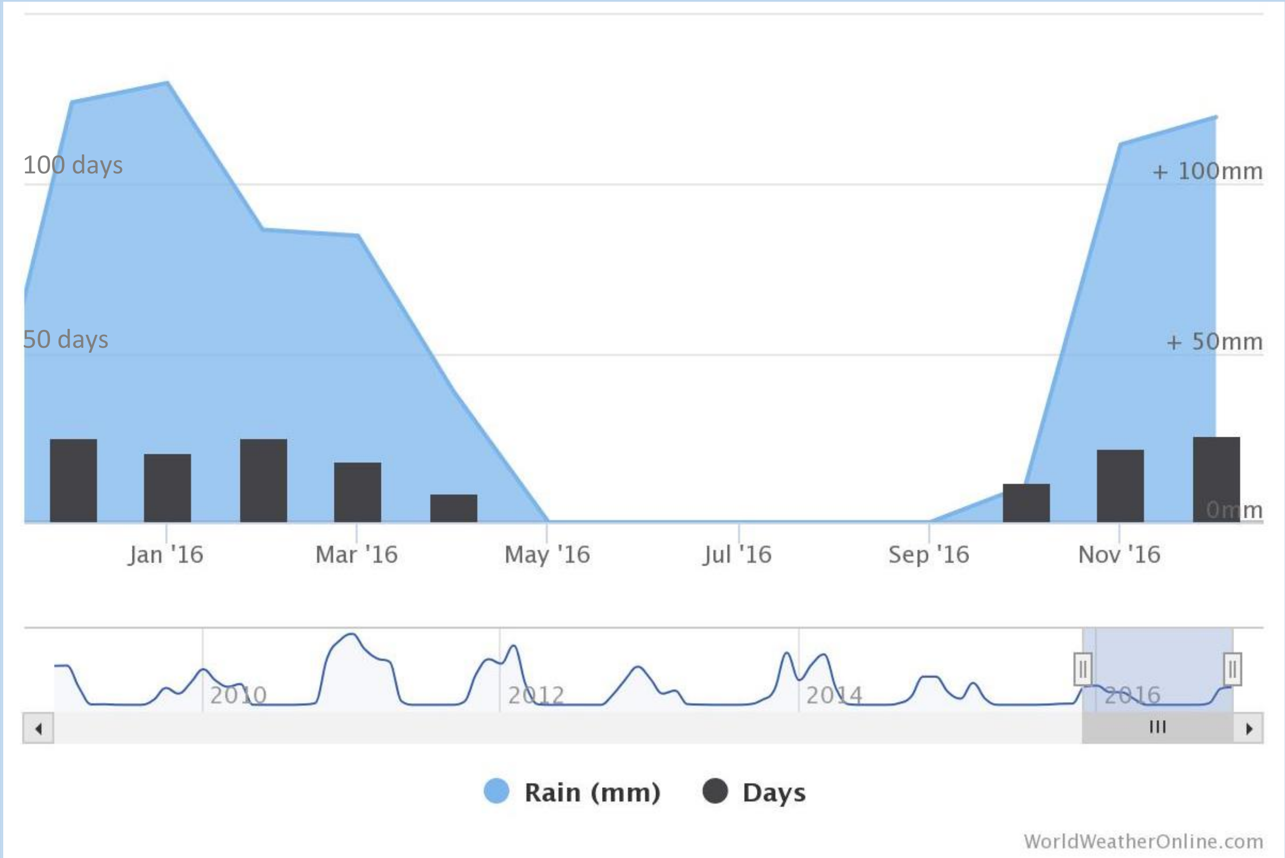
Figure 5: Kombat Area Average Annual Temperature Graph



Source: www.worldweatheronline.com

During the year, there is little rainfall in Kombat. The average annual rainfall is 546 mm (climate-data.org). The region experiences a rainy season from November to March, with measured precipitation averaging 110 mm. A dry season is experienced from June to September, where generally no precipitation is experienced. The average annual precipitation is graphically illustrated in Figure 6.

Figure 6: Kombat Area Average Annual Precipitation Graph



Source: www.worldweatheronline.com

There are no major climatic influences that may hinder operations. Mining and mining-related activities can continue throughout the year.

Item 5 (e) - INFRASTRUCTURE

Per P&E (2014), Kombat Mine was operational during the periods 1911-1925 and 1962-2008. In 2008, a major power outage lead to unmanageable flooding of the underground workings. Owing to the mining history of the Project, all the expected mining infrastructure exists, which requires minimal rehabilitation (Awmack, 2012):-

- Three recently operational shafts, from east to west: No. 3 (±330 m deep), No. 1 (±460 m deep) and Asis Far West (±800 m deep) as well as an up cast vent raise located at No. 1 Shaft;
- Ramps and extensive underground workings primarily developed around the No. 3 and No. 1 Shafts, from surface to the bottom of the mine and flooded to about 60 m below surface;
- An 1,100 tpd concentrator, operational until early 2008;
- Rail spur and load-out connected to the Namibian rail system;
- Mine offices, warehouses, maintenance facilities, etc.;
- A tailings facility measuring approximately 600 m x 400 m x 25 m high;
- A town site with approximately 110 houses, single worker's quarters, golf course, tennis courts, airfield, etc.;
- Two main NamPower power lines servicing the area. One designed for 132 kV and both energized at 66 kV feeding the NamPower substation located adjacent to the mine;
- Power is supplied to the mine via two existing 11 kV lines feeding into the mines intake substation which in turn supplies power to surface and underground infrastructure;

- Diesel generator with a capacity of 50 kVA is available on site;
- A pumping system connected to the NamWater distribution network for eventual use in Windhoek, currently pumping 800 m^3/h – 1,200 m^3/h; and
- Ongoing dewatering of the mine provides abundant water for operation of the concentrator and town site.

The existing infrastructure also includes an explosive magazine, tailings storage facilities and backfilling capability. A copper smelter, owned by Dundee Precious Metals, is located at Tsumeb and toll-treats ore from regional mines.

Water supply is from a tie-in off the NamWater pipeline (abstracting water from the mine's underground water).

ITEM 6 - HISTORY

Item 6 (a) - Prior Ownership and Ownership Changes

Mineralisation in the region was first reported by Sir Frances Galton in 1851. The company Otavi Minen und Eisenbahn Gesellschaft ("OMEG") took ownership of the Kombat Project areas commencing with Gross Otavi operations in 1909 and Kombat (Asis area) in 1911, ceasing all operations in 1925. Tsumeb Corporation Limited ("TCL") took over the Project in the early 1950s. TCL was later liquidated and ownership passed on to Ongopolo Mining and Processing Limited ("Ongopolo") in 1999.

In 2006, ATM-listed Weatherly International PLC ("Weatherly") purchased Ongopolo and ownership of Kombat, Gross Otavi and Harasib were transferred to their subsidiary, Ongopolo Mining Limited ("Ongopolo Mining").

After placing the mine on care and maintenance due to flooding in 2008, Grove Mining (Pty) Ltd ("Grove") took over ownership, later selling the assets to Manila Investments. Ownership was again transferred in 2012 to Kombat Copper.

Item 6 (b) - Historical Exploration and Development

The following Table 3 provides an overview of the exploration and development historically conducted at the Kombat Copper Project.

Table 3: History of Exploration and Development

Year	Company	Summary
1851	Francis Galton	Mineralisation in the Otavi Mountainland first reported.
1909 -1941	OMEG	Gross Otavi was historically mined by OMEG from 1909 until 1941.
1911	OMEG	Mining operations commenced in the Kombat Project area, including limited surface production at Kombat and underground mining at both Kombat and Gross Otavi.
1925	OMEG	Production suspended due to problems with excessive water in the Kombat underground workings.
Post WWII - 1950s	TCL	TCL purchased assets from OMEG and explored the Kombat Property through the 1950s.
1962	TCL	Commenced milling in April 1962 (Innes and Chaplin, 1986).
1960s - 1990s	TCL	Numerous geochemical and geophysical surveys undertaken in the vicinity of the Kombat Mine from the 1960s to 1990s. These included soil geochemical, ground magnetic, induced polarization and seismic surveys, however, documentation and results are not available for all surveys.
1962 -1981	TCL	Production records for the Kombat Mine are limited. During the period 1962-1991, production was reported at 8.8 million tonnes of ore grading 2.74% Cu, 1.67% Pb and 22 g/t Ag; There are limited other production records available from the TCL operations at Kombat.
1986	TCL	Surface diamond drilling carried out at Kombat to test the hypothesised westward contamination of the Cu-Pb mineralisation associated with the roll in the dolostone/phyllite contact. A series of mother holes were drilled steeply to the north, with up to eight holes wedged off each mother hole. These pierce-points covered 1,600 m of strike length, from mine Section 600W (roughly the westernmost extent of current mining at Asis West) to 2200W.
1988	TCL	The mine suffered from heavy water inflows throughout its history, particularly along NE-trending cross-faults. Catastrophic inflows led to loss of life in 1988 and to periodic flooding of portions of the mine.
1988 - 1989	TCL	TCL and Gold Fields Namibia evaluated the Gross Otavi area by diamond drilling and a decline was begun in 1988 with the intention of commencing production as a satellite deposit to feed the Kombat mill. All work was halted in early 1989 when work was re-focused on the Kombat Mine. Core is not available
1999	Ongopolo	TCL was liquidated and ownership passed to Ongopolo who operated the Kombat Mine and other assets of TCL including the copper smelter at Tsumeb, for the next several years.
2005	Ongopolo	An 800 m shaft sunk at Asis Far West with loan guarantees from the Namibian Government, in order to access the Asis Far West orebodies. Only limited amounts of

Year	Company	Summary
		development, drilling and mining were carried out from it, before mine closure in January 2008.
2006	Weatherly	Weatherly, purchased Ongopolo in 2006; with the sale of the Tsumeb smelter and corporate reorganization, ownership of Kombat, Gross Otavi and Harasib were transferred to Ongopolo Mining Limited, a subsidiary of Weatherly.
2007	Weatherly	More work carried out at Gross Otavi, including reverse circulation drilling with positive results as disclosed in a news release dated 23 October 2007. Chip samples are still available.
2006 -2007	Ongopolo Mining	The potential for near-surface copper mineralisation over the three km west from the Asis Ost orebody to the No. 1 Shaft at the Kombat mine was tested. A database was generated with over 1,200 drillholes: core (10 holes), reverse circulation (258 holes: 27,750 m) and percussion (16,500 m). Holes were relatively short, averaging 107 m for the reverse circulation holes and generally <40 m for the percussion holes. The RC' holes were mainly drilled at an inclination of -60° to the north along 24 irregularly-spaced section lines, 125 m apart on average. The drilled area was divided into Blocks A-E from west to east and section lines within each block were also numbered from west to east; the westernmost section line (Al) passed immediately west of the No. 1 Shaft. Many of the percussion holes were vertical, drilled on 10 m centres in areas of interest (Ongopolo. 2007).
2005 -2007	Ongopolo Mining	Production figures are not available for most of Ongopolo Mining's tenure as operator of the Kombat Mine, however, monthly records are available for 13 months between May 2005 and December 2007. The mill processed underground ore for nine of those months, with an average monthly throughput of 10,289 tonnes grading 2.54% Cu, 0.45% Pb and 28 g/t Ag. Flooding of the underground workings led to milling of open pit ore starting in April 2007; production in the four months for which records are available averaged 16,492 tonnes grading 0.64% Cu, 0.29% Pb and 4 g/t Ag. The size of the Kombat tailings pile has been estimated at 10.6 Mt (Kotze, 2011. Assuming that the tailings represent about 90% of mill feed, this would imply that about 12 Mt of ore were mined and processed at Kombat between 1962 and 2008.
2008	Ongopolo Mining	Poor copper prices and difficulty in de-watering the mine after another episode of flooding led to closure of the mine in 2008.

Source: P&E (2014)

German explorers prospected the region until 1911 when OMEG commenced mining operations, ultimately ceasing operations in 1925 due to major influx of groundwater. TCL conducted exploratory drilling below the old mine. Although this was unsuccessful in defining additional resources, additional ore was discovered to the east and west of the original prospect.

The old shaft was re-equipped and while development proceeded, a new 335 m shaft was sunk northwest of the orebody and a concentrating plant commissioned in 1962. In 1964, a third shaft was completed to cover the eastern ore lenses. Production continued uninterrupted until mid-1976, where steady state production was curtailed to 1978 due to low metal prices, but during this period underground exploration and development resulted in the discovery of the rich Asis West area; production was then returned to steady state levels. Asis West production continued until November 1988 when the mine was flooded and production ceased for nearly one year, but was continued thereafter. Mining again stopped between January and June 1997 due to flooding (SMS, 2014).

TCL liquidated in March 1999 and was taken over by Ongopolo in March 2000 until November 2006. Ongopolo intermittently explored, developed and mined from an exploration shaft sunk at Asis Far West on the basis of surface drillhole intersections. In the process, expenditure on mining from the original areas was severely curtailed and as a consequence, the mine started flooding in March 2005 (SMS, 2014). Weatherly then took over and seized all operations in February 2008, declaring all mines on care and maintenance. The 2008 closure was triggered by two power outages in quick succession each lasting one hour. Weatherly sold the smelter to Dundee Precious Metals to raise funds. The smelter is now a standalone tolling business.

Item 6 (c) – HISTORICAL MINERAL RESOURCE ESTIMATES

In 2014, qualified persons Mr R. Routledge (M.Sc. (Applied), P.Geo.) and Mr E. Puritch (P.Eng.) of P&E Mining Consultants Inc. ("P&E") estimated an Inferred Mineral Resource only for the Asis Far West block in accordance with NI 43-101, as presented in Table 4. The total Inferred Mineral Resource for a 1% Cu block cut-off grade was calculated at 1.7 Mt averaging 1.93% Cu, 0.13% Pb and 15.9 g/t Au, or 2.15% CuEq. It is not clear, or evident why Mineral Resources were not declared for the other areas which have been declared in this Report.

Table 4: Asis Far West Historical Inferred Mineral Resources at Various Copper Cut-off Grades, as per P&E as at April 2014

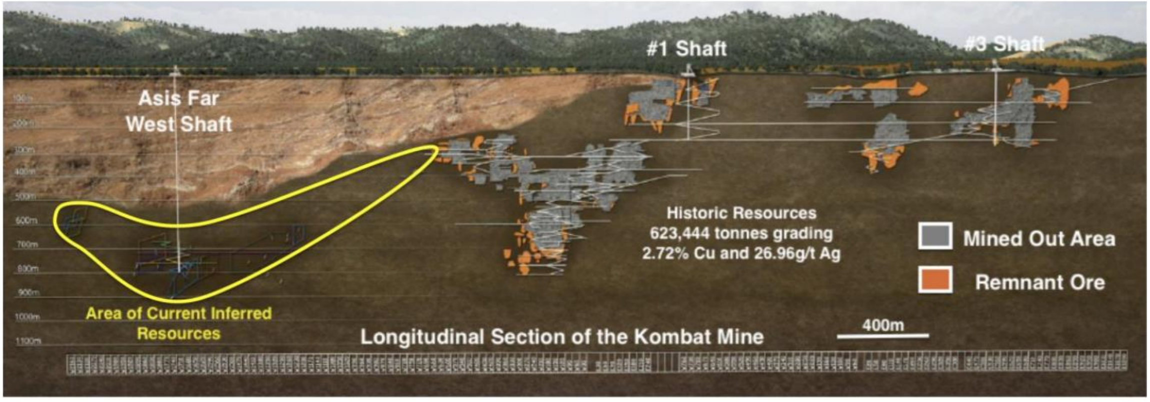
Cut-Off Grade	Tonnes	Bulk Density	Cu	Pb	Ag	CuEq[4]
Cu%	kt	t/m³	%	%	g/t	%
Wireframe	2.967	2.82	1.39	0.17	12.6	1.58
0.25	2.938	2.82	1.4	0.16	12.7	1.59
0.50	2.729	2.82	1.48	0.15	13.2	1.67
1.00	1.679	2.83	1.93	0.13	15.9	2.15
1.50	787	2.85	2.71	0.13	20.3	2.98
2.00	439	2.86	3.51	0.1	26.2	3.83
2.50	286	2.88	4.19	0.09	30.7	4.56
3.00	206	2.89	4.76	0.09	34.7	5.18
3.50	155	2.9	5.27	0.09	38.8	5.73
4.00	114	2.91	5.82	0.09	42.8	6.33
4.50	78	2.92	6.53	0.09	48.1	7.10
5.00	54	2.94	7.32	0.09	55.7	7.97

Notes:

1. CIM definitions were followed for Mineral Resources.
2. The Qualified Persons for this Mineral Resource estimate are: Richard Routledge, M.Sc. (Applied), P.Geo. and Eugene Puritch, P.Eng. of P&E Mining Consultants Inc.
3. Mineral Resources are estimated by conventional 3D block modelling based on wireframing at a 0.5% CuEq cut-off grade and inverse distance cubed grade interpolation.
4. CuEq is based on metal price only using the formula: CuEq = Cu% + (0.28* Pb%) + (0.0113* Ag g/t).
5. Metal prices for the estimate are: US$3.43/lb Cu, US$0.95/lb Pb, US$26.47/oz Ag based on a two-year trailing average as of February 28, 2014.
6. A variable bulk density of 2.79 t/m³ or higher based on density weighting has been applied for volume to tonnes conversion. The "revised Tsumeb" formula was used for bulk density calculation where bulk density = 363 / (130-(0.874 * (Cu% + Pb%))).
7. Mineral Resources are estimated from 1,307 m elevation to 677 m elevation, approximately 300 m depth to 947 m depth below surface.
8. Mineral Resources are classified as Inferred based on drill hole spacing, geologic continuity and quality of data.
9. A small amount of the resource may have been mined at the east end of the Asis Far West zone but stope location and amount of material removed is uncertain.
10. Mineral Resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. There is no certainty that all or any part of the Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration.
11. P&E recommends reporting resources at the 1%Cu block model cut-off grade.

The Mineral Resource area is illustrated in the Figure 7.

Figure 7: Asis Far West Historical Inferred Mineral Resource Area, as per P&E as at April 2014



Source: http://media3.marketwire.com/docs/kbt0520fig1.pdf

Asis Far West Historical Inferred Mineral Resource Area, as per P&E as at April 2014	**February 2018**

In April 2017, Minxcon completed a Mineral Resource estimation in compliance with NI 43-101 for all the Kombat Project Areas. Table 5 presents the total combined 2017 Mineral Resources for the Kombat operations. All Mineral Resources were classified in the Inferred category, totalling 6,905 Mt at 2.78% Cu for 191,871 t copper.

Mineral Resources were classified as Inferred due to the historical drilling predating the 2012 drilling campaign not having robust QAQC, no underground stope sampling being available, nor any detailed stope outlines or stope voids to conduct accurate depletions of the modelled grade shells.

Table 5: Combined Mineral Resources for the Kombat Operations as at April 2017

Section	Mineral Resource Classification	Tonnes	Density	Cu	Pb	Ag	Cu Content	Pb Content	Ag Content
		Mt	t/m³	%	%	ppm	Tonnes	Tonnes	Kg
Kombat East	Inferred	1.232	2.83	1.37	1.05	1.70	16,924	12,895	2,089
Kombat Central	Inferred	0.848	2.82	1.79	0.33	6.90	15,135	2,767	5,848
Kombat West	Inferred	0.458	2.89	2.77	2.97	2.44	12,684	13,610	1,119
Kombat Total	**Inferred**	**2.538**	**2.83**	**1.76**	**1.15**	**3.57**	**44,743**	**29,272**	**9,056**
Gross Otavi	Inferred	0.643	2.84	0.93	2.50	0.85	6,006	16,053	546
Gross Otavi Total	**Inferred**	**0.643**	**2.84**	**0.93**	**2.50**	**0.85**	**6,006**	**16,053**	**546**
Asis West	Inferred	2.475	2.88	4.05	1.28	32.36	100,214	31,735	80,078
Asis Gap	Inferred	0.166	2.83	2.35	0.35	21.15	3,909	590	3,514
Asis Far West	Inferred	1.082	2.85	3.42	0.10	35.81	37,000	1,036	38,763
Asis Total	**Inferred**	**3.723**	**2.87**	**3.79**	**0.90**	**32.86**	**141,122**	**33,361**	**122,355**
Total Mineral Resources	Inferred	**6.905**	**2.85**	**2.78**	**1.14**	**19.11**	**191,871**	**78,685**	**131,957**

Note:

1. Historical mine voids have been depleted from the Mineral Resource.
2. Historical mine voids were not available for Otavi so the tonnage has been reduced by 1% for historical mining.
3. Additional 7.5 % porosity factor has been applied to Otavi for the karst voids.
4. The open pit Mineral Resource is declared to a depth of 150 m with a CuEq cut-off of 0.77%.
5. The underground Mineral Resource (below 150 m) is declared at a CuEq cut-off of 1.4 %.
6. No tailings have been declared at a 0.4 % Cu cut-off (upside potential at 0.3 % Cu cut-off).
7. Densities for the hard rock material have been modelled.
8. A geological loss of 15 % has been applied to the Mineral Resource.
9. All reported Mineral Resources are limited to fall within the property boundaries of the project area.
10. Columns may not add up due to rounding.
11. The Inferred Mineral Resources have a large degree of uncertainty as to their existence and whether they can be mined economically. It cannot be assumed that all or any part of the Inferred Mineral Resource will be upgraded to a higher confidence category.

Item 6 (d) - Historical Mineral Reserve Estimates

No historical Mineral Reserves have been reported.

Item 6 (e) - Historical Production

Table 6, Figure 8 and Figure 9 provide a summary of historical production from 1961 to 2007. No ore was treated in 1999. A total of some 12.6 Mt was treated at an average rate of 749 tpd. The mine was officially closed on 15 January 2008.

Table 6: Average Production 1961-2007

Item	Total
Tonnes (total, kt)	12,573.2
Average tpd	748.9
Head	
% Cu	2.6
% Pb	1.5
Cu Concentrate	
Tonnes (total, kt)	951.5
% Cu in concentrate	29.7
% Pb in concentrate	7.2
Cu % Recovery	85.7
Pb % Recovery	35.3
Pb Concentrate	
Tonnes (total, kt)	205.6
% Cu in concentrate	10.4
% Pb in concentrate	48.2
Cu % Recovery	6.5
Pb % Recovery	51.1

Historical production records for the period of 2000 to 2007 revealed that approximately 44,208 kg of silver concentrate was produced.

Figure 8: Historic Feed Tonnes and Grade between 1961 and 2007

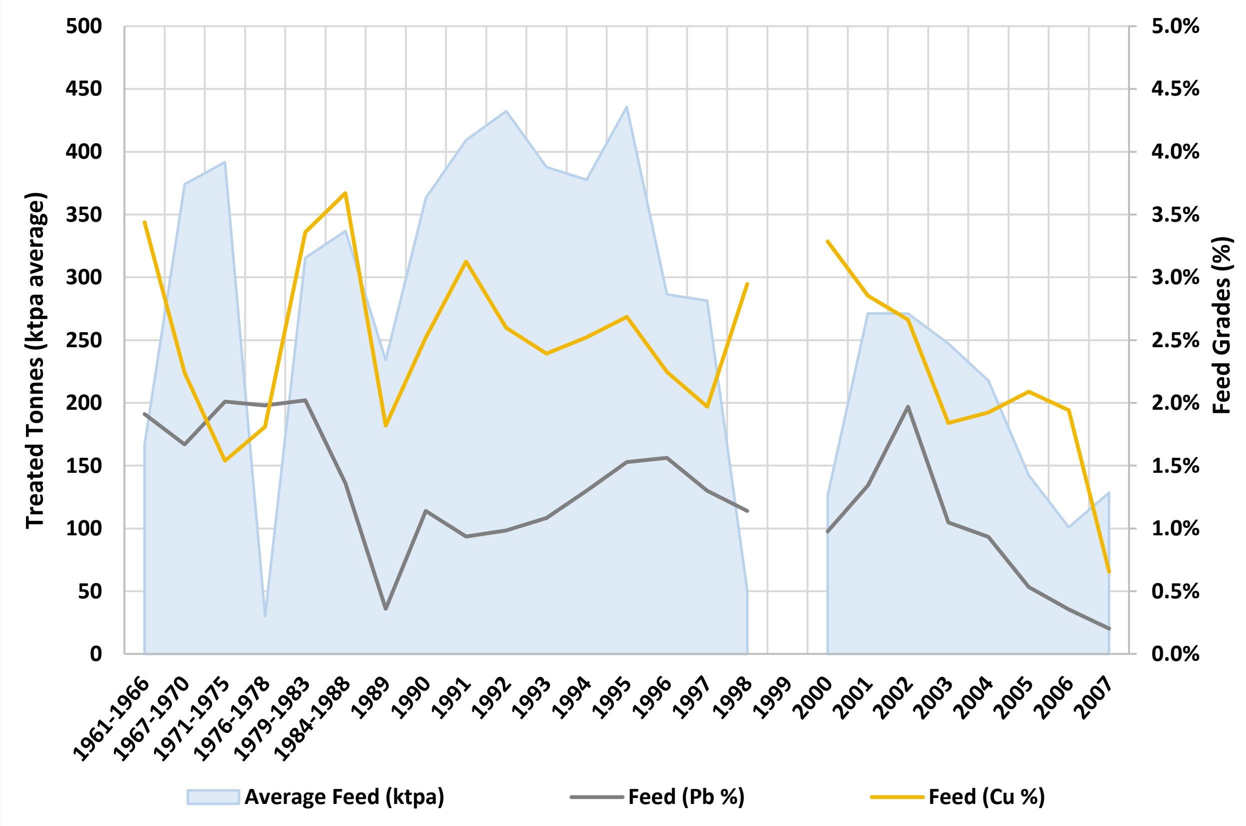
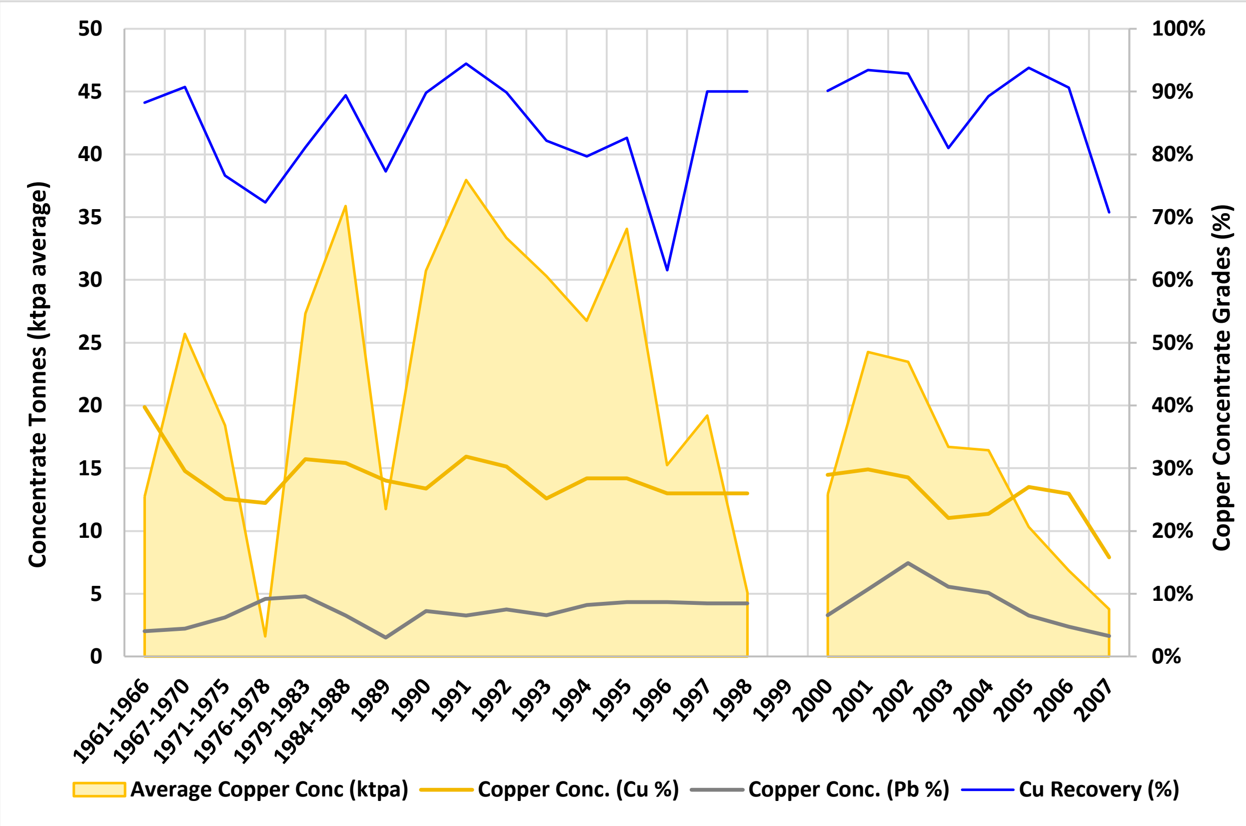


Figure 9: Historic Copper Concentrate Production between 1961 and 2007



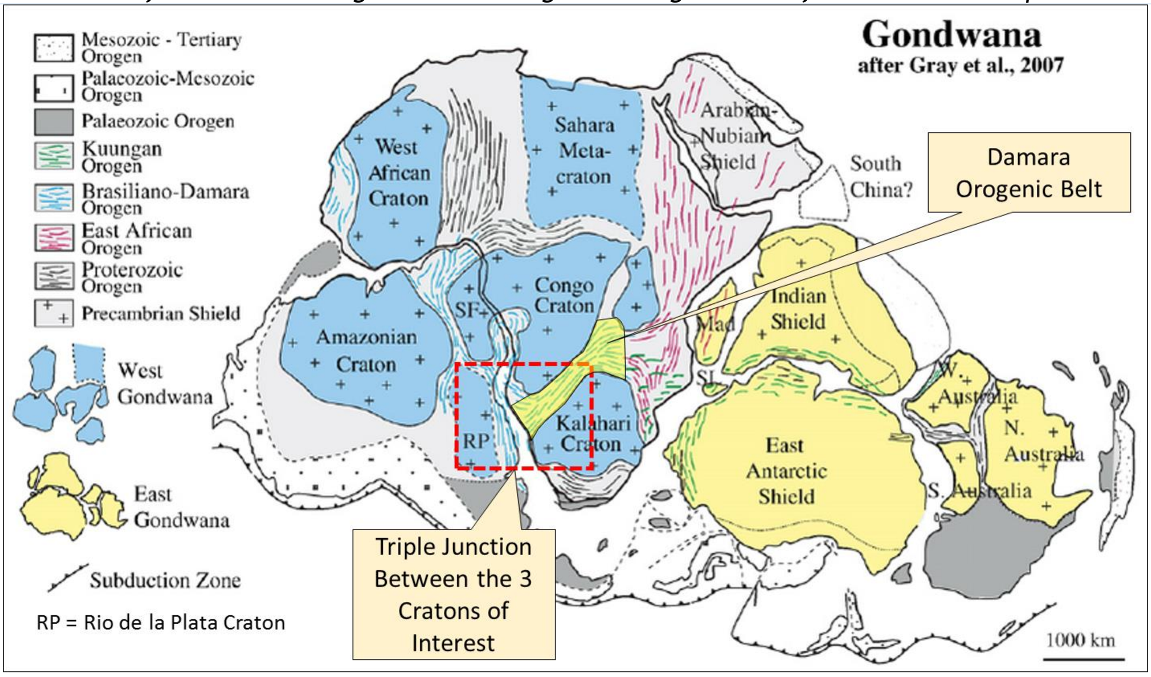
ITEM 7 - GEOLOGICAL SETTING AND MINERALISATION

Item 7 (a) - Regional Geology

Regional Tectonics

The divergent Damara Orogenic Belt was formed late (ca. 550 Ma and 495 Ma) during the supercontinent formation of Gondwana (Figure 10) at the collisional triple junction of the Congo, Kalahari and Rio de la Plata Cratons (Meert and Lieberman, 2007; Gray *et.al.*, 2008), referred to as the Damara Orogen.

Figure 10: Location of the Damara Orogenic Belt during the Amalgamation of the Gondwana Supercontinent

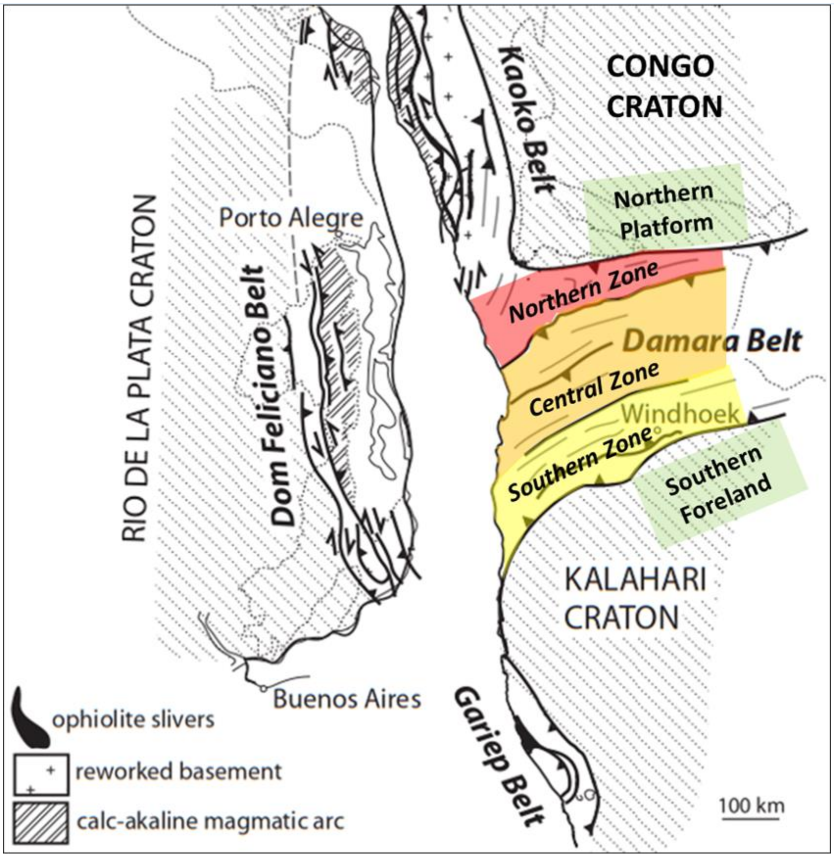


Source: Adapted from Meert and Lieberman (2007)

Location of the Damara Orogenic Belt during the Amalgamation of the Gondwana Supercontinent	February 2018

The Gariep and Kaoko orogenic belts generated strike-slip compressional deformation followed by later large scale rifting, while the northeast trending Damara Orogenic Belt was formed when the passive continental margins of the Congo and Kalahari Cratons collided with thrusting of basin sediments onto the Kalahari Craton from 495 Ma through to 480 Ma (Figure 11).

Figure 11: Location of the Cratons and Orogenic Belts, with Tectonics in Play during the Formation of the Damara Orogen



Source: Adapted from Gray et.al. (2008)

Location of the Cratons and Orogenic Belts, with Tectonics in Play during the Formation of the Damara Orogen	**February 2018**

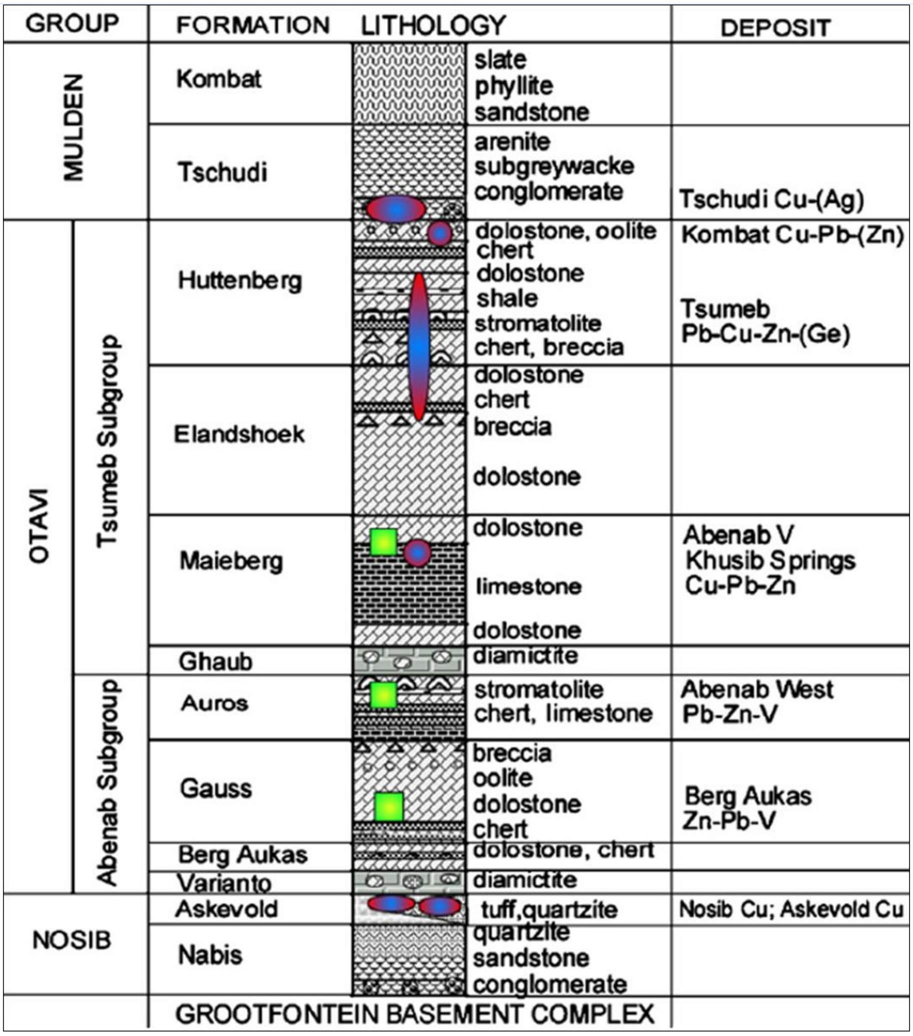
The Damara Orogenic Belt may be divided in to three major zones separated by northeast trending lineaments, namely 1) the Northern 2) Central and 3) Southern Zones (Figure 11). The Northern Zone is separated from the Central Zone by the Omaruru Lineament Zone, while it in turn is separated from the Southern Zone by the Okahandja Lineament Zone. The Damara Belt is bordered to the north by the Northern Platform on the Congo Craton and to the south by the Southern Foreland of the Kalahari Craton (Kruger and Kisters, 2016). The contact between the Northern Platform and the Northern Zone is marked by an arcuate chain of major basement ridges and domes which extend over 1,000 km (Deane, 1995) which affected later carbonate sedimentation which is called the Otavi Mountainland ("OML").

Stratigraphy of the Damara Orogenic Belt

The Paleoproterozoic basement to the Damara Supergroup is known as the Grootfontein Inlier and may be subdivided into the Grootfontein Metamorphic Complex (consisting of alkline/calc-alkaline granites and granodiorites) and the Grootfontein Mafic Body (anorthosites, gabbros, biotite gneisses, granites and amphibolites) (Laukamp, 2006).

The Damara Supergroup may be divided into the Nosib, Otavi and Mulden Groups (Figure 12). The Nosib Group (780–740 Ma) is divided into the Nabis Formation (mainly siliclastics) and the Askevold Formation (consisting of intercalated metavolcanics). It was deposited in a pre-Pan-African, NE-trending horst-graben-system that developed due to the break-up of the Supercontinent (Laukamp, 2007; Kamona and Günzel, 2007).

Figure 12: Stratigraphy of the Damara Supergroup and the Relative Stratigraphic Locations of Known Mineral Deposits



Source: Kamona, A.F. & Günzel, A. (2007)

Stratigraphy of the Damara Supergroup and the Relative Stratigraphic Locations of Known Mineral Deposits	**February 2018**

The Otavi Group was deposited as a carbonate platform on the Northern Platform of the Congo Craton (Gray, 2008; Kruger and Kisters, 2016; and Laukamp, 2007), consists of the Abenab Subgroup and the overlying Tsumeb Subgroup (Laukamp, 2007; Kamona and Günzel, 2007).

The Abenab Subgroup is comprised of the basal Varianto Formation which consists of a glaciogenic diamictite. Laminated, stromatolic and massive dolostone beds make up the Berg Aukas Formation which unconformably overlies the older rocks of the Varianto Formation and Nosib Group. The Berg Aukas Formation represents a transition from clastic deposition to predominantly chemical precipitation. The Gauss Formation conformably overlies the Berg Aukas Formation and consists of a varied massive dolostone sequence of grainstone, mudstone and boundstone with megadomal stromatolites at the top of the package. The Auros Formation consists of interbedded dolostone, limestone and calcareous shale (Kamona and Günzel, 2007).

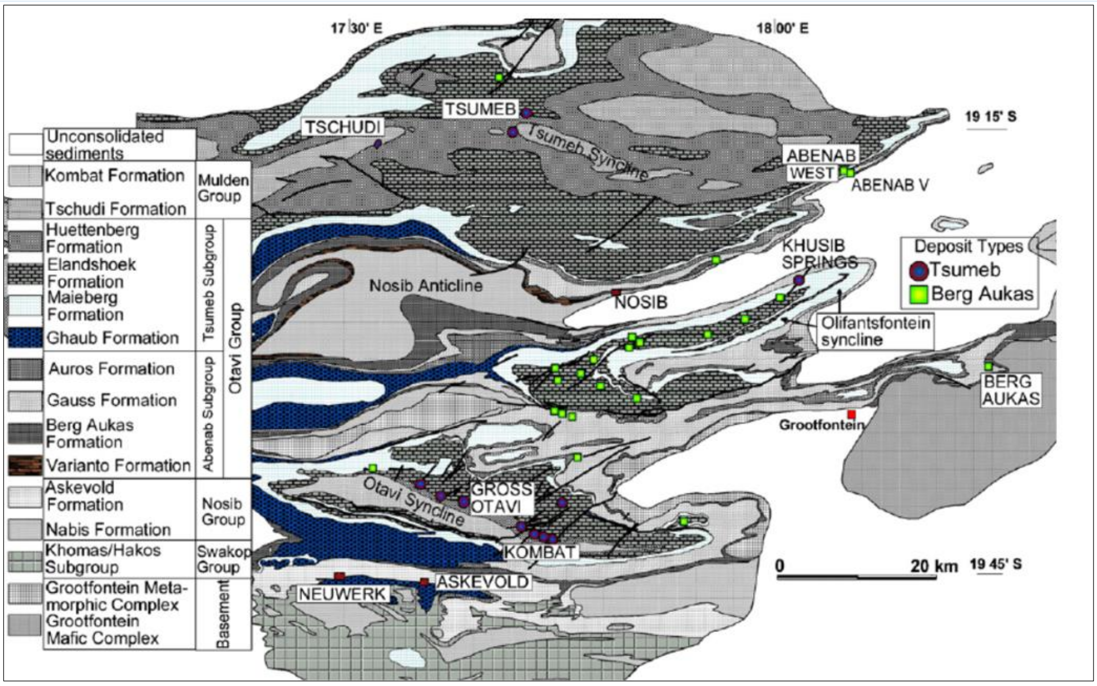
The onset of the Tsumeb Subgroup is also represented by a diamictite belonging to the Ghaub Formation with clasts of dolostone, limestone and quartzite, minor chert, gneiss and granite in a matrix of fine-grained dolomite, calcite, quartz and pyrite. The overlying Maieberg Formation is characteristically thinly bedded, with platy limestone overlain by dolostone beds and is used as a datum in stratigraphic logs due to its wide distribution. The Elandshoek Formation overlies the Maieberg Formation and consists of three dolostone units, namely a lower massive grainstone, a middle dolostone unit with oolitic and stromatolitic chert interbeds, and an upper unit with repetitive minor cycles of dolomitic mudstone capped by boundstone. The Elandshoek Formation is in turn overlain by the Hüttenberg Formation. The Hüttenberg Formation was deposited in a low-energy, tidal flat environment on an inner shelf with local hypersaline conditions where algal mats thrived is indicated by the occurrence of evaporite beds and dessication cracks in algal chert bands (Kamona and Günzel, 2007).

Erosion of the Hüttenberg Formation resulted in the development of karst topography and a major unconformity, prior to deposition of the overlying Mulden Group, consisting of the Tschudi and Kombat Formations. The Kombat ore deposits are located towards the top of the Hüttenberg Formation (Figure 12). The Tschudi Formation generally consists of a basal conglomerate and a fining-upward feldspathic arenite with minor greywacke and intraformational breccias. The Kombat Formation overlies the Tschudi Formation and consists of a sequence of siltstone, sandstone and shale separated by a prominent middle member of black shale with siltstone. The Kombat Formation in some areas has been metamorphosed to form slate (Kamona and Günzel, 2007).

Item 7 (b) - LOCAL GEOLOGY

The Kombat Mine is located in the OML, just north of the boundary between the Northern or Outjo Tectonic Zone and the Northern Platform Margin of the Damara Orogenic Belt. The OML is characterised by various formations belonging to the Damara Supergroup which have been folded into generally east to west trending synclines and anticlines (Kamona and Günzel, 2007), as depicted in Figure 13.

Figure 13: Geology of the Otavi Mountainland and the Locations of Known Mineral Deposits



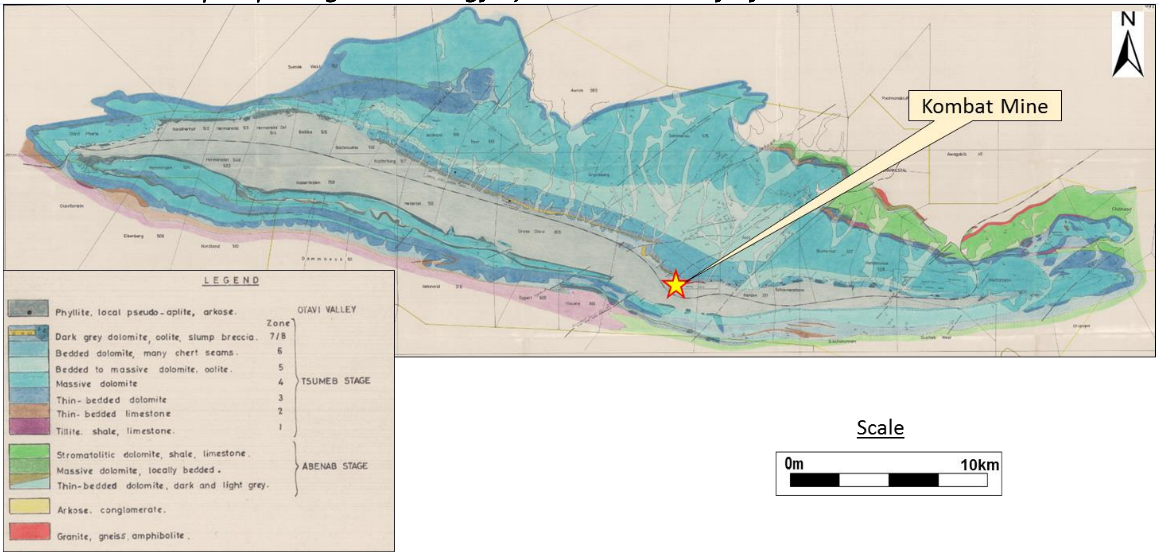
Source: Kamona, A.F. & Günzel, A. (2007)

The Geology of the Otavi Mountainland and the Locations of Known Mineral Deposits	February 2018

Three Damaran deformational events have affected the OML. D1 (ca. 650 Ma) marked the closure of the Proto-Atlantic with the formation of large recumbent south-easterly vergent. This vergence resulted in thrusts moving intensely deformed high grade metamorphic rocks over the platform carbonates on the southwestern margin of the Congo Craton. In the OML the effects of this deformation are minimal, and gentle north-south trending, open warps are evident on a large scale. However, the formation of a complex foreland thrust belt to the west may have influenced sedimentary patterns of the Mulden Group within the OML. D2 involved closure of the intracontinental arm (or Damara Orogenic Belt) resulting in recumbent shearing with an overthrust sense to the southwest on a low-angle shear zone (Coward, 1983) with relatively high temperature rocks containing metamorphic brines being thrust over the cooler Mulden Formation rocks. These structures vary in orientation and intensity and resulted in the formation of the Otavi Valley syncline. In the OML, D3 (ca. 450-457 Ma) involved a change in relative plate movement, resulting in northwest-trending open, upright warps.

Kombat Mine is located within the Otavi Valley Syncline as depicted below in Figure 14.

Figure 14: A Historical Map Depicting the Geology of the Otavi Valley Syncline

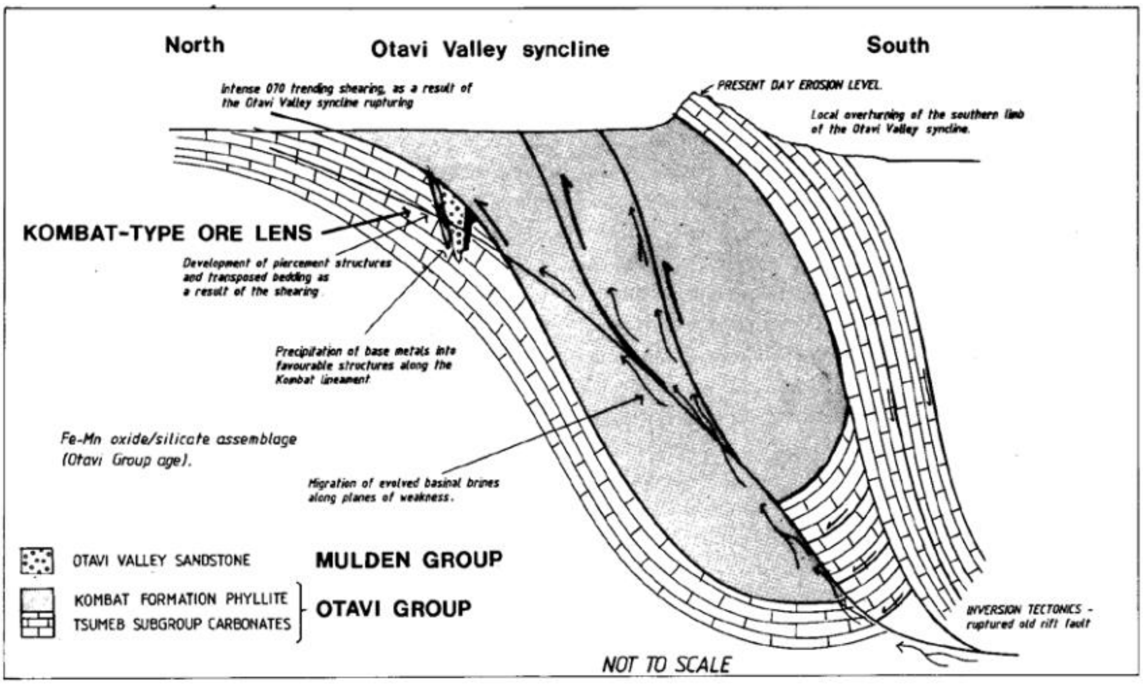


Source: Map Supplied by Kombat Mine

A Historical Map Depicting the Geology of the Otavi Valley Syncline	February 2018

A schematic cross-section through the Otavi Valley Syncline (Deane, 1995) is presented in Figure 15 and depicts the inferred movement of the metamorphic brines that would later lead to the formation of the Kombat orebodies.

Figure 15: A Schematic Section through the Otavi Valley Syncline



Source: Deane, 1995

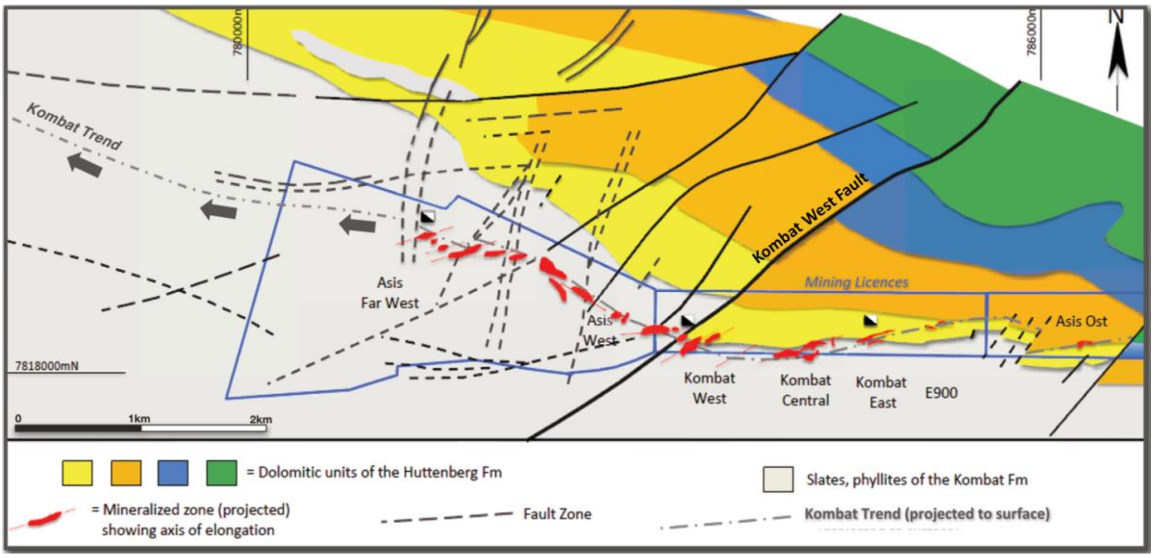
A Schematic Section through the Otavi Valley Syncline	February 2018

Item 7 (c) - PROPERTY GEOLOGY

Very limited information is available on the geology or mineralisation of the Gross Otavi project area and discussion is therefore limited to the Kombat Mine. However, it may be assumed that the general geology applicable to Kombat Mine will apply to Gross Otavi. The orebodies on Kombat are situated on the northern limb of the double plunging, canoe-shaped Otavi Valley Syncline with its northern limb dipping south at 20° to 75° to the south. Several northeast and east trending normal and strike-slip faults cross-cut the syncline. The northeast trending normal faults post-date mineralisation.

Seven distinct zones of mineralisation separated by barren dolostone are strung out over a distance of 6 km along the so-called Kombat monoclinal lineament. All zones have surface expression except for Asis West where the orebody is down-faulted along the Kombat West Fault (Figure 16).

Figure 16: Geology of Kombat Mine depicting the En 'Echelon Geometry of the Orebodies and the Kombat West Fault



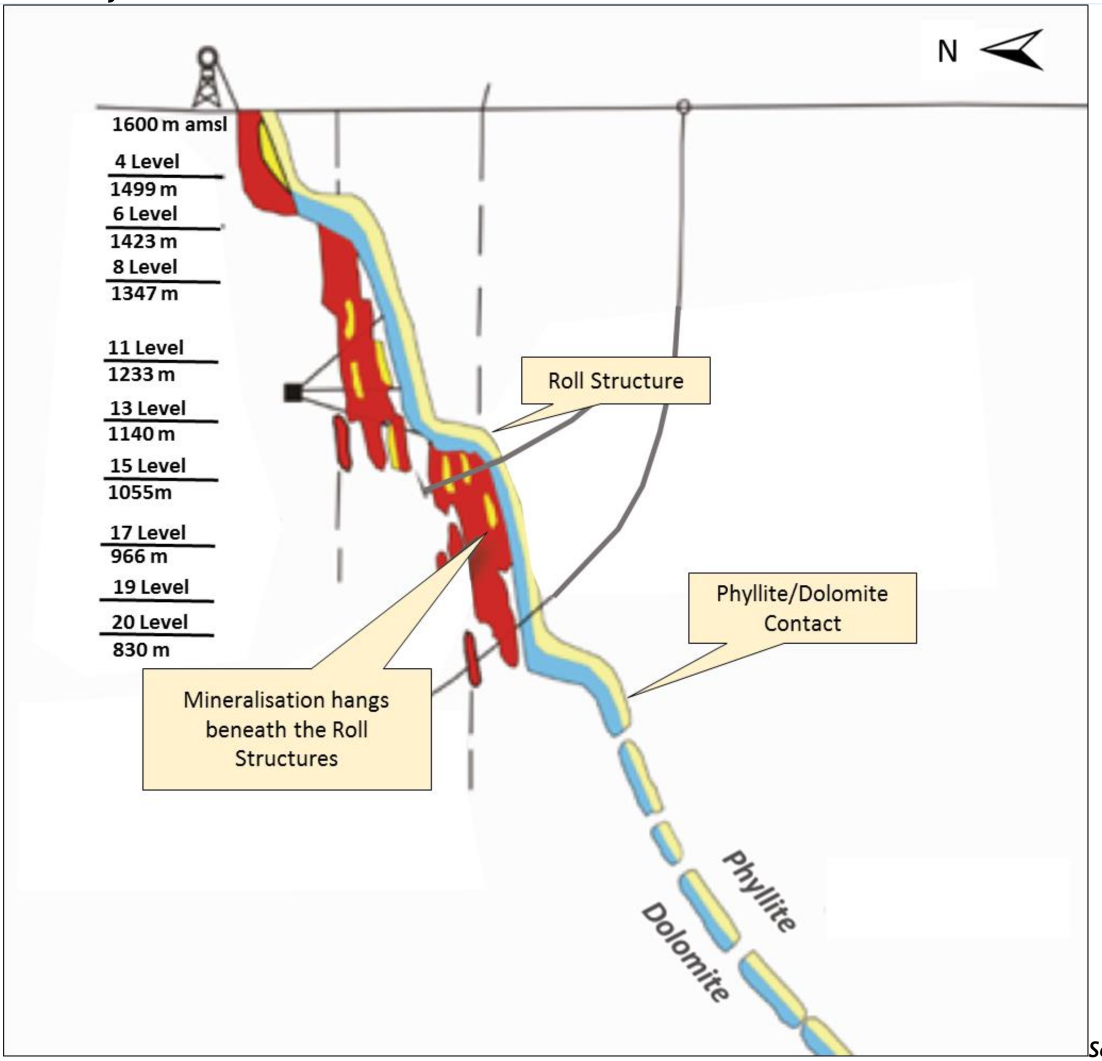
Source: Trigon Metals Presentation, March 2017

Geology of Kombat Mine depicting the En 'Echelon Geometry of the Orebodies and the Kombat West Fault	February 2018

Hosted by the dolostone of the Hüttenberg Formation, the ore occurs below monoclinal flexures on the contact between the Kombat and Hüttenberg Formations. This affinity for the contact is not obvious at the Asis Ost and E900 as the orebodies are truncated here by erosion. The amplitude of the flexures varies from 75 m to 100 m and the wavelength ranges from 150 m to 250 m. In general the ore loci are defined by breccia bodies in dolostone and a variety of structural controls (e.g. steeply-dipping zones of shearing, net-vein fractures, joints, and fracture cleavages). These planar structures are sub-parallel within the orebodies (Figure 16) and diverge from the contact, hence imparting an échelon pattern to the orebodies and a crosscutting relationship with the contact (Innes and Chaplin, 1986; Dean, 1995). They are interpreted as D2 structures into which the Pb- and Cu-sulphides were remobilised.

The country rock above the orebodies is sheared and fractured into what is described by the term "roll structures". A relation between the orebodies and the feldspathic sandstone of the Kombat Formation is also indicated. The ore lenses abut against the contact and hang like pendants beneath the flexures (Figure 17).

Figure 17: Schematic Diagram Depicting the Relation of the Hanging Orebodies relative to the Roll Structures and Phylite/Dolomite Contact



Source: Trigon Metals Presentation, March 2017

Schematic Diagram Depicting the Relation of the Hanging Orebodies relative to the Roll Structures and Phylite/Dolomite Contact	February 2018

They are steep in orientation and transgressive to stratigraphy. With depth the massive sulphides horsetail and merge into thready, stringer type until they become disseminated in calcitized zones of net-vein fractures.

The Kombat orebodies are interpreted to have formed as a result of the release of both CO_2 and CH_4 from the Mulden shales. This converted the anhydrite (in the dolostones) to calcite releasing SO_4 into the brines. The brines also migrated along the basin margin faults and thrusts, picking up base metals along the way.

The CO_2 and S reacted with downward-migrating, oxidising groundwater producing sulphuric acid that ate its way up through the last 400 m of the rotated fold-thrust fracture systems in the carbonates, forming a hypogene karst system. Unconsolidated sand was subsequently forced through the fracture system forming sandstones. The overlying Mulden phyllite acted as a barrier preventing the upward migration of base metal bearing brines, subsequently precipitating sulphides by reduction in structurally controlled roll structures.

Item 7 (d) - MINERALISATION

The following section contains copied and adapted work from Minz (2008) and P&E (2014).

The orebodies are epigenetic, hydrothermal, and metasomatic replacement and fracture-fill Cu-Pb-(Ag) type deposits. Common to all types of mineralisation is the small quantity of associated hydrothermal gangue minerals such as calcite, quartz, dolomite, and seldom barite. The degree of oxidation of massive sulphides is independent of the depth, it is controlled by the proximity of the ores to the water-bearing faults and steeply foliated sandstone aquifers.

Massive and Semi-massive Sulphides

These are elongated, foliated zones of mineralised dolostone related to centres of tectonic and sedimentary brecciation in dolostone stratigraphy. The replacement ore is best developed in breccia matrices, lenses of feldspathic sandstone, in pervasively calcitised dolostone and particularly in oölitic, pelletal/detrital units closest to the slate contact.

At least four breccia types can be distinguished. These are firstly the syn-depositional sedimentary breccia with angular dolostone clasts in a micritic and often calcitic matrix and secondly the stylo-breccia with an anastomising or quadrangular meshwork of net-vein fractures. The fault breccia (associated with post-ore fractures) and the solution collapse breccia (associated with karsting and localised by a north-east trending fault) have little volumetric extent and no control on hypogene mineralisation (Innes and Chaplin, 1986). A foliation is frequently superimposed where breccia grades into transposition breccia in which clasts are attenuaded and boudinaged. High grade mineralisation extends away from the centres of brecciation along zone of recrystalised dolostone. All gradations of mineralisation from finely disseminated sulphides to completely replaced rock exist in the sandstone and in the dolostone. Five types of massive and semi-massive sulphides are recognised: 1) bornite and chalcopyrite (+/-galena, sphalerite and tennantite); 2) galena; 3) pyrite and galena; 4) chalcopyrite +/- pyrite in a carbonaceous host; and 5) a supergene assemblage consisting of chalcocite, digenite and malachite (+/- covellite, cuprite, native copper and native silver) (Innes and Chaplin, 1986). This assemblage is localised at the water-bearing Kombat West Fault. At Asis West (E140-11) cerussite, anglesite, leadhillite, pyromorphite and wulfenite crystals were described.

Net-vein Fracture System

A reticulate or anastomosing mesh of mineralised calcitic micro-fractures is developed adjacent to shears, faults and broad zones of pervasive calcitization below massive sulphides. It is therefore regarded as the "root zones" of the massive ore (Dean, 1995). With increasing deformation it grades into sutured stylolites.

The stylo-cumulates contain magnetite, bornite, galena and chalcopyrite. In oxidised zones chalcocite, malachite, copper and hematite are found. It is common for mineralisation of this type to merge into alteration breccias and massive replacement Cu-Pb ores (Innes and Chaplin, 1986).

Galena-rich Alteration Breccias

This type of mineralisation is confined to Kombat East orebodies where steep breccia bodies of pipe-like configuration exist. An unaltered core of close-packed angular dolostone blocks is surrounded by a bleached, calcitised fringe induced by hydraulic fracturing which permitted increased fluid flow along the fracture system. The mineral assemblage comprises galena, pyrite and subordinate chalcopyrite.

Pyrite-Sericite Association

It is an alteration facies of the feldspathic sandstone affected by penetrative deformation and therefore formed early in the mineralising process. Fine-grained, euhedral pyrite is disseminated in a generally strongly foliated sericite-quartz matrix. Ore minerals are seldom present.

Iron-manganese Oxide/silicate Association

This compositionally and texturally layered Fe- and Mn-assemblage is always associated with feldspathic sandstone and discrete steeply orientated zones of tectonic deformation. It forms an integral part of the orebodies of Asis West, Kombat Central and Kombat East. Larger bodies, with an estimated undeformed size of 50 m in length by 10 m thick comprise hematite and magnetite in juxtaposition to layered Mn-oxides and -silicates within a zone of transposition. There is no intralayer admixture of magnetite and Mn ores. All Mn-Fe orebodies contain interfoliated sandstone sliver and lenticles. The main banded ore minerals are magnetite, hausmannite, hematite, barite, calcite, tephroite, alleghanyite, pyrochroite, and small amounts of pinkish jasperoidel rock. Sulphides such as pyrite, chalcopyrite, and galena are present in small amounts.

Mn-ores are fine grained and polymineralic aggregates with a well-defined internal mineral banding (band width: 1 to 6 mm) of magnetite alternate with the assemblage leucophoenicite-tephroite-Cu and kutnahorite-barite-barysilite. They occur only in zones of tectonic transposition. In Fe-rich ores, granular magnetite is interlayered with schistose specular hematite and sandstone (Dean, 1995).

The layered Fe-Mn bodies are confined to the Kombat Mine and predate the sulphide formation. Fe-rich metasomatism of the dolostone could be expected to produce large amounts of Ca- and Mg amphiboles, epidote, diopside-hedenbergite, and andradite but only an amphibole(-mica) association with small amounts of epidote has been formed in the dolostone. Shortly before the deposition of the Kombat Formation, the emplacement of Fe- and Mn-carbonates/-hydrous oxides on the carbonate platform margin together with the feldspathic sandstone could have taken place during a rifting phase (Dean, 1995). The analogy between the layered Fe-Mn bodies of Kombat and volcanic exhalative class of Fe-Mn ore is described by Innes and Chaplin (1986).

Mineralised Fracture Fillings

Dilation features are developed in predictable geometric relationship to S3 shears and a joint pattern is superimposed on altered net-vein fractures and mineralised dolostone. Early shear type fractures adjacent to steeply dipping, foliated zones of massive replacement sulphides contain blebby, disseminated bornite, chalcopyrite, pyrite, chalcocite und rare galena. Post-ore shears, characterized by peripheral, en echelon, sigmoidal gash veins are infilled by sparry calcite, quartz and dolomite.

Epithermal Association

This association commonly comprises transgressive vuggy veins containing euhedral calcite, quartz, and chalcopyrite. It postdates the main period of mineralisation. In addition, a number of narrow veins containing galena, sparry rhodochrosite, helvite, and barite cross-cut the lenses of Fe-Mn oxides/silicates and adjacent bodies of massive galena-chalcopyrite (Innes and Chaplin, 1986).

Orebody Dimensions and Mineralisation Zonation

Sulphide and carbonate minerals occur in zones around and running parallel to the major northeast striking cross-cutting faults. The malachite-azurite zone averages 50 m in width and is closest to the faults. The covellite-calchocite zone is approximately 50 m wide and further away from the fault and the covellite-chalcocite zone is up to 100 m wide and surrounded by the chalcopyrite zone. The zonation marks the alteration of the basic chalcopyrite mineralisation by oxidizing groundwater.

Broad zones of calcitisation flank sulphide lenses; at depth, these can form 200-300 m widths of sugary limestone. Calcitisation is the dominant alteration associated with mineralisation.

Steeply-dipping lenses of compositionally and texturally layered Fe-Mn oxide-silicate mineralisation are generally found near feldspathic sandstone lenses and are commonly associated with the peripheries of the Cu-Pb mineralised zones. These Fe-Mn bodies are layered, lenticular and typically 100 m long by 50 m wide and may reach sizes up to 300 m long by 100 m wide.

ITEM 8 - DEPOSIT TYPES

Item 8 (a) - Mineral Deposits being Investigated

The Kombat mineralised zones are carbonate-hosted base metal sulphide deposits associated with hypogene filled karst cavities and only occur along parallel "roll structures", which are thrust-related folds. One "roll" parallel to the main Kombat Mine "roll" is present at surface at Kombat Station approximately 1,500 m to the north. The mineralised karst is thought to be caused by the upward migration of corrosive, evaporite-derived brines through the Huttenberg carbonates. These brines were expelled from the basin during compression, migrated up the thrusts into folds and encountered oxidized meteoric groundwater and formed corrosive suphuric and carbonic acids. These acids were blocked by the impermeable and reducing Mulden shales resulting in the precipitation of base metal sulphides.

Item 8 (b) - Geological Model

A 3D grade shell "mineralisation halo" wireframe model was constructed in Leapfrog Geo™ software for the Mineral Resource evaluation and refined using CAE (Datamine) Studio3™. The following paragraphs in this section describe the process conducted to generate the geological model in detail.

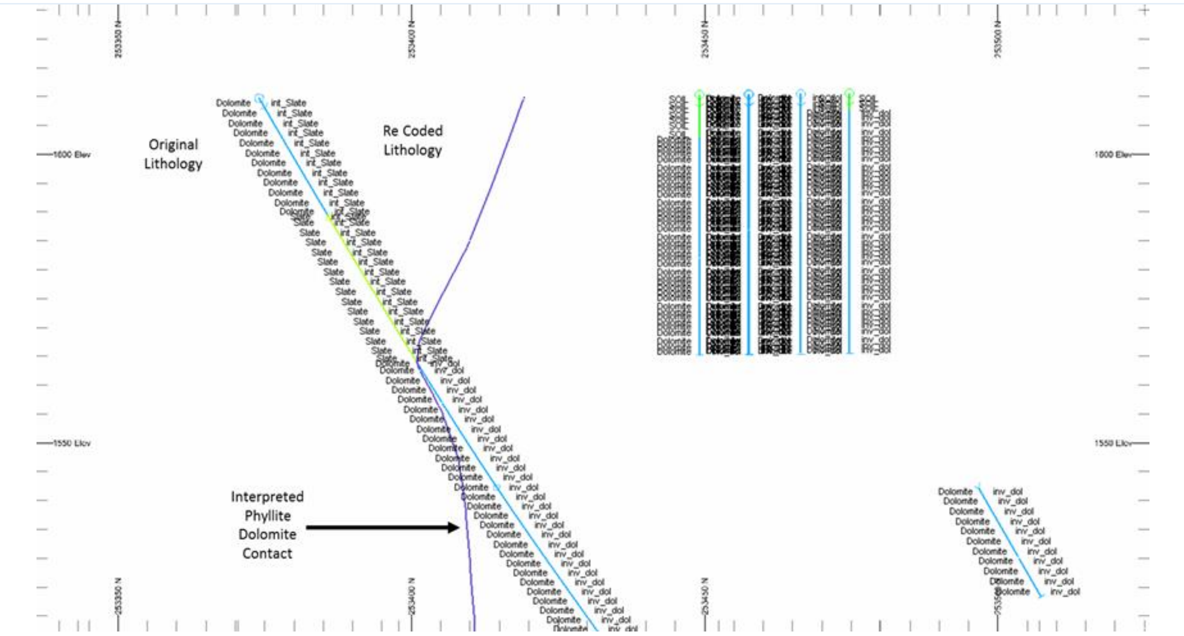
Primary Lithological and Structural Boundary Construction

The genetic model for the formation of the deposit was used as the foundation on which all geological modelling was done. This required the construction of lithological contact between the dolostones and sandstones of the Otavi Group and the overlying slates and phyllites of the Kombat Formation.

The full drillhole database of 2,183 drillholes was considered during the construction of the dolomite/ phyllite contact. This is seen as a hard boundary between the mineralisation occurring within the underlying karst, dolostones and sandstone fill and the barren phyllite/shale overburden. Leapfrog Geo™ was used to create this interface.

An additional field in the drillhole database was created which defined the correctly grouped lithologies to generate drillhole intercepts of the dolomite/phyllite contact for this purpose. The original lithological coding was used to flag the interface between dolomite and phyllite as presented below in Figure 18

Figure 18: Wireframe Section View of the Recoded Drillhole Traces for the Interpretation of the Phyllite / Dolomite Contact

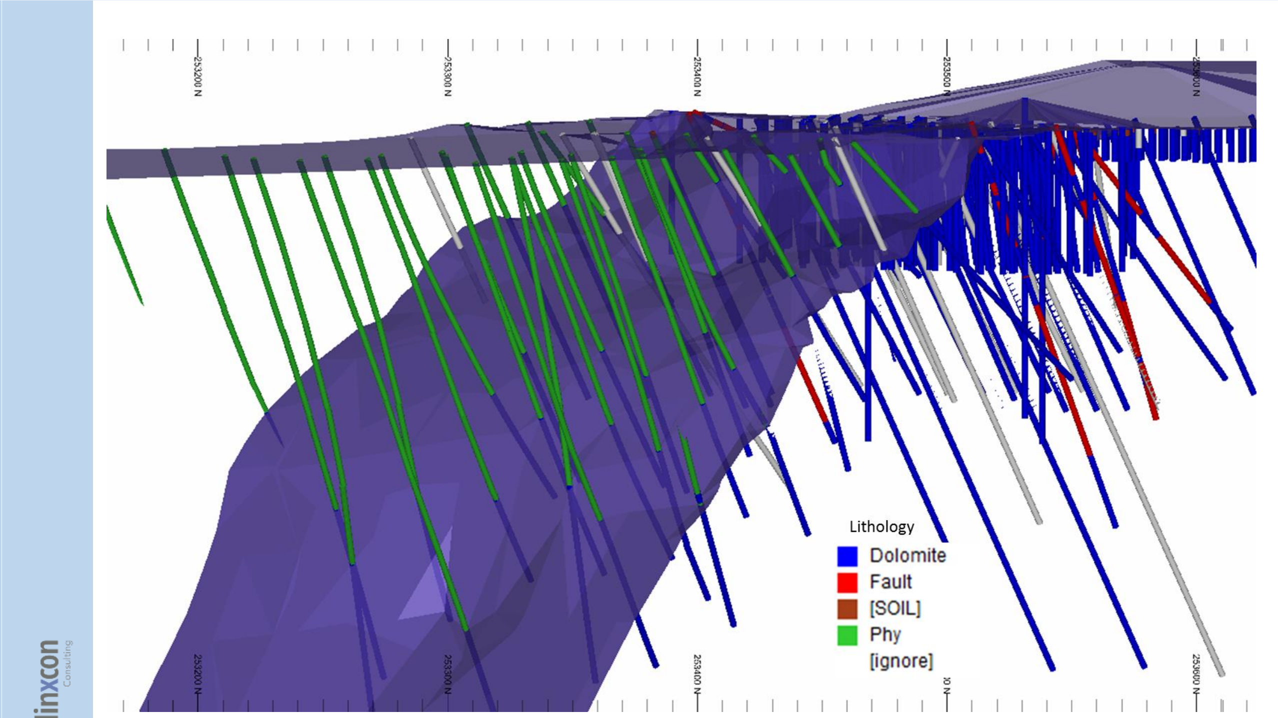


Source: Mukendwa (2009)

Wireframe Section View of the Recoded Drillhole Traces for the Interpretation of the Phyllite / Dolomite Contact	February 2018

Where the hard boundary was poorly defined due to lack of logging detail, the surrounding holes were then used to guide the flagging of that hole. This resulted in an unbroken, rough dolomite/phyllite wireframe as presented in Figure 19.

Figure 19 : Oblique View of the Rough Dolomite/Phyllite Contact Wireframe Showing the Interpreted Final Flagging in the Drillholes

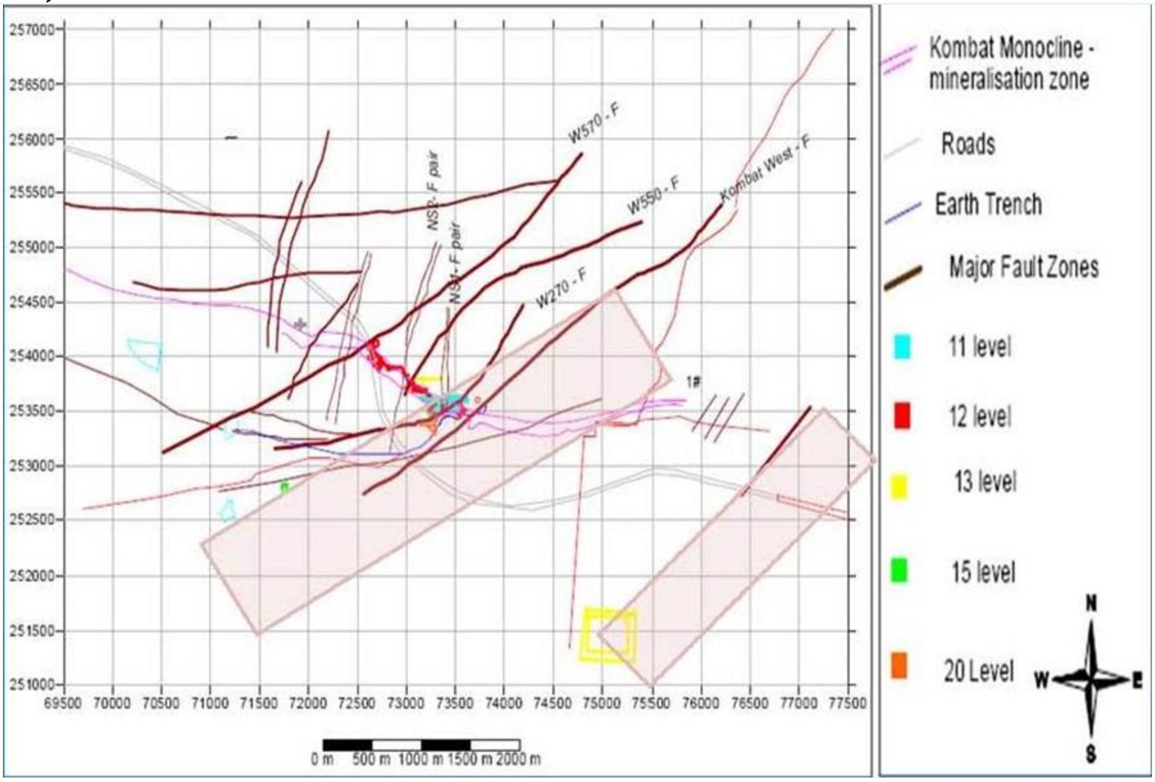


Oblique View of the Rough Dolomite/Phyllite Contact Wireframe Showing the Interpreted Final Flagging in the Drillholes

February 2018

Minxcon reviewed the rough dolomite/phyllite wireframe in conjunction with historically mapped and interpreted geological structures which Minxcon digitised from Mukendwa (2009) (refer to Figure 20) and various other historical plans for consideration and incorporation into the geological model.

Figure 20: Geological Plan Used to Identify Major Structures for Segmenting the Rough Dolomite/Phyllite Contact Wireframe

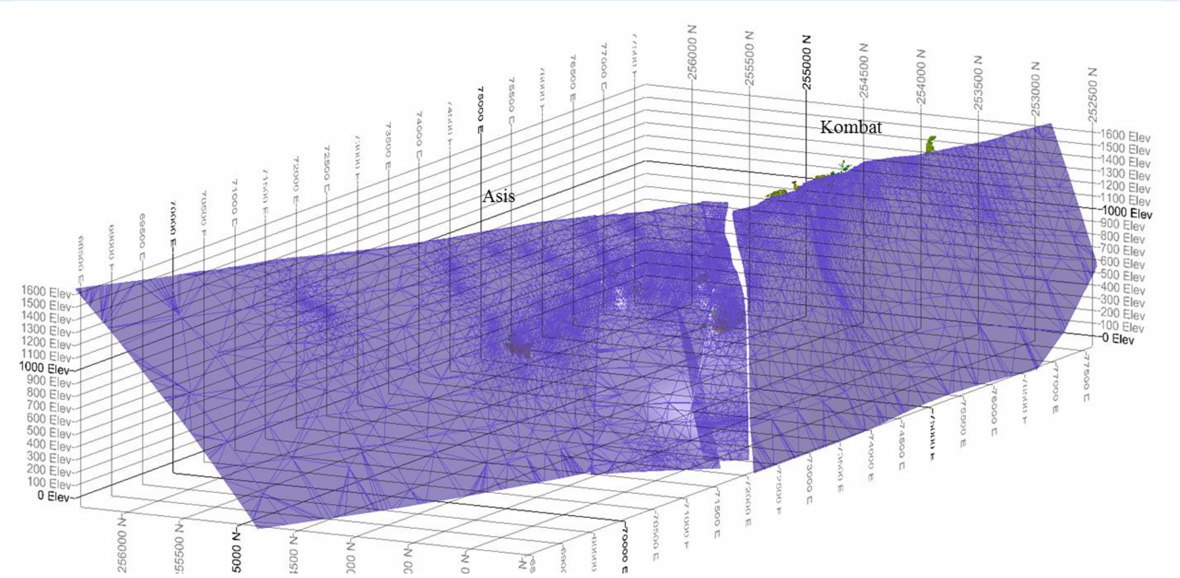


Source: Mukendwa (2009)

Geological Plan Used to Identify Major Structures for Segmenting the Rough Dolomite/Phyllite Contact Wireframe	**February 2018**

Where dislocations between sets of drillholes corresponded to mapped or interpreted faults, these faults were constructed in Leapfrog Geo™ and used to cut off and refine the dolomite/phyllite contact wireframe resulting in the final product as presented below in Figure 21.

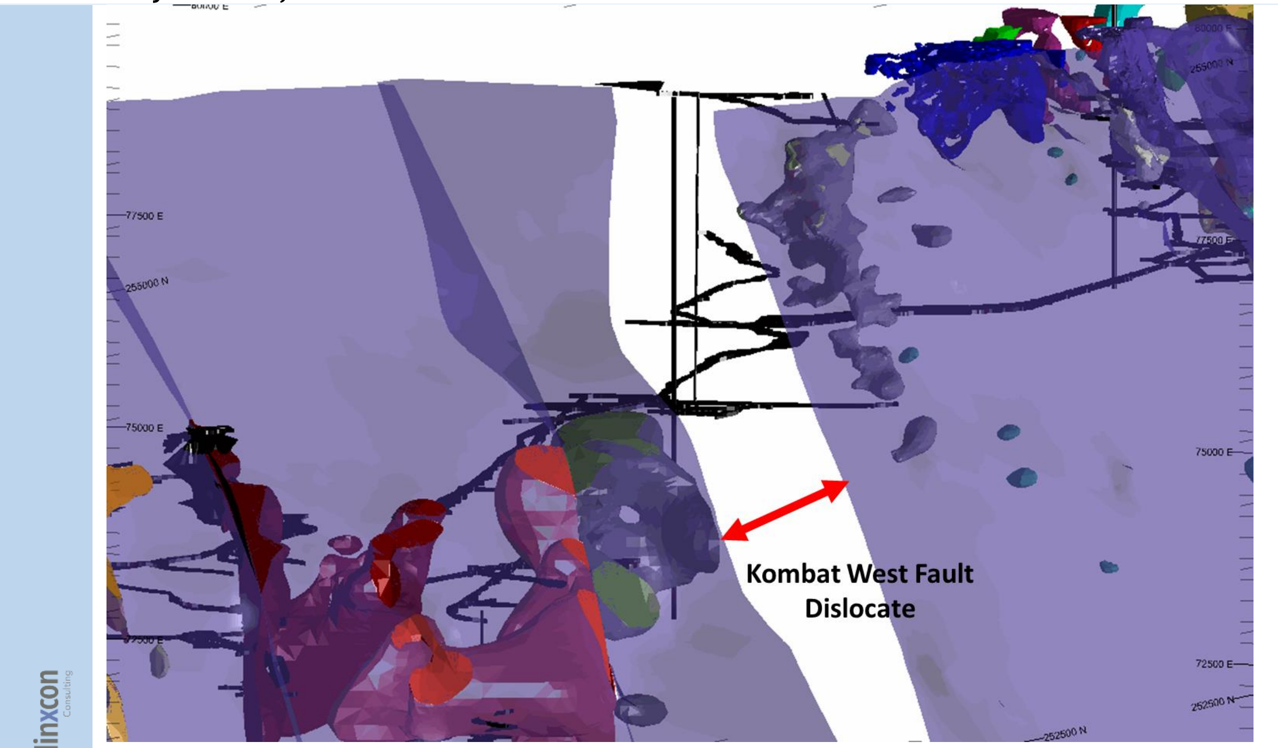
Figure 21: Final Dolomite/ Phyllite Interface with the Major Faulting Taken into Account



Final Dolomite/ Phyllite Interface with the Major Faulting Taken into Account	**February 2018**

The Kombat West Fault was found to have the most impact on the geological model, as well as the Mineral Resource as it has a significant downthrow of between 100 m and 150 m to the west and splits the model between mining sections into Asis and Kombat property areas, with dextral strike-slip component of 160 m. The impact of the Kombat West Fault is depicted below in Figure 22. The fault was adjusted to the drilling in Leapfrog Geo™ and used as a boundary for the creation of the grade shell.

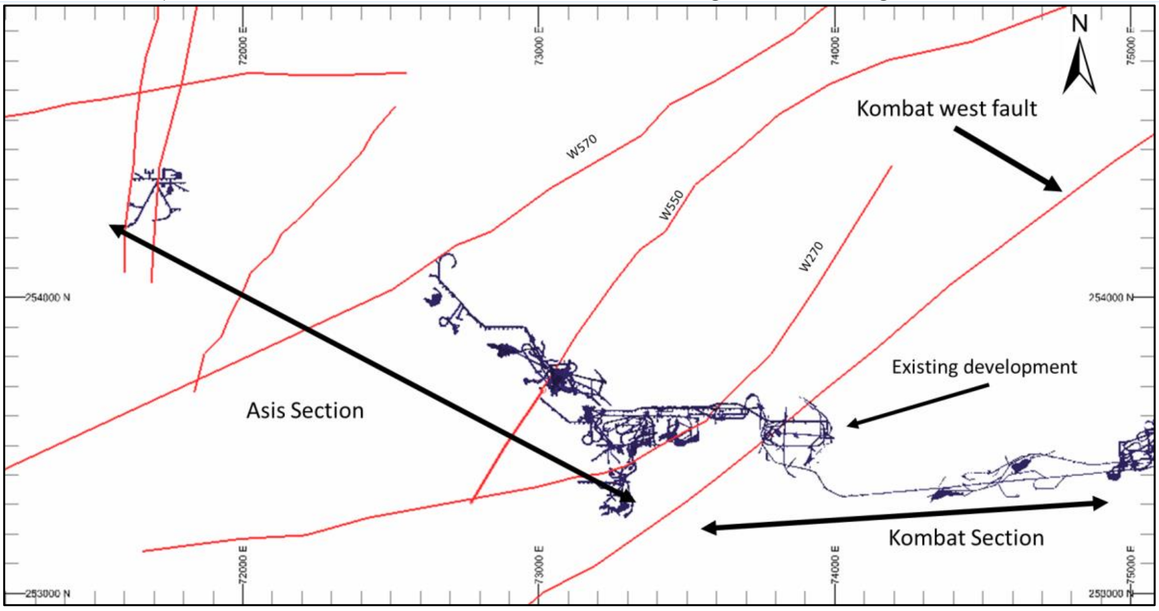
Figure 22: Oblique View (Looking Northwest) of the Kombat West Fault and Its Impact on the Dolomite/Phyllite Wireframe Model



Oblique View (Looking Northwest) of the Kombat West Fault and Its Impact on the Dolomite/Phyllite Wireframe Model | **February 2018**

The faults W270, W550 and W570 as presented in Figure 20 were also modelled and projected down at 90°. Figure 23 below depicts a plan view of these faults in CAE (Datamine) Studio3™ after modelling.

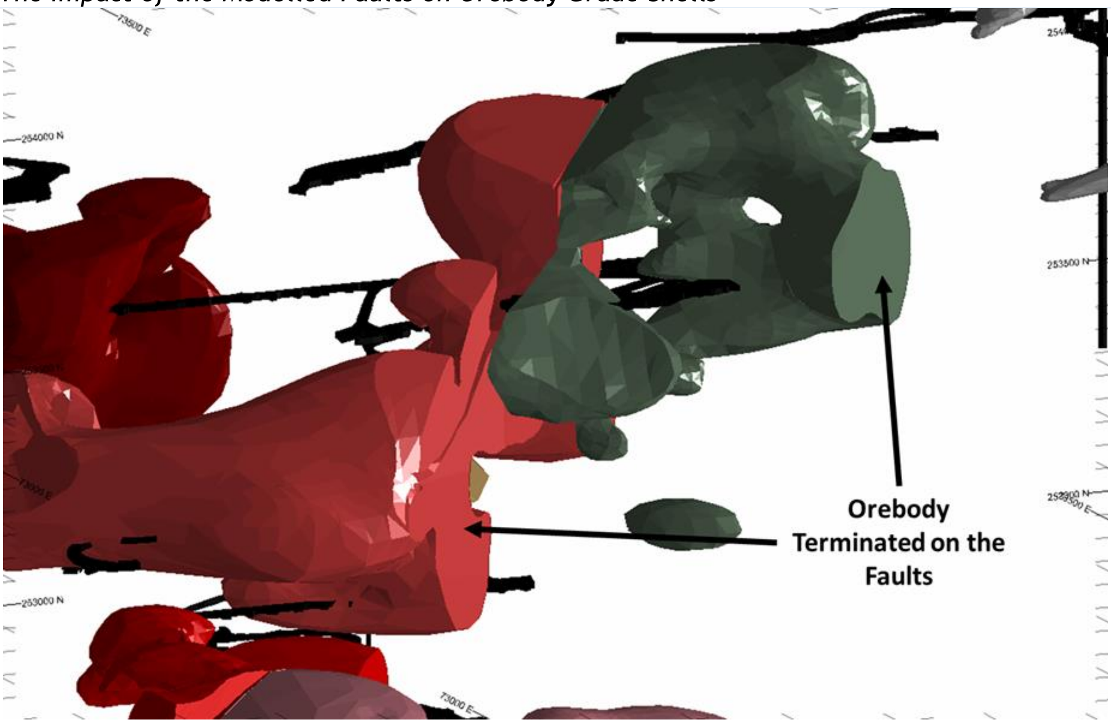
Figure 23: Plan View of the Faults in Datamine as used in the Geological Modelling



Plan View of the Faults in Datamine as used in the Geological Modelling | **February 2018**

The interpreted faults that were also treated as hard boundaries and were later used to cut the grade shells as shown in the Figure 24 below. This depicts the faulting to have a significant impact on the strike length of an orebody when the historic development is shown in conjunction with the faulting.

Figure 24: The Impact of the Modelled Faults on Orebody Grade Shells

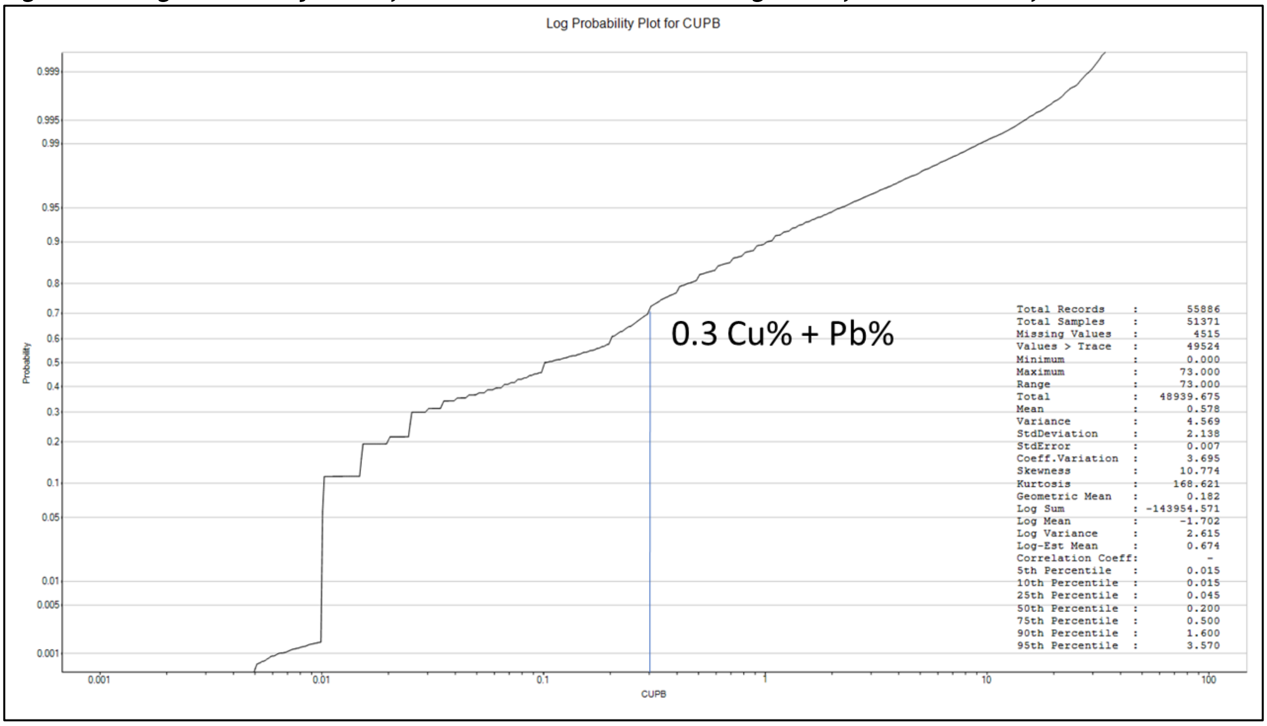


The Impact of the Modelled Faults on Orebody Grade Shells | **February 2018**

Grade Shell Construction

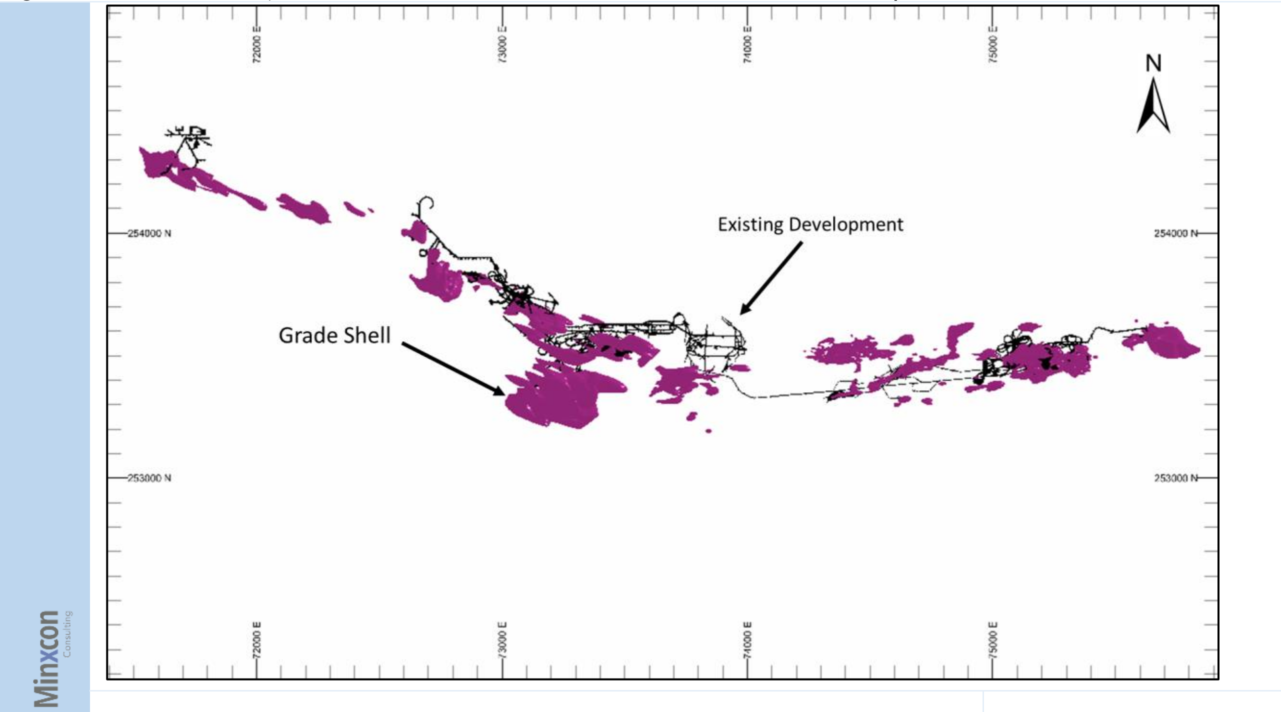
Grade shells or “mineralisation halos” were defined and created in Leapfrog Geo™ using the combined Cu-Pb cut-off of 0.3% for mineralised material. It is assumed that all material below 0.3% Cu+Pb% is waste material and it is the intention that the grade shells or mineralisation halos do not represent orebodies, but much larger estimation volumes where higher grade zones or orebodies can be identified above different grade cut-offs within the encompassing grade shells (Refer to Item 14). The cut-off was determined as the natural mineralised cut-off based on an analysis of the sampling. Minxcon looked for an inflection point investigated in conjunction with the various laboratory’s detection levels in order to indicate the true natural minimum value for mineralised material. Thus the natural cut-off for the combined Copper Lead was set at 0.3% as determined and depicted in Figure 25 below.

Figure 25: Log Probability Plot of the Combined Cu+Pb Showing the Inflection Point of 0.3%



The grade shells were generated taking cognisance of the strike of the dolomite/phyllite interface and by allowing the drillhole grades to dictate the final dip orientation of the grade shells. Based on data spacing, the wireframe extrapolation range was set to 200 m to determine and validate the interpreted continuity of the mineralisation in any direction. The rough grade shells prior to refining are presented below in Figure 26.

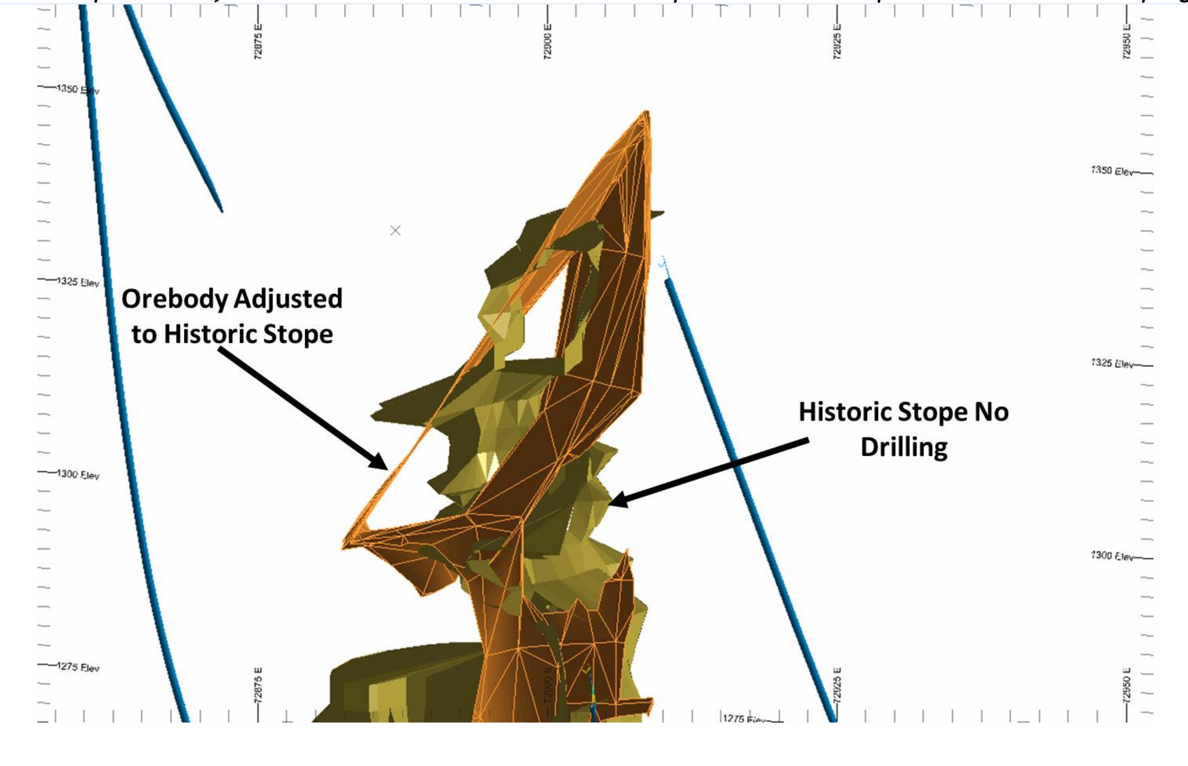
Figure 26: Plan View of a 0.3% Cu/Pb Grade Shell with the Historic Development



Plan View of a 0.3% Cu/Pb Grade Shell with the Historic Development | **February 2018**

Where historic stoping had occurred, but drilling density was found to be insufficient for the purposes of creating the grade shells which covered the mining, additional points were inserted to cover the mined-out areas. This was done due to the lack of the instope sampling which would have assisted with grade shell delineation. The intention with this exercise was to be able to see if any potential pillars might exist in the region of these mined out orebodies. An example where this exercise was conducted is presented below in Figure 27.

Figure 27: Oblique View of a 0.3% Cu/Pb Grade Shell that was Expanded to Encompass the Historical Stoping

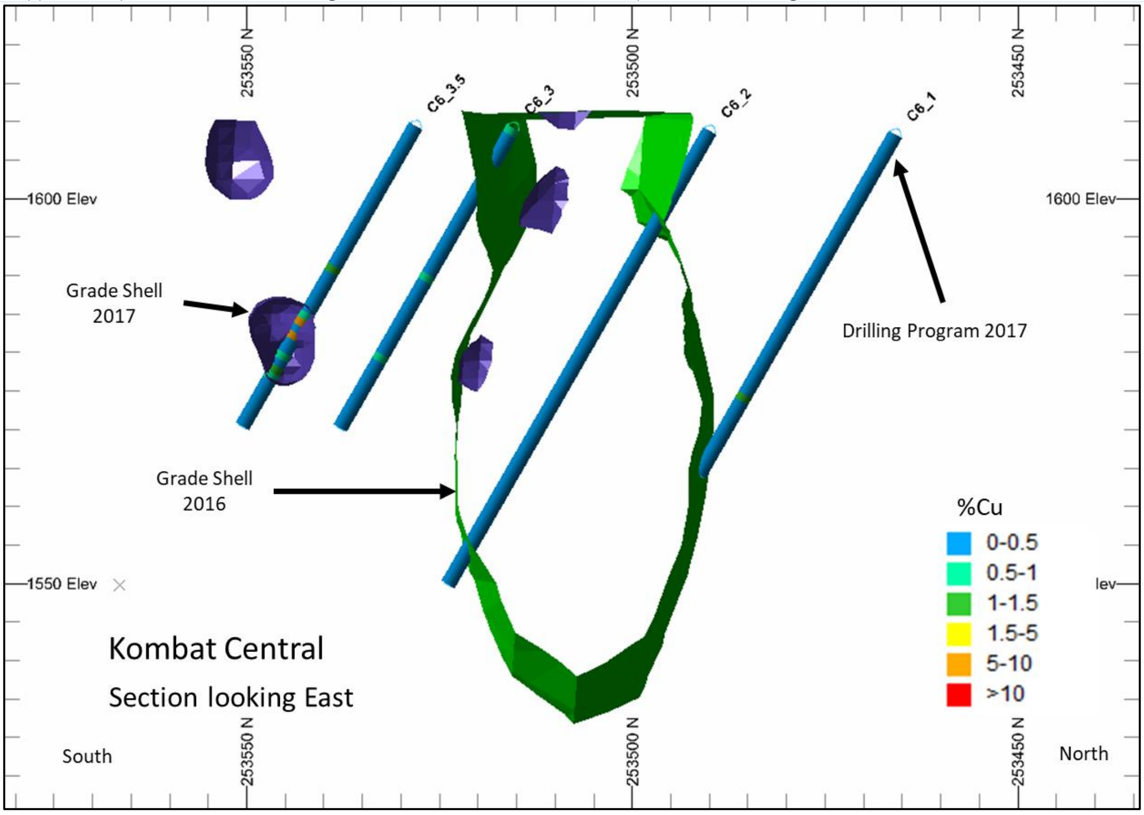


Oblique View of a 0.3% Cu/Pb Grade Shell that was Expanded to Encompass the Historical Stoping | **February 2018**

2017 Geological Model Update

The drilling programme during 2017 affected the geological model associated with the proposed open cast operation in the Kombat section. The geological model was edited in Leapfrog Geo™ software using the same principles used in the previous geological process. The resultant wireframes based on the 2017 drilling programme had a significant impact in the previous geological model. These significant changes were seen in the drilling section line 6 where previously there was no drilling information and the current drilling showed poor results and the grade shell had to be adjusted in this area. The 2017 drill effect on section line 6 is shown in the Figure 28.

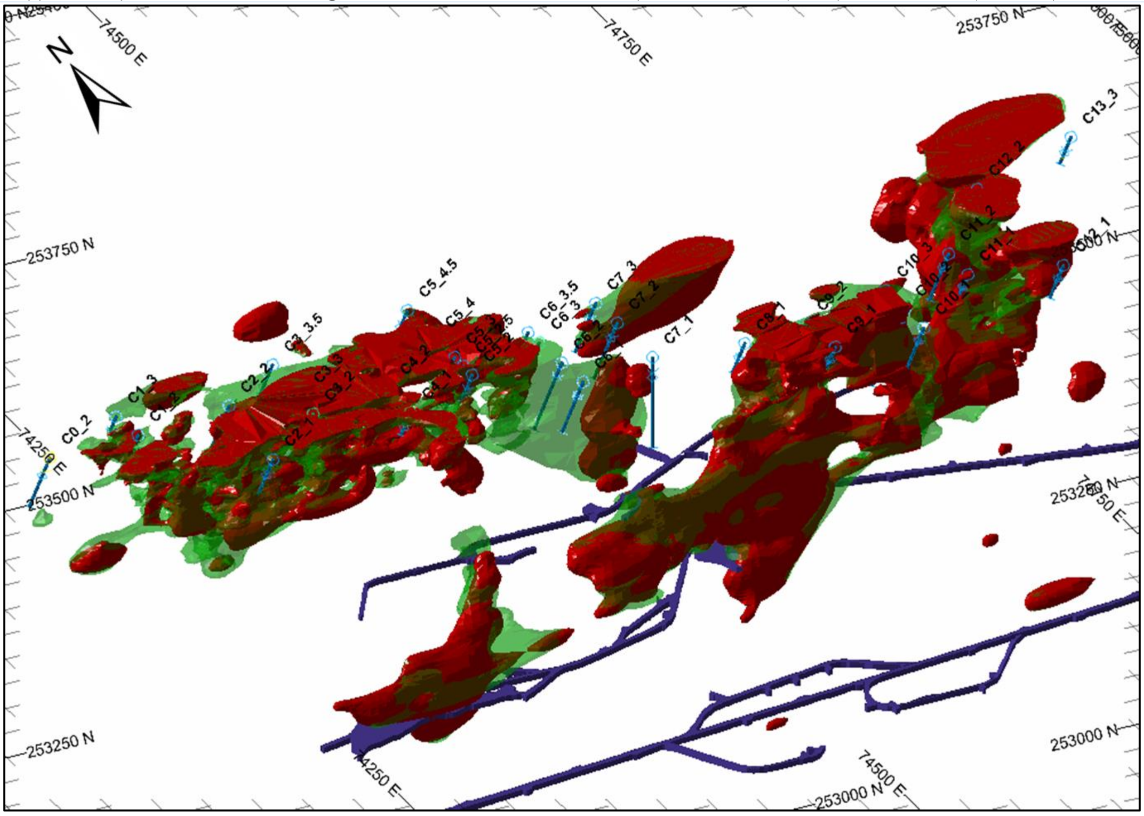
Figure 28: Effects of the 2017 Drilling on the Grade Shell Wireframe Through Section Line 6



Effects of the 2017 Drilling on the Grade Shell Wireframe Through Section Line 6	February 2018

The following Figure 29 shows the 2016 wireframe (green) and the 2017 wireframe (red). The impact of the drilling can be seen on section line 6 drilling inclusive of drillholes C6 1, 2, 3 and 3.5. Further adjustments to the wireframes to upgrade the Mineral Resource to Indicated category also had an impact on the overall volume.

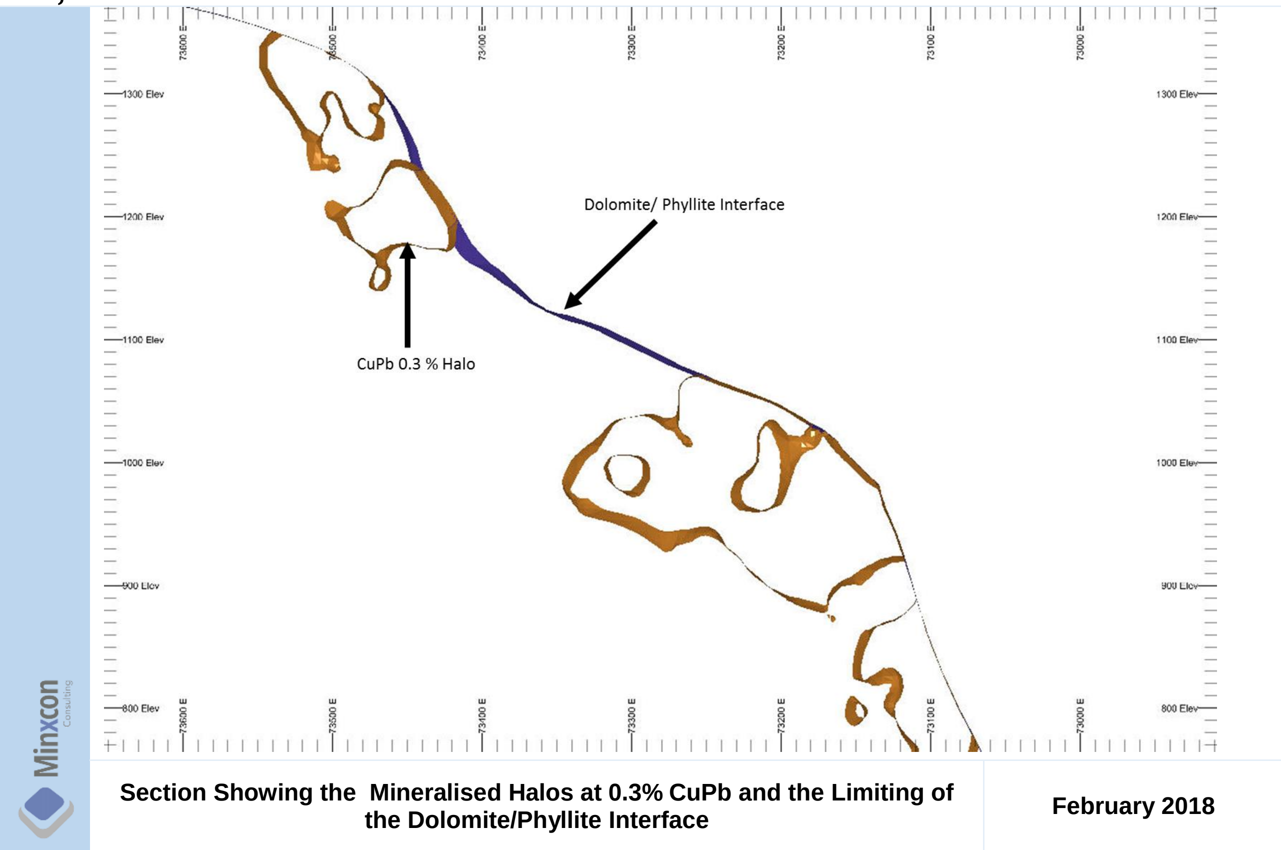
Figure 29: Effects of the 2017 Drilling on the Grade Shell Wireframe 2017 (Red) and 2016 (Green)



Effects of the 2017 Drilling on the Grade Shell Wireframe 2017 (Red) and 2016 (Green)	**February 2018**

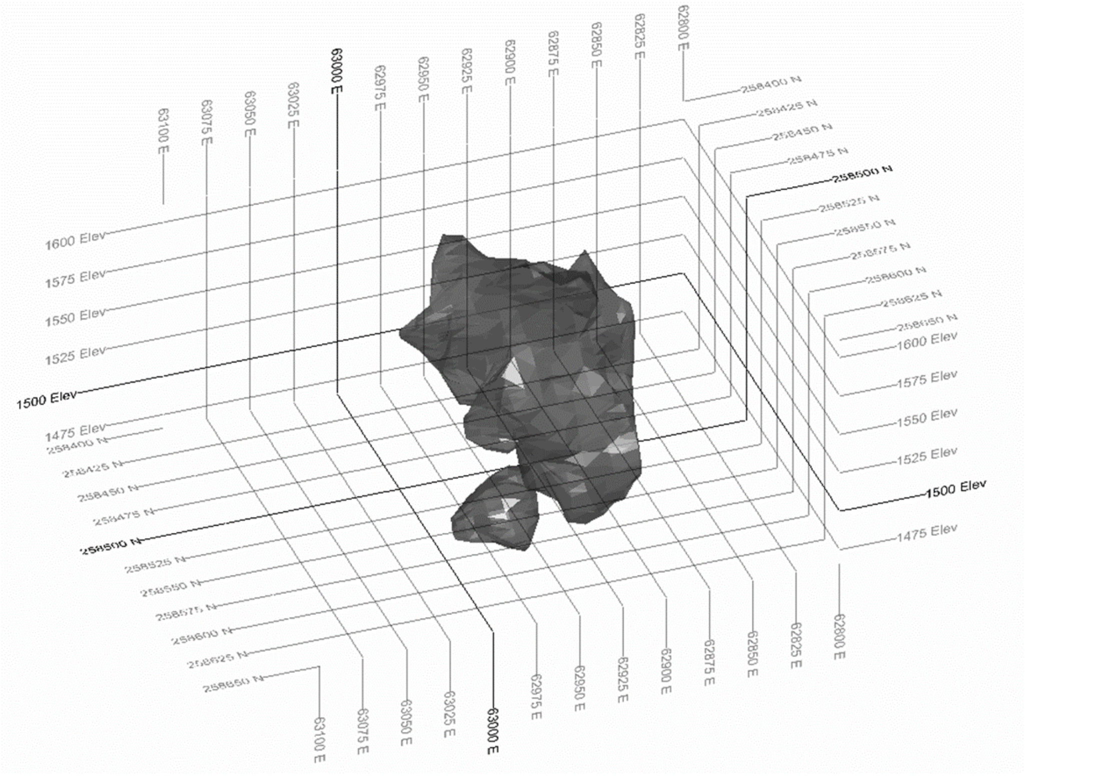
Once all the grade shells had been adjusted relative to the sampling, they were further refined by means of cutting them off against the final dolomite/phyllite wireframe model as presented in Figure 30.

Figure 30: Section Showing the Mineralised Halos at 0.3% CuPb and the Limiting of the Dolomite/Phyllite Interface



The Otavi grade shell was manually created in CAE (Datamine) Studio3™ using the Leapfrog Geo™ shell to inform the wireframing to include drillholes that were just beyond the ranges of the criteria in Leapfrog Geo™. The final Otavi shell is presented in Figure 31.

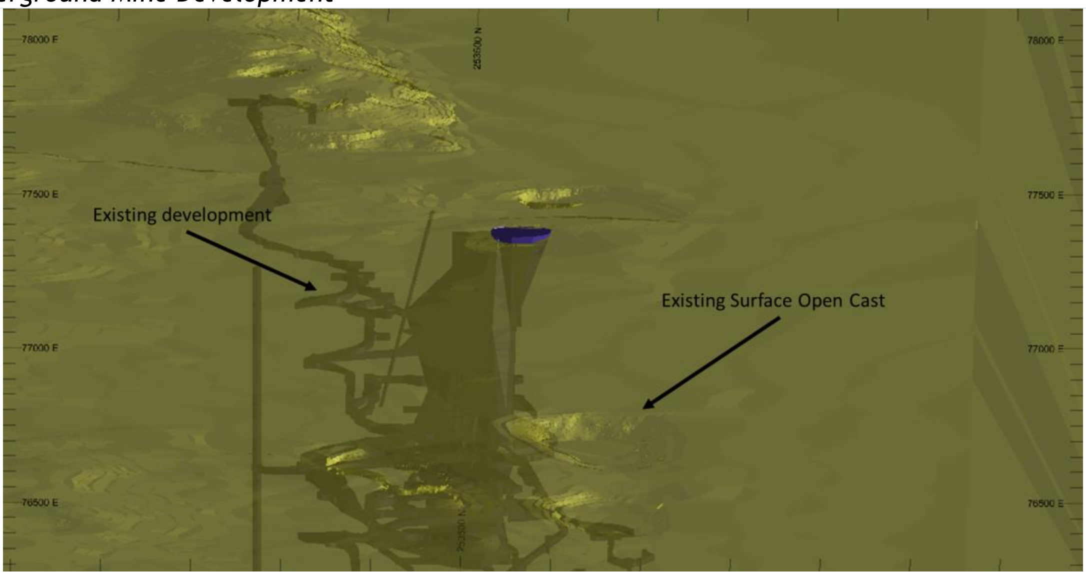
Figure 31: Oblique Section of the Otavi Mineralised Halos at 0.3% CuPb



Oblique Section of the Otavi Mineralised Halos at 0.3% CuPb	February 2018

Once all the geological wireframes had been refined and dislocated as appropriate, they were finally cut off against the overlying surface topography. A bare earth Lidar survey was flown over the property. This information was translated into a wireframe and was then used for the cutting. Figure 32 depicts a portion of the Lidar topographic surface with final grade shells and development added for perspective.

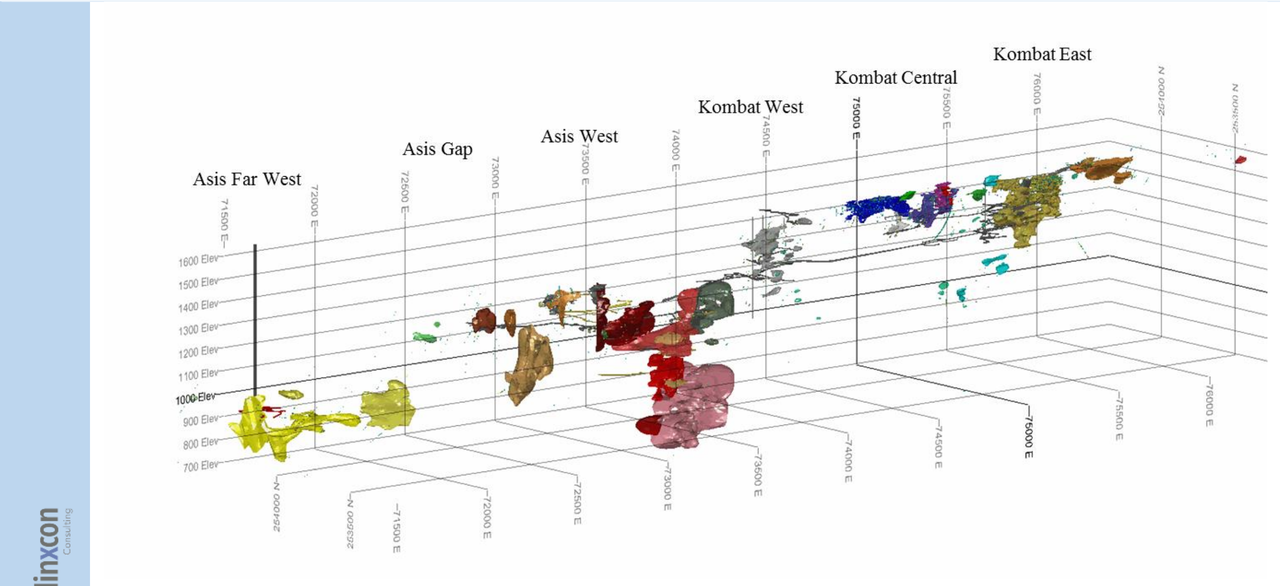
Figure 32: Oblique View Looking East Showing the New Topographical Surface with the Current Open Cast and Underground Mine Development



Oblique View looking East Showing the New Topographical Surface with the Current Open Cast and Underground Mine Development	February 2018

The final grade shells covering the Asis and Kombat properties are presented in Figure 33 below. These grade shells were then used for restricting the mineralised volume during the grade interpolation phase.

Figure 33: Oblique View of the Kombat and Asis Mineralised Halos at 0.3% CuPb



Oblique View of the Kombat and Asis Mineralised Halos at 0.3% CuPb	February 2018

ITEM 9 - EXPLORATION

It should be noted the Kombat Project is a Brownfields Project and not an exploration project as defined in accordance with NI 43-101. Kombat is a mining operation which is currently on care and maintenance.

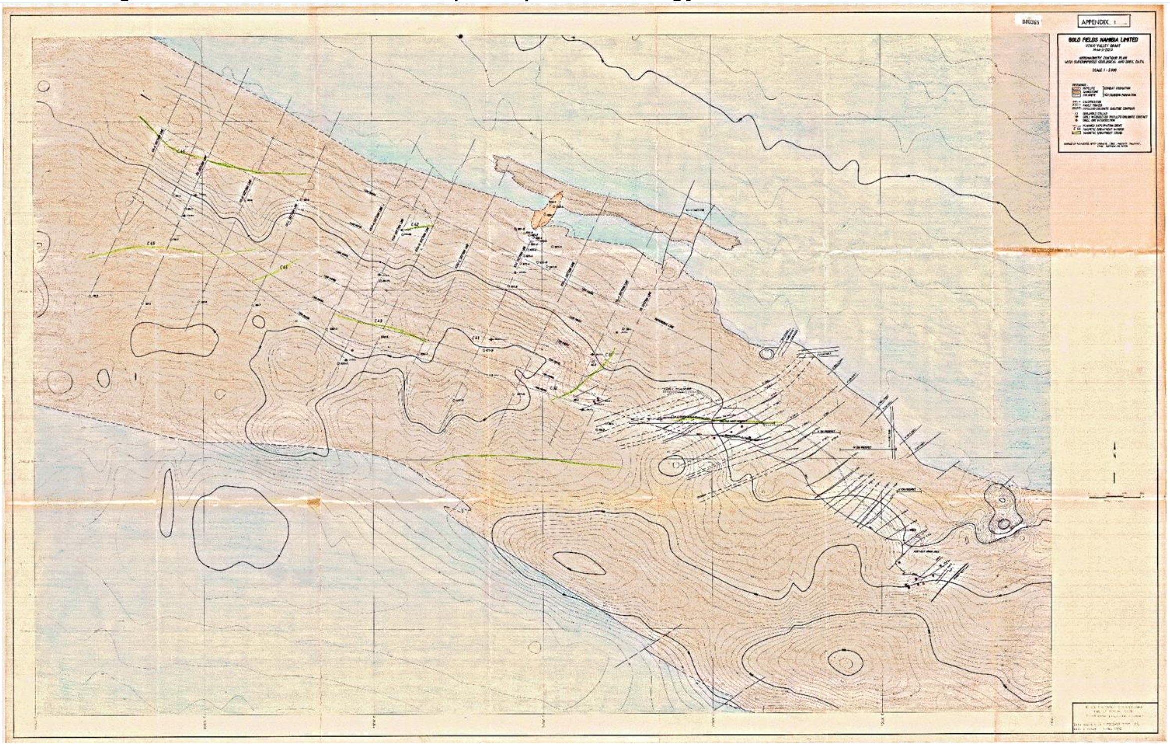
Minxcon is of the opinion that this section is not relevant but is included for completeness sake. In addition, extensive diamond, RC, percussion and RAB drilling has taken place.

Item 9 (a) - Survey Procedures and Parameters

Numerous geochemical and geophysical surveys have been undertaken on, as well as in the vicinity of the Kombat Mine from the 1960s to 1990s by Tsumeb Consolidated Limited. These include soil geochemical, ground magnetic, aeromagnetic, induced polarisation and seismic surveys. However, documentation and results are not available for all the surveys in question.

Figure 34 below presents aeromagnetic contour plan with superimposed geology from the 1980s.

Figure 34: Aeromagnetic Contour Plan with Superimposed Geology



Aeromagnetic Contour Plan with Superimposed Geology	February 2018

Item 9 (b) - Sampling Methods and Sample Quality

Soil Geochemistry

Limited information is available pertaining sampling methods and sampling quality, however from the available data, it is evident that soil geochemistry investigations were undertaken at Asis West. Numerous geochemical surveys were undertaken at Asis Far West from the 1960s to 1990s, though this is not related to the underlying orebodies which do not outcrop at surface. Samples were collected at a line spacing of between 50 m and 200 m and samples were collected every 20 m at a depth of 25 cm.

Trenching

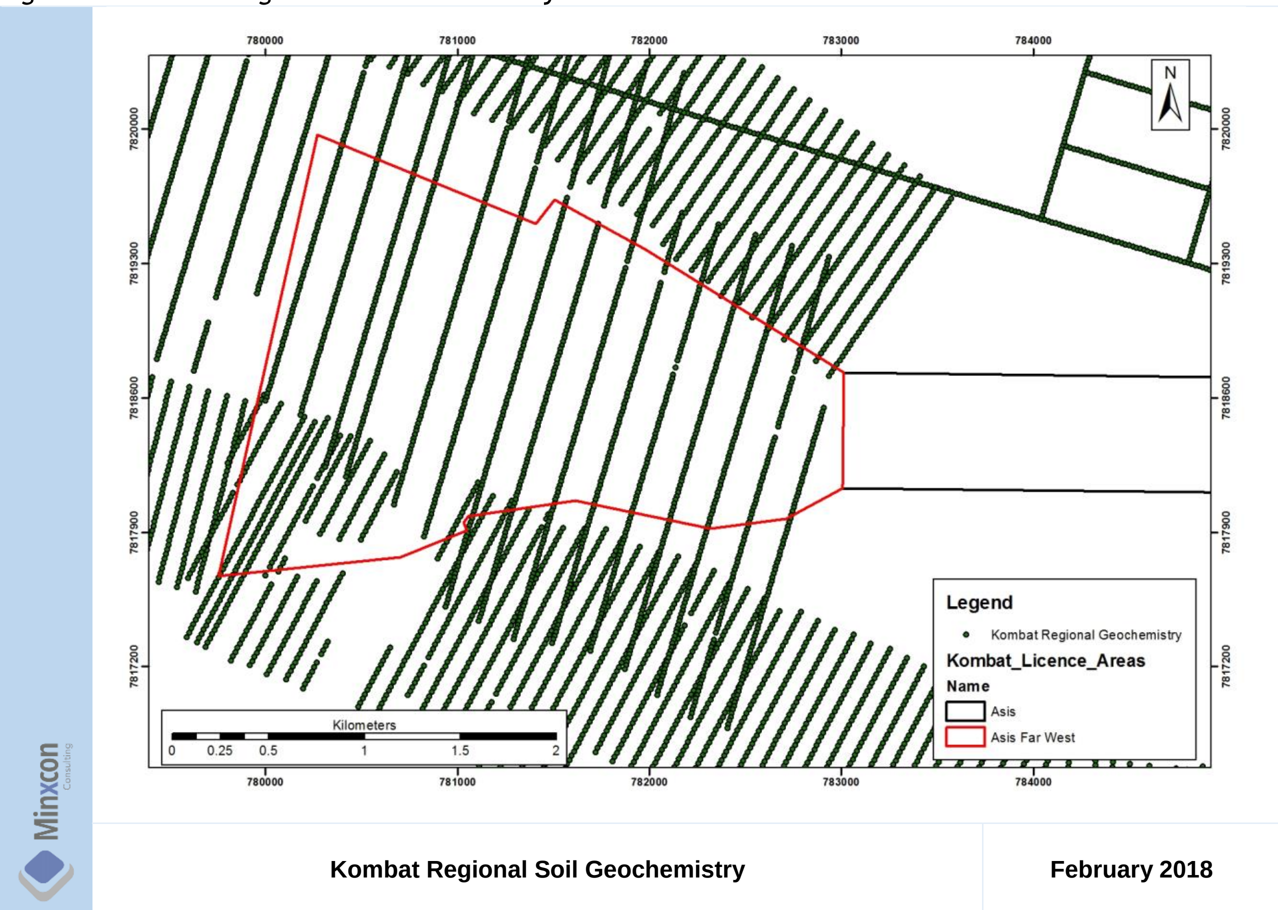
Hand written sampling results for two trenches conducted on Asis West during the 1980s are available, however no records available pertaining the historical sampling methods and sample quality are available nor the coordinates for the trenching in question. In 2015, a trench was excavated by a Tractor-Loader-Backhoe ("TLB") and sampling was conducted at 2 m intervals. A total of 10 samples were collected, including a chip sample which was collected on the bedrock outcrop. This single trench is not viewed as being representative of the geology, nor the targeted underlying orebodies

Item 9 (c) – Sample Data

Soil Geochemistry

Limited information is available pertaining sampling methods and sampling quality, however from the available data, it is evident that soil geochemistry investigations were undertaken at Asis West. Numerous geochemical surveys were undertaken at Asis Far West from the 1960s to 1990s. Sampling was conducted at a line spacing of between 50 and 200 m and samples were collected every 20 m at a depth of 25 cm. Figure 35 below presents an early regional soil geochemistry survey over Asis West and Asis Far West conducted by Tsumeb Consolidated Limited.

Figure 35: Kombat Regional Soil Geochemistry



Trenching

In October 1980, two trenches were excavated to expose the bedrock. Trench 1 was 27 m long and trench 2 was 30 m long. These two trenches were dug at Asis 656 farm and the spatial location of these trenches is unknown.

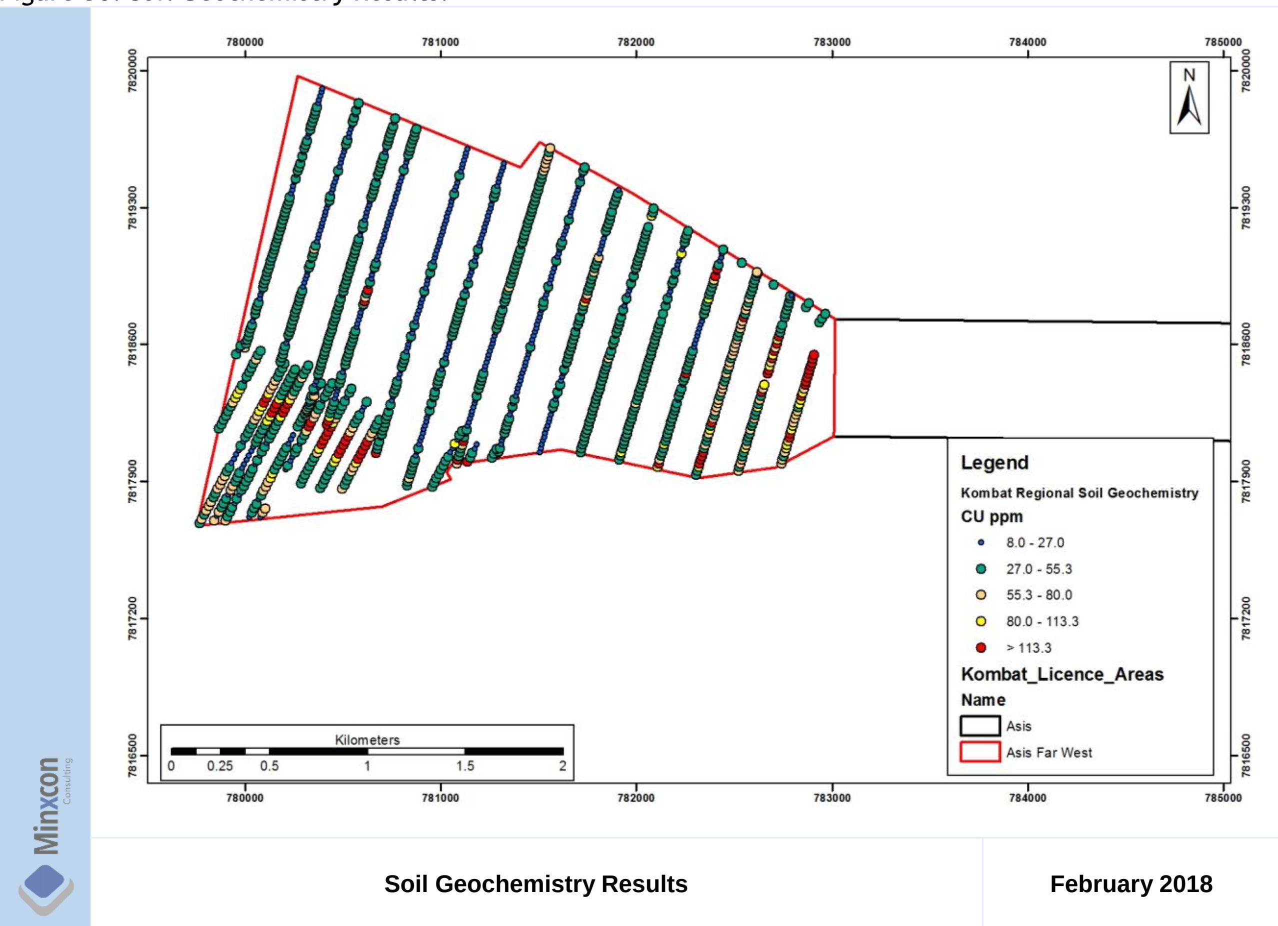
An additional trench was excavated in 2015, and the trench is approximately 16 m long, 2 m wide and 2.5 to 3 m deep orientated in a northwest –southeast direction. The spatial location of this trench in unknown. A total of 10 samples were collected, including a chip sample which was collected on the bedrock outcrop. This single trench is not viewed as being representative of the geology, nor the targeted underlying orebodies.

Item 9 (d) - Results and Interpretation of Exploration Information

Soil Geochemistry

Figure 36 below presents regional soil geochemistry results conducted by Tsumeb Consolidated Limited.

Figure 36: Soil Geochemistry Results.



Trenching

The 1980 trenching results on Asis West are not presented as Minxcon is of the opinion the data is now irrelevant due to the extent of exploration drilling as well as historical mining on the Asis West property. In addition, the actual location where these trenches were dug is not recorded.

Table 7 below presents the 2015 significant trench intercepts (>0.5% Cu).

Table 7: Significant Trench Intercepts (>0.5% Cu) for 2015

SampleID	From	To	Width	Cu	Pb	Ag
	m	m	m	%	%	ppm
KT01	Chip Sample continuous Across the Face			0.53	0.01	11.80
KT02	0.00	2.00	2.00	2.05	0.41	26.10
KT03	2.00	4.00	2.00	0.90	0.81	9.90
KT04	4.00	6.00	2.00	1.42	1.27	16.90
KT05	6.00	8.00	2.00	0.90	0.61	9.10
KT06	8.00	10.00	2.00	1.13	0.27	16.60
KT07	10.00	12.00	2.00	6.28	0.25	53.80
KT08	12.00	14.00	2.00	7.55	0.50	81.10
KT09	14.00	16.00	2.00	1.15	2.31	2.60
KT10	Bedrock Outcrop			1.29	0.99	1.60

ITEM 10 - DRILLING

It should be noted that the Kombat Project is a Brownfields Project and not an exploration project as defined in accordance with NI 43-101. Kombat is a mining operation that is currently on care and maintenance.
A database totalling some 2,183 drillholes was provided to Minxcon in the form of a MS Excel™ Spreadsheet in 2017 for the initial Mineral Resource estimation. The database contains summaries of all historical and recent drillholes (diamond, RC and RAB drillholes). Data provided to Minxcon includes drillhole collar, elevation, dip, azimuth, end of drillhole, survey, assay sheet and lithological logs. Historical drillhole collar and significant intercepts are not listed in this section due to the number of drillholes that have been drilled, and the fact that no QAQC was conducted on the drilling conducted prior to 2012.

This section will only cover recent drilling (2012 to 2017) conducted by the issuer and historical drilling conducted by the previous operator has been summarised in Item 6 (b).

Item 10 (a) - Type and Extent of Drilling

2012 Drilling Campaign

During the 2012 drilling programme, drilling was only conducted at the Gross Otavi property.

Kombat Copper Inc. conducted a preliminary drilling programme to confirm the presence of mineralisation. The drilling program consisted of three diamond drillholes, namely; GC5A-12, GC5B-12 and GC15B-12.

GC5A-12 drillhole was first to be drilled with the purpose to twin historical drillhole GC5. This drillhole was drilled at an inclination of -50° and at an azimuth of 019°. However, this drillhole was abandoned at a depth of 50.2 m due to an obstruction of steel from an old drillhole. GC5B-12 was then drilled approximately 4.0 m to the west of GC5A-12 at an inclination of -50° and at an azimuth of 019°.

GC15B-12 was drilled to twin historical drillhole GC15 and was also drilled at an inclination of -50° and an azimuth of 019°.

Downhole surveys were carried out systematically with a Reflex EZ-Trac multi-shot tool and drillhole collar coordinates were determined by use of a differential GPS. It is not known if core recoveries were measured or calculated.

Table 8 below presents significant mineralised intercepts (>2.0% Cu) for the 2012 Gross Otavi Drilling Programme.

Table 8: Significant Mineralised Intercepts (>2.0% Cu) for the 2012 Gross Otavi Drilling Programme

BHID	From	To	Width	Cu	Pb	Zn	Ag	V
	m	m	m	%	%	%	g/t	%
GC5B-12	89.00	90.02	1.02	4.33	1.26	0.48	32.00	*
GC15A-12	53.35	57.47	4.12	2.06	9.52	5.37	23.50	*
GC15A-12	64.93	67.84	2.91	2.65	4.91	*	9.50	*
GC15A-12	132.00	134.62	2.62	2.60	4.06	0.13	73.80	0.20
including	133.00	133.62	0.62	9.36	11.20	1.14	312.00	0.56

Note:

1. Width is reported as downhole length and true width has not been calculated or measured.
2. * Values not significant.

It was noted that the historical drillhole intervals do not directly correlate with the recent twinned holes, however there were numerous high grade intersections in both the historical and recent core that might potentially be associated.

2013 Drilling Campaign

No drilling was undertaken on the properties except on the Asis Far West Property.

Asis Far West

SRK was approached by Kombat Copper Inc. to provide drillholes targeting the Asis Far West deposit to further delineate and increase the level of confidence of copper mineralisation near the 800 m deep Asis Far West Shaft. Drilling commenced on the 11th January 2013 and was completed on the 10th May 2013. One mother hole (SRK1) and three wedges (SRK1A, SRK1C and SRK1D, all wedged from the mother hole) were completed totalling 1,390.14 m (including the mother hole). SRK1 was collared at 781,196.6 m E, 7,818,928.9 m N and at an elevation of 1,610 m. The hole was drilled at an inclination of -80° and an azimuth of 14.5°.

Drilling was undertaken with a D/C 2 drill rig and the downhole survey was carried using Reflex EZ-Trac multi shot instrument. It was reported by P&E Mining that a Gyro survey was used for confirmation surveying. Core recoveries were not measured or calculated for the SRK1 drillhole.

During the 2013 drilling campaign, no significant copper intersections (>2.0% Cu) were realised.

2015 Drilling Campaign

Kombat Section

A total of 35 diamond drillholes totalling 2,014.9 m were drilled at Kombat Section during 2015.

K15-001 was collared to intersect the area above the OMEG underground workings. It intersected primarily dolomites with minor sandstone and was variably mineralised over a significant length. It appears to have clipped some underground workings. There is no lead mineralisation. There is a strong positive correlation with phosphorous (P) in the form of collophane apatite, which is often >10,000 ppm.

K15-002 was collared to test an area south of the No. 1 Shaft in a location where old raises come to surface. There is a pit to the southwest where old stopes broke through to surface. This drillhole had an azimuth of 294°.

K15-003 was collared just north of the security gate along the north-south fence boundary. It was thought that it would intersect a mineralised zone but in hindsight it appears to have intersected a gap between the northern and southern mineralised zones.

K15-004 was collared east of the No. 2 fill pit. It intersected phyllite to approximately 29 m and then sandstone to 40.73 m followed by dolomite. The mineralised zone extended from 32.0 m to 51 m.

K15-005 was collared to the west of K15-004 and slightly to the north. It intersected phyllite to 11.6 m the sandstone to 16.2 m, followed by phyllite to 17.1 m, then by sandstone to 34.4 m and dolomite to the end of hole. Significant lead values with very little copper were intersected.

K15-006 was collared to the east of Kombat Central Pit in order to try and extend mineralisation to the east. This drillhole encountered dolomite throughout its length. Mineralisation was encountered from 1.5 m to 10.2 m.

K15-007 was collared to the west of K15-006. It encountered dolomite throughout its length, some of which were oolitic. These oolitic sections were usually mineralised. Mineralisation was encountered from 15.1 m to 23.57 m.

K15-008 was collared immediately north of the Kombat Central Pit at the east end looking for extensions in this direction.

K15-009 was collared in the eastern part of Kombat Central Pit. It encountered dolomite throughout but very little mineralisation. A weak zone of chalcocite and malachite was intersected at 17.15 m.

K15-010 was collared in the centre of Kombat Central Pit, possibly close to a mapped fold structure. This drillhole encountered dolomite throughout. Scattered but at times strong mineralisation was encountered from 0.0 m to 19.25 m. Mineralisation consisted of chalcocite, malachite, bornite and chalcopyrite.

K15-011 was collared south of K15-010 at the south edge of Kombat Central Pit. Dolomite was seen throughout the hole with one narrow bed of sandstone.

K15-012 was drilled at the west end of Kombat Central Pit on its southern edge.

K15-013 was drilled south of the west end of central Pit looking for an extension in that direction. It encountered dolomite throughout its length and several styles of brecciation. Oolites and algal mats are mentioned and are coincident with mineralisation. Mineralisation in the form of malachite and chalcocite were intersected from 5.4 m to 24.52 m.

K15-014 was collared east of No. 2 Fill Pit. It investigated an area of possible mineralisation east of 2 Level workings. Mineralisation was in the form of chalcopyrite and bornite.

K15-015 was drilled on a northern mineralised zone that has received very little attention in the past. The hole intersected dolomite throughout its length.

K15-016 was collared north of the No. 2 Fill Pit and north of 2 Level underground workings. It encountered dolomite throughout its length but no copper mineralisation of any kind was noted.

K17-017 was collared along an interpreted zone of mineralisation that was tested by K15-014. Mineralisation was mostly in the form of chalcopyrite and very minor cuprite.

K15-018 was drilled to the east of the glory hole, which is an historically mined out void situated in the central east of Asis and that is currently filled with water.

K15-019 was drilled south east of the glory hole and southwest of the Fe-Mn Pit.

K15-20 was drilled south of the Fe-Mn pit. It intersected primarily dolomite with numerous thin units of sandstone. The copper was mostly in the form of chalcopyrite and bornite.

K15-021 was drilled under the west end of the Fe-Mn pit. It intersected significant mineralisation. Alternating dolomite and sandstone were encountered from 0.0 m to 19.69 m.

K15-022 was drilled west of K15-017. This drillhole intersected dolomite to 16.5 m with abundant karst breccia, phyllite to 20.6 m and dolomite for the remainder of the drillhole.

K15-023 was drilled in the No. 2 Fill Pit testing the north wall contact area. Weak mineralisation was seen in one of the sandstone units from 6.82 m to 11.26 m.

K15-24 was drilled to the northeast of No. 1 Fill Pit. It intersected dolomite to 7.85 m, a mix of dolomite and sandstone to 11.04 m and then no core recovery to 14.04 m. This drillhole encountered either a karst hole or non-recorded underground working and was subsequently abandoned.

K15-025 was collared southwest of No. 1 Fill Pit. No copper or lead values of interest were noted.

K15-026 was collared to the west of the core shack area.

K15-027 was drilled to test the magazine area just off the No. 1 ramp where malachite mineralisation had been seen underground. This drillhole encountered dolomite, some of it ooloitic, throughout its length but no copper mineralisation was noted. It was subsequently determined that the azimuth of the drillhole was 5° off and missed its target. No samples were taken.

K15-028 was drilled south of the No. 1A Shaft. Mineralisation consisted of malachite, chalcocite, chalcopyrite with minor pyrite and galena.

K15-29 was collared west of No. 1A Shaft drilling toward OMEG underground workings. It intersected dolomite throughout its length some of which was oolitic and stromatolitic.

K15-30 was collared to the east of the “open pit” south of No. 1 Shaft. It investigated the ramp area and the southern zone of mineralisation.

K15-031 was collared west of Kombat Central Pit just north of the water pipeline. An outcrop containing some malachite was found just north of the collar of the drillhole. This drillhole intersected dolomite, some of which was oolitic and some contained algal mats. A cavity was intersected from 5.8 m to 6.4 m, possible karst. Only minor copper mineralisation was intersected, usually in the form of malachite and chalcocite with minor chalcopyrite and bornite.

K15-032 is located just west of the glory Hole.

K15-033 was collared south of K15-018 and southeast of the glory hole.

K15-034 was a shallow hole (20 m) collared to the east of K15-015 (cuprite hole). It intersected dolomite throughout its length, some of which was brecciated. A cavity (potentially karst) was note from 8.8 m to 9.58 m. No significant copper mineralisation was noted.

K15-035 was collared to the east of drillhole K15-017. This drillhole intersected deep overburden to 10.91 m, karst to 11.58 m. No significant copper mineralisation was noted.

The drilling company who conducted the drilling is not known and the core barrel width was unavailable. Core photos were taken for all drillholes including the intersections.

Downhole surveying was carried out systematically with a Reflex EZ-Trac multi-shot tool. Core recoveries as well as RQD were calculated for each drill run and expressed as percentage.

Table 9 presents significant mineralised intercepts (>2.0% Cu) for the 2015 Kombat section drilling programme.

Table 9: Significant Mineralised Intercepts (>2.0% Cu) for the 2015 Kombat Section Drilling Programme

BHID	From	To	Width	Cu	Pb	Ag
	m	m	m	%	%	ppm
K15-001	15.97	20.68	4.71	2.93	0.01	49.74
K15-001	21.45	22.69	1.24	2.08	0.00	35.10
K15-001	25.24	26.43	1.19	5.03	0.01	75.60
K15-001	30.50	31.39	0.89	4.28	0.00	61.00
K15-002	23.55	24.58	1.03	2.05	0.13	22.50
K15-004	38.64	39.93	1.29	4.96	18.25	36.42
K15-004	40.73	41.93	1.20	2.86	3.68	39.30
K15-004	50.00	51.00	1.00	2.15	0.03	37.10
K15-005	33.68	34.37	0.69	2.71	4.03	6.30
K15-005	45.65	46.65	1.00	7.22	0.01	64.40
K15-006	9.44	10.20	0.76	5.32	0.00	37.90
K15-007	21.30	21.90	0.60	4.94	0.00	44.70
K15-008	32.21	33.43	1.22	4.01	0.00	28.40
K15-010	2.00	3.00	1.00	3.50	0.00	48.00
K15-010	9.10	10.68	1.58	2.20	0.00	27.40
K15-010	15.80	17.00	1.20	2.62	0.01	20.80
K15-010	18.10	19.25	1.15	7.50	0.01	43.70
K15-012	10.32	11.88	1.56	6.53	0.00	70.17
K15-013	7.00	8.00	1.00	2.87	0.00	30.30
K15-013	20.30	20.82	0.52	2.26	0.00	22.20
K15-013	22.52	23.52	1.00	2.97	0.00	32.80
K15-014	46.25	47.40	1.15	3.77	0.00	3.10
K15-015	9.66	10.60	0.94	>40	0.16	183.00
K15-020	41.90	43.10	1.20	8.63	0.01	1.30
K15-021	34.00	35.00	1.00	2.89	14.95	19.20
K15-021	36.00	37.03	1.03	2.47	3.86	6.30
K15-021	42.72	46.33	3.61	2.71	0.01	56.88
K15-022	35.45	37.06	1.61	3.89	1.11	11.30
K15-022	39.05	41.60	2.55	2.70	0.02	10.05
K15-028	29.20	30.40	1.20	10.95	0.16	142.00
K15-029	46.00	46.95	0.95	8.43	0.02	77.30
K15-030	29.47	30.89	1.42	6.00	4.10	82.60
K15-030	31.10	32.00	0.90	6.43	6.88	61.70
K15-030	44.27	45.00	0.73	4.18	0.01	40.40
K15-033	11.50	12.24	0.74	3.80	0.08	19.00

Note: Width is reported as downhole length. True width has not been calculated or measured.

2017 Drilling Campaign

The drilling campaign targeted the proposed in-pit Mineral Resource for the Kombat section, with the view of upgrading the Mineral Resource classification from Inferred to Indicated. The drilling consisted of RC drilling only and consisted of 48 drillholes covering the Central and East Kombat section. Table 10 shows the significate mineralised intercepts of Cu above 2.0% in the campaign.

Table 10: Significant Mineralised Interceptions of >2.0% Cu for the 2017 Drilling Campaign

BHID	From	To	Width	Cu	Pb	Zn	Ag
	m	m	m	%	%	%	g/t
C0_2	0	1	1	2.08	0.025	0.003	27.33
C1_2	11	12	1	7.04	0.006	0.003	84.85
C1_2	12	13	1	28.77	0.025	0.029	315.27
C1_2	13	14	1	4.56	0.007	0.007	47.77
C2_1	42	43	1	2.43	0.003	0.022	19.52
C2_1	62	63	1	2.52	0.003	0.008	16
C3_2	4	5	1	2.40	0.003	0.006	26.89
C3_2	29	30	1	2.63	0.003	0.003	28.46
C3_2	33	34	1	2.19	0.003	0.003	26.33
C3_3	6	7	1	3.02	0.005	0.016	16.98
C3_3	7	8	1	2.18	0.003	0.003	20.58
C6_3.5	29	30	1	5.91	0.006	0.005	57.52
C6_3.5	31	32	1	5.45	0.005	0.005	35.5
C7_3	19	20	1	3.26	0.007	0.003	22.97
C9_1	23	24	1	2.22	0.017	0.003	6.87
C9_1	29	30	1	4.71	2.380	0.040	18.5
C10_2	17	18	1	6.70	0.010	0.010	15.47
C10_2	18	19	1	9.52	0.006	0.010	13.45
C11_1	25	26	1	2.24	0.000	0.003	0.5
C12_2	8	9	1	2.11	0.199	0.017	17.51
C13_3	20	21	1	2.09	0.003	0.003	23.03
E1_2	34	35	1	2.66	0.402	0.094	11.17
E3_2	52	53	1	3.04	1.490	0.023	1.34
E3_2	53	54	1	2.35	2.010	0.015	3.18
E3_2	54	55	1	5.45	0.029	0.014	0.5
E3_2	55	56	1	9.95	0.020	0.025	2.43
E3_2	56	57	1	9.37	0.021	0.025	2.36
E3_2	57	58	1	3.76	0.071	0.009	0.5
E3_2	58	59	1	2.38	0.032	0.022	2.66
E3_2	59	60	1	3.47	0.032	0.009	8.11
E3_2	60	61	1	5.26	0.036	0.010	1.99
E3_2	61	62	1	3.51	0.022	0.013	5.05
E3_4	11	12	1	2.98	0.194	0.012	6.74
E3_4	22	23	1	2.06	0.003	0.003	6.31
E3_4	69	70	1	5.24	0.009	0.003	29.89
E4_2	19	20	1	2.01	0.003	0.003	0.5

Note: Width is reported as downhole length and true width has not been calculated or measured.

Item 10 (b) - Factors Influencing the Accuracy of Results

Minxcon is not aware of any drilling, sampling or recovery factors that could materially impact the accuracy and reliability of the exploration results with respect to the diamond and reverse circulation ("RC") drilling.

During the 2017 RC drilling campaign, the recoveries of the RC drilling on a per meter basis were monitored and recorded and were found to be satisfactory.

Item 10 (c) – Exploration Properties – Drillhole Details

This paragraph has been included for completeness. This section will only cover recent drilling (2012 to 2015) conducted by the issuer as well as the more recent 2017 RC drilling campaign.

2012 – 2015 Drilling Campaign

Table 11 summarises the number of recent diamond drillholes ("DDH") that were drilled within the limits of the Goss Otavi and Kombat sections. These drillholes were drilled between 2012 and 2015. The table presents summaries of drillhole easting, northing and elevation of the drillhole collars, as well as the dip, azimuth and the final depth.

Table 11: Historical Diamond Drillhole Summary

BHID	Easting	Northing	Elevation	Azimuth	Dip	EOH	Type	Year	Project
	Schwarzeck		m	°	°	m			
SRK1	71,631.01	253,983.28	1,610.00	14.5	-80	950.65	DDH	2013	Asis Far West
GC5A-12	62,884.00	258,466.00	1,623.20	19	-50	50.20	DDH	2012	Gross Otavi
GC5B-12	62,884.00	258,466.00	1,623.05	19	-50	206.10	DDH	2012	Gross Otavi
GC15A-12	62,941.00	258,446.00	1,622.07	19	-50	321.98	DDH	2012	Gross Otavi
K15-001	73,940.16	253,433.23	1,607.53	341	-48	70.55	DDH	2015	Kombat Section
K15-002	73,803.65	253,465.48	1,607.74	294	-56	62.12	DDH	2015	Kombat Section
K15-003	74,162.73	253,425.75	1,608.39	360	-61	56.27	DDH	2015	Kombat Section
K15-004	74,683.63	253,422.11	1,606.98	350	-59	71.25	DDH	2015	Kombat Section
K15-005	74,656.92	253,427.95	1,607.53	351	-62	60.10	DDH	2015	Kombat Section
K15-006	74,575.02	253,527.74	1,609.65	335	-60	60.10	DDH	2015	Kombat Section
K15-007	74,548.18	253,530.56	1,609.45	339	-61	60.23	DDH	2015	Kombat Section
K15-008	74,518.01	253,553.61	1,610.14	337	-61	59.10	DDH	2015	Kombat Section
K15-009	74,485.23	253,536.14	1,605.59	337	-61	62.15	DDH	2015	Kombat Section
K15-010	74,449.94	253,527.81	1,604.83	337	-60	60.10	DDH	2015	Kombat Section
K15-011	74,454.04	253,508.21	1,604.15	336	-60	62.33	DDH	2015	Kombat Section
K15-012	74,399.18	253,507.82	1,605.59	323	-60	60.50	DDH	2015	Kombat Section
K15-013	74,369.36	253,490.63	1,611.33	338	-60	62.26	DDH	2015	Kombat Section
K15-014	74,800.37	253,462.94	1,606.70	358	-59	65.08	DDH	2015	Kombat Section
K15-015	74,835.86	253,574.86	1,609.49	3	-59	26.33	DDH	2015	Kombat Section
K15-016	74,629.18	253,481.90	1,607.92	359	-63	60.15	DDH	2015	Kombat Section
K15-017	74,981.45	253,470.27	1,607.38	357	-60	83.16	DDH	2015	Kombat Section
K15-018	75,276.08	253,461.61	1,607.34	328	-60	71.20	DDH	2015	Kombat Section
K15-019	75,301.32	253,387.43	1,606.68	340	-60	53.08	DDH	2015	Kombat Section
K15-020	75,345.11	253,410.62	1,605.98	352	-59	70.80	DDH	2015	Kombat Section
K15-021	75,342.21	253,462.02	1,600.77	22	-55	65.10	DDH	2015	Kombat Section
K15-022	74,951.34	253,469.97	1,607.51	5	-60	65.16	DDH	2015	Kombat Section
K15-023	74,582.23	253,416.94	1,596.05	331	-60	50.12	DDH	2015	Kombat Section
K15-024	74,410.95	253,442.33	1,608.33	178	-58	14.04	DDH	2015	Kombat Section
K15-025	74,240.28	253,362.84	1,606.25	2	-61	60.07	DDH	2015	Kombat Section
K15-026	74,009.19	253,422.12	1,607.52	356	-61	59.34	DDH	2015	Kombat Section
K15-027	73,987.81	253,488.77	1,609.13	341	-59	40.20	DDH	2015	Kombat Section
K15-028	73,903.46	253,404.30	1,606.28	315	-60	38.20	DDH	2015	Kombat Section
K15-029	73,884.11	253,457.64	1,607.78	163	-60	56.05	DDH	2015	Kombat Section
K15-030	73,829.70	253,389.22	1,606.06	358	-61	60.00	DDH	2015	Kombat Section
K15-031	74,307.36	253,475.42	1,610.75	3	-62	60.40	DDH	2015	Kombat Section
K15-032	75,155.61	253,479.99	1,608.14	0	-60	65.05	DDH	2015	Kombat Section
K15-033	75,284.81	253,426.40	1,606.25	1	-55	68.05	DDH	2015	Kombat Section
K15-034	74,911.51	253,575.63	1,609.30	7	-59	20.16	DDH	2015	Kombat Section
K15-035	75,018.37	253,470.39	1,607.22	351	-60	56.13	DDH	2015	Kombat Section

2017 Drilling Campaign

Table 12 shows the summary of the RC drilling for 2017.

Table 12: Drillhole Summary of the 2017 Drilling Campaign

BHID	Easting	Northing	Elevation	Azimuth	Dip	EOH	Type	Year	Project
	UTM			°	°	m			
C0_2	-74237.661	-253517.765	1611.736	0	-60	50	RC	2017	Kombat
C10_1	-74740.467	-253436.877	1607.240	0	-60	84	RC	2017	Kombat
C10_2	-74740.179	-253460.503	1607.260	0	-60	78	RC	2017	Kombat
C10_3	-74740.196	-253483.691	1607.872	0	-60	58	RC	2017	Kombat
C11_1	-74789.931	-253480.334	1607.024	0	-60	65	RC	2017	Kombat
C11_2	-74789.872	-253503.884	1608.398	0	-60	47	RC	2017	Kombat
C12_1	-74841.509	-253464.893	1607.471	0	-60	33	RC	2017	Kombat
C12_2	-74836.449	-253560.575	1609.372	0	-60	52	RC	2017	Kombat
C13_3	-74909.380	-253589.445	1609.540	0	-60	27	RC	2017	Kombat
C1_2	-74292.621	-253517.965	1612.168	0	-60	28	RC	2017	Kombat
C1_3	-74291.264	-253542.221	1612.006	0	-60	14	RC	2017	Kombat
C2_1	-74348.712	-253463.108	1609.679	0	-60	65	RC	2017	Kombat
C2_2	-74350.301	-253519.964	1615.176	0	-60	47	RC	2017	Kombat
C3_2	-74391.166	-253497.270	1611.027	0	-60	50	RC	2017	Kombat
C3_3	-74397.955	-253524.324	1607.080	0	-60	30	RC	2017	Kombat
C3_3.5	-74392.681	-253550.052	1615.437	0	-60	30	RC	2017	Kombat
C4_1	-74441.469	-253477.132	1609.327	0	-60	23	RC	2017	Kombat
C4_2	-74447.300	-253515.376	1604.362	0	-60	46	RC	2017	Kombat
C5_2	-74491.033	-253499.202	1609.491	0	-60	47	RC	2017	Kombat
C5_2.5	-74490.982	-253509.704	1609.825	0	-60	45	RC	2017	Kombat
C5_3	-74490.921	-253520.478	1610.064	0	-60	23	RC	2017	Kombat
C5_4	-74492.537	-253549.300	1605.973	0	-60	14	RC	2017	Kombat
C5_4.5	-74490.781	-253578.198	1611.020	0	-60	25	RC	2017	Kombat
C6_1	-74543.114	-253465.876	1608.345	0	-60	51	RC	2017	Kombat
C6_2	-74542.191	-253489.969	1608.798	0	-60	68	RC	2017	Kombat
C6_3	-74541.006	-253515.449	1609.199	0	-60	45	RC	2017	Kombat
C6_3.5	-74540.481	-253528.125	1609.433	0	-60	45	RC	2017	Kombat
C7_1	-74590.137	-253473.449	1608.398	0	-60	57	RC	2017	Kombat
C7_2	-74589.518	-253515.437	1609.429	0	-60	57	RC	2017	Kombat
C7_3	-74588.755	-253540.388	1609.704	0	-60	50	RC	2017	Kombat
C8_1	-74642.934	-253464.324	1608.396	0	-60	30	RC	2017	Kombat
C9_1	-74686.848	-253439.850	1607.237	0	-60	44	RC	2017	Kombat
C9_2	-74683.337	-253469.438	1608.002	0	-60	44	RC	2017	Kombat
E1_2	-75074.352	-253470.957	1607.585	0	-60	35	RC	2017	Kombat
E1_3	-75073.860	-253494.502	1607.772	0	-60	32	RC	2017	Kombat
E2_3	-75123.816	-253460.504	1609.059	0	-60	80	RC	2017	Kombat
E2_4	-75123.820	-253485.882	1608.569	0	-60	63	RC	2017	Kombat
E2_5	-75123.894	-253509.984	1607.947	0	-60	48	RC	2017	Kombat
E2_6	-75123.103	-253533.970	1608.997	0	-60	34	RC	2017	Kombat
E3_2	-75173.357	-253433.555	1607.940	0	-60	62	RC	2017	Kombat
E3_3	-75173.898	-253457.842	1604.698	0	-60	45	RC	2017	Kombat
E3_4	-75172.884	-253480.793	1605.334	0	-60	85	RC	2017	Kombat
E3_5	-75172.993	-253509.259	1608.166	0	-60	62	RC	2017	Kombat
E3_6	-75173.203	-253533.062	1608.529	0	-60	61	RC	2017	Kombat
E4_2	-75216.118	-253503.167	1608.939	0	-60	24	RC	2017	Kombat
E4_3	-75216.248	-253519.208	1608.515	0	-60	22	RC	2017	Kombat
E5_1	-75272.083	-253507.671	1609.389	0	-60	37	RC	2017	Kombat
E7_1	-75371.824	-253481.759	1609.129	0	-60	13	RC	2017	Kombat

ITEM 11 – SAMPLE PREPARATION, ANALYSES AND SECURITY

Due to unavailability of original data, as well as the fact that the operation is currently on care and maintenance, Minxcon was not able to review sample preparation, analyses and security. The information relevant to this section was extracted and edited from P&E Mining Consultants Inc. Report dated 20 May 2014. Minxcon was, however, involved in the 2017 RC drilling campaign in terms of planning and as the role of Qualified Person. The data for this section relating to the more recent 2017 drilling campaign is also included under the subheading of 2017 Drilling Campaign.

Item 11 (a) – Sample Handling Prior to Dispatch

The procedure for sample handling prior to dispatch was as follows:-

- All samples were transported from the core yard to the laboratory sample receiving bay;
- The drillhole number and the sample ticket number were captured in the laboratory sample book and laboratory assay sheet as received;
- Samples were placed in plastic bags and a laboratory code number and paper bag for pulp were assigned;
- The pulp bag contained the sample number, laboratory number, department and laboratory receiving date.

2017 Drilling Campaign

Below is an extract from the drilling and sampling protocols compiled by Minxcon for the 2017 drilling campaign.

The strategy adopted for the 2017 drilling campaign was carefully designed so that at each stage of the process, the chance of taking biased, unrepresentative or contaminated samples is minimised. In order to achieve this:-

- Trigon provides geological staff on site for logging and sampling of the drill programme.
- Geologist or site supervisor will ensure that the necessary sample bags are correctly labelled and available before the drillhole is drilled.
- In the case of RC drilling, a sack is held tightly to the bottom of the cyclone unit and kept there for the duration of the metre drilled, catching the sample (Figure 37).
- The second sample assistant will take the full bag from the sampler and hand him the next marked sample bag.
- The sample assistant must communicate with the drill operator at all times to ensure the sample collection is done properly.
- At the drill site, the sampler will enter all the relevant data into his book and liaise with the drilling contractor to ensure that the correct information is used on their record sheets.
- The cyclone must be cleaned out after each sample has been taken, to avoid contamination, by blowing the cyclone clean before drilling of the next metre commences.

Figure 37: RC Sampling at the Cyclone

RC Sampling at the Cyclone	February 2018

Sampling Procedure

Each sample bag is weighed and the borehole number, start depth and end depth is written on the sample bag as below.

- Borehole number,
- Start depth,
- End depth,
- Sample number,
- Weight.

The above information also needs to be captured in the data capture sheet.

The sample is then transported to the core yard. The samples are split using a 50/50 riffle splitter (or three tier riffle splitter) into optimal size samples for submission. The sample needs to be split into three (with each split getting the identical sample number):-

- first for resource assaying;
- second for metallurgical testwork; and
- third as a reject for storage on site.

The sample must be poured evenly from a tray into the riffle splitter and collected in two trays at the base of the splitter.

The reject sample can be used to determine the bulk density by the buoyancy method. The equation used for this method is as follows:-

Equation 1: Bulk Density Determination

$$Density\ of\ solid\ (rock\ chips) = Density\ of\ water\ x\ (\frac{mass\ in\ air}{mass\ in\ air - mass\ in\ water})$$

All metallurgical samples need to be stored in a freezer to prevent oxidation.

If the resource sample is still too large for transportation purposes, the sample can be split again and the one half discarded or added to the reject. The same applies to the metallurgical sample.

All sample bags should be labelled in the following manner:-

- One numbered ticket, corresponding to the number (laboratory ticket #) written on the sampling sheet, is placed into a plastic sample bag together with the sample.
- The second ticket is secured within top fold in sample bag with heavy-duty staples.
- The ticket ID number is also written on the outside of the plastic bag (Figure 38).

Figure 38: Sample Marking

Sample Marking	February 2018

After splitting, the samples are laid on the ground in their order of the drilling depths. The geologist or the person to carry out the logging must take note of the colours of the dry powder of the chips. This usually gives an indication of the points where changes in rock strata or rock type occur.

If any underground water is encountered during the drilling, its depth of occurrence must be recorded. If a wet sample has been obtained during drilling, a note must be recorded on the comments section of the log sheet or in the description.

QAQC samples – blanks, duplicates and certified reference materials (“CRMs) – are placed in the sampling stream in a consecutive numbering sequence.

Sample Numbers: All samples must be labelled according to a pre-defined and agreed system. If printed numbered sample booklets are to be used, then the stub must be carefully filled in before starting to sample. If a site-specific numbering system is used then the sample sheet for each drillhole needs to be prepared ahead of time. If a site-specific numbering system is to be used, then it must be consistently used across all drillholes and samples on that project.

Chip Logging Procedure

The logging of rock chips from percussion or RC drilling can be done either in the field or at the core yard. A decision must be made regarding the choice of the place where the activity is to take place. The procedure is as follows:-

- After splitting the sample, scoop a portion of the chips from the bag using a hand-held sieve. Shake the sieve gently to remove some of the fine dust. This should be done in such a way that the dust falls back into the bag from which the material was scooped.
- The scooped material must be cleaned thoroughly and gently in a bucket of water while being kept in the sieve. Care should be taken not to spill the chips into the bucket. Once the material is cleaned, it is placed in a chip tray (see below) where the depths are written on the side of the tray and a sample ticket is placed in the tray too.
- The sample chip trays must be clearly marked with the drillhole number and the appropriate depths per sample. The supervisor will ensure that the material placed in the sample chip trays is a good representation of each sample taken.
- The supervisor or geologist must check to ensure that every bag is properly labelled with the project number, drillhole number, depth, and batch number. He must also ensure that every borehole has a representative sample and that all the samples have been weighed and securely fastened.
- A hand lens should be used to aid in the logging process. If available, hydrochloric acid must also be used to test the chips for some elements. A record of the following should be made on the log sheet:-
  - Depth (from-to);
  - Colour of powder;
  - Colour of chips when cleaned;
  - Grain size;
  - Alteration types;
  - Minerals, e.g. pyrite, chalcopyrite, chalcocite, bornite, etc.;
  - Description;
  - Graphical log; and
  - Geological structures, etc.

Logging is done onto the standardised data capture percussion log sheet for ease of computer data capture. This data is then captured into the MS Excel spreadsheet, to which is added all relevant geological and survey data, for later use in geological modelling.

Figure 39: Rock Chips in Trays

Rock Chips in Trays	February 2018

Item 11 (b) – Sample Preparation and Analysis Procedures

Historical Drilling

Sample preparation and analysis for the historical drilling programmes were carried out at the non-accredited Kombat Mine Laboratory, while some additional work in terms of check sampling on pulps was also conducted at the non-accredited Tsumeb Mine laboratory. According to P&E, assaying for the KST and KDF series of drillholes may have been completed at the Tsumeb facility.

The core samples were subjected to two-stage comminution by a jaw crusher and a rolls crusher after being dried. An air spray pipe was utilised to clean the crushing equipment before and after every sample. According to P&E, samples were apparently not necessarily processed in numeric order which could imply that no QAQC was implemented. QAQC data only appears to have been captured from 2012 onwards.

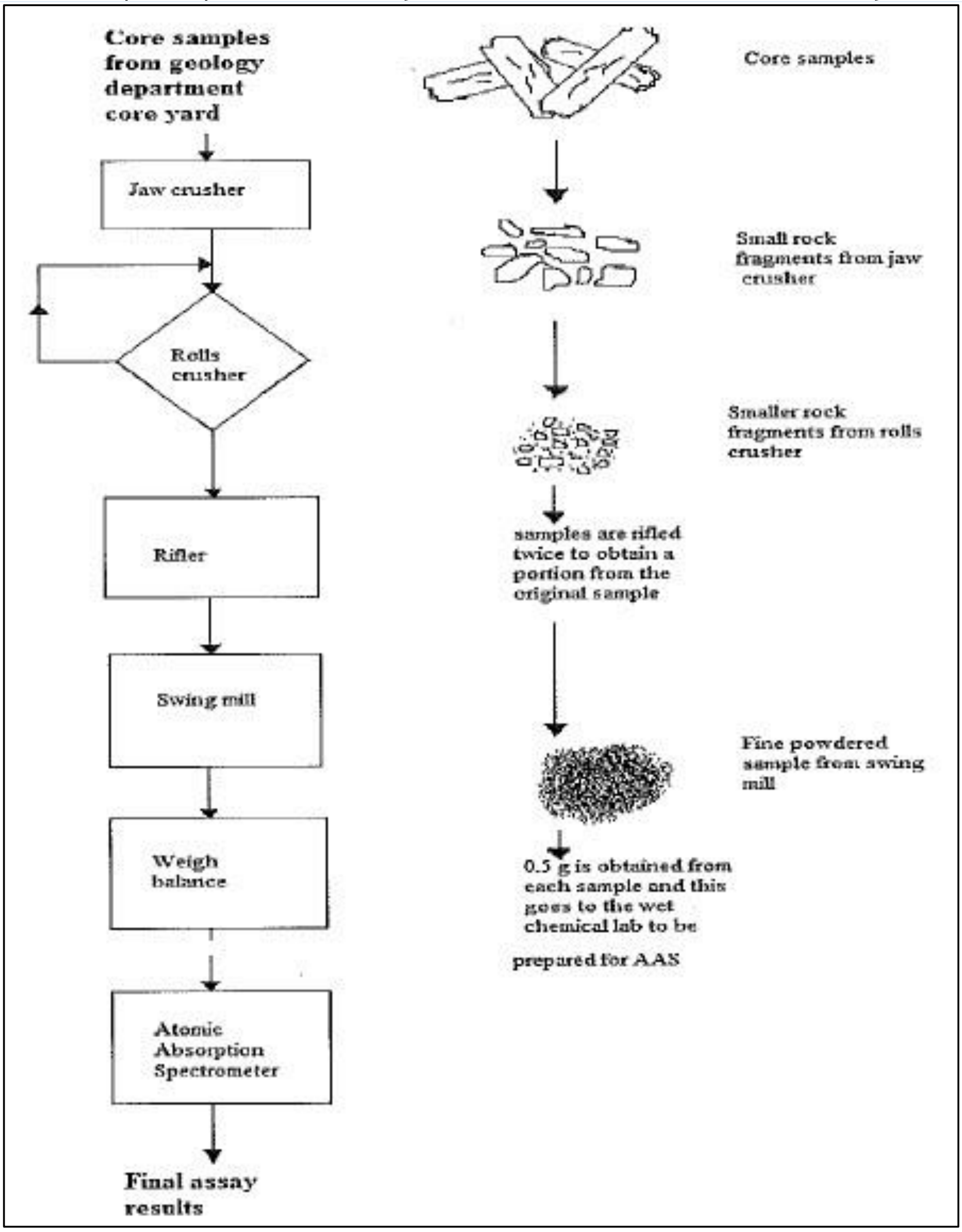
The crushing equipment was located in the sample-receiving bay. Mughungora (2007) noted that the sample receiving bay was very dusty - a potential source of contamination. The following process was followed for sample preparation (Figure 40):-

- All samples were pulverised in one sample preparation room;
- The crushed material was riffle split and the rejects discarded;
- The riffle splitter was cleaned after every sample;
- The crushed material was pulverized for four minutes in a vibrating swing mill (puck and ring) and the pulp placed in the numbered paper bag;
- The pulp was then split to 0.5 g for analysis. Mughungora (2007) reports that the pulveriser mill was cleaned after every sample batch; and
- Grind time was reduced to one minute in the case of sample overload or mill equipment problems. This may have affected particle sizing and the digestion of the pulps. As of 2007, the laboratory had two swing mills, one of which was unserviceable, other partially serviceable with no timer.

The 0.5 g pulp was placed in a 250 ml beaker and digested by 10 ml HNO–HClO (or Aqua Regia $HCl:HNO_3$) mixed acid and 1 ml hydrofluoric acid. After heating and fuming, 50 ml tap water and 10 ml of HNO_3 acid was added and the solution re-heated and cooled. The solution was topped up to 200 ml with tap water and shaken.

The analyte was analysed by means of an atomic absorption spectrometer (AAS) for copper and lead. No data is available pertaining to how silver and zinc were analyzed, however, these analyses were likely to have been conducted on pulp splits at the Tsumeb complex by AAS, similar to the Kombat Mine laboratory.

Figure 40: Historical Sample Preparation and Analysis Flow Chart at Kombat Mine Laboratory



Source: P&E after Mughungora (2007)

Historical Sample Preparation and Analysis Flow Chart at Kombat Mine Laboratory	February 2018

2013 Drilling Campaign

A total of 188 samples including quality control samples were sent to the Bureau Veritas Namibia (Pty) Ltd Mineral Laboratory ("Bureau Veritas") for sample preparation (SANAS accreditation, Facility Accreditation Number: TEST -5 0003). Bureau Veritas is located in Swakopmund, Namibia. The laboratory is ISO 17025 certified.

Bureau Veritas carried out sample preparation and shipped the pulp samples to Acme Analytical Laboratories (Vancouver) Ltd. for wet chemical analysis.

Sample preparation carried out at Bureau Veritas involved sorting and drying, crushing the entire core sample to -2 mm, riffle splinting to 250 g and a grinding/vibrating pulveriser stage that ensured a 90% pulp at 75 µm (90% passing a 75 micron sieve).

At Acme Analytical Laboratories (Vancouver) Ltd, 30 g pulps were digested in 1:1:1 Aqua Regia and analysed for 37 elements by ICPMS (Acme 1F03, now 1F04-AQ252 geochemical package). The lower detection limit for Cu and Pb was 0.01 ppm; Zn was 0.1 ppm and silver was 2 ppb.

2015 Drilling Campaign

ALS Minerals Laboratory carried out sample preparation and the procedures as follows:-

- Received sample weight;
- Pulp login – RCD w/o barcode;
- Sample login –RCD w/o barcode;
- Fine crushing – 70% < 2 mm;
- Splitting samples – riffle splitter;
- Pulverise split to 85 % <75 µm;
- Crushing QC test; and
- Pulverising QC test.

2017 Drilling Campaign

In total, 2,264 samples were sent away for analysis to ISO 17025 accredited Setpoint Laboratories (SANAS T0223) at 30 Electron Avenue, Isando, Johannesburg, South Africa.

Setpoint Laboratory carried out sample preparation and the procedures as follows:-

- Samples are checked and sorted according to client's submission sheet.
- Every batch of samples has an information sheet.
- Samples are inspected for any trace of moisture, if they require drying they are placed in the drying oven at 105°C until they are dry.
- Each sample is weighed on the top pan balance and its weight is recorded in the LIMS system.
- Primary: rocks, rock chips or lumps are crushed using a jaw crusher and the crushed material is placed into a clean and labelled plastic bag.
- Secondary: the resulting chips are crushed to a fineness of 90% less than 2.0 mm.
- If the sample requires splitting, a Jones riffle splitter is used; the split is placed into a new sample bag and the remaining sample (coarse reject) will be returned to the client.
- The sample is milled to achieve a fineness of 90% less than 106 µm or 80% passing 75 µm.
- After milling, the contents of the bowl are emptied onto a brown paper sheet and transferred into the sample bag.
- Once a batch of samples is completed, they are repacked for analysis.

The sample analysis method used for Ag, Cu, Pb, V and Zn was a multi acid digestion with a ICP OES finish. A half gram of pulp material was digested using a combination of four acids (HNO_3, HF, HClO4 and HCl) and made up to a volume of 100 ml. The resulting solutions were analysed for metals by the technique of ICP-OES (Inductively Coupled Plasma – Optical Emission Spectrometry). For As, an aqua-regia digestion with ICP OES finish was used. The lower limits for the above are as follows:-

- Ag = 3 ppm;
- As = 10 ppm;
- Cu = 10 ppm;
- Pb = 50 ppm;
- V = 50 ppm; and
- Zn = 50 ppm

Item 11 (c) - QUALITY ASSURANCE AND QUALITY CONTROL

No data was available pertaining to historical QAQC protocols. Due to unavailability of 2012/2013 QAQC data, the QAQC section for 2012 and 2013 was extracted from P&E (2014). These QAQC results are attached as Appendix 2. Minxcon has presented, after review the QAQC, graphs and opinions for the 2015 drilling programme as follows:-

2015 Drilling Programme

A total of 1,085 samples including certified reference material, blanks and duplicates were collected and dispatched to ALS Mineral Laboratory in Swakopmund, Namibia. ALS Mineral Laboratory is located at No: 6 & 7 Einstein Street, Swakopmund, Namibia. The laboratory is not SANAS accredited. The analytical procedure utilised at the laboratory is ME-ICP61 4 Acid ICP-AES; OG62 Four Acid for Overlimit Cu, Pb, Ag.

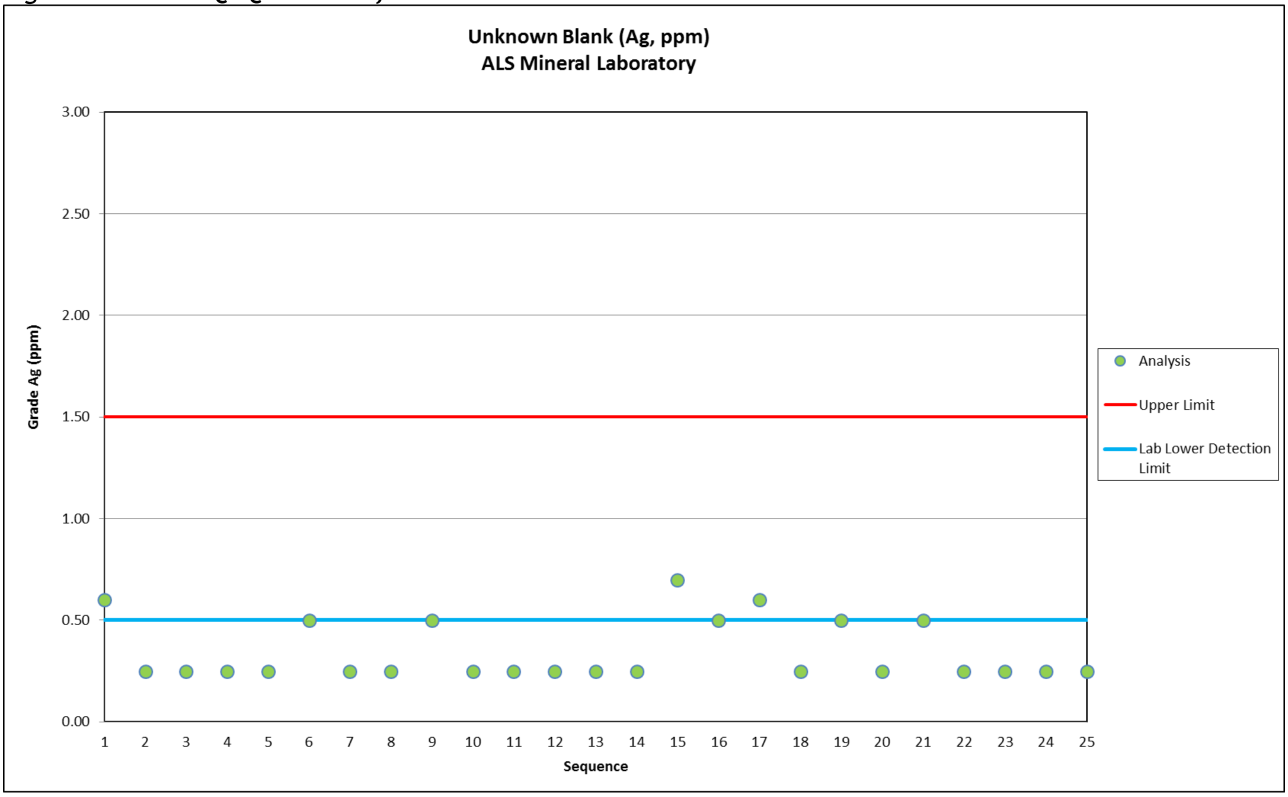
The QAQC material were inserted as follows; eight regular samples (10001 to 10008), followed by a low-grade standard (10009), followed by eight regular samples (10010 to 10017), followed by a core duplicate (10018 is the second half of sample 10017 which has been quartered), followed by eight regular samples (10019 to 10026), followed by our high-grade standard (10027), followed by eight regular samples (10028 to 10035), followed by a preparation duplicate (10036, where the preparation facility is requested to make a second pulp from 10035 – an empty numbered bag containing a note to this effect was used for pulp duplicates), followed by eight regular samples (10037 to 10044), followed by a blank (10045). The rotation started again with eight regular samples.

A total of 119 out of 1,085 samples consisted of QAQC samples, equating to approximately 11 % of the total sample stream. Minxcon is of the opinion that this represents an adequate number of QAQC samples (CRMs, blanks, core duplicates and pulp duplicate) used during sampling programme.

Unknown Blank.

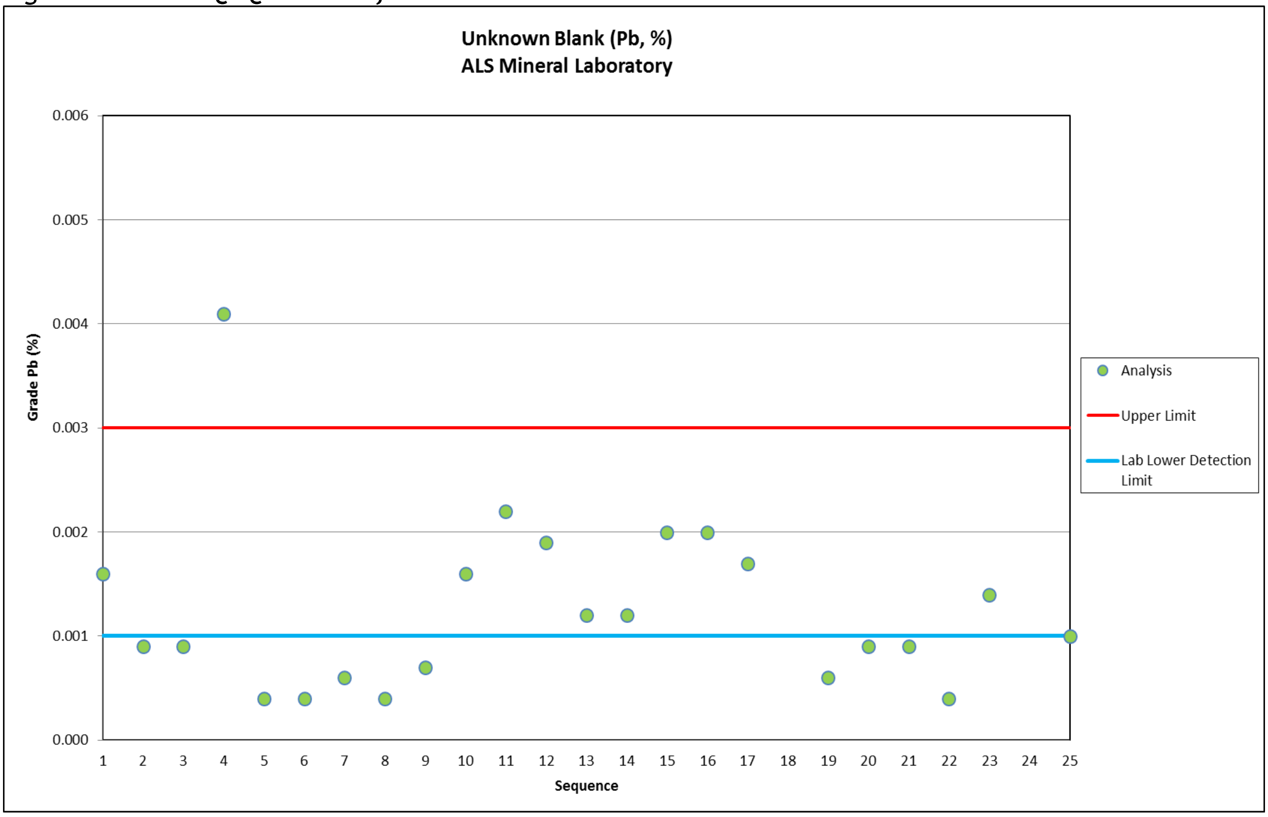
A total of 25 blank samples were dispatched to ALS Mineral Laboratory as part of the QAQC programme. Minxcon is not aware of the source of this blank material, or whether it was certified or not. The results indicate that there was no contamination for silver analysis (Figure 41). All samples plotted below the upper limit for silver (the upper limit was defined by three times the detection limit which is 0.5 ppm).

Figure 41: Blank QAQC Results for Silver



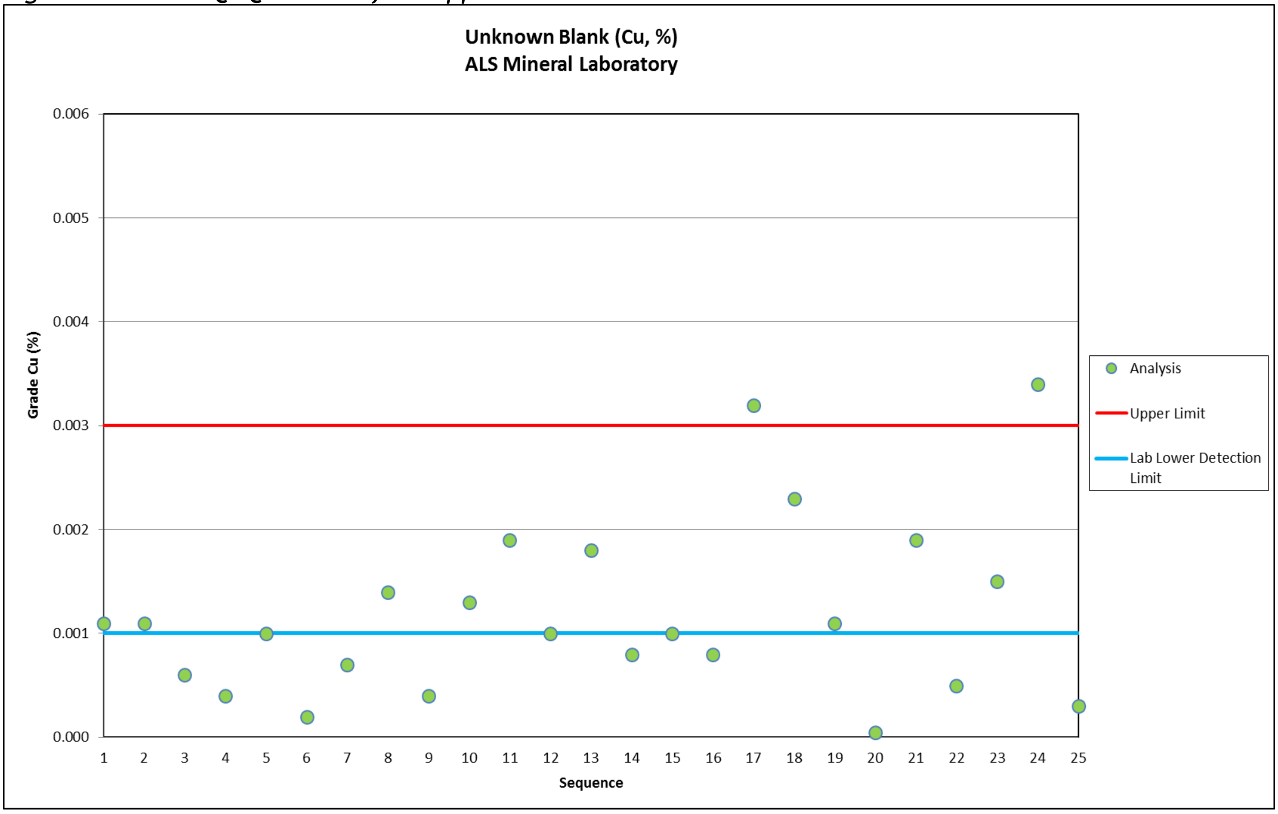
One sample (2,479) failed the blank QAQC for lead (Figure 42). The cause may be due to contamination at the laboratory. Note that the upper limit was defined by three times the detection limit of 0.001%.

Figure 42: Blank QAQC Results for Lead



Two samples (2990 and 3336) also failed the blank QAQC for copper (Figure 43), also attributed to possible contamination at the laboratory. The batch which contained the failed samples should have been re-assayed. It is not known whether this was done, as no formal QAQC reports for the drilling programme were available for Minxcon's scrutiny. Note that that the upper limit was defined by three times the detection limit of 0.001 %.

Figure 43: Blank QAQC results for Copper



Certified Reference Materials

CRMs used during the 2015 drilling campaign were purchased from African Mineral Standards ("AMIS") at 30 Electron Avenue, Isando, Johannesburg, South Africa. One high grade CRM (AMIS0424) and one low grade (AMIS0309) CRM were utilised. The source areas of these CRMs are as follows:-

- AMIS0309, Gold and Copper ore, greenstone, Buzwagi Mine (SAG Mill discharge), Tanzania.
- AMIS0424, Copper ore, carbonatite, Palabora Mine, South Africa

AMIS0309 CRM

A total of 23 AMIS0309 CRMs were used during sampling. It must be noted that AMIS0309 is certified for copper and silver and not for lead. A conversion factor of 10,000 was used to convert Cu ppm to Cu %. Table 13 below presents the certified concentration of AMI0359.

Table 13: Details of AMIS0309

ID	Cu F	Cu M/ICP	Au Pb Collection	Specific Gravity	Ag M/ICP
	ppm	ppm	g/t		ppm
AMIS0309	1,361 ± 92	1406 ± 68	0.96 ± 0.06	2.80 ± 0.08	2.1 ± 0.4

Although two standard deviations are recommended by the manufacturer, Minxcon recommends that those samples falling outside two standard deviations but within three standard deviations should be passed. Three samples (2668, 3255 and 3300) failed the QAQC graph for copper (Figure 44). Minxcon is of the opinion that the batches containing those samples which failed the QAQC should have been re-assayed. It is not known whether this was done or not.

Figure 44: AMIS0309 QAQC Graph for Copper

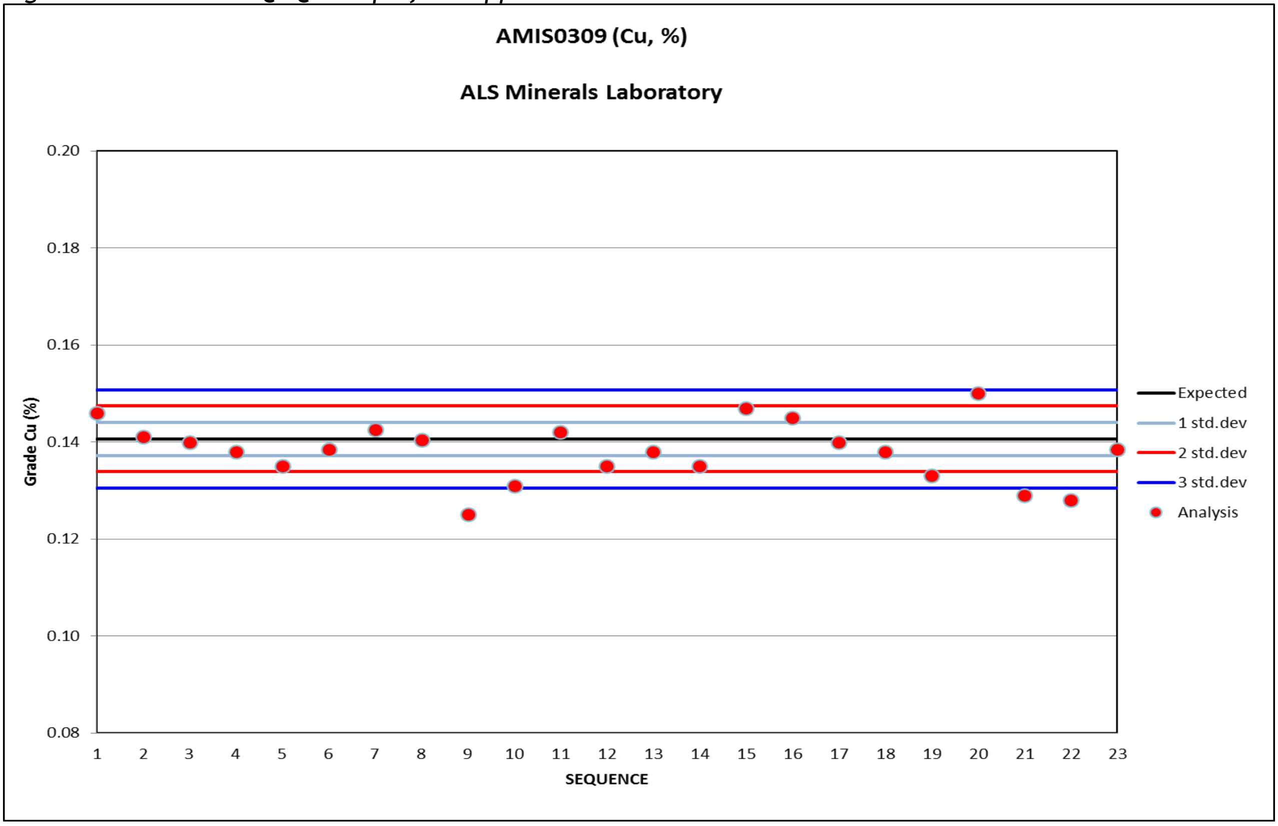
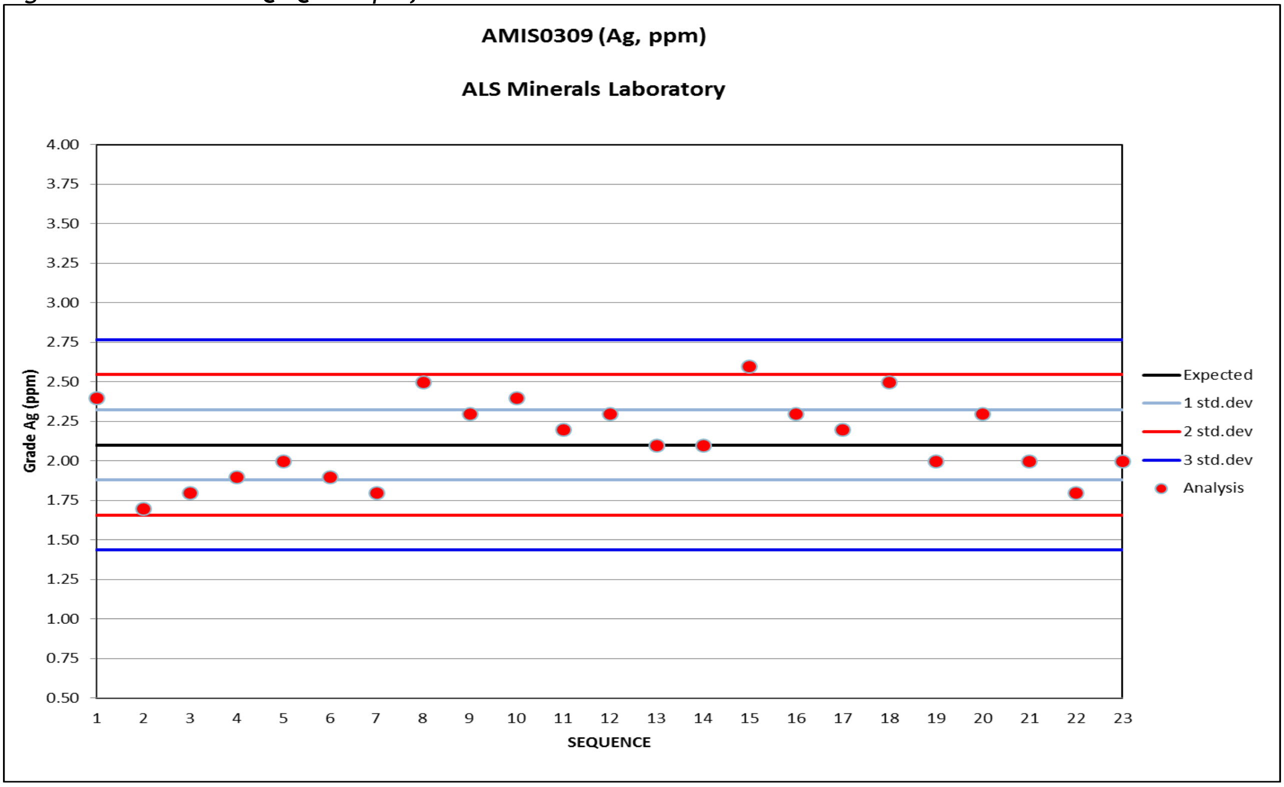


Figure 45 presents the QAQC graph for silver. Although Minxcon accepts the QAQC for silver, one sample (2999) plotted outside two standard deviations (recommended by the manufacturer) but within three standard deviations.

Figure 45: AMIS0309 QAQC Graph for Silver



AMIS0424

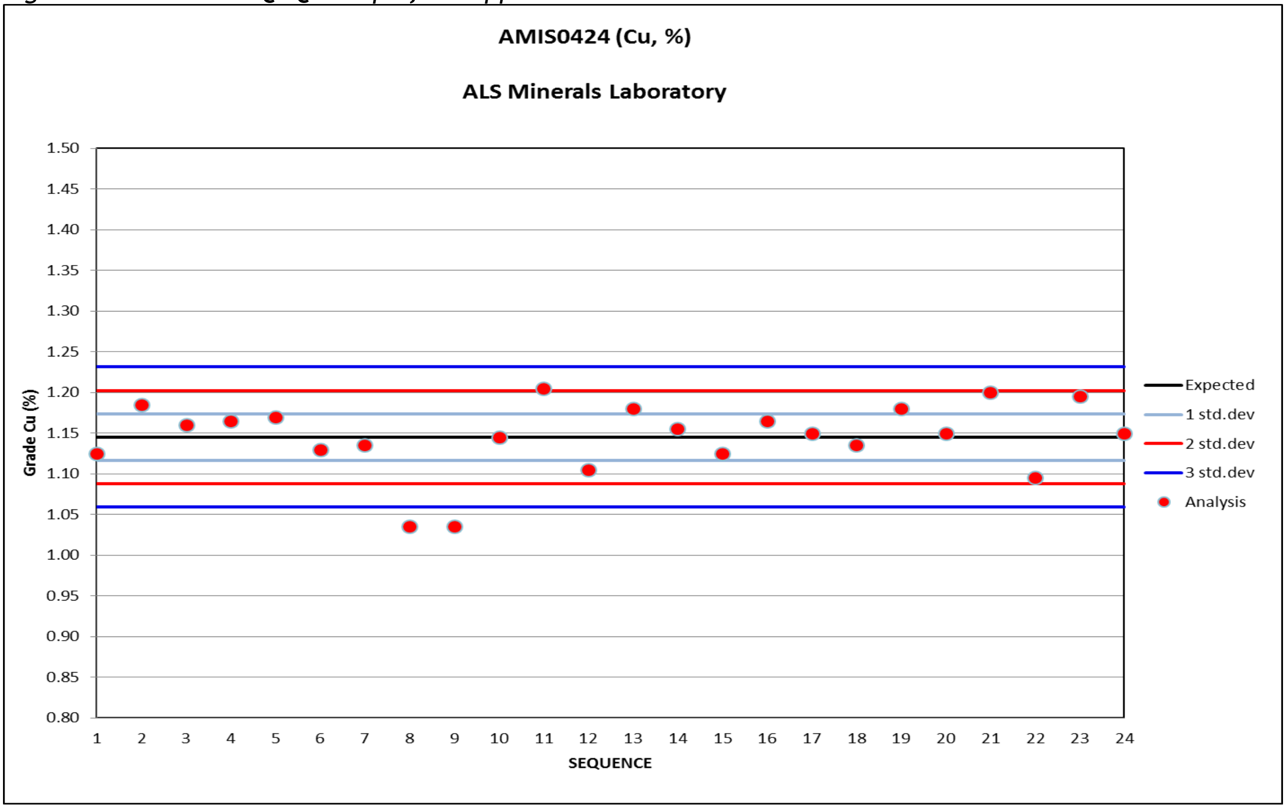
A total of 24 AMIS0424 CRMs were inserted in the sampling sequence and dispatched to the laboratory and were analysed for copper. Table 14 below presents certified concentration of AMIS0424. It must be noted that AMIS0424 is only certified for Cu and not lead and silver.

Table 14: Details of AMIS0424 CRM.

ID	Cu Fus	Cu M/ICP	Cu P	Specific Gravity	Au Pb Collection	Co M/ICP	Co P
	%	%	%		g/t	ppm	ppm
AMIS0424	1.145 ± 0.053	1.145 ± 0.058	1.135 ± 0.044	3.07 ± 0.08	0.1 ± 0.012	78 ± 16	75 ± 9

Two samples (2641 and 2686) plotted outside three standard deviations. Minxcon is of the opinion that the batches containing those samples which failed the QAQC should have been re-assayed. It is not known whether this was done. Figure 46 below depicts the QAQC graph for copper analysis.

Figure 46: AMIS0424 QAQC Graph for Copper



Core Duplicates

A total of 24 core duplicates were selected during sampling and dispatched to the laboratory for copper, lead and silver analysis. Correlation plots for copper, lead and silver were generated to check the repeatability. It was noted that lead had a good correlation or repeatability with a correlation coefficient (R^2) of 0.9855, whereas copper and silver had reasonable correlation coefficients (R^2) of 0.8031 and 0.8505 respectively.

Figure 47 presents the core duplicates graph for copper analysis.

Figure 47: Core Duplicates QAQC Graph for Copper Analysis

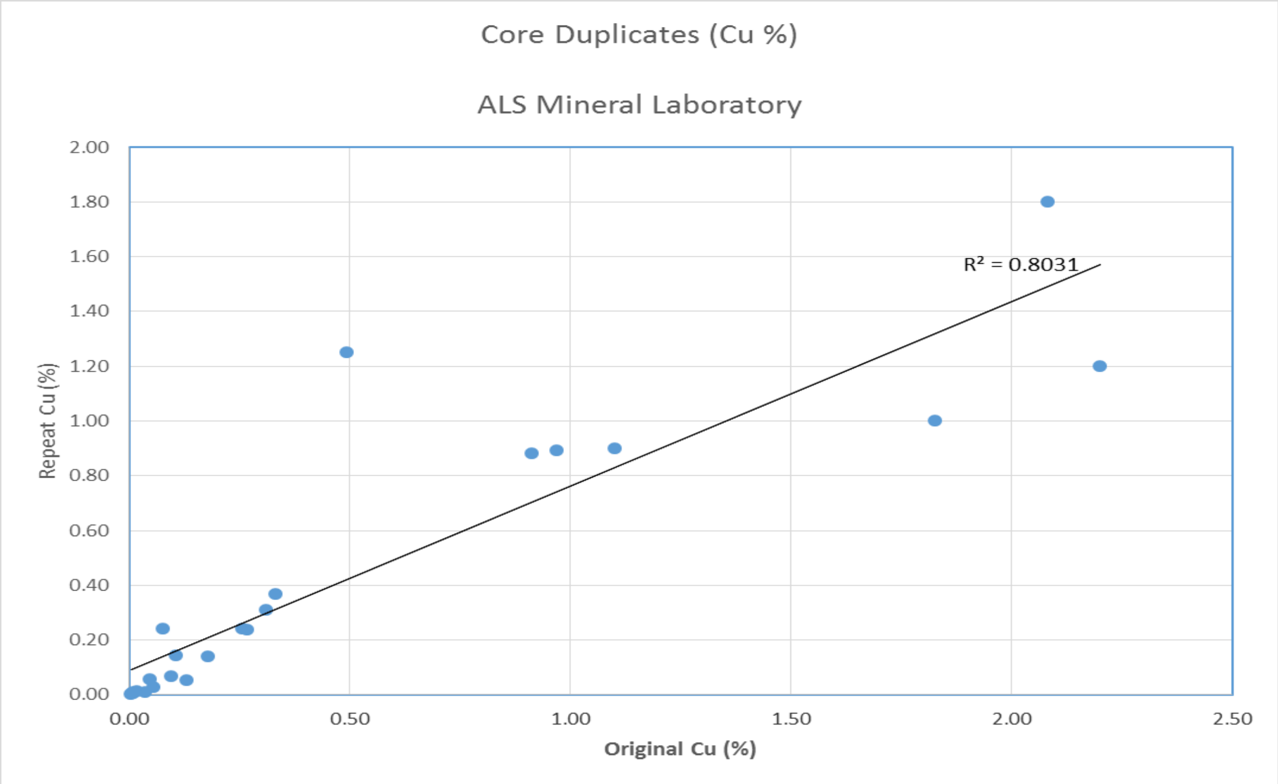


Figure 48 below presents the core duplicates QAQC graph for lead analysis.

Figure 48: Core Duplicates QAQC Graph for Lead analysis.

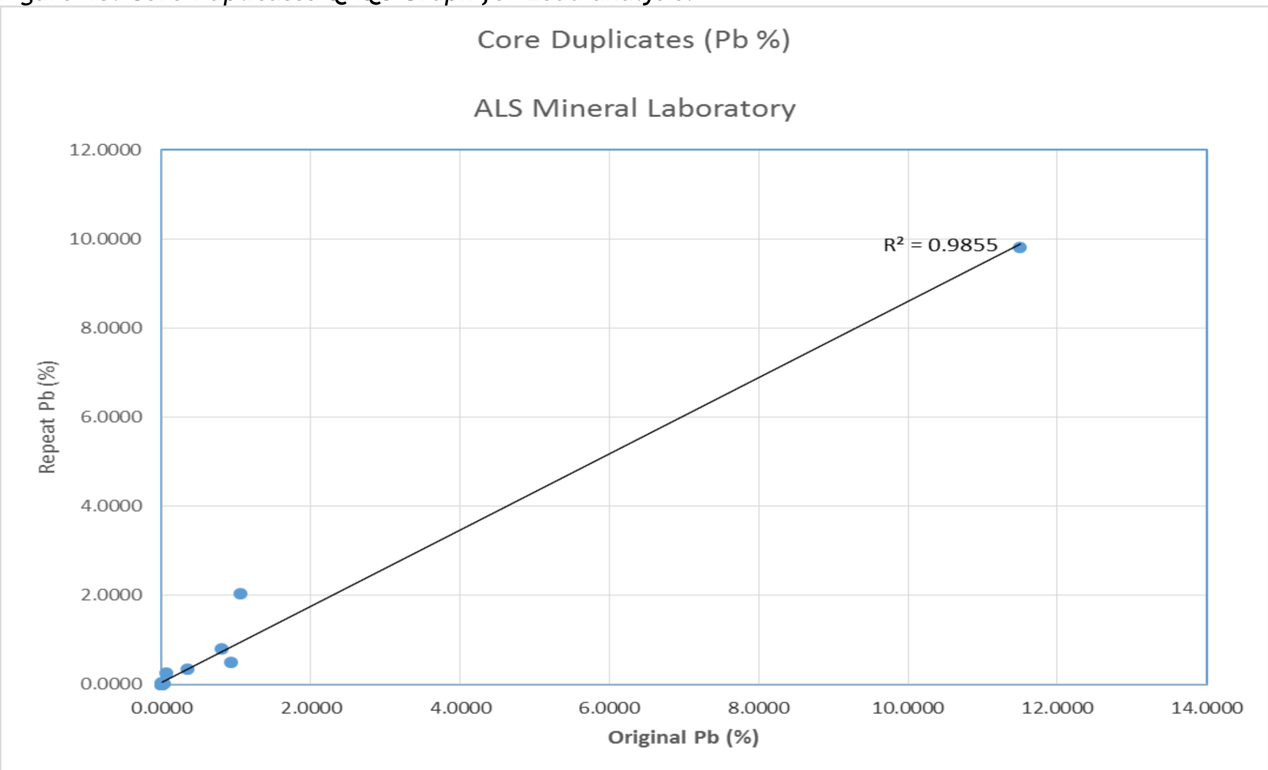
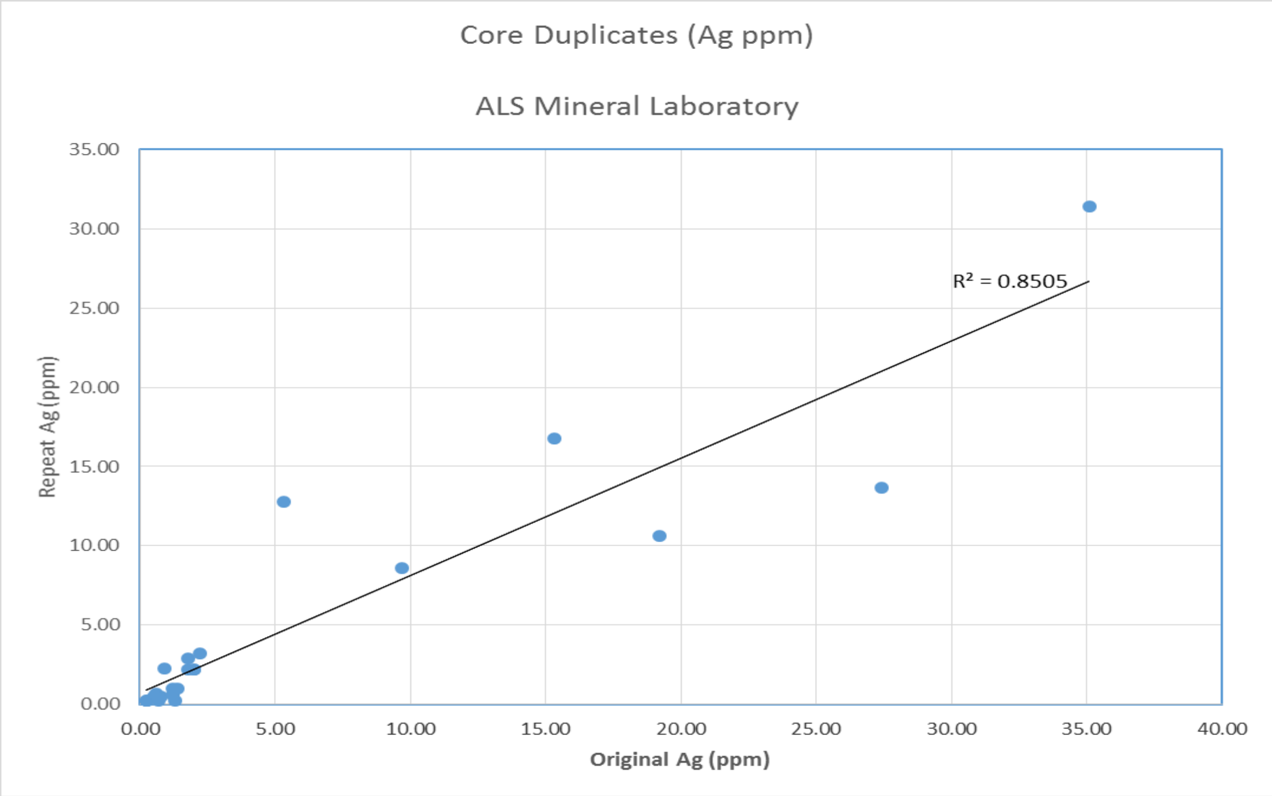


Figure 49 presents the core duplicates QAQC graph for silver analysis.

Figure 49: Core Duplicates QAQC Graph for Silver Analysis



Pulp Duplicates

A total of 23 pulp duplicates were selected and analysed for copper, lead and silver at ALS Mineral Laboratory at the time of sampling during 2015. Correlation plots for copper, lead and silver were generated to check the repeatability. It was noted that silver had a good correlation or repeatability with a correlation coefficient (R^2) of 0.9874 whereas copper and lead had reasonable correlation coefficients (R^2) of 0.8929 and 0.8927 respectively.

Figure 50 presents the pulp duplicates QAQC graph for copper analysis.

Figure 50: Pulp Duplicates QAQC Graph for Copper Analysis

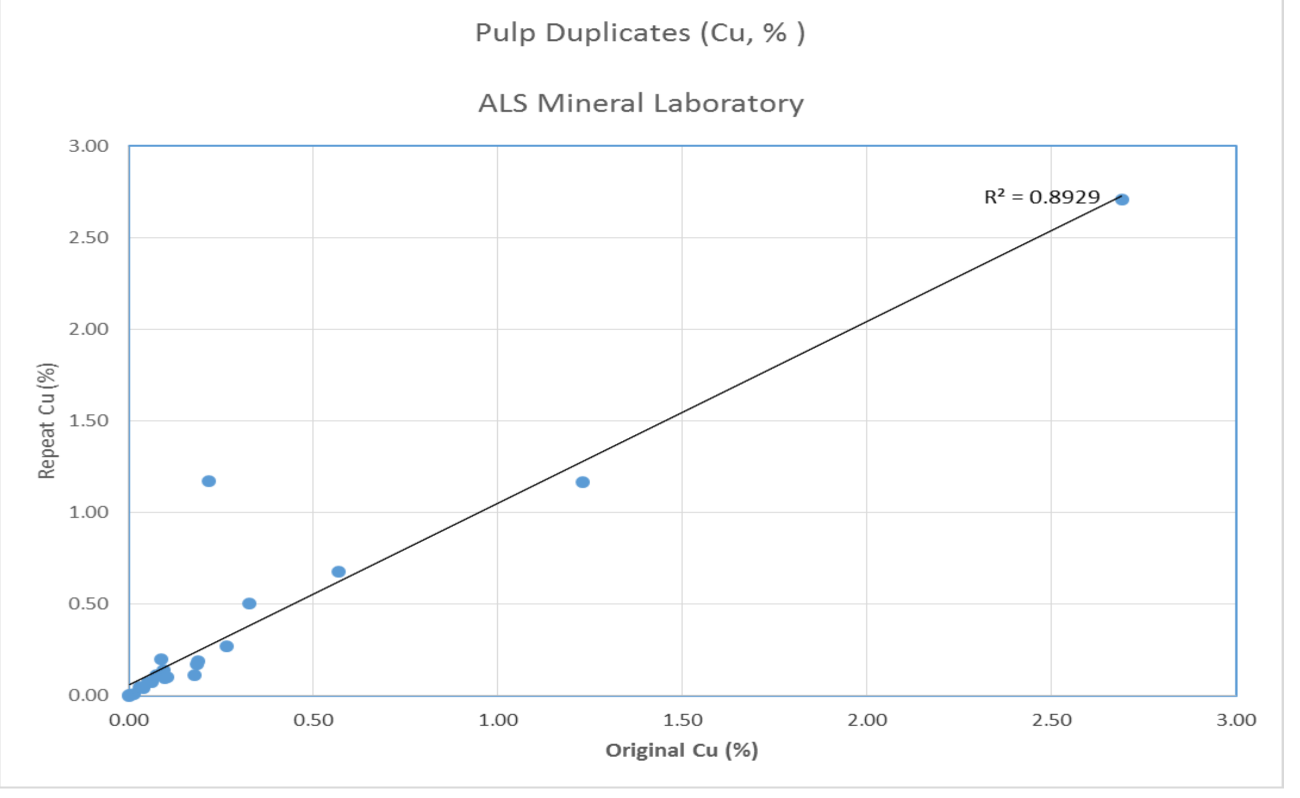


Figure 51 below presents the pulp duplicates QAQC graph for lead analysis.

Figure 51: Pulp Duplicates QAQC Graph for Lead Analysis

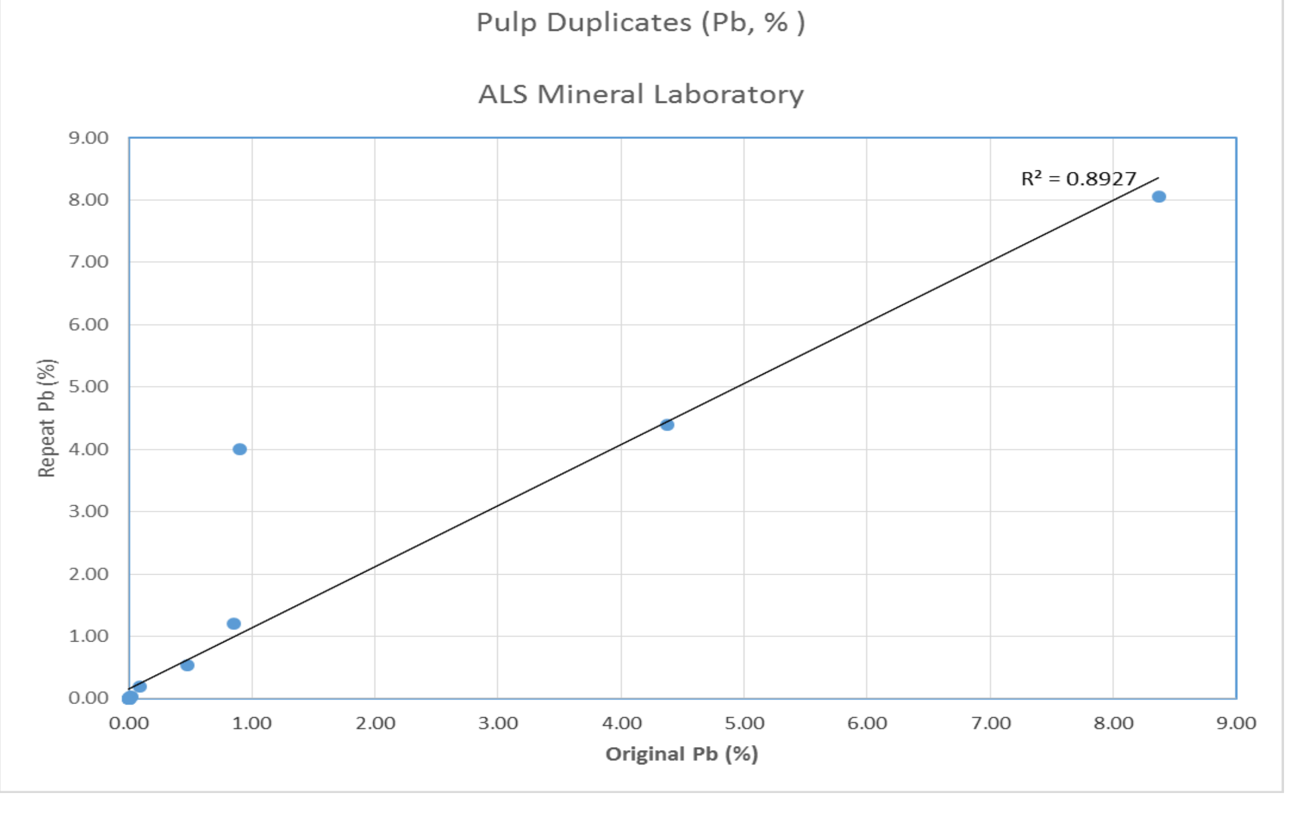
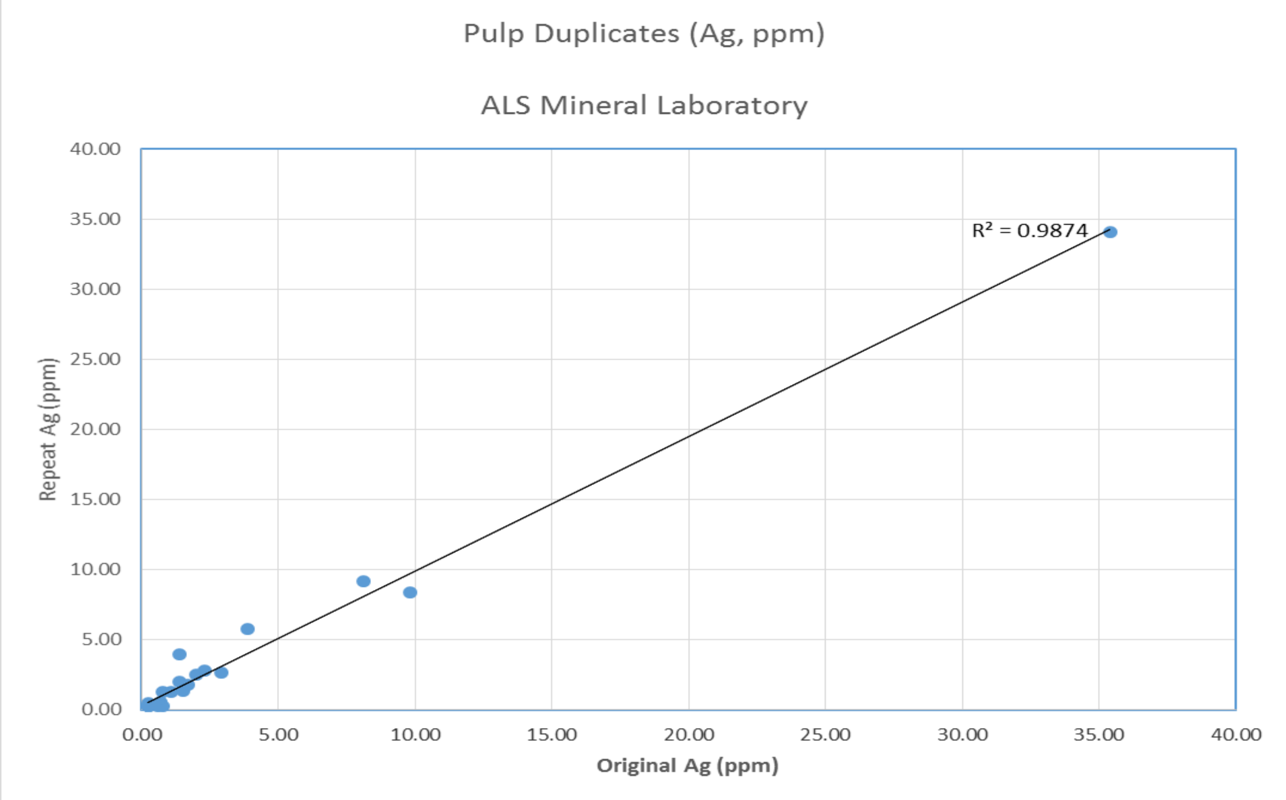


Figure 52 presents the pulp duplicates QAQC graph for silver analysis.

Figure 52: Pulp Duplicates QAQC Graph for Silver Analysis



2017 Drilling Campaign

Four CRMs were purchased from AMIS for the purposes of QAQC standard samples. These are AMIS0082, AMIS0120, AMIS0147 and AMIS0439. The detail of the four CRMs is detailed below and are extracts from the AMIS website.

AMIS0082

Certified Concentrations: Zn M/ICP 7520 ± 398 ppm; Zn P 7233 ± 512 ppm; Zn XRF 7590 ± 186 ppm; Pb M/ICP 3089 ± 180 ppm; Pb P 3037 ± 178 ppm; Cu M/ICP 125 ± 10 ppm; Cu P 123 ± 10 ppm.

Origin of Material: This material was provided by Mt Burgess Mining (NL) from their Kihabe Base Metals Project is located on the border of Botswana and Namibia about 700 km northwest of the capital, Gaborone, in Ngamiland. The Project is 350 km by road from Maun and 50 km from Tsumkwe, Namibia. The target is within a Proterozoic belt of metasedimentary rocks, with around one third of the prospective geology occurring in Botswana (PL 69/2003, area ~1,000 km^2) and two thirds in Namibia.

Mineral and Chemical Composition: The belt of Proterozoic sedimentary rocks composed primarily of carbonate and siliclastic rocks form a trapezoidal wedge of tightly to isoclinally folded metamorphosed sediments of the Damaran Supergroup, bounded by granites and gneisses of the Quangwadum Complex and Kihabe Complex. The target mineralisation is primarily stratiform to stratabound sedimentary exhalative (“SEDEX”) sulphides occurring at a known stratigraphic level within the basin. The Company’s geological model is that the Belt represents a re-closed rift basin with a fill of arkose, greywacke, quartzites and sabkha-facies stromatolitic dolomites. Mineralisation occurs between dolomite and quartzite for a combined strike length of 450 km, within Namibia and Botswana. The Kihabe Resource is located along a contact between the dolomite footwall and a sequence of rhythmically bedded sandstones, which have been folded and metamorphosed to, respectively, dolomitic marble and chloritic quartzite. The local geology of the deposit is known to be a west plunging syncline. Mineralisation is developed within the host quartzite within thick, coarse grained beds, and weakens upwards in the stratigraphy as the grain size reduces. Mineralisation forms a series of overlapping stacked horizons controlled by the beds within the quartzite.

AMIS0120

Certified Concentrations: Au Pb Coll 1.42 ± 0.16 ppm; Co M/ICP 557 ± 43 ppm; Cu F 15.14 ± 0.993 %; Cu M/ICP 15.32 ± 0.958 %; Cu P 15.14 ± 1.13 %; Ni M/ICP 1355 ± 95 ppm.

Provisional Concentrations: Pb M/ICP 9.1 ± 2.4 ppm; Zn M/ICP 141 ± 18.4 ppm.

Origin of Material: This standard was made using sulphide ore sourced from the Kansanshi project, located in the North Western Province of Zambia, approximately 15 km north of the town of Solwezi and 16 kilometres south of the Democratic Republic of Congo border. The Kansanshi project is majority owned by Cyprus Amax Kansanshi Holdings Limited, which is 100% owned by First Quantum Minerals Ltd.

Mineral and Chemical Composition: The Kansanshi deposit occurs within the Lufilian arc, a major tectonic province characterised by broadly north directed fold and thrust structures, which hosts the world class Central African Copperbelt. The property geology is dominated by the northwest-trending Kansanshi Antiform, which exposes rocks of the Late Proterozoic Kansanshi Mine Formation in the core of a major refolded fold. Copper mineralisation occurs both in and between steeply dipping, generally northsouth trending quartz-carbonate veins and vein swarms, and as foliation parallel stratabound mineralisation, within albite and carbonate altered phyllitic rocks of the Mine Formation. Deep tropical weathering has resulted in supergene enrichment and subsequent partial oxidation of the deposit. Mineralisation comprises copper oxide and mixed copper oxide/chalcocite mineralisation hosted by saprolitized phyllites, decalcified marbles and schists. This secondary mineralisation is underlain by a large tonnage of primary sulphide mineralisation, with chalcopyrite and subordinate bornite as the dominant minerals. Oxide and mixed oxide/sulphide copper mineralisation grading plus 0.5% copper occurs principally within two essentially flat lying orebodies, separated by a mostly barren marble unit. In some areas, the marble unit has been completely decalcified during weathering and in these cases the two ore bodies are combined. Deeper primary sulphide mineralisation occurs in other discrete flat lying phyllite units.

AMIS0147

Certified Concentrations: Zn M/ICP 29.05 ± 1.20 %; Zn P 28.17 ± 1.48 %; Zn F 29.28 ± 0.56 %; Zn XRF 30.17 ± 2.38 %; Ag M/ICP 62.8 ± 5.0 g/t; Ag P 62.8 ± 5.5 g/t; Cu M/ICP 6440 ± 368 ppm; Cu P 6461 ± 246 ppm; Fe M/ICP 4.92 ± 0.24 %; Fe P 4.88 ± 0.24 %; Mn M/ICP 8628 ± 318 ppm; Mn P 8532 ± 468 ppm; Pb M/ICP 3.32 ± 0.15 %; Pb P 3.25 ± 0.13 %.

Origin of Material: AMIS0147 was supplied by Exxaro from their Rosh Pinah mine situated 800km south of Windhoek in Namibia. The Rosh Pinah Zinc-lead deposit is hosted by the Rosh Pinah Formation of the Late Proterozoic Gariep Belt, which is an arcuate north trending tectonic unit some 400 km long by 80km wide. This belt consists of sediments deposited in association with late pre-Cambrian continental rifting, which resulted in the formation of sedimentary basins. These basins are commonly sites for SEDEX base metal mineralisation, which involves hot, metal-rich brines from depth rising along the extensional faults before emerging from the sea floor and interacting with the cold seawater. This results in the deposition of metal sulphides into topographic lows along with other sediments. Compressive tectonic processes resulted in the obliteration of the extensional features, folding of the strata and the development of thrust faulting.

The current geological interpretation of the Rosh Pinah deposit is that it represents a single layer of SEDEX sulphide mineralisation subsequently deformed by tectonic processes. The original strata have undergone varying degrees of deformation ranging from broad folding in the northern extremity of the deposit to isoclinal folding with associated faulting to the south. Ductile deformation has resulted in the attenuation of the mineralised zone along the limbs of the folds with general thickening in the fold hinges. Shearing along fault planes sub-parallel to fold axes has enhanced thinning of some of the mineralised zones. The result of this has been the development of a series of discrete, sub-linear orebodies resident primarily on the crests and troughs of folds, but which typically extend into one or both of the fold limbs. These individual orebodies range in size from several tens of metres to as much as 200 m in length along the axes, with thicknesses of the order of less than 1 m to as much as 60 m. The degree of geometric variability in section is substantial over distances of only 10 m to 15 m, with changes to the ore thickness of 50% or more commonly encountered within these distances.

Mineral and Chemical Composition: The mineralisation consists of sphalerite and galena with pyrite and minor chalcopyrite along with a suite of other minor accessory minerals. Sphalerite and galena are the economically important minerals with gold, silver and copper providing minor contributions to value. The upper contacts of the orebodies as defined by mineralisation are very sharp with little or no mineralisation beyond the hanging wall. The lower horizons show varying degrees of mineralisation, largely in the form of fracture-filling sulphides between breccia clasts and in fractures developed in late-stage brittle deformation. The grades developed in this “footwall” are generally less than 2% zinc equivalent and so are not currently of economic interest.

AMIS0439 (Blank)

Certified Concentrations: Ag <0.5 ppm, Cu 6.7 ppm with SD of 2.4 ppm, Pb 2.9 ppm with SD of 4.0 ppm.

Origin of Material: This standard was made from silica chips.

QAQC Protocol

The QAQC protocol for the 2017 drilling campaign was that every 20th sample be a QAQC sample. This sample could be alternated between a CRM, blank or a duplicate. This would result in approximately 5% QAQC samples. This was deemed sufficient due to the fact that every meter was sampled and this would result in a fairly high number of samples.

In total 2,264 samples were sent away for analysis to ISO 17025 accredited Setpoint Laboratories (SANAS T0223) at 30 Electron Avenue, Isando, Johannesburg, South Africa. Of the samples, 114 were QAQC samples with the following split: AMIS0082 (23 samples), AMIS0120 (18 samples), AMIS0147 (24 samples) and AMIS0439 (27 samples) in addition to the 22 duplicate samples. This equates to approximately 5% QAQC samples as per the protocol.

The graphical results of the CRMs samples for silver, copper, lead and zinc are shown in Figure 53 to Figure 67. From these it is clear that the QAQC samples generally fell within the accepted standard deviation. In the cases that they did not, the locations of these samples were checked to see if they fell within the mineralised portion of the Mineral Resource model. In all cases they did not and hence they were not re-assayed as they would not affect the Mineral Resource estimation.

In the case of AMIS0120 (silver), the CRM grade was only an indication and not certified with no accepted standard deviation range. For, AMIS0120 (lead), the certified grade for lead was below the detection limit of the analysis but in all cases, they returned results below detection limit results. This can be seen in Figure 57 and Figure 59 respectively.

In all cases the copper QAQC results fell within the accepted limits.

The blank results for copper were slightly higher than the certified grade but were deemed acceptable as they were still extremely low 50 ppm (Figure 66).

Figure 53: AMIS0082 QAQC Graph for Silver

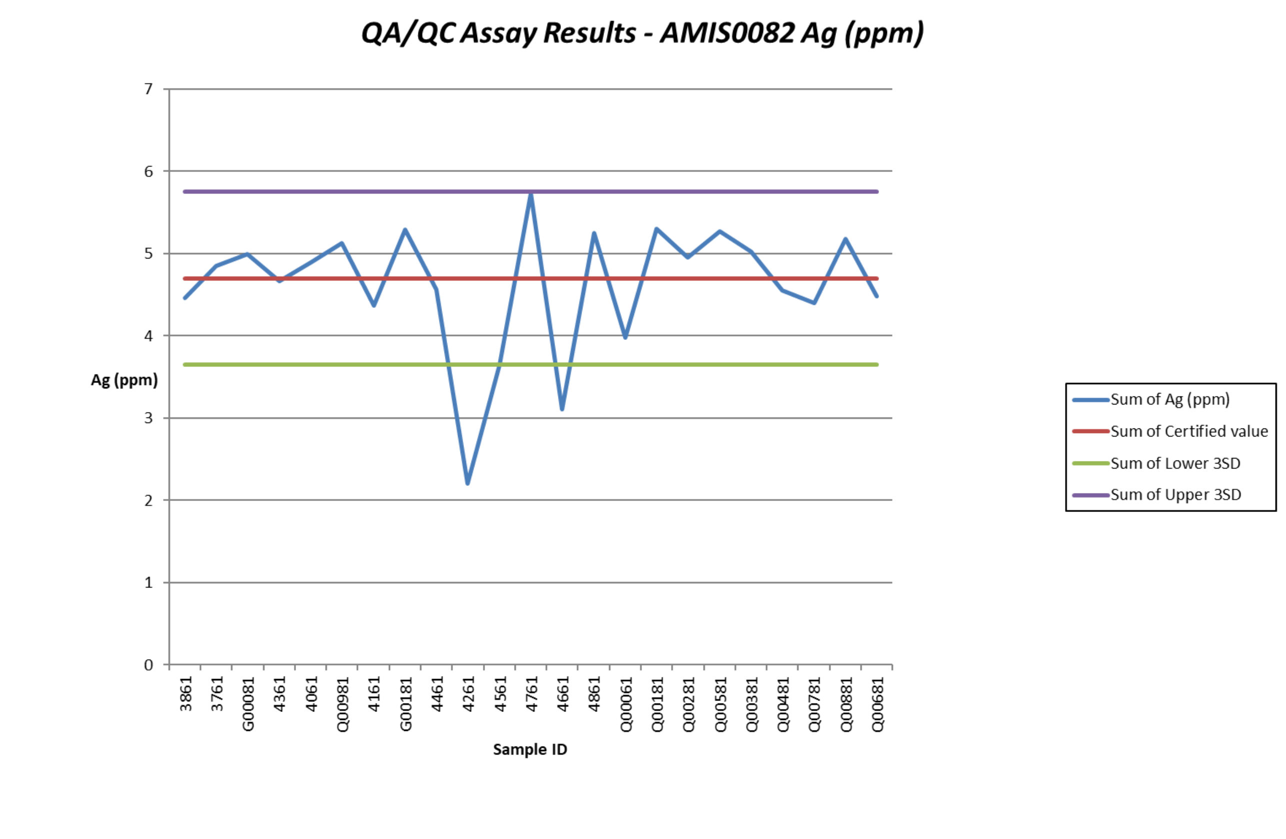


Figure 54: AMIS0082 QAQC Graph for Copper

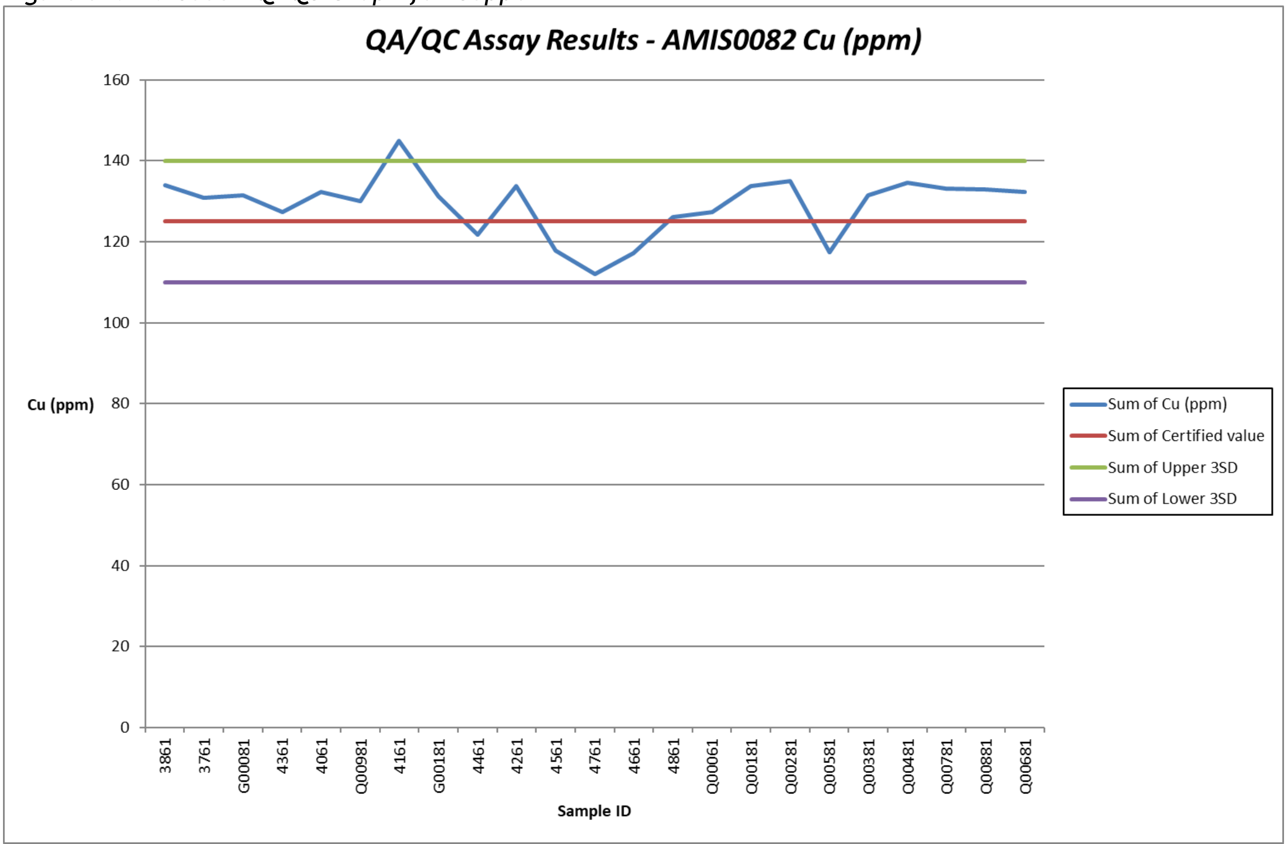


Figure 55: AMIS0082 QAQC Graph for Lead

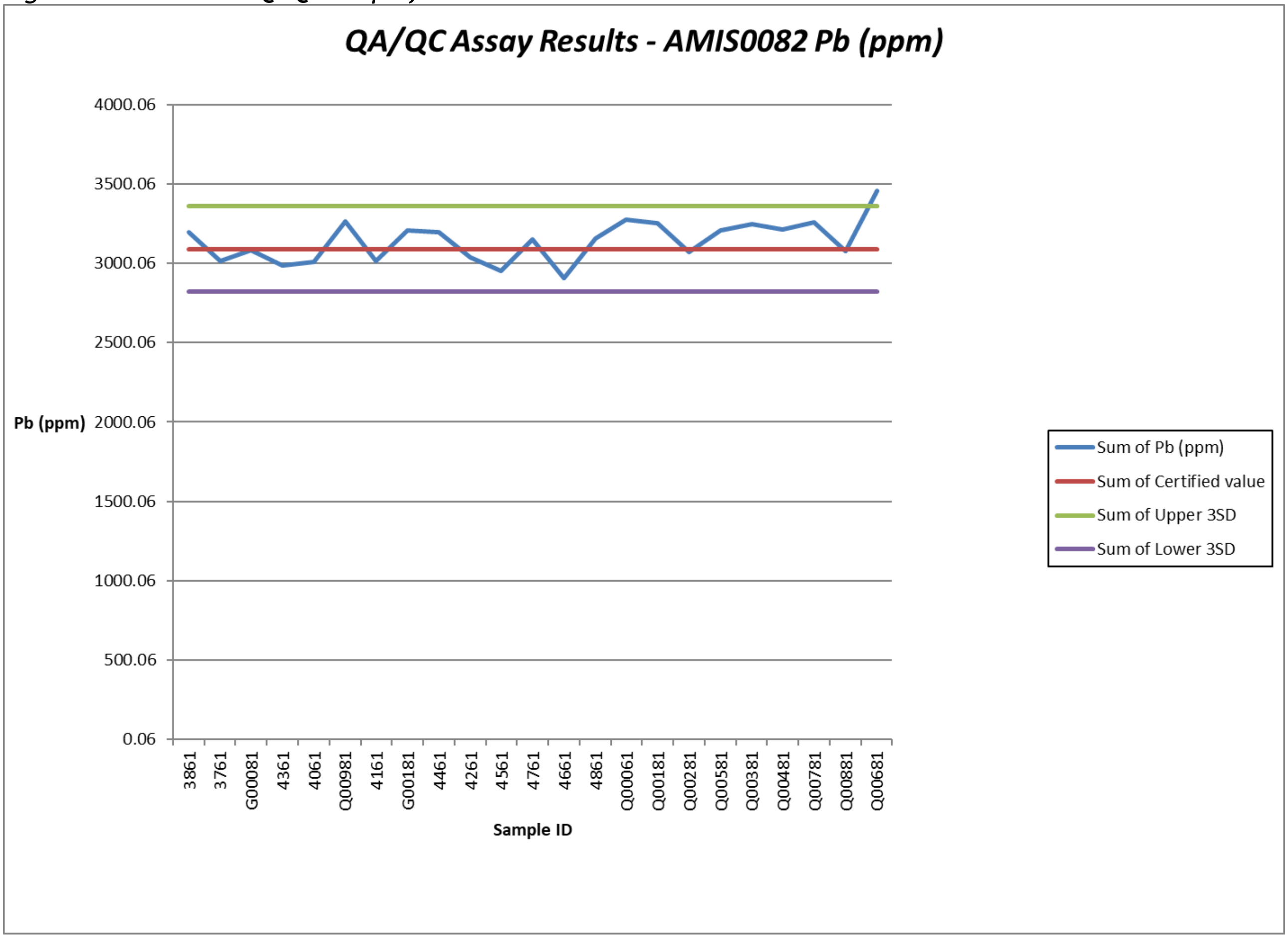


Figure 56: AMIS0082 QAQC Graph for Zinc

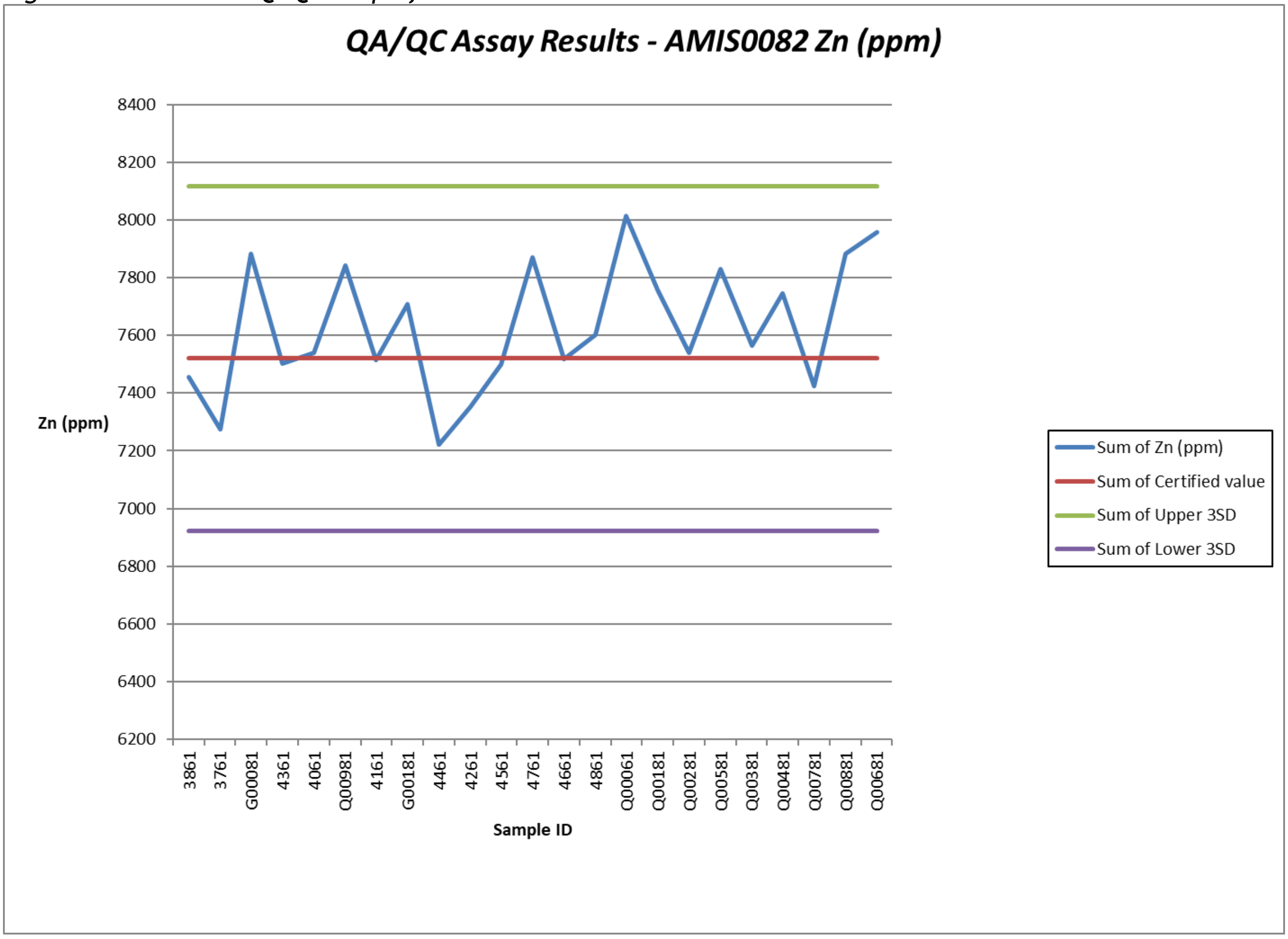


Figure 57: AMIS0120 QAQC Graph for Silver

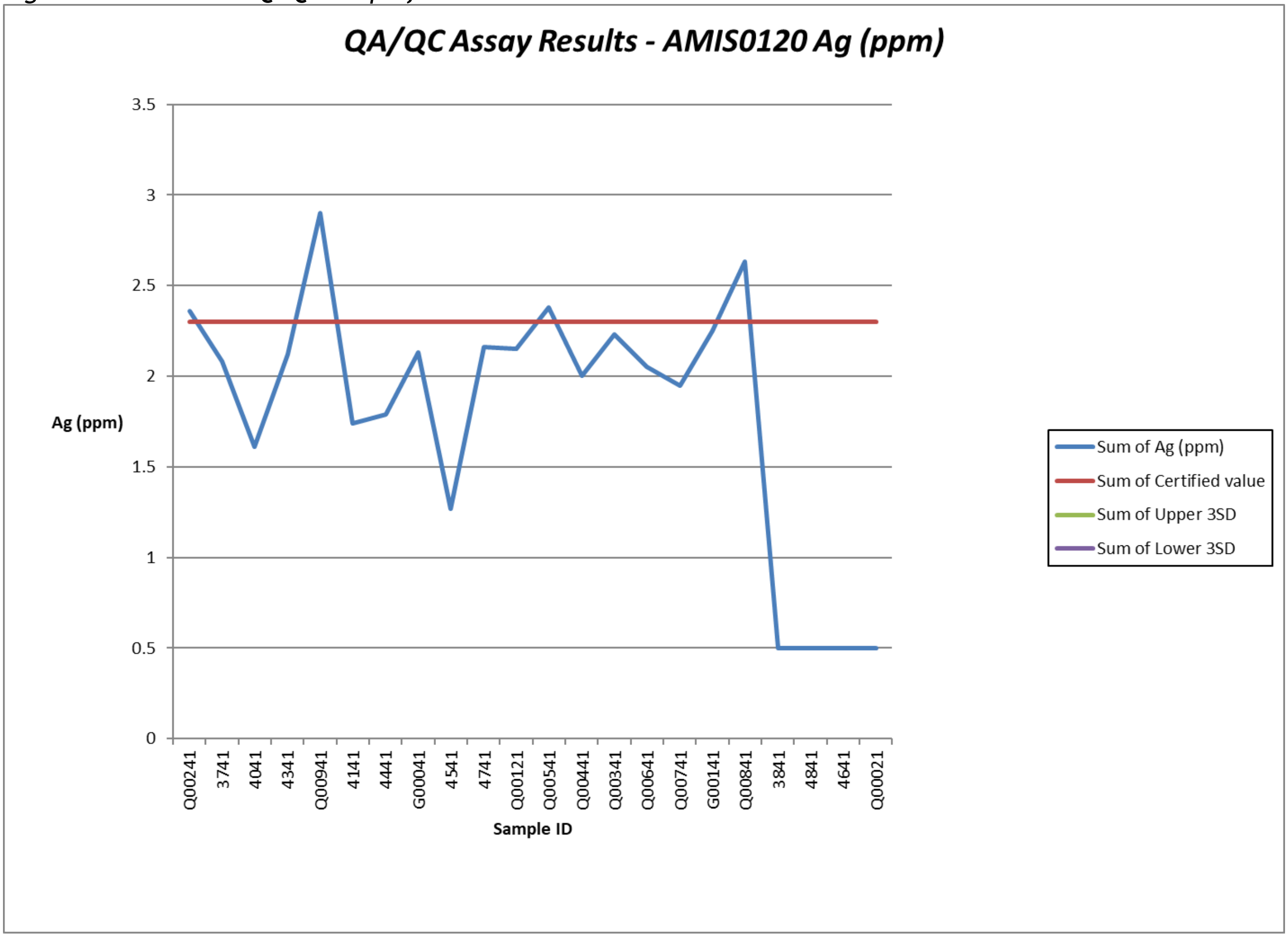


Figure 58: AMIS0120 QAQC Graph for Copper

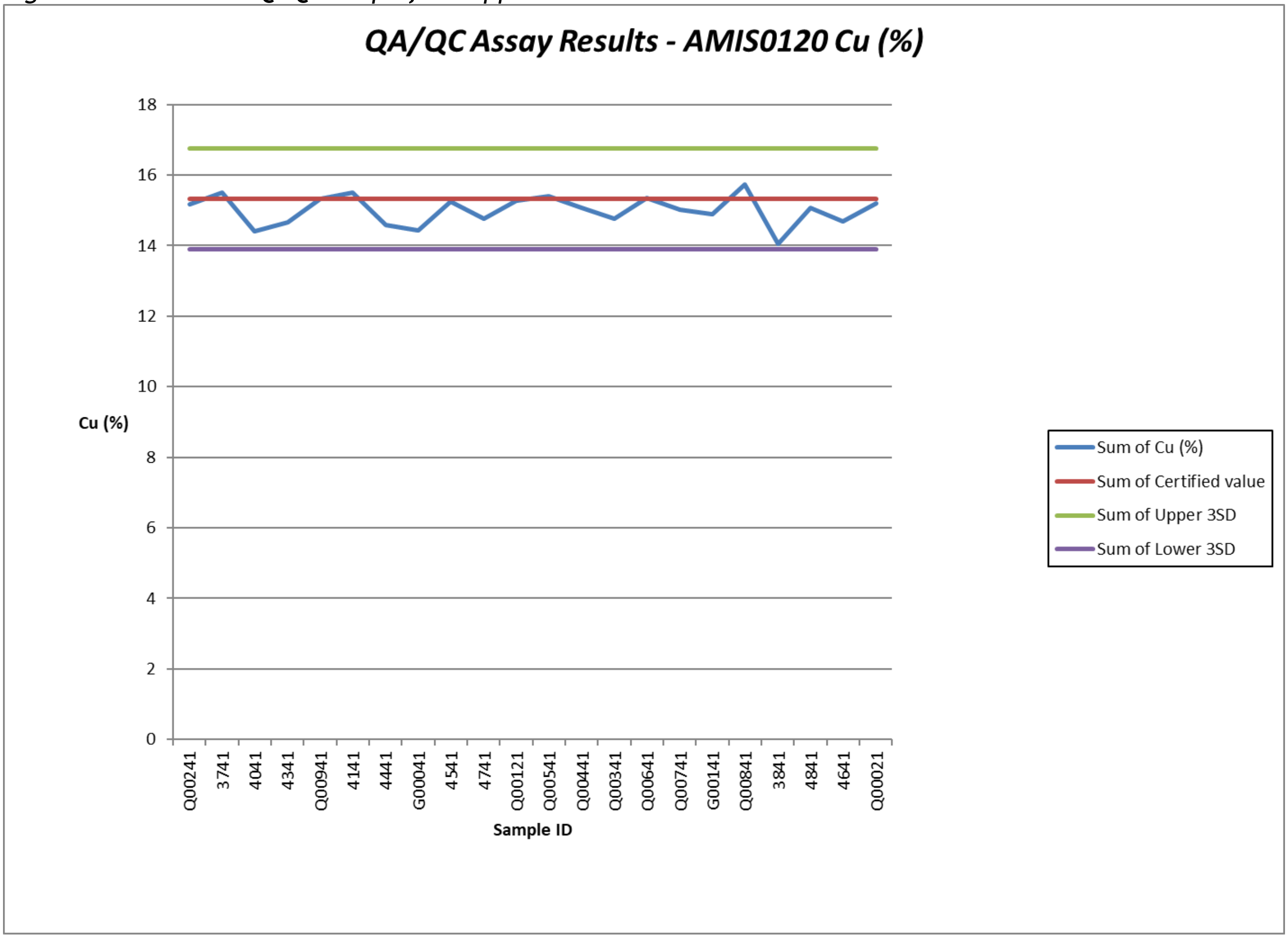


Figure 59: AMIS0120 QAQC Graph for Lead

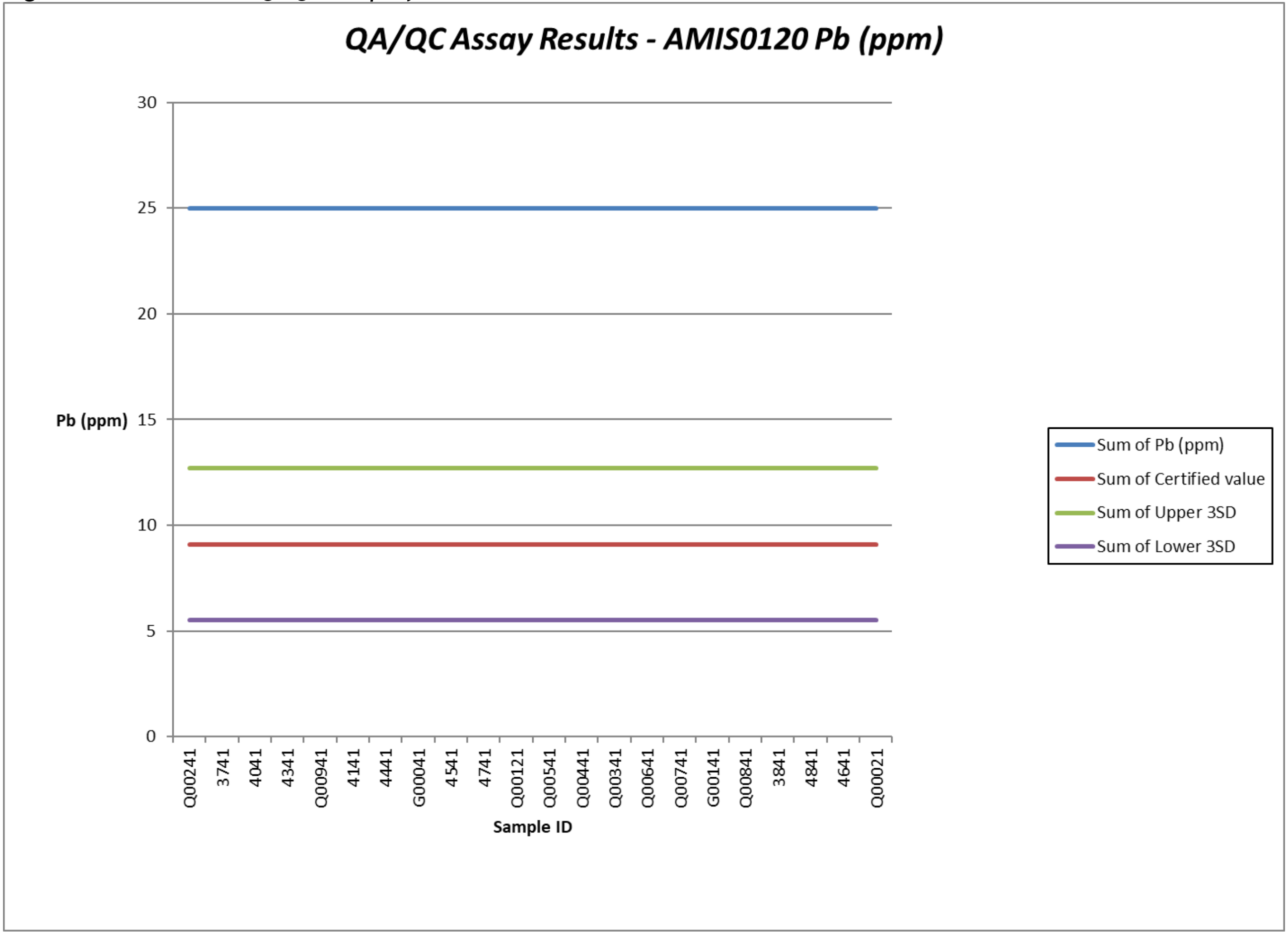


Figure 60: AMIS0120 QAQC Graph for Zinc

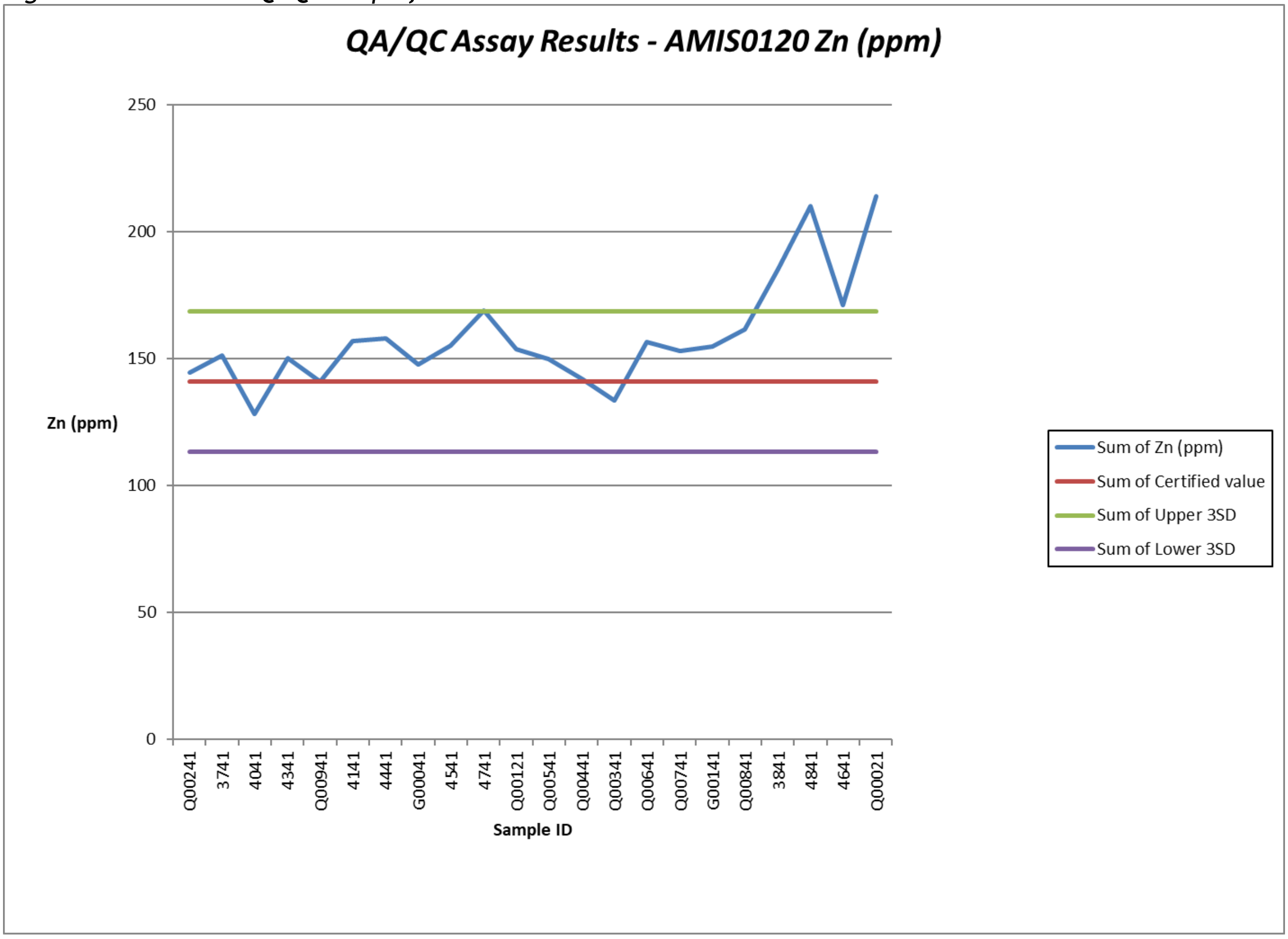


Figure 61: AMIS0147 QAQC Graph for Silver

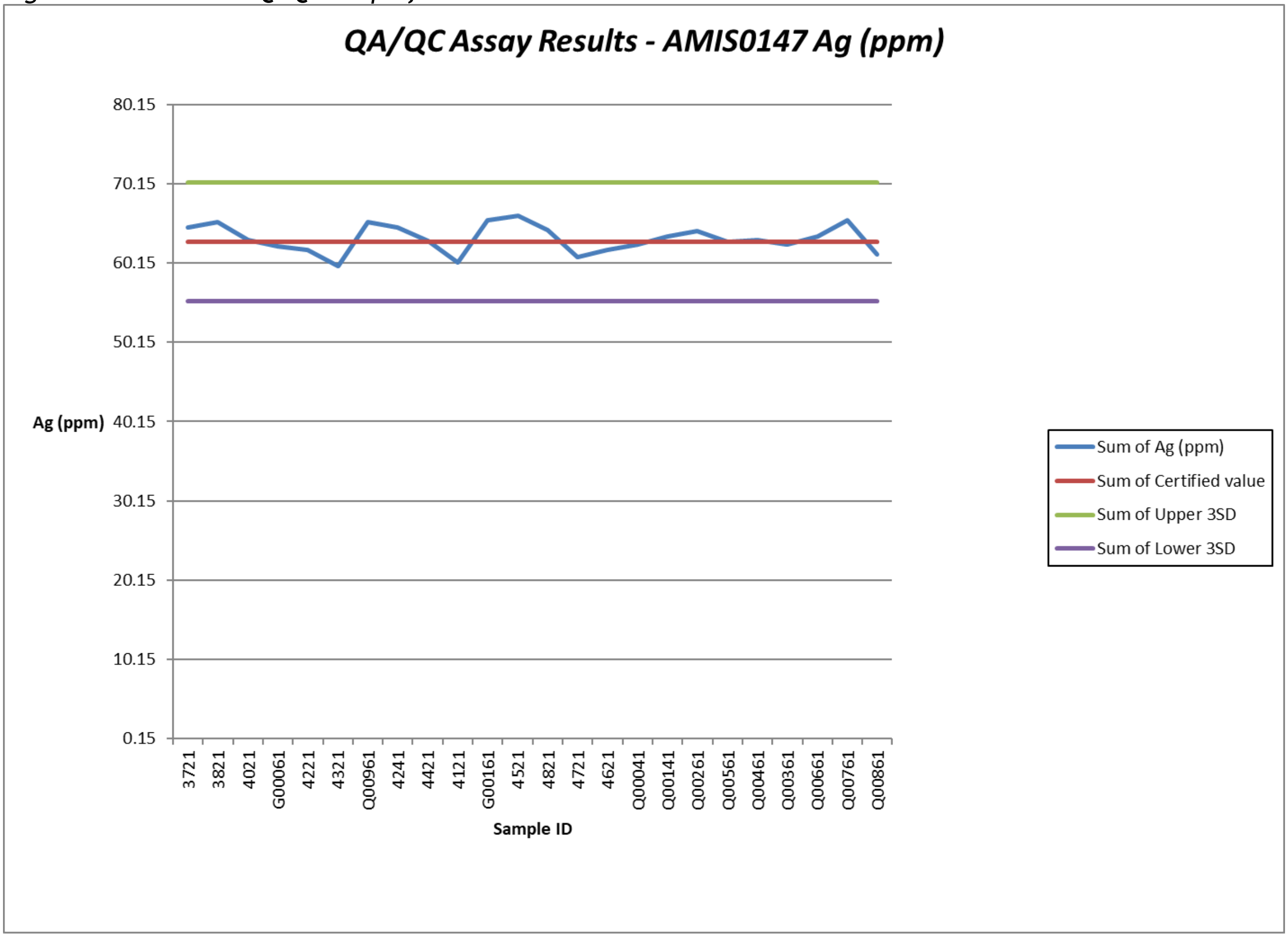


Figure 62: AMIS0147 QAQC Graph for Copper

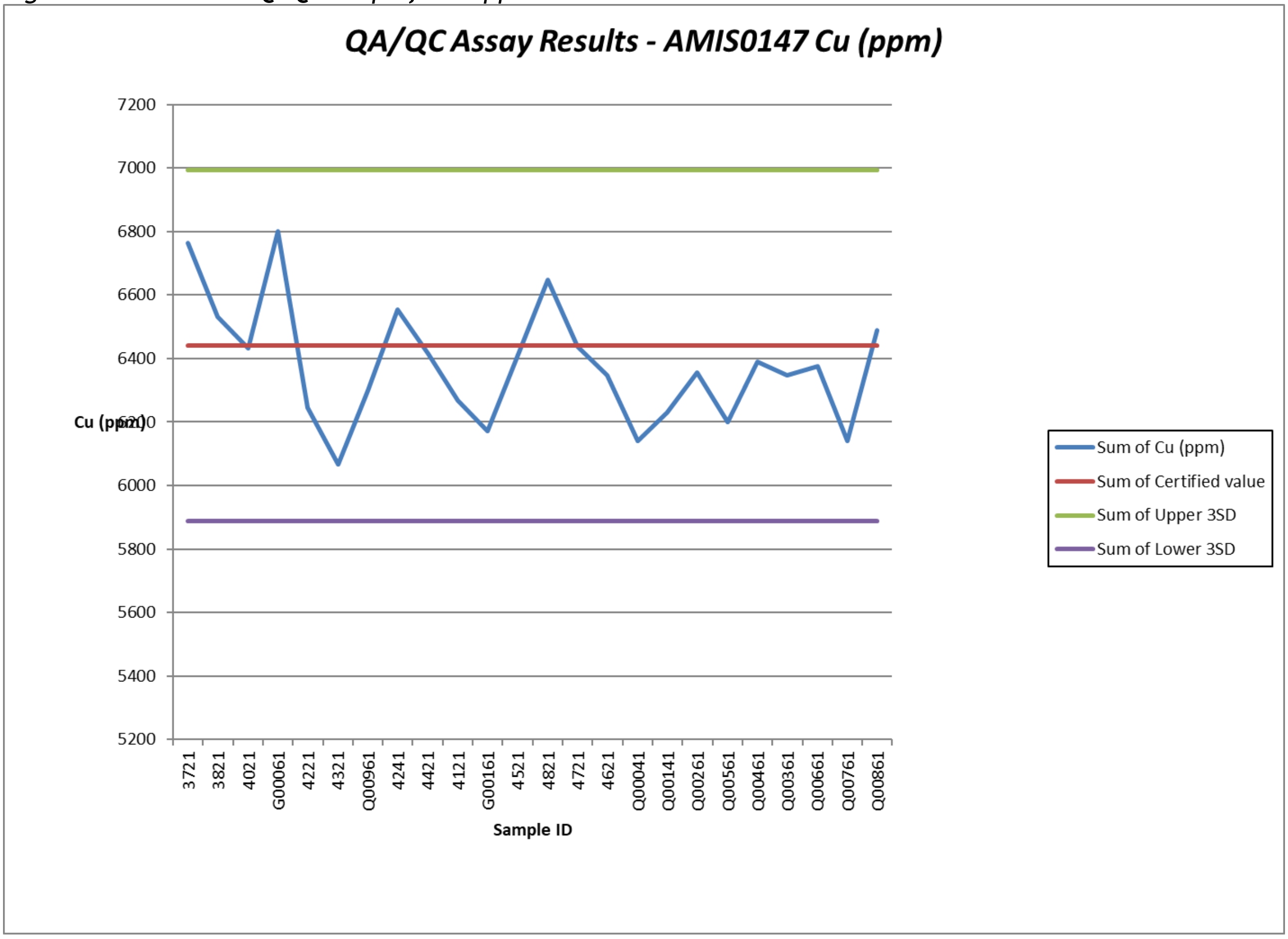


Figure 63: AMIS0147 QAQC Graph for Lead

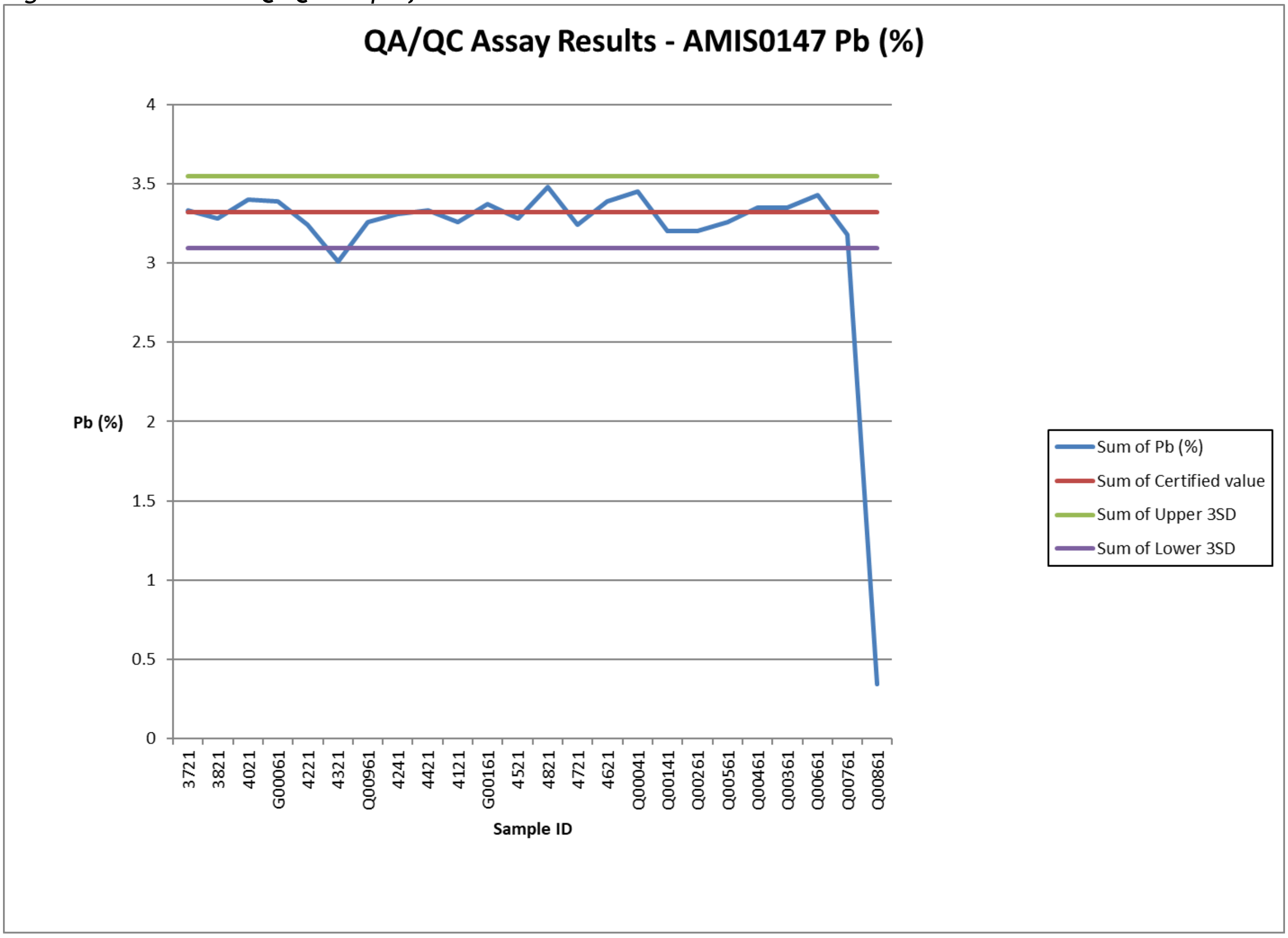


Figure 64: AMIS0147 QAQC Graph for Zinc

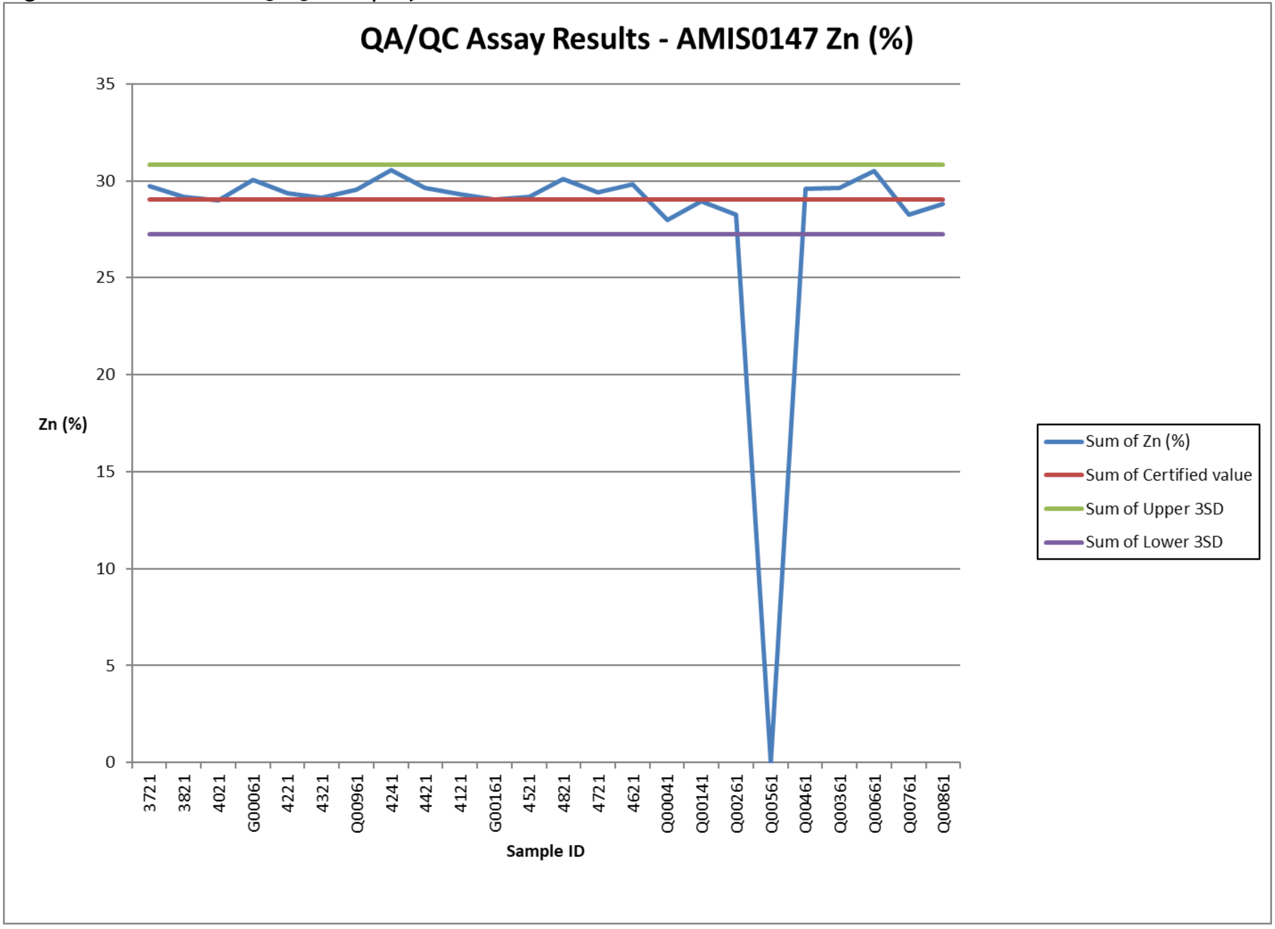


Figure 65: AMIS0439 (Blank) QAQC Graph for Silver

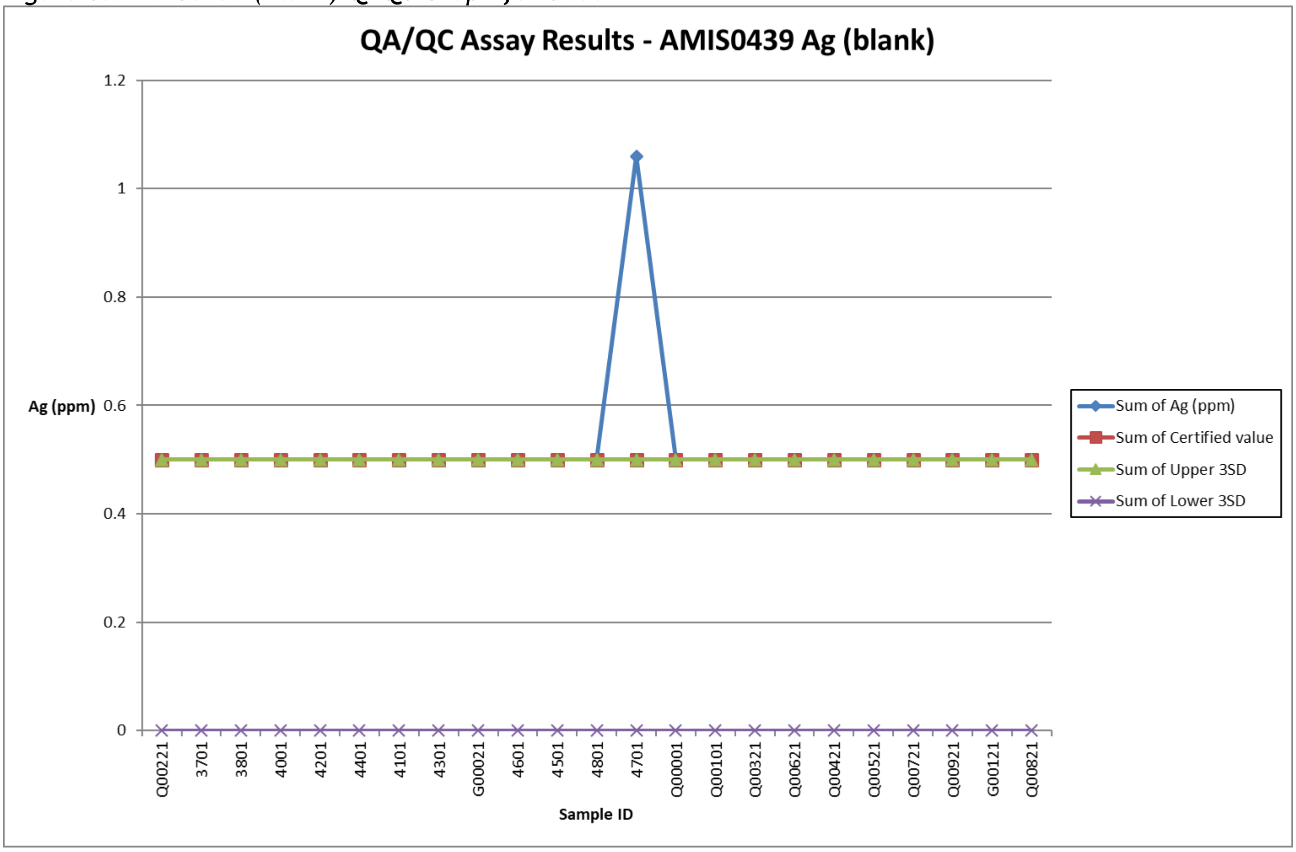


Figure 66: AMIS0439 (Blank) QAQC Graph for Copper

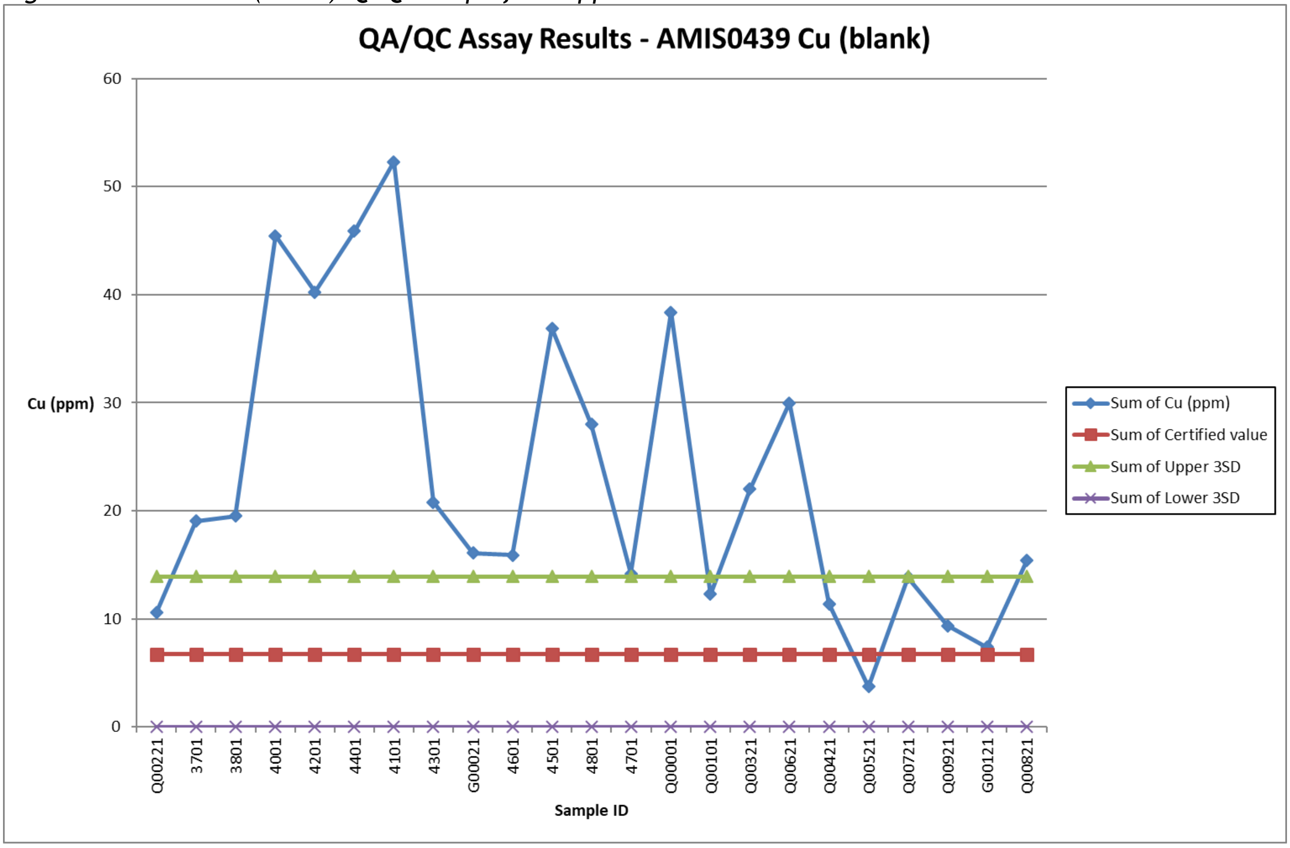
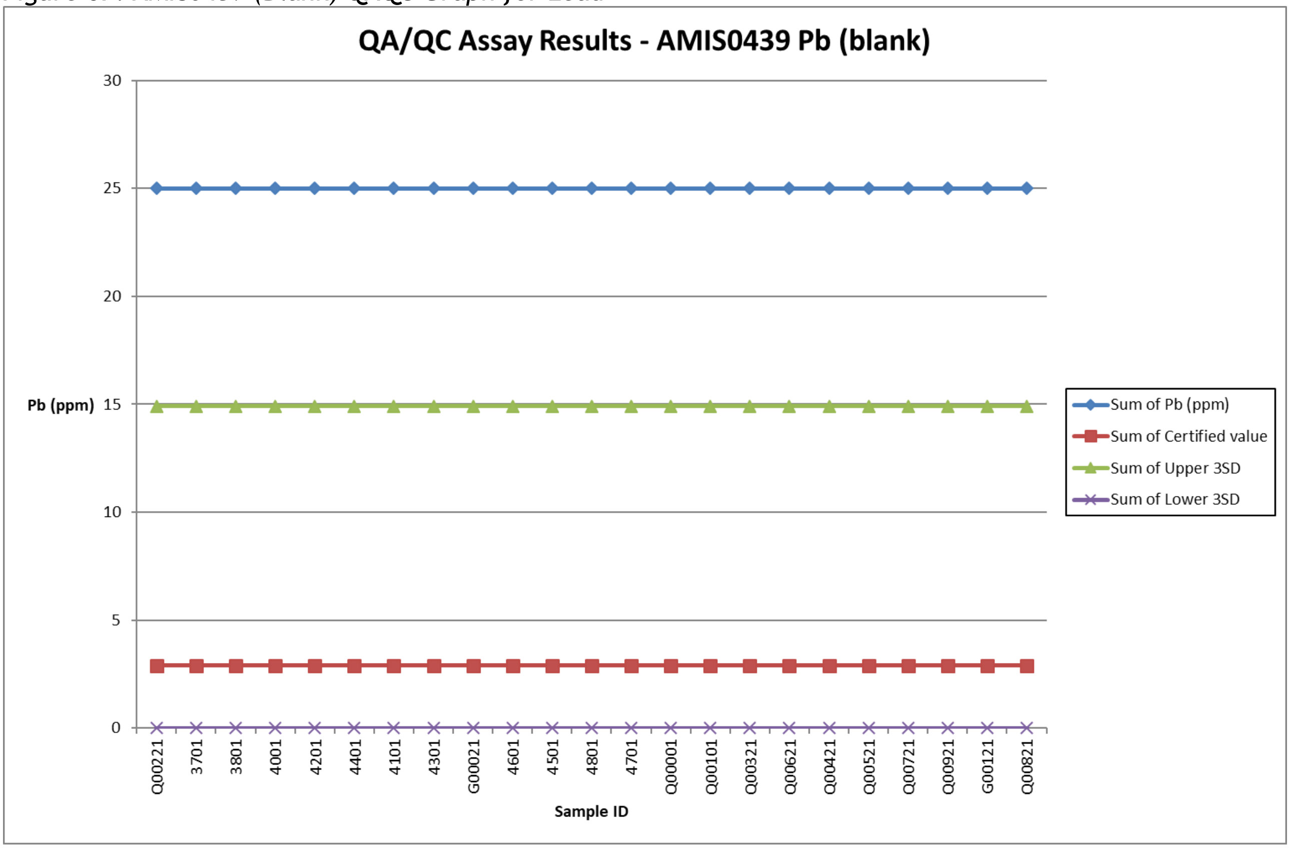


Figure 67: AMIS0439 (Blank) QAQC Graph for Lead



A total of 22 pulp samples were submitted for duplicate assay analysis as part of the QAQC procedure. The results of the duplicates for silver, copper, lead and zinc are shown in Figure 68 to Figure 71. In all cases the duplicate assay results showed a good correlation above 95%.

Figure 68: Pulp Duplicates QAQC Graph for Silver Analysis

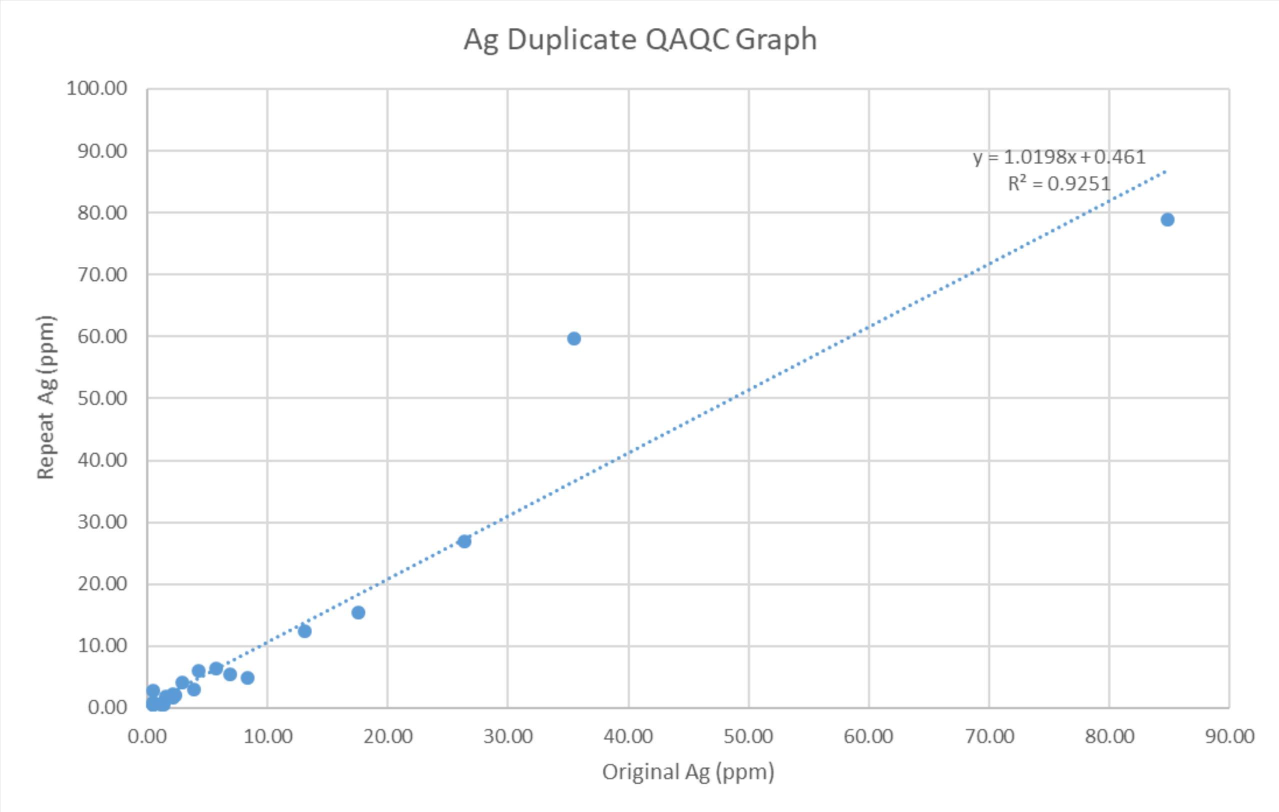


Figure 69: Pulp Duplicates QAQC Graph for Copper Analysis

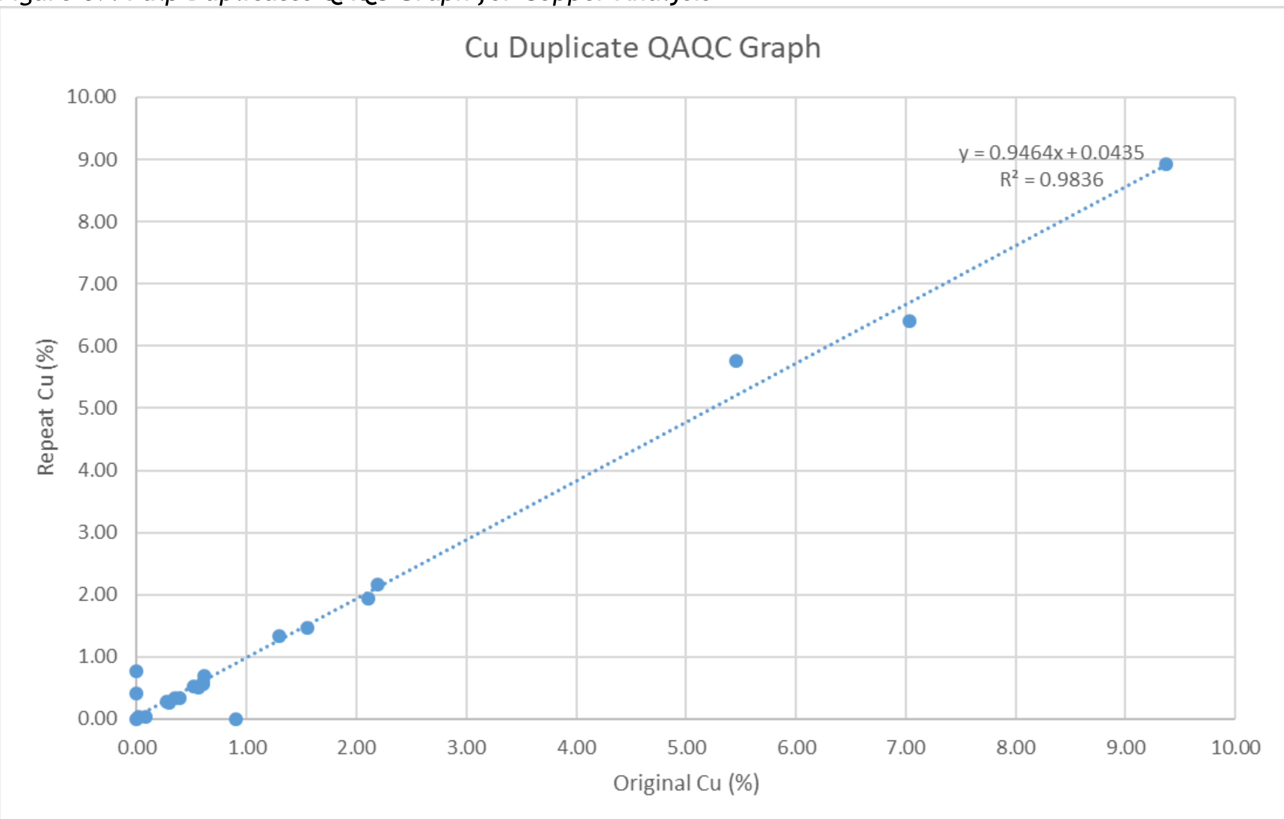


Figure 70: Pulp Duplicates QAQC Graph for Lead Analysis

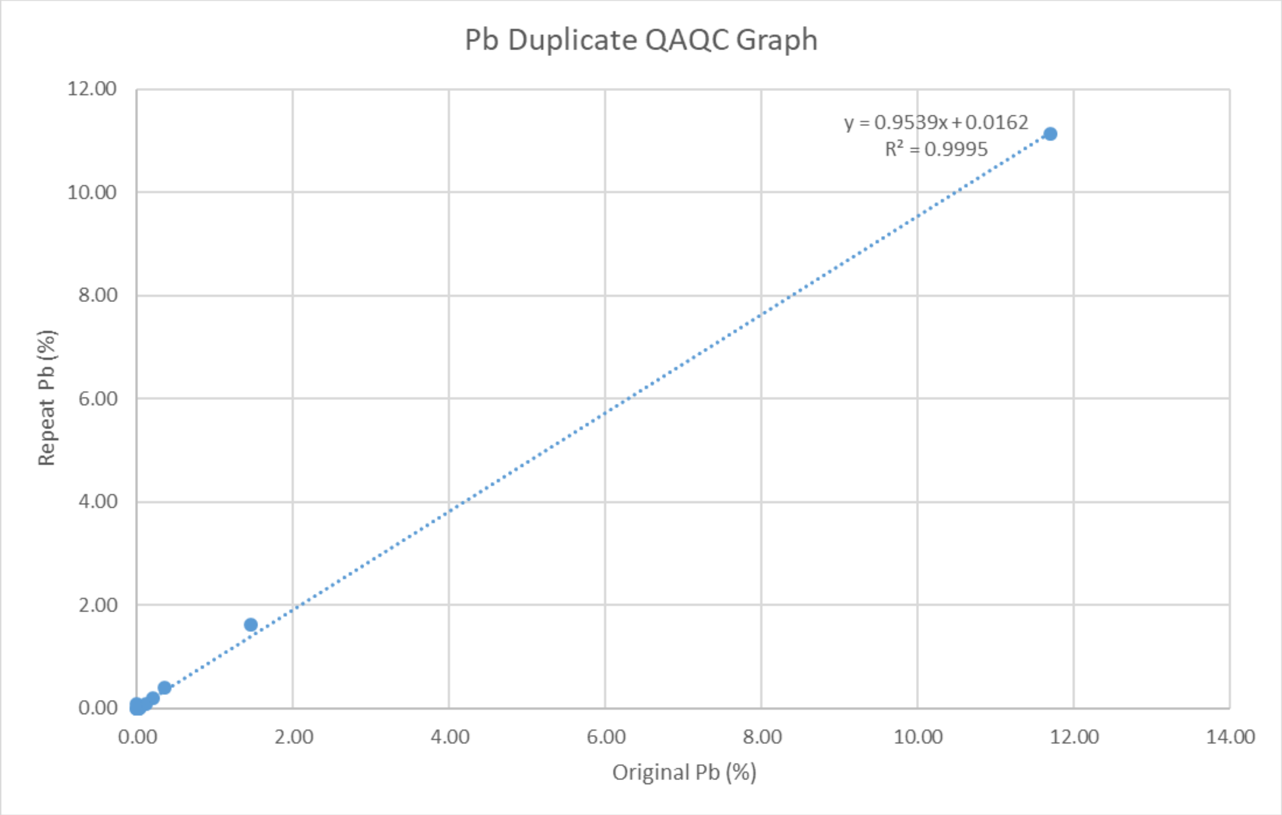
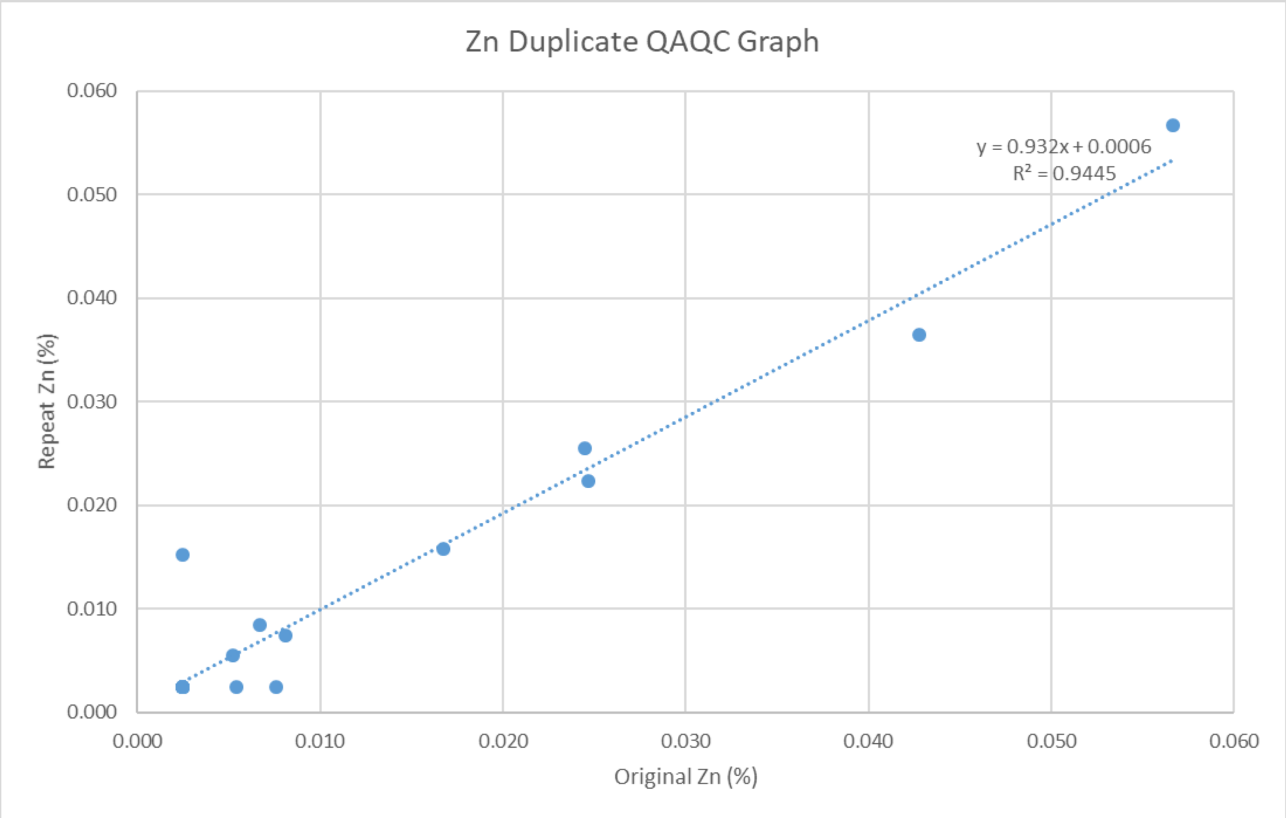


Figure 71: Pulp Duplicates QAQC Graph for Zinc Analysis



The laboratory has its own QAQC procedures, as listed below:-

- The samples are handled in batches or worksheet pages of 40 or less.
- Each batch of samples shall contain at least one blank sample, one QC sample and a duplicate. The duplicate is a repeat of a randomly chosen sample from the batch.
- Additional repeats may also be done upon evaluation of the obtained data. These samples to be repeated shall be selected by looking for obvious outliers or chosen randomly by the Team Leader.
- The value obtained for the QC sample shall be within specified control limits.

Item 11 (d) – ADEQUACY OF SAMPLE PREPARATION

Although there was evidence of sample contamination (blank 2990, 3336 and 2779) at the ALS Mineral Laboratory, due to the small number of sample failures Minxcon accepts the sample preparation conducted at ALS Mineral Laboratory during 2015.

2017 Drilling Campaign

Minxcon is satisfied with the QAQC results obtained in the 2017 drilling programme as illustrated in the previous figures. The QAQC results indicate that the sampling programme analysis is accurate and precise and can be utilised in the Mineral Resource estimation process.

ITEM 12 - DATA VERIFICATION

Item 12 (a) - Data Verification Procedures

Previous Drilling Campaigns

For the purposes of the 2017 Mineral Resource estimate, Minxcon reviewed and verified the following data types relative to historical files and records (digital and manual):-

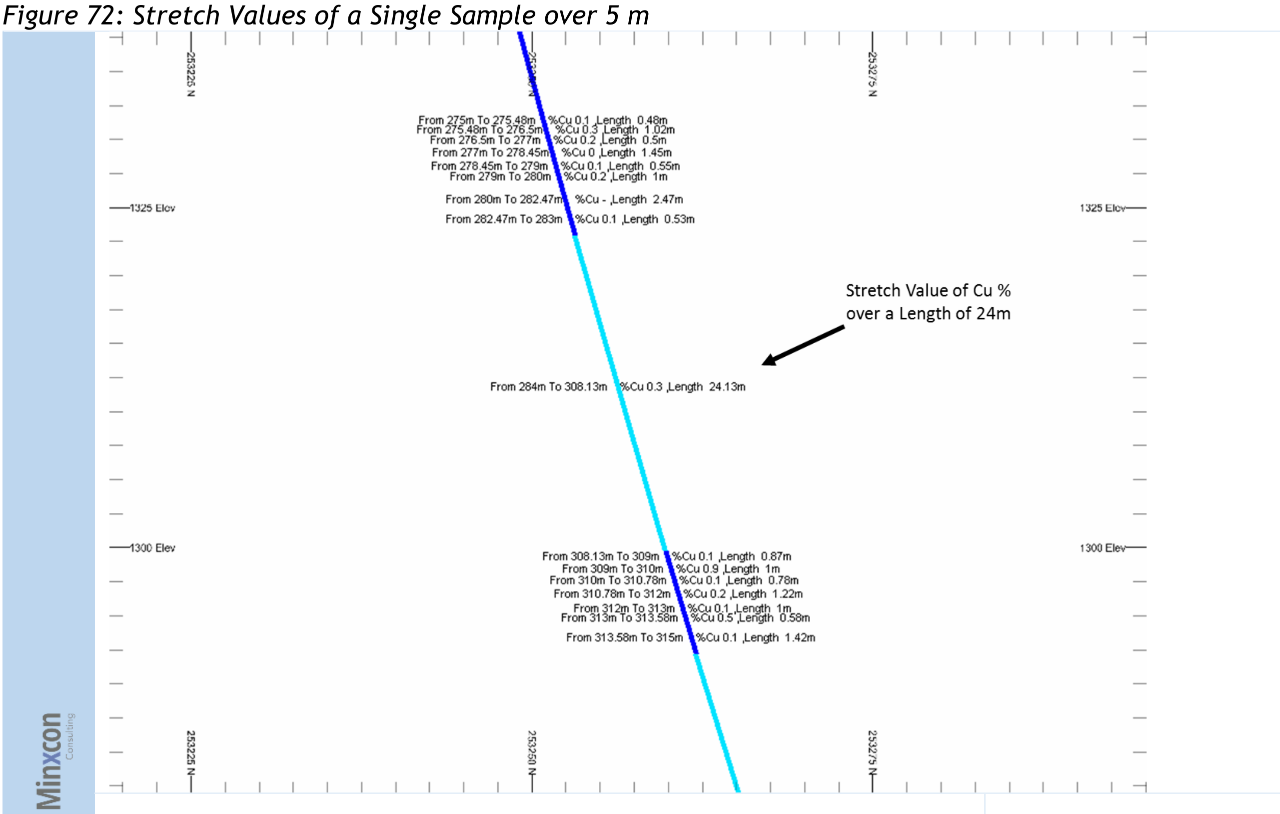
- Drillhole collars, surveys and assays;
- Orebody wireframes;
- Mining voids;
- Historical depletion of the orebodies mining; and
- Review of the manual block listings.

Drillhole Collars and Assay Discussion

Minxcon reviewed the captured drillhole collar and assay data. Minxcon conducted random checks of collar locations by means of comparing the captured drillhole collars to collars which were recorded on scanned copies of original hardcopy drillhole logs.

Minxcon also checked the assay files for all the holes for gaps and overlaps: when encountered, these were resolved. Some drillholes within the digital database were found to render composted stretch values (Figure 72), without the individual original sample intervals and assays. The drillholes were discarded for the purposes of Mineral Resource estimation but were utilised for geological modelling.

Figure 72: Stretch Values of a Single Sample over 5 m

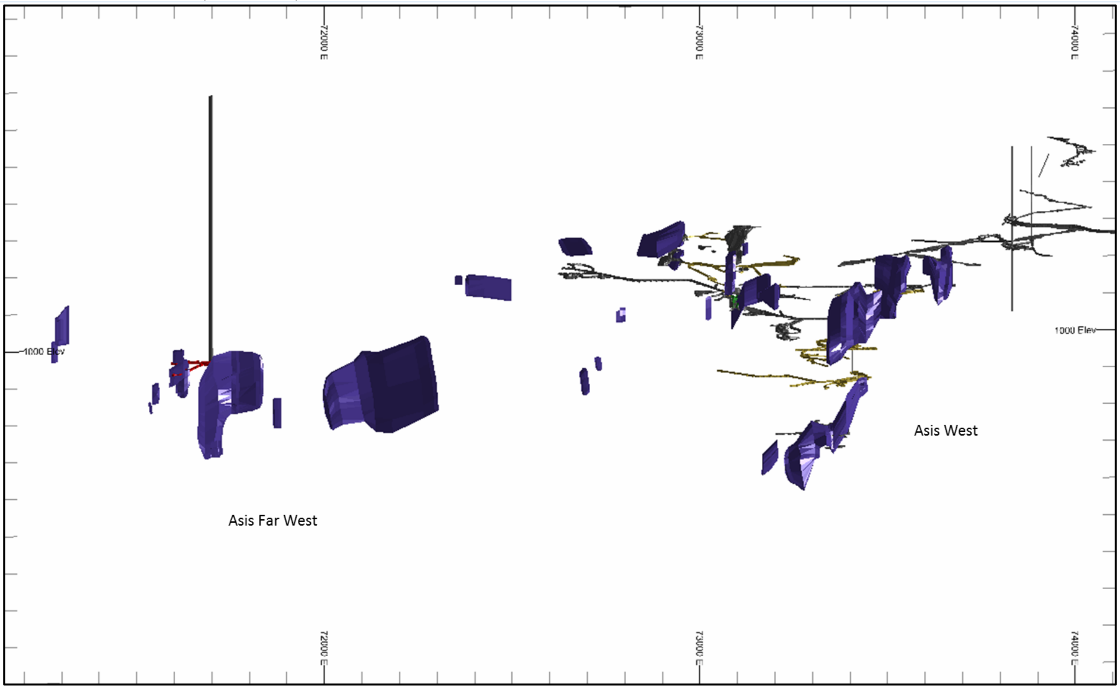


Stretch Values of a Single Sample over 5 m | February 2018

Orebody Wireframes

No digital orebody models were available for the Kombat section. The historical wireframes generated for Asis West and Asis Far West were available and these were reviewed for spatiality and appropriateness. This was done using the desurveyed drillhole database in conjunction with the wireframes. The interpreted geometry of the wireframes was compared to mined orebodies elsewhere on the properties. These wireframes were found to mostly have the incorrect orientation relative to historical mapping and mining and represented Mineral Resource wireframes and not grade shells with internal mineralisation and therefore were discarded. Minxcon generated new grade shell wireframes for this area in line with the rest of the areas. The historical Mineral Resource wireframes for Asis West and Asis Far West are presented below in Figure 73.

Figure 73: Historical Wireframes for the Asis Far West and Asis West



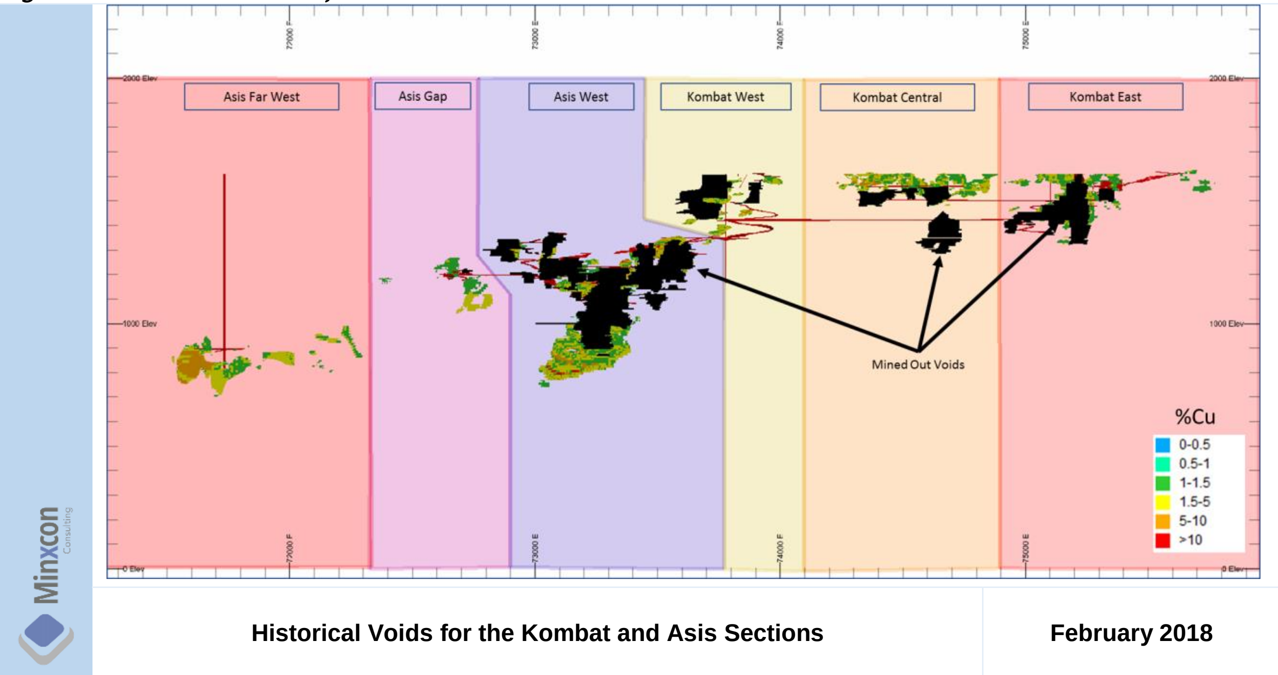
Historical Wireframes for the Asis Far West and Asis West | February 2018

Mining Voids and Depletions

Long sections of all the mining areas were compared to the provided 3D digital files. The 3D development wireframes were found to be adequate for the purposes of conducting accurate Mineral Resource depletion. However, the stope voids were found to be highly incomplete. Owing to this, Minxcon digitised longitudinal sections of all the stoping and extended these in and out of the mineralised orebody plane in order to maximise the depletion by the stoping voids. This accounts for one of the reasons why only Inferred Mineral Resources are reported for the underground areas. The position of the surface open-pits was verified relative to a surveyed topography which was used for the depletion of the open pit Mineral Resources.

A view of the final digitised historical voids for Kombat and Asis sections is presented in Figure 74.

Figure 74: Historical Voids for the Kombat and Asis Sections



Manual Block Listing

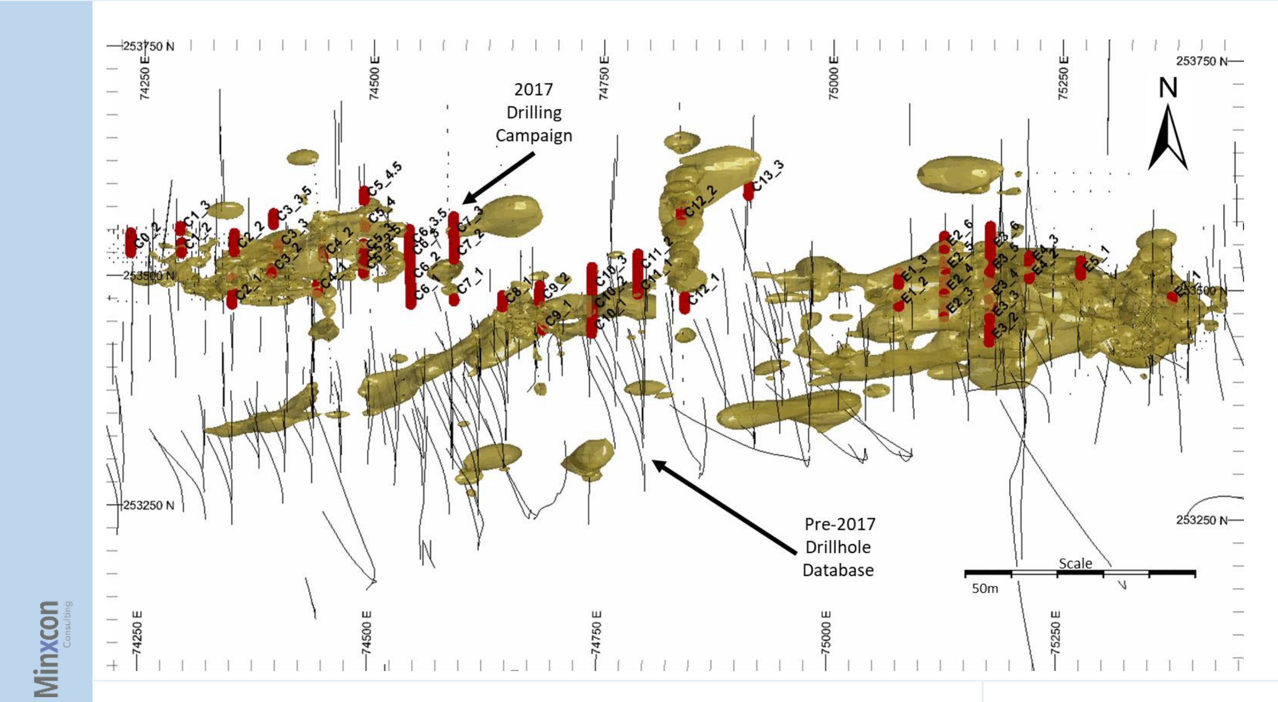
A large number of the older underground workings were surrounded by pillars or unmined sections of orebodies. These had historically been captured in the form of an MS Excel™ spreadsheet for the historical non-compliant Mineral Resources for the old mining areas. Minxcon attempted to endorse the block-listing by following the documentation audit trail, in order to make the estimate compliant in terms of NI 43-101. However, Minxcon was not able to locate any scans of hand drawn (or even hard-copy) plans which supported the blocklisting. In addition, block listing plans which were found could not be correlated to the block listing and drillhole intersection plotted on these plans were not annotated, nor the assays recorded making up the mineralised intersections.

Owing to not being able to follow the audit trail back to the source plans and data, Minxcon discarded the historical block listing Mineral Resource estimate in favour of conducting an auditable digital Mineral Resource estimate from verified drillholes.

2017 Drilling Campaign

The 2017 drilling campaign consisted of a total of 48 drillholes that were drilled to test the geological model within the proposed open pit. These were drilled on section lines approximately 50 m apart with the intention of increasing the confidence in the estimated model and converting the current Mineral Resource from Inferred to Indicated category. Figure 75 shows the spacing of the 2017 drilling (red dots) and the historic drilling that was to be tested.

Figure 75: 2017 Drilling Campaign Drillhole Positions Relative to Historic Drilling



2017 Drilling Campaign Drillhole Positions Relative to Historic Drilling | **February 2018**

Item 12 (b) – Limitations on/Failure to Conduct Data Verification

Previous Drilling Campaigns

Minxcon was not able to review the sampling, drilling, core sampling or QAQC practices utilised on the mine by the sampling and geology crews as the operations are currently not operational with no dedicated geology or sampling teams employed. Mapping standards and onsite geological interpretation could also not be verified for the same reason.

Historical drillhole data pre-dating 2012 did not have assay QAQC records as is to be expected with regards historical operations, thus assay values could not be verified relative to assay records. However, during 2014, P&E conducted a historical core re-sampling program on selected intersections. Minxcon reviewed this data and found (in agreement with P&E) that the historical assays were reasonably reproduceable.

Minxcon utilised the findings of historical Mineral Resource estimations in order to achieve a well-rounded view of the quality of historical data collection methods. The assumption used was that due to the historic operation was pre-code reporting that the geological drilling was of adequate quality and due care was used with regards the historic sampling and geological logging.

2017 Drilling Campaign

Minxcon was able to review all the drilling processes and laboratory results for the 2017 drilling campaign. This is discussed in the QAQC section of this Report (Item 11 (c)). The drilling was accepted and no limitations or failures were seen to affect the use of all the 2017 drilling data.

Item 12 (c) – Adequacy of Data

Previous Drilling Campaigns

A total of 2,183 drillholes covering the Kombat project area including the Otavi project area were reviewed with regards the spatiality and checking of assay anomalies. From this drillhole database, only 470 drillholes were utilised in the Mineral Resource estimate due to the criteria outlined in the paragraphs above. Holes were discarded based on the findings of the data reviews as described above and due to not intersecting mineralisation. Discarded holes were however utilised in the geological modelling in order to validate and generate lithological and boundaries.

It is Minxcon's view that the volume, quality and density of all the reviewed data (including drilling depletion voids, assay QAQC and geology mapping and interpretation) used in the Mineral Resource are adequate for the purposes of conducting Mineral Resource estimation and for the declaration of an Inferred Mineral Resource.

2017 Drilling Campaign

The drilling of 2017 added an additional 48 drillholes to the overall dataset. These drillholes were infill drilling and Mineral Resource verification drillholes. The addition of these drillholes increased the confidence in the mineralisation wireframes within the open pit Mineral Resource area by reducing the limits of the wireframes in areas that indicated uneconomical grade and increased the wireframes in areas where the new drilling intersected economic grades. All the assay data could be used and the lithological logs improved the geological confidence to the orebody for the Kombat section.

ITEM 13 – MINERAL PROCESSING AND METALLURGICAL TESTING

Metallurgical testwork is currently underway for the definitive feasibility study. The results to date indicate that the orebody can be economically extracted and that historic production efficiencies should be attainable.

ITEM 14 – MINERAL RESOURCE ESTIMATES

Item 14 (a) – Assumptions, Parameters and Methods Used for Mineral Resource Estimates

The stated Mineral Resource presented herein represents the copper, lead and silver estimation of the Kombat and Asis West to Far West mining properties, as well as the Gross Otavi orebody.

The historic tailings were also evaluated but are not discussed in detail in this Report as they do not meet the requirements of reasonable prospects of eventual economic extraction in terms of the NI 43-101 definition of a Mineral Resource, under the current cut-off grades. Minxcon has only included the tailings evaluation in Item 24 (a) of this Report, as the tailings may later prove to be payable in terms of metallurgical processes and economics.

The Mineral Resource estimate considered the total dataset of 2,231 drillholes (comprising percussion, RC and diamond drillholes) for the construction of the geological model. The estimation, however, only considered diamond and RC drillholes (518 drillholes) that were eventually used in the generation of the grade shells and the Mineral Resource estimate.

This section describes the Mineral Resource estimation process utilised by Minxcon and summarises the key assumptions considered in the estimation. The Mineral Resource has been estimated in conformity to the accepted CIM "Estimation of Mineral Resources and Mineral Reserves Best Practices" guidelines and are reported in accordance with the Canadian Securities Administrators' NI 43-101. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources may be converted into Mineral Reserves.

It is Minxcon's opinion that the database used in the estimate is of suitable reliability to interpret the geological boundaries and of suitable assay quality to estimate the Mineral Resources for the Project. Indicated and Inferred Mineral Resources have been declared by Minxcon in 2018 with the inclusion of the QAQC of the 2017 drilling programme. The underground Mineral Resource has remained the same due to the lack of historical assay QAQC, uncertainty with respect to the underground depletion voids and underground control sampling, as well as general data spacing.

Leapfrog Geo™ 3.1.1 software was used to construct the geological wireframes/grade shells, while CAE (Datamine) Studio3™ was used to conduct statistical and geostatistical analyses, conduct variography and generate the estimated grade block model.

Mineral Resource Estimation Procedures

The Mineral Resource Estimation methodology involved the following procedures:-

- Database compilation and verification;
- Geological modelling (discussed in Item 8 b));
- Statistical analysis;
- Domaining;
- Data conditioning (compositing and capping);
- Geostatistical analysis and variography;
- Bulk density determination;
- Block modelling and grade interpolation;
- Mineral Resource classification and validation;
- Assessment of "reasonable prospects for economic extraction" and selection of appropriate cut-off grades; and

- Preparation of the Mineral Resource Statement.

Database Compilation

The drillhole database utilised by Minxcon consisted of a total of 2,231 drillholes, including percussion, RC and diamond drillholes. The percussion holes were discarded from the Mineral Resource database due to concerns pertaining to sample cross-contamination. Only holes intersecting the mineralised grade shells generated from the geological modelling process were used in the estimation - resulting in a net 518 drillhole Mineral Resource estimation - dataset. A large number of these drillholes did not have silver values, thus a regression slope of the relationship of silver to copper had to be utilised to evaluate blocks in the block model which were not informed by the drillholes with silver assays. Approximately only 18.1% of all valid samples had valid silver values useable in the Mineral Resource estimation.

Geological Modelling

The construction of the Kombat geological models is comprehensively discussed in Item 8 (b) of this Report.

Statistical Analysis

Statistical analysis of the drillholes falling with in the mineralised halos was conducted on the metal content of Cu, Pb, Zn, Ag and relative density and length of samples in these drillholes. A total of 13,367 samples over the three sections were available. The mean of the sample lengths shows an average sample length of 1 m which was then used as the composite length. Owing to fact that no clear domains could be defined with regards grade or lithology, the project areas were separated into three domains. The Kombat section and Asis section were split from each other on the Kombat West Fault, while Otavi was domained separately due to being geographically separated from Kombat and Asis sections. The domaining is discussed in detail in the next paragraph.

Table 15 presents the statistics for the Kombat operations drillhole data.

Table 15: Kombat Drillhole Statistics

Section	Field	No Samples	Minimum	Maximum	Range	Mean	Variance	STDev	Geo Mean	Log Est Mean
Kombat Section	Length	9,293	0.18	1.48	1.30	1.00	0.00	0.00	1.00	1.00
	Cu	9,293	0.00	32.20	32.20	1.03	4.26	0.02	0.48	1.02
	Pb	9,293	0.00	42.35	42.35	1.24	7.59	0.03	0.45	1.67
	Zn	9,293	0.00	14.09	14.09	0.19	0.32	0.01	0.16	0.33
	Ag_ppm	9,293	0.00	111.56	111.56	0.42	14.05	0.04	0.77	22.55
	RD	9,293	2.78	4.21	1.43	2.83	0.01	0.00	2.83	2.83

Table 16 presents the statistics for the Asis West, Asis Gap and Asis Far West operations drillhole data.

Table 16: Asis Drillhole Statistics

Section	Field	No Samples	Minimum	Maximum	Range	Mean	Variance	STDev	Geo Mean	Log Est Mean
Asis Section	Length	3,948	0.01	1.11	1.11	1.00	0.00	0.02	1.00	1.00
	Cu	3,948	0.01	58.00	58.00	1.81	19.54	4.42	0.38	2.52
	Pb	3,948	0.01	65.45	65.45	1.12	12.54	3.54	0.22	1.33
	Zn	3,948	0.01	9.23	9.23	0.06	0.13	0.36	0.01	0.03
	Ag_ppm	3,948	0.01	580.00	579.99	4.69	398.08	19.95	1.11	2.70
	RD	3,948	2.78	5.45	2.67	2.84	0.03	0.16	2.84	2.84

Table 17 presents the statistics for the Gross Otavi operations drillhole data.

Table 17: Otavi Drillhole Statistics

Section	Field	No Samples	Minimum	Maximum	Range	Mean	Variance	STDev	Geo Mean	Log Est Mean
Otavi Section	Length	1,079	0.18	1.08	0.90	1.00	0.00	0.04	1.00	1.00
	Cu	1,079	0.01	25.00	25.00	0.92	3.90	1.98	0.34	0.94
	Pb	1,079	0.01	51.00	51.00	2.89	31.34	5.60	0.70	4.54
	Zn	1,079	0.00	12.20	12.20	0.30	0.47	0.68	0.11	0.36
	Ag_ppm	1,079	0.01	124.00	124.00	1.83	52.69	7.26	0.55	1.44
	RD	1,079	2.78	4.77	1.99	2.86	0.03	0.17	2.86	2.86

Figure 76, Figure 77 and Figure 78 show the histograms of the copper content from the un- composited drillhole data. The figures depict the normal and log normal distribution of the Cu values. Multiple populations are seen and this is possibly due to the use of multiple laboratories (evident from the multiple recorded detection limits) over the production history of Kombat mine as the different population are not correlated to discreet zones and cannot be domained separately.

Figure 76: Kombat Section Raw Copper Histogram

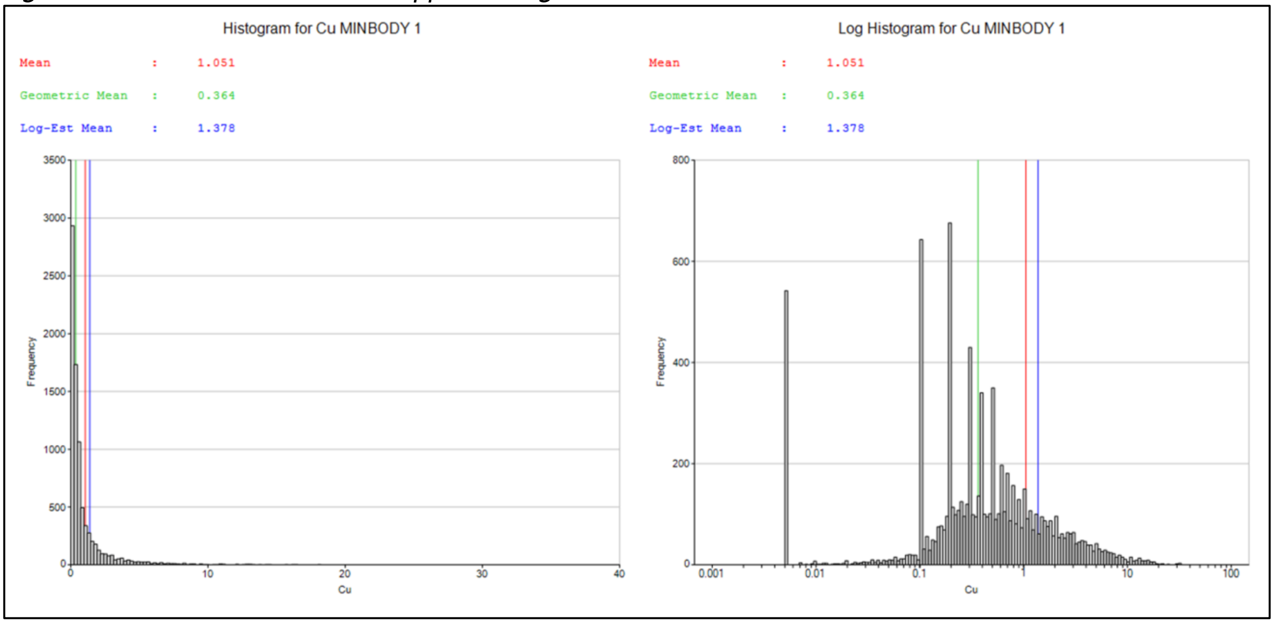


Figure 77: Asis Section Raw Copper Histogram

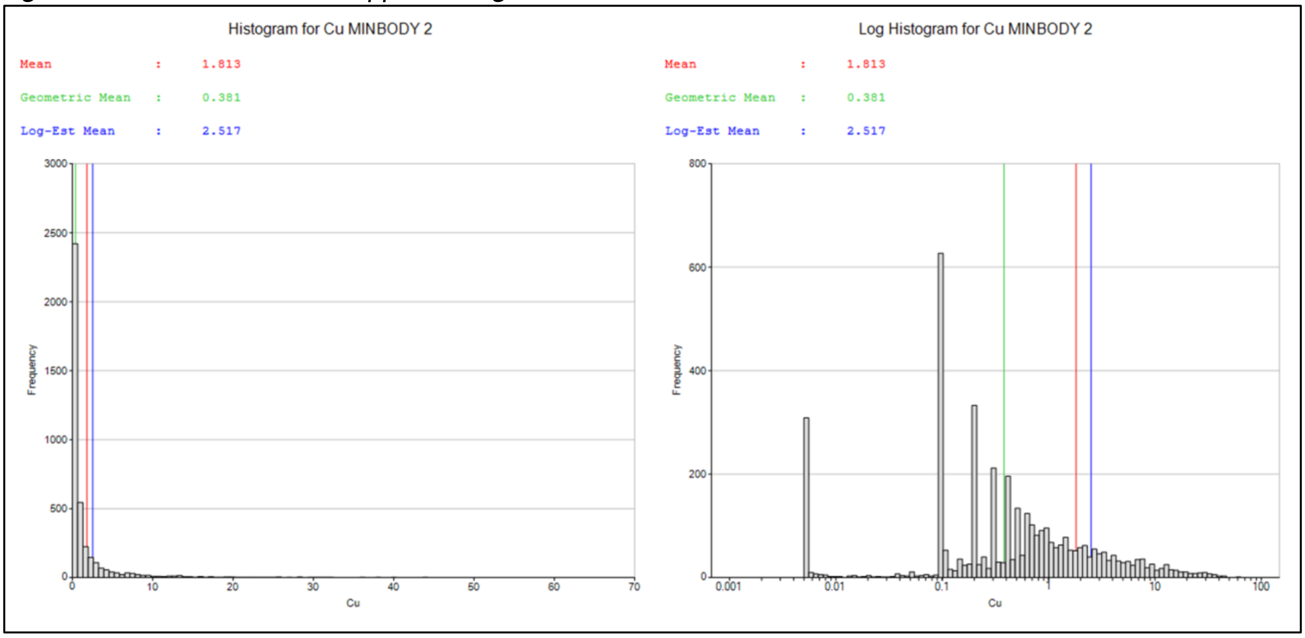
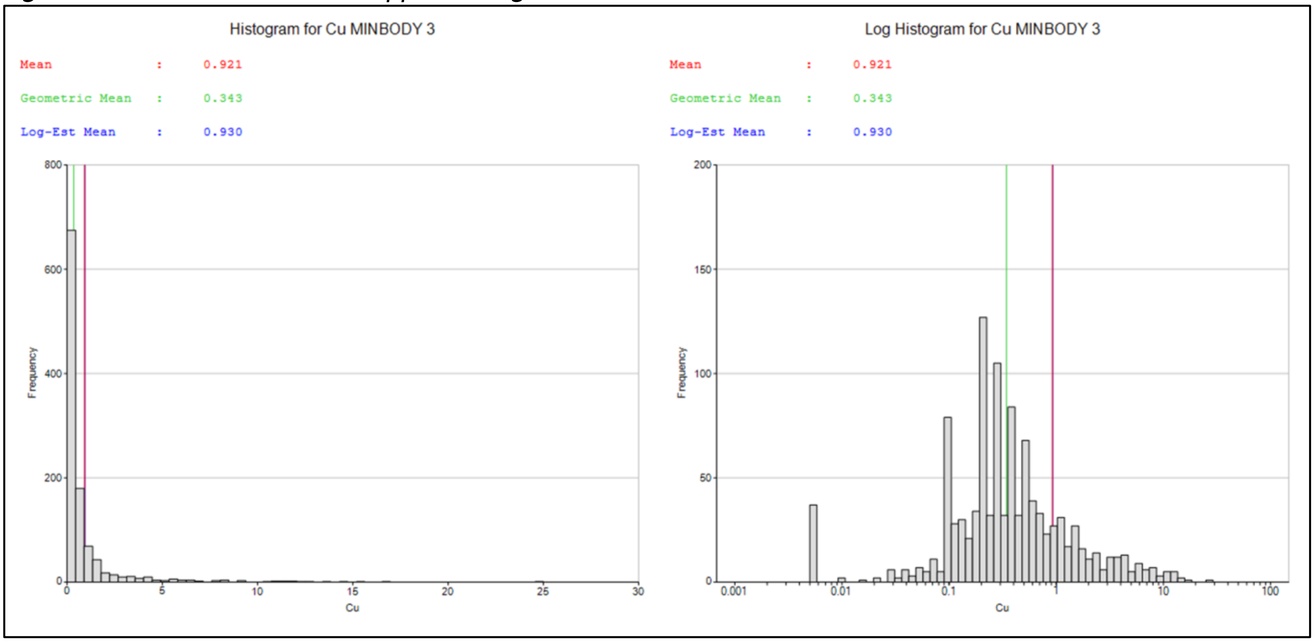


Figure 78: Otavi Section Raw Copper Histogram



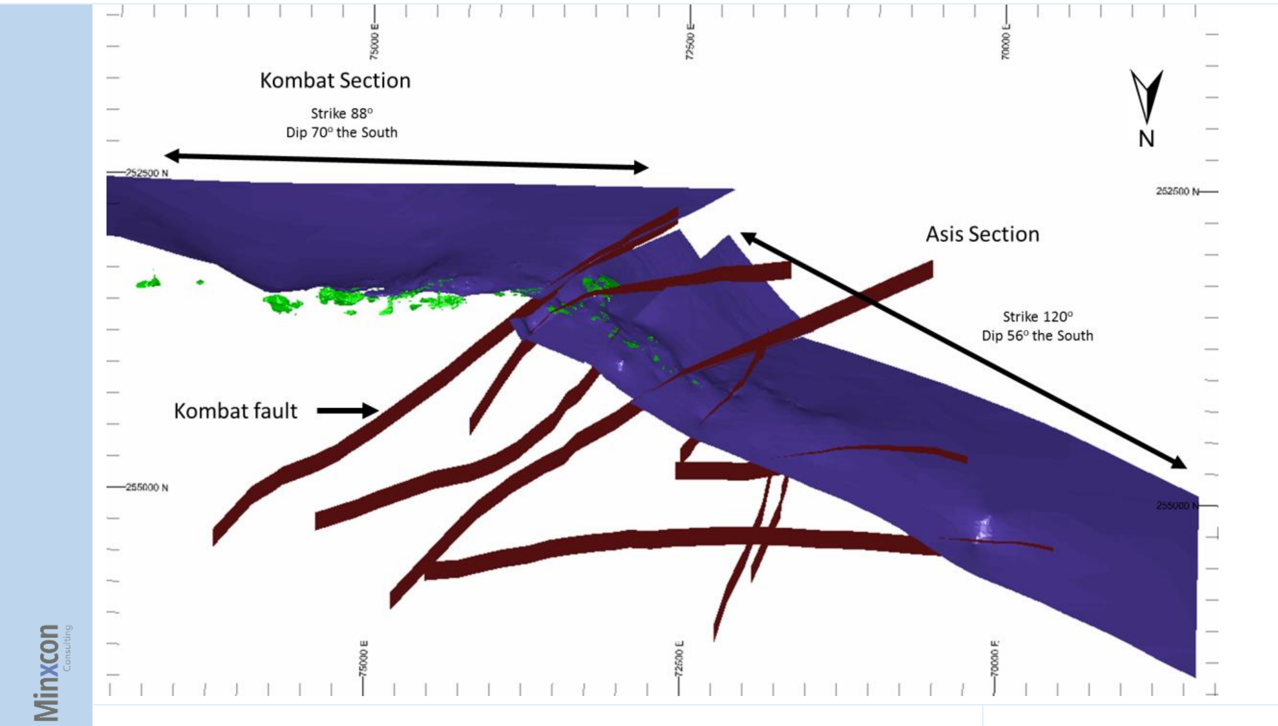
Domaining

Domain boundaries were defined based on two basic factors, namely geology and grade. A domain boundary, which segregates the data during interpolation, is typically applied to separate geological units, which are then sub-domained further in the event that the average grade in one domain is significantly different from that of another domain within the same geological unit.

At Kombat the mineralisation occurs in the dolomites in the form of typical fracture regulated boxwork mineralisation. No clear domains could be defined with regards grade or lithology. Domaining was thus split into three areas, namely 1) Kombat section, 2) Asis section and 3) the Otavi section. The Asis and Kombat sections are separated by the Kombat West Fault with a downthrow to the West.

This structure serves as a hinge point to the observed dolomite contact strike and dip changes and forms a natural structural domain limit. The Otavi domain is located away from the other areas and is thus treated as a separate domain. Figure 79 below depicts the dip and strike change of the dolomite contact across the Kombat West Fault.

Figure 79: Oblique Plan View looking South Showing the Domains and Faults in the Kombat Section and Asis Section



Oblique Plan View looking South Showing the Domains and Faults in the Kombat Section and Asis Section | **February 2018**

Data Conditioning (Compositing and Capping)

An investigation into high values in the sampling results was conducted on the copper, lead, zinc and silver. Log probability plots were utilised to determine each metals' capping strategy. Capping was set to 24.2% Cu, 23.8% Pb,10.5% Zn and 53 ppm Ag, for the Kombat Section; 40.3% Cu, 44.11% Pb, 7.7% Zn and 180 ppm Ag for the Asis Section and 16.7% Cu, 32.23% Pb, 5.37% Zn and 50ppm Ag for the Otavi Section. The capping strategy for each of the three areas is presented below in Table 18.

Table 18: Capping of the Metal Content for Each Section

Section	Cu %		Pb %		Zn %		Ag ppm	
	Capped	Maximum	Capped	Maximum	Capped	Maximum	Capped	Maximum
Asis Section	24.20	32.20	23.80	42.35	10.50	14.09	53	111.56
Kombat Section	40.30	58.00	44.11	65.45	7.70	9.23	180	580.00
Otavi Section	16.70	25.00	32.23	51.00	5.37	12.20	50	124.00

The capping represents a capping of the 99th percentile and would not adversely affect the estimation. Capping is intended to reduce the influence of excessively high sample values to prevent local overestimation

Figure 80, Figure 81 and Figure 82 below depict the Copper (Cu) log probability plots for each area as well as the selected capped value applied to each of these domains.

Figure 80: Log Probability Plot of the Cu Values with the Capping Indicated for the Kombat Section

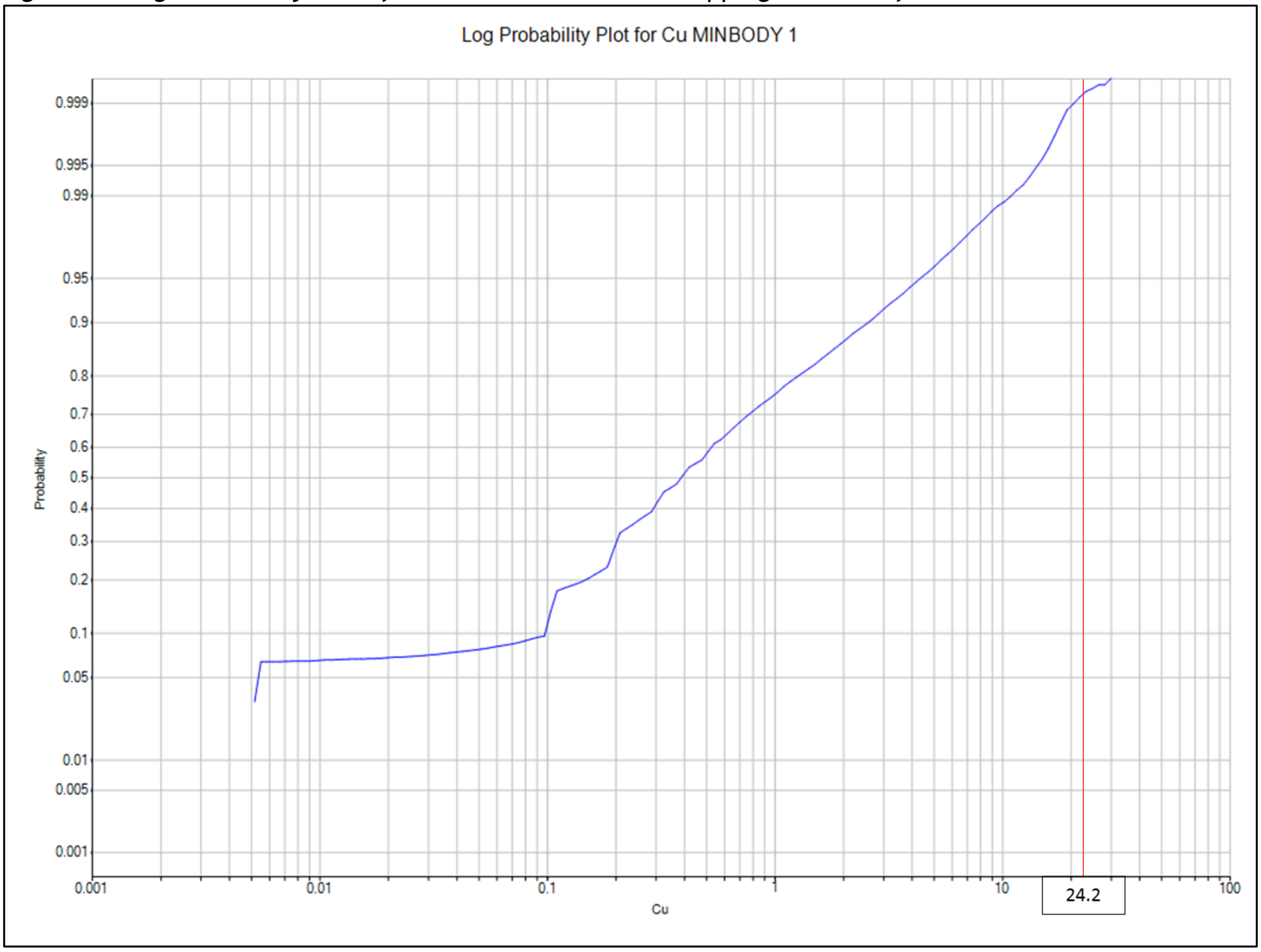


Figure 81: Log Probability Plot of the Cu Values with the Capping Indicated for the Asis Section

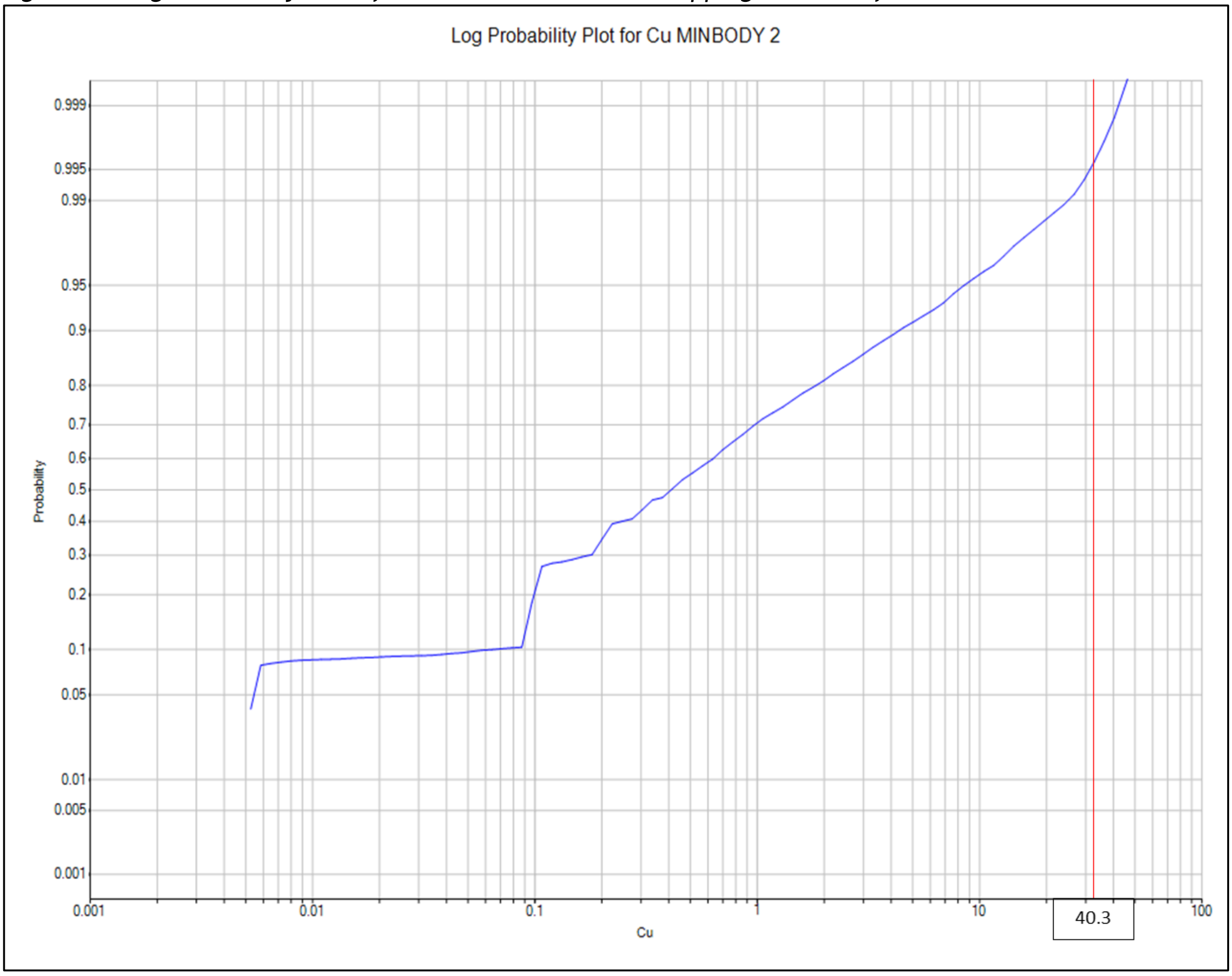


Figure 82: Log Probability Plot of the Cu Values with the Capping Indicated for the Otavi Section

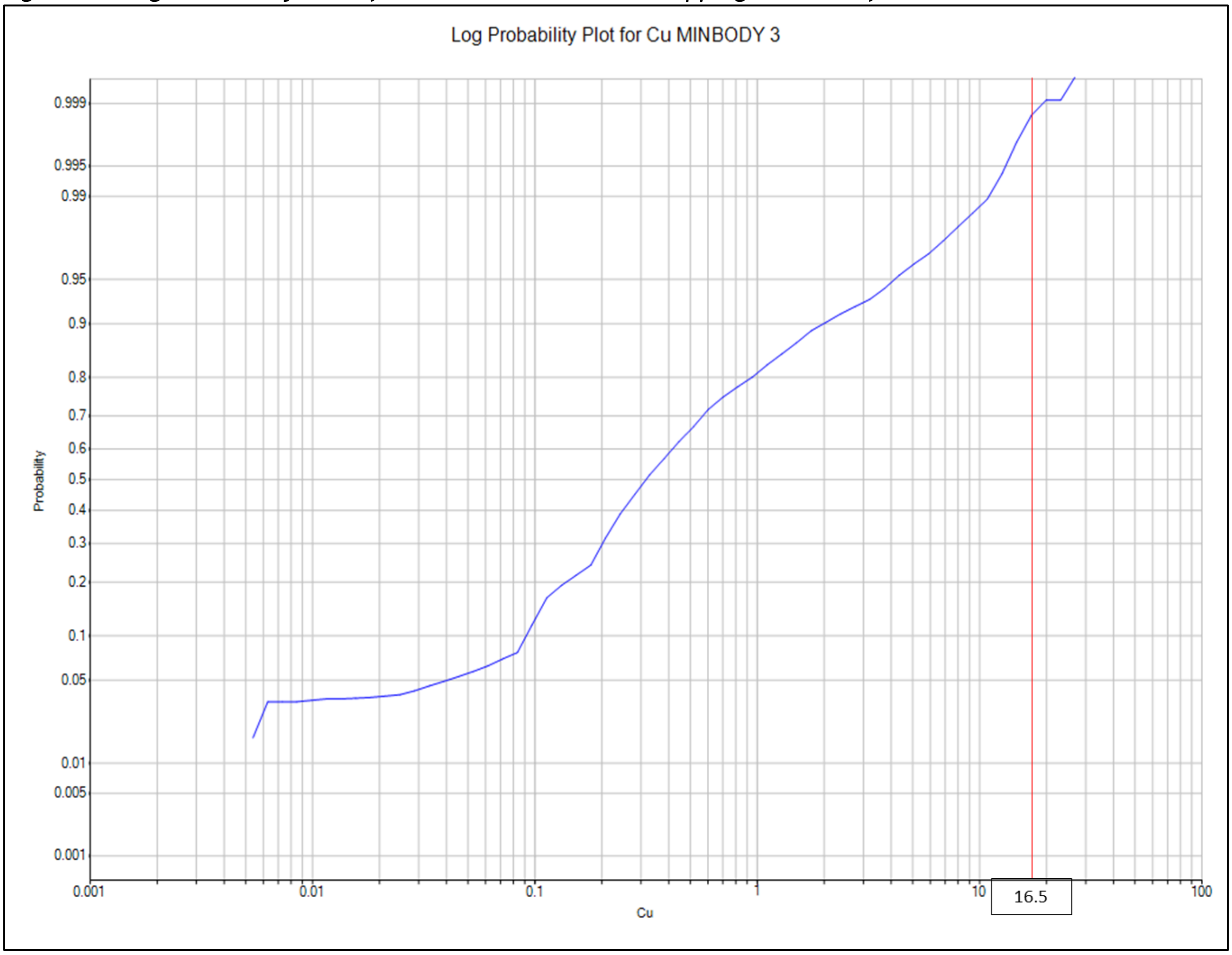


Figure 83, Figure 84 and Figure 85 below depict the Lead (Pb) log probability plots for each area as well as the selected capped value applied to each of these domains.

Figure 83: Log Probability Plot of the Pb Values with the Capping Indicated for the Kombat Section

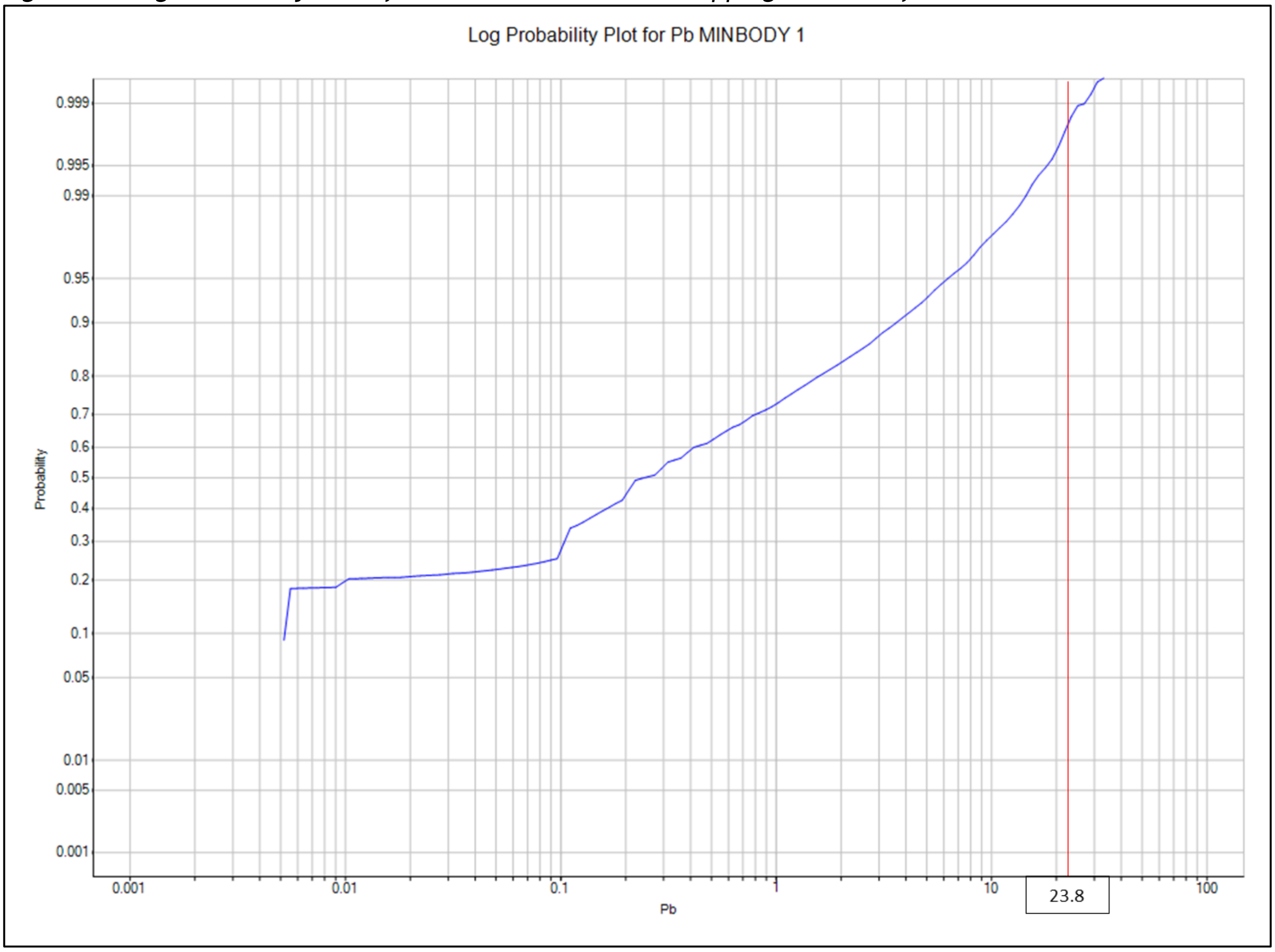


Figure 84: Log Probability Plot of the Pb Values with the Capping Indicated for the Asis Section

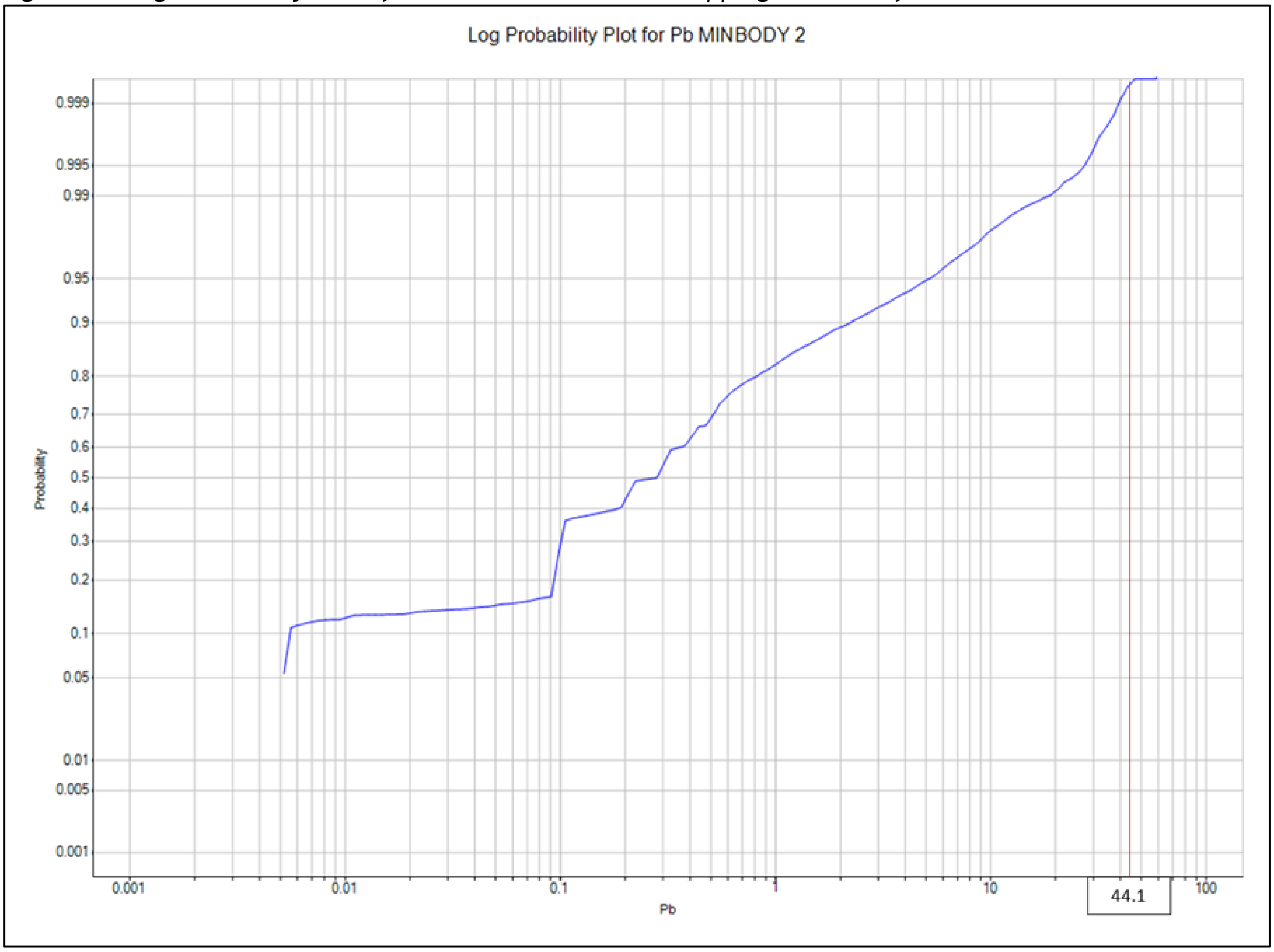
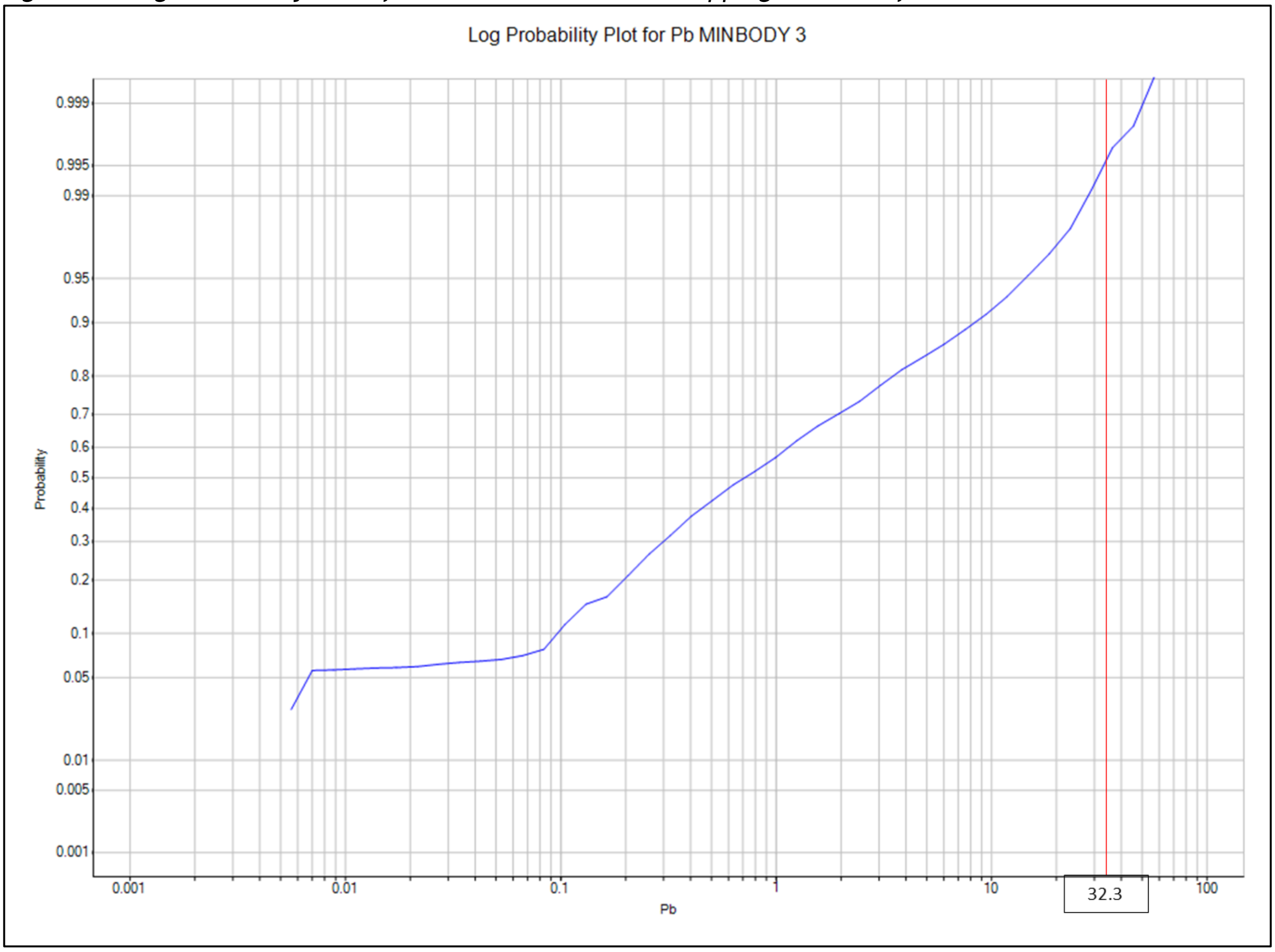


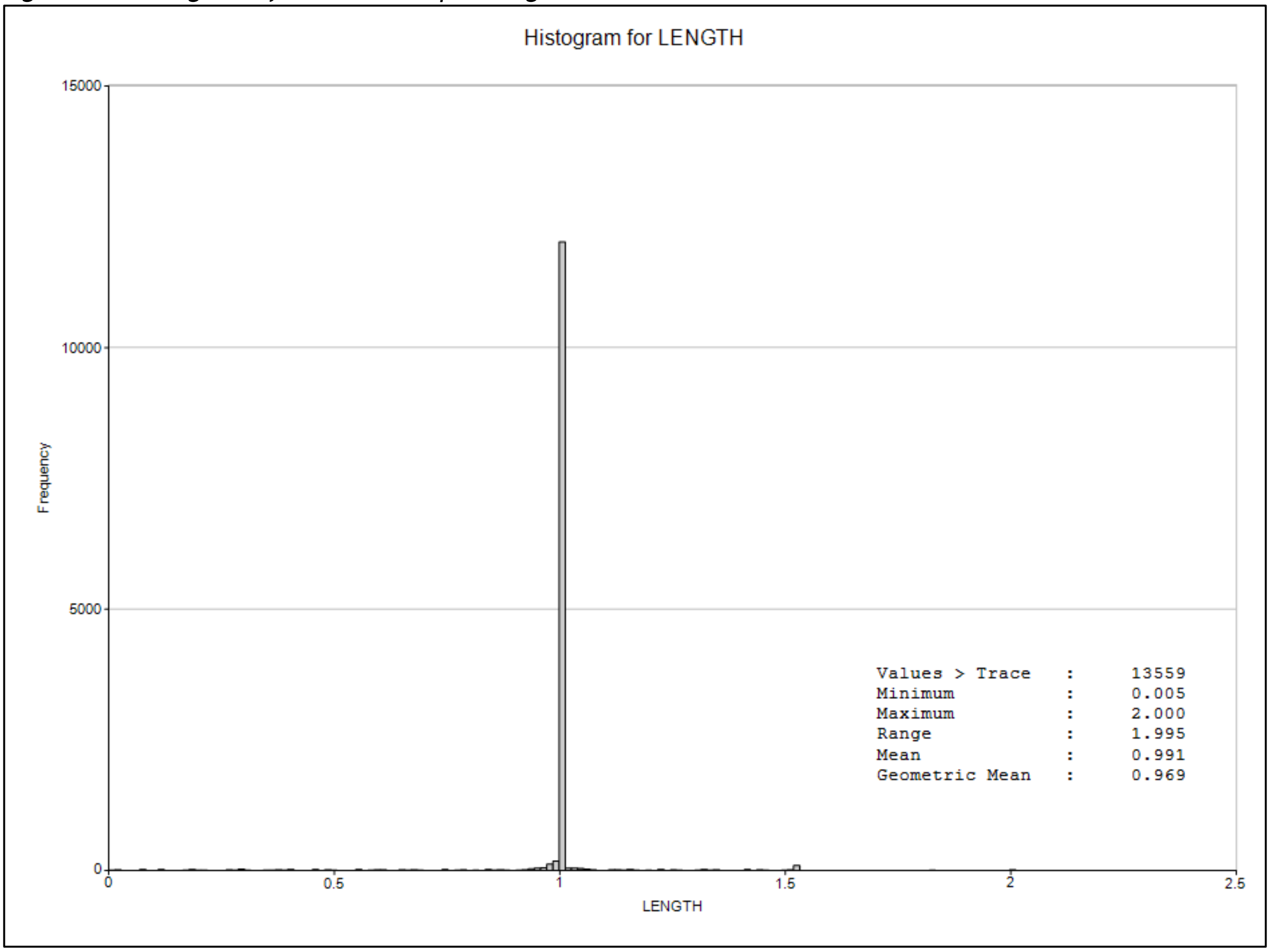
Figure 85: Log Probability Plot of the Pb Values with the Capping Indicated for the Otavi Section



Data Compositing

An analysis of the average sample length was conducted as shown in Figure 86. The mean of the samples and geometric mean all fall very close to 1m. Based on this analysis the compositing was set to 1 m.

Figure 86: Histogram of the Raw Sample Lengths



Geostatistical Analysis and Variography

Variogram analysis of the domains was carried out on the primary metal (Cu, Pb, Ag and Zn) grades. The investigation showed that the strike relationship of the copper for Kombat section is 126 m, Asis 110 m and Otavi at only 18 m. A summary of the variograms is given in Table 19.

Table 19: Variogram Summary for the Different Areas for Cu, Pb, Ag and Zn

Section	Metal	Direction			Range			Nugget	Variance
		X	Y	Z	X	Y	Z		
Kombat	Cu	2	110	0	126	126	9.5	0.368	2.663
	Pb	2	110	0	130	130	7	0.396	5.193
	ZN	2	110	0	162	162	4.5	0.393	3.749
	Ag	2	110	0	71	71	9.5	0.005	0.482
Asis	Cu	30	146	0	110	110	10	1.447	3.776
	Pb	30	146	0	63	63	5	1.227	3.627
	ZN	30	146	0	125	125	7	0.172	1.912
	Ag	30	146	0	32	32	9.5	67.321	398.178
Otavi	Cu	0	56	0	18	18	4	0.200	2.003
	Pb	0	56	0	51	51	7	0.374	3.740
	ZN	0	56	0	21	21	8	0.084	2.411
	Ag	0	56	0	8	8	4.8	0.025	1.920

The variograms below depict the log variograms produced in CAE (Datamine) Studio3™. Only the copper variograms for the three sections are depicted for illustration purposes.

Figure 87 depicts the Cu log variogram for Kombat section.

Figure 87: Log Variogram for Copper for the Kombat Section

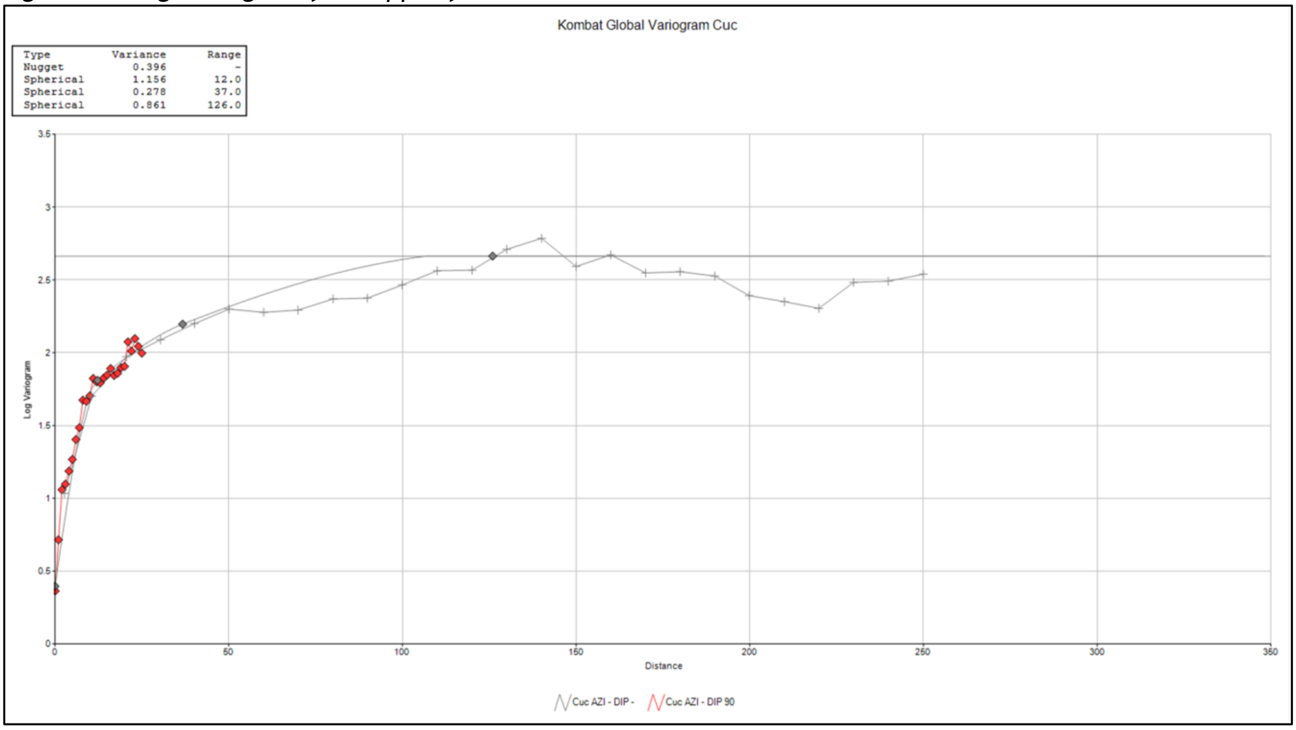


Figure 88 depicts the Cu log variogram for Asis section.

Figure 88: Log Variogram for Copper for the Asis Section

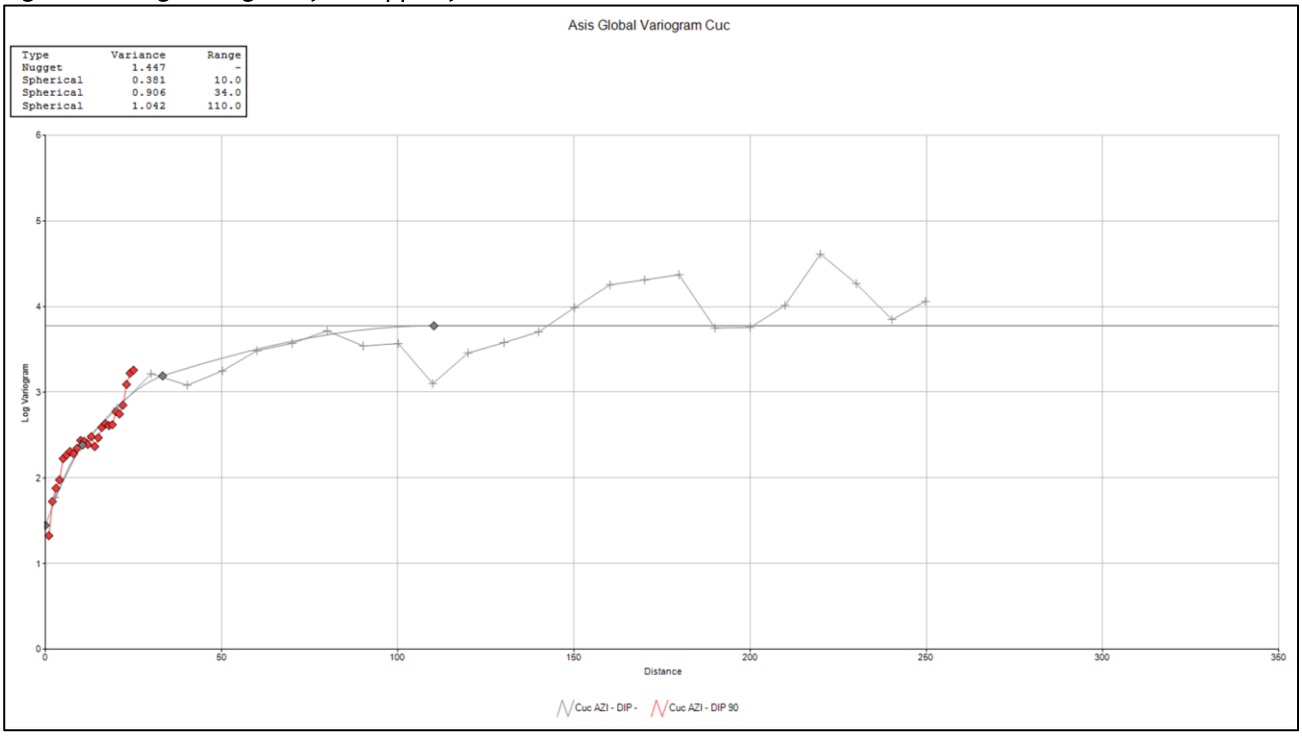
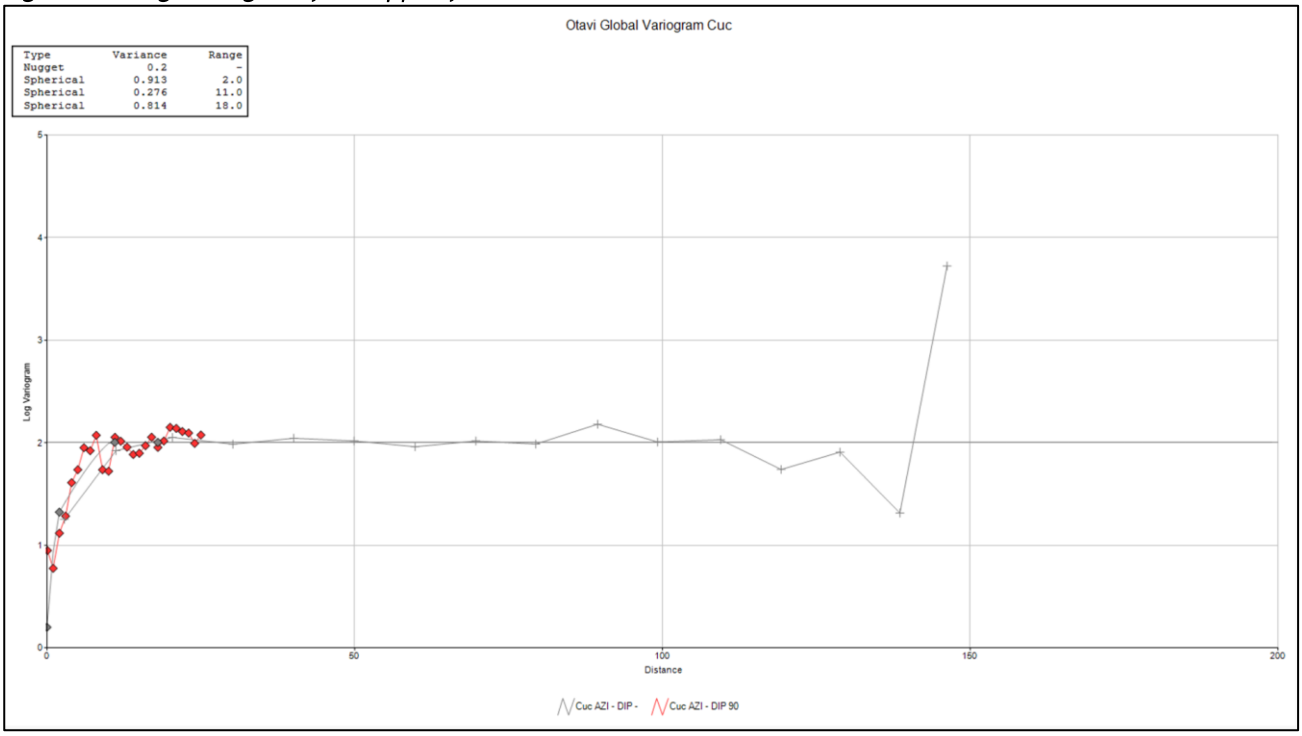


Figure 89 depicts the Cu log variogram for Otavi section.

Figure 89: Log Variogram for Copper for the Otavi Section



Bulk Density

The Asis Far West replacement and fracture fill sulphide mineralisation ranges from disseminated to massive with accompanying grade and mass increases. P&E had water immersion tests performed on the 12 verification core samples obtained on site; SRK also conducted water immersion bulk density tests. P&E reviewed the bulk density tests data and noted a positive correlation between bulk density tests and grade.

The Kombat Mine used the "revised Tsumeb formula" for historic reserves estimates as per the following equation.

Equation 2: Revised Tsumeb Formula

$$Bulk\ Density\ (t/m3) = \frac{363}{130 - (0.874 * (Cu\% + Pb\%))}$$

P&E compared the calculated Tsumeb bulk densities to actual bulk densities and concluded that the Tsumeb formula provides a smoothed result that corresponds better to the grade data than simple linear or polynomial regression.

Minxcon applied the same formula above for a combined Cu% +Pb% to the estimated block model cells on a per block basis to account for density changes through the deposit. This is reflected as a variable bulk density in the block model.

Block Model Creation and Grade Interpolation

An empty block model was created in CAE (Datamine) Studio3™ which covered both the Kombat and Asis sections. A separate block model was created to cover the Otavi Section. The Kombat/Asis model was generated on a parent block size of 100 m x 100 m x 10 m which reflects the ranges of the variograms. The

Otavi Section block model utilised a parent cell size of 10 m x 2 m x10 m which reflects the extremely short ranges of its informing variogram. The block model parameters for the areas are summarised in Table 20.

Table 20: Block Model Origin and Cell Size

Section	Origin			Block Size			Number of Cells		
	X	Y	Z	X	Y	Z	X	Y	Z
Kombat/Asis	71260	253150	660	10	2	10	563	616	101
Otavi	62840	258430	1430	10	2	10	20	96	22

The block model was filled using the orebody grade shell wireframes and only these blocks were estimated. A regime of subcell splitting was used to ensure that the true volumetrics of the grade shells were honoured as best possible. The primary cells were allowed to split to a minimum dimension of 1 m in the X, Y and Z.

The block model was estimated utilising ordinary kriging for all three sections to the extent of two search volumes. Search volume 1 (usually for Measured Mineral Resources) equated to 2/3 times the variogram range for each commodity, while search volume 2 (usually for Indicated Mineral Resources) equated to 1.5 times the variogram range. The third search volume was not calculated in order to assist with restriction of the estimate. Check estimates in the form of inverse distance squared and nearest neighbour were also carried out as a means of validating the ordinary kriged estimation.

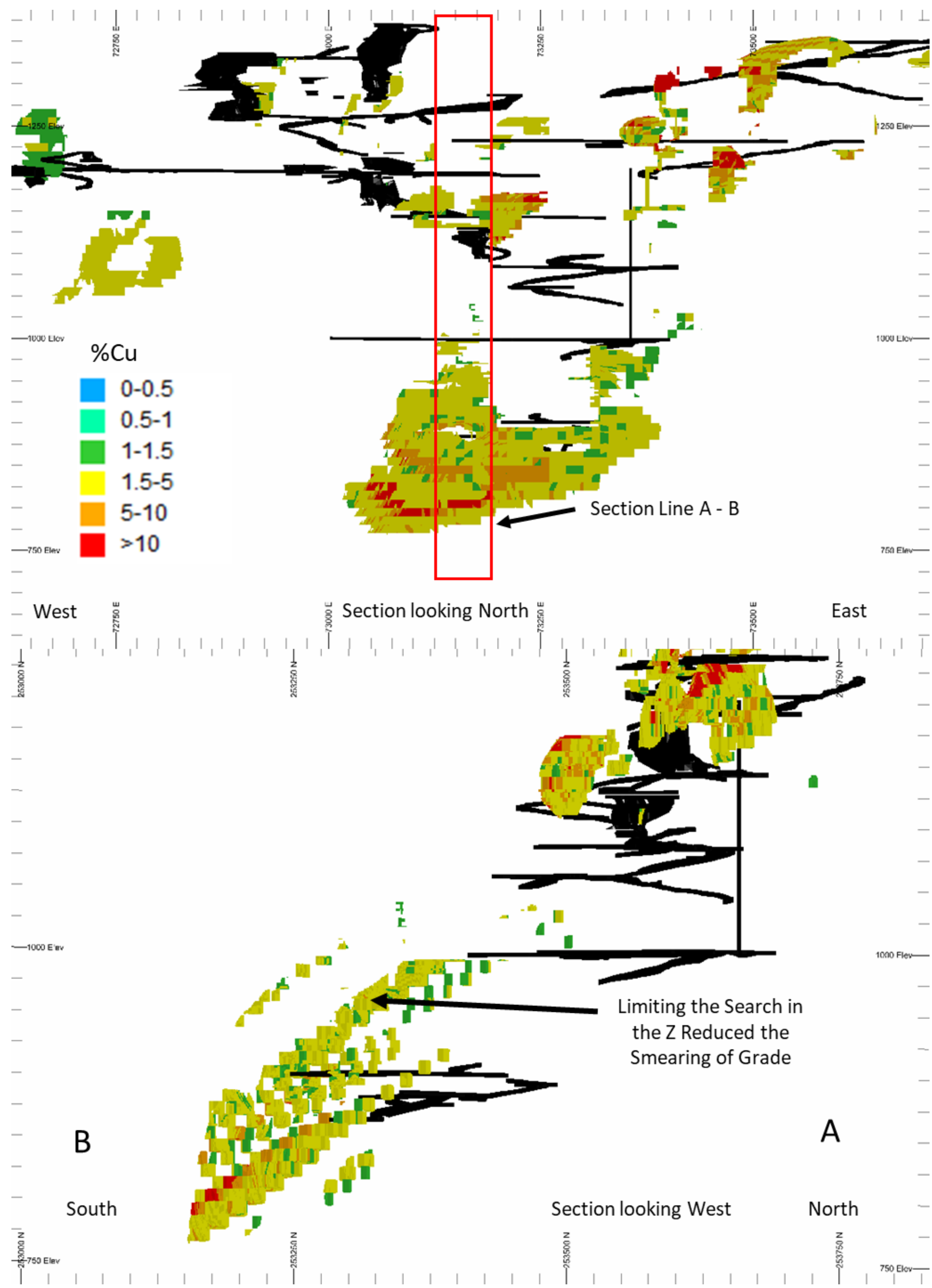
Individual grade shells were estimated to ensure that no cross estimation occurred between grade shells. A minimum of three samples and a maximum of 10 samples from a minimum of two drillholes were used as estimation parameters in the estimation. The minimum of 2 drillholes is used to reduce the potential bias of a single drillhole influencing the block estimation. This would most likely occur in areas where the block model is poorly informed due to sparse local data distribution. The search parameters utilised during the grade interpolation are listed below in Table 21 for each of the sections and the relevant metal estimates.

Table 21: Search Parameters for the Kombat, Asis and Otavi Sections

Section	Metal	Direction			Range			Min Samples	Max Samples	Min Drillholes
		X	Y	Z	X	Y	Z			
Kombat	Cu	2	110	0	126	126	3	3	10	2
	Pb	2	110	0	130	130	3	3	10	2
	Zn	2	110	0	162	162	3	3	10	2
	Ag	2	110	0	71	71	3	3	10	2
Asis	Cu	30	146	0	110	110	3	3	10	2
	Pb	30	146	0	63	63	3	3	10	2
	Zn	30	146	0	125	125	3	3	10	2
	Ag	30	146	0	32	32	3	3	10	2
Otavi	Cu	0	56	0	18	18	3	3	10	2
	Pb	0	56	0	51	51	3	3	10	2
	Zn	0	56	0	21	21	3	3	10	2
	Ag	0	56	0	8	8	3	3	10	2

Smearing of grade up and down the holes as well as across strike was reduced by means of limiting the downhole search radius to 2 m. The search parameters used in the estimation were restricted in the Z direction to also reduce the effect of smearing of grade over the larger volumetric. Figure 90 shows how the search restrictions reduced the effect of over estimating grade throughout the grade shell.

Figure 90: Asis West Block Model in Section looking North and West. Showing the Reduction of the Estimate by Restricting the Z Search in the Estimation



Asis West Block Model in Section looking North and West. Showing the Reduction of the Estimate by Restricting the Z Search in the Estimation | **February 2018**

The final volume of the final block model was reduced to reflect only estimates where both copper and lead were estimated. Cells that only contained a copper or lead estimate were discarded due to the fact that the Kombat orebodies constitute mixed metal mineralisation and metallurgical processing currently only processes mixed ores.

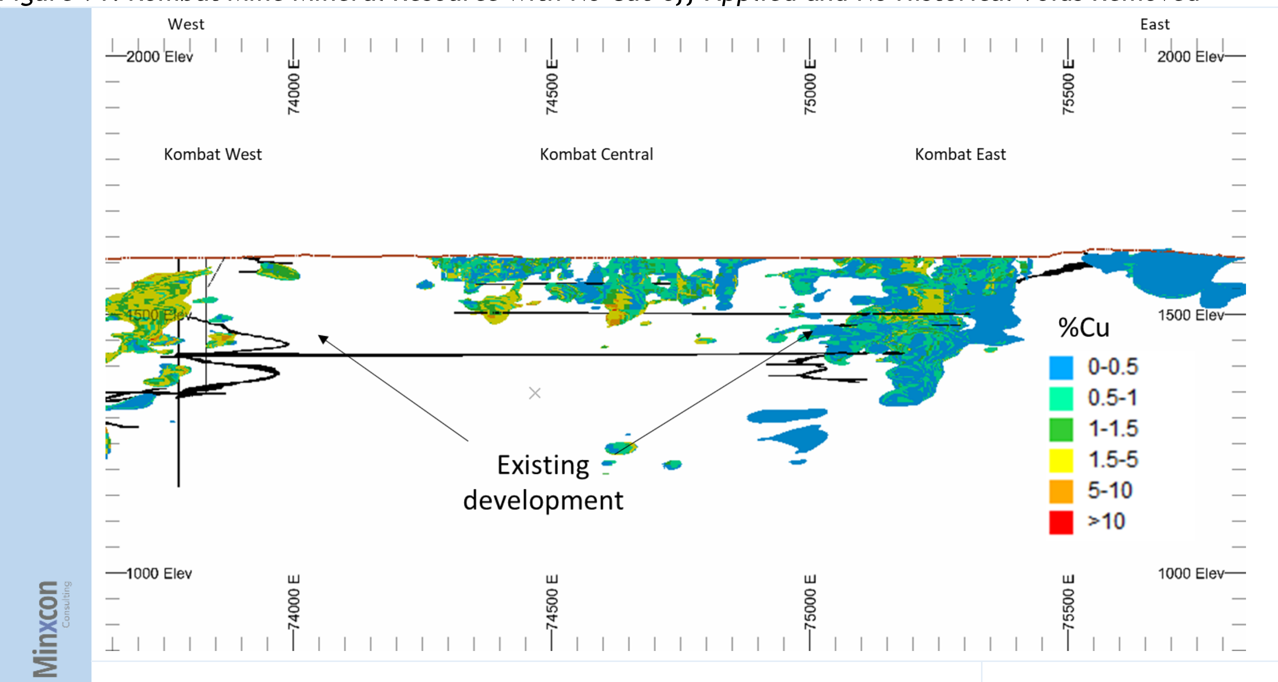
Owing to the slightly longer variogram ranges of the lead estimate in the Kombat Section and the corresponding shorter ranges for lead in the Asis section, this trimming was conducted to ensure that both metal estimates are required to be present before the block was seen as a valid estimation. A similar block validation was conducted on the Otavi section. Two search volumes were used in the reporting of the Mineral Resources. However, regardless of the fact that all Mineral Resources reported to Measured and Indicated Mineral Resource search volumes, all Mineral Resources for Asis were downgraded to Inferred Mineral Resources due to factors discussed in Item 14 (a). The Mineral Resource for Kombat section has been upgraded to Indicated following the drilling programme of 2017.

2017 Grade Estimation

The inclusion of the 2017 drilling programme results did not affect the methodology of the estimation, yet it did have an impact on the grade distribution and overall grade in the proposed open pit. The drilling only impacted Kombat East and Kombat Central with regards this estimation as the purpose of the drilling programme was to increase the confidence of the estimation from an Inferred Mineral Resource to an Indicated Mineral Resource.

Figure 91 shows the estimated copper Mineral Resource block model where no cut-off grade has been applied as a filter, prior to depletions being conducted.

Figure 91: Kombat Mine Mineral Resource with No Cut-off Applied and No Historical Voids Removed



Kombat Mine Mineral Resource with No Cut-off Applied and No Historical Voids Removed | **February 2018**

Figure 92 shows the Mineral Resource block model after the historic mining voids have been removed (ore depleted) and a copper equivalent cut-off of 1.4% has been applied.

Figure 92: Kombat Mine Mineral Resource with a CuEq Cut-off of 1.4% Applied and the Historical Voids Removed

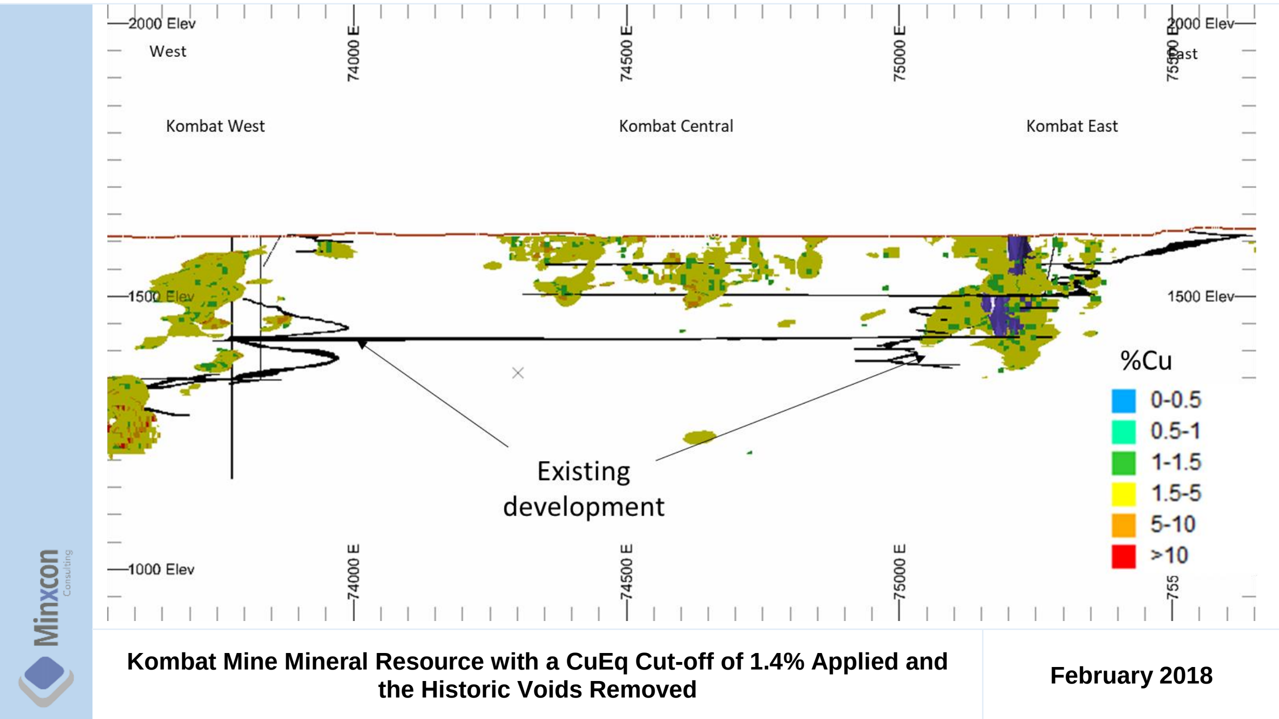


Figure 93 shows the estimated copper Mineral Resource block model for Asis mine with no cut-off applied. The model has also not been depleted.

Figure 93: Asis Mine Mineral Resource with No Cut-off Applied and no Historical Voids Removed

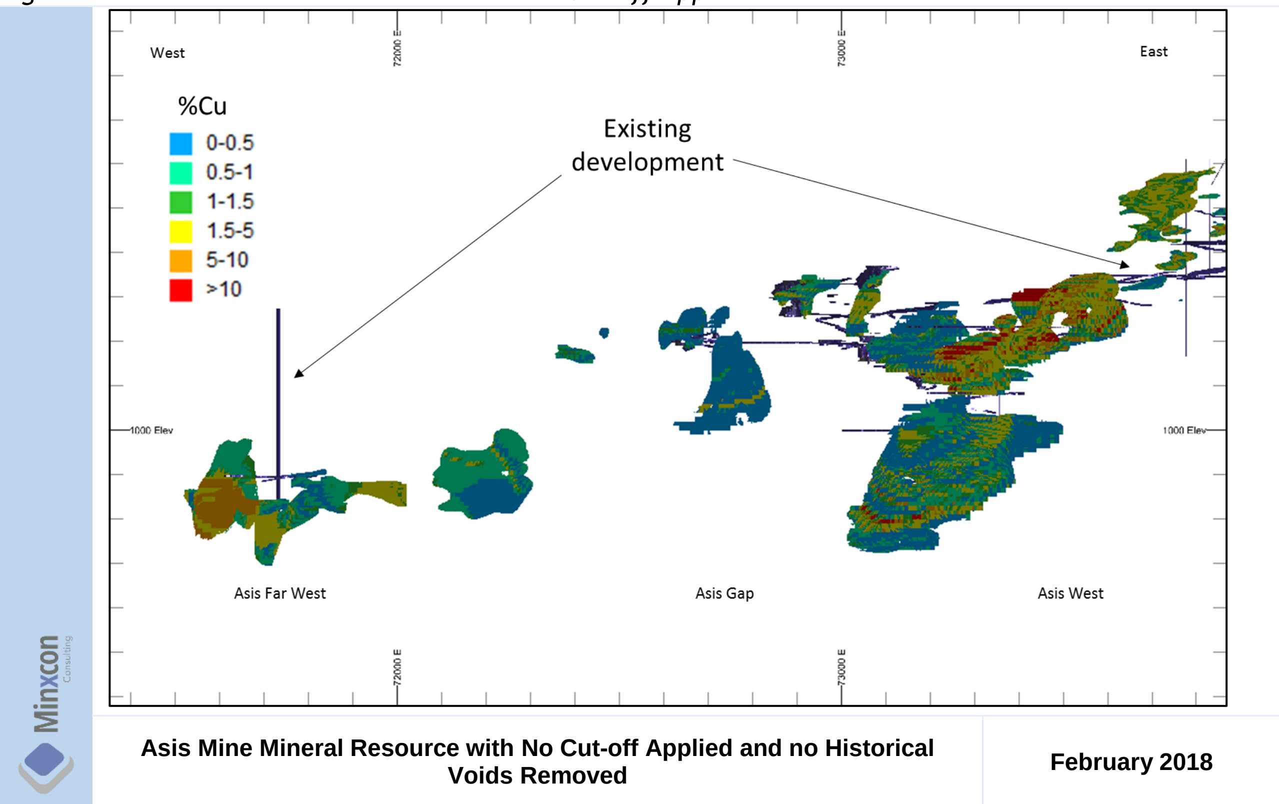
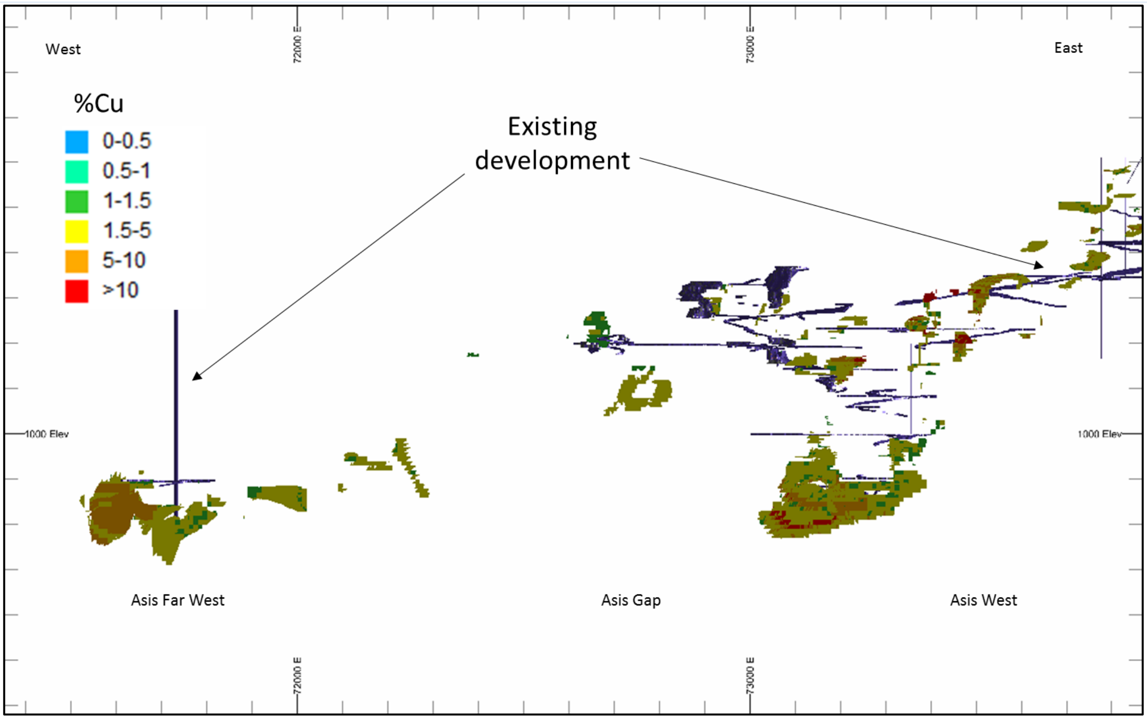


Figure 94 depicts the Mineral Resource block model after the historic mining voids have been depleted and a CuEq cut-off of 1.4% has been applied.

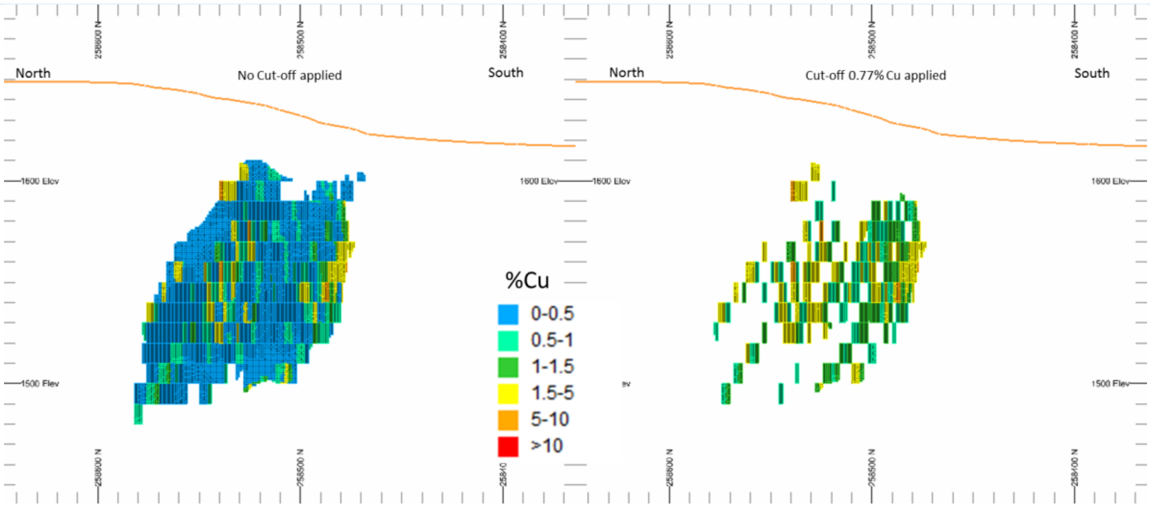
Figure 94: Asis Mine Mineral Resource with a CuEq Cut-off of 1.4% Cu Applied and the Historical Voids Removed



Asis Mine Mineral Resource with a CuEq Cut-off of 1.4% Applied and the Historical Voids Removed | **February 2018**

The Otavi orebody is depicted in Figure 95 looking to the east. The interpolated block model on the left is shown with no cut-off applied, while the one on the right has had a CuEq cut-off of 0.77% applied.

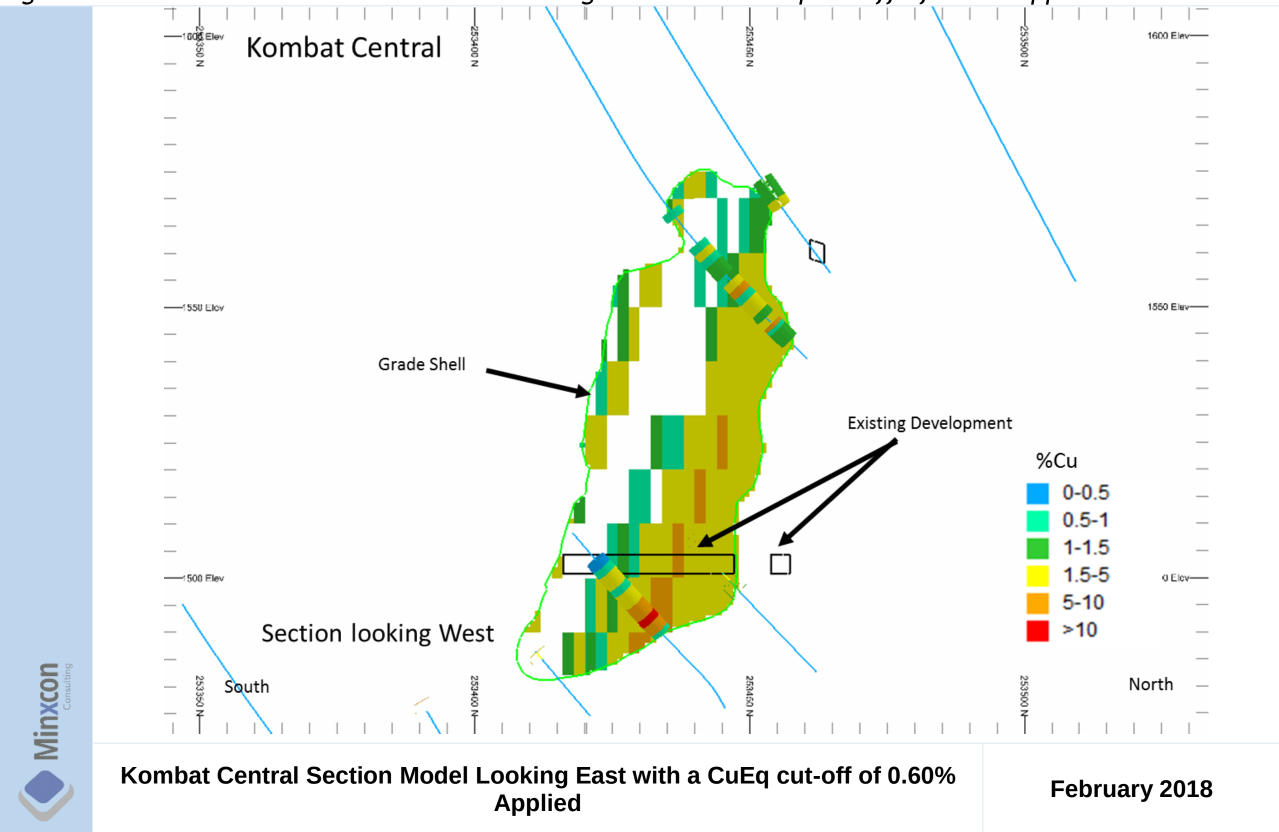
Figure 95: Otavi Mine Mineral Resource Looking East with No Cut-off Applied and a CuEq Cut-off of 0.77% Applied



Otavi Mine Mineral Resource Looking East with No Cut-off Applied and a CuEq Cut-off of 0.77% Applied | **February 2018**

Figure 96 depicts the Kombat Estimation with the Cut-off of 0.60% CuEq applied in section view.

Figure 96: Kombat Central Section Model Looking East with a CuEq cut-off of 0.60% Applied



The following sections show Asis West and Far West with the CuEq of 1.4%. The grade shells are shown where the natural cut-off of 0.3% is shown in green and the estimate falls within this grade shell (Figure 97 and Figure 98).

Figure 97: Asis West Section Model Looking East with a CuEq Cut-off of 1.4% Applied

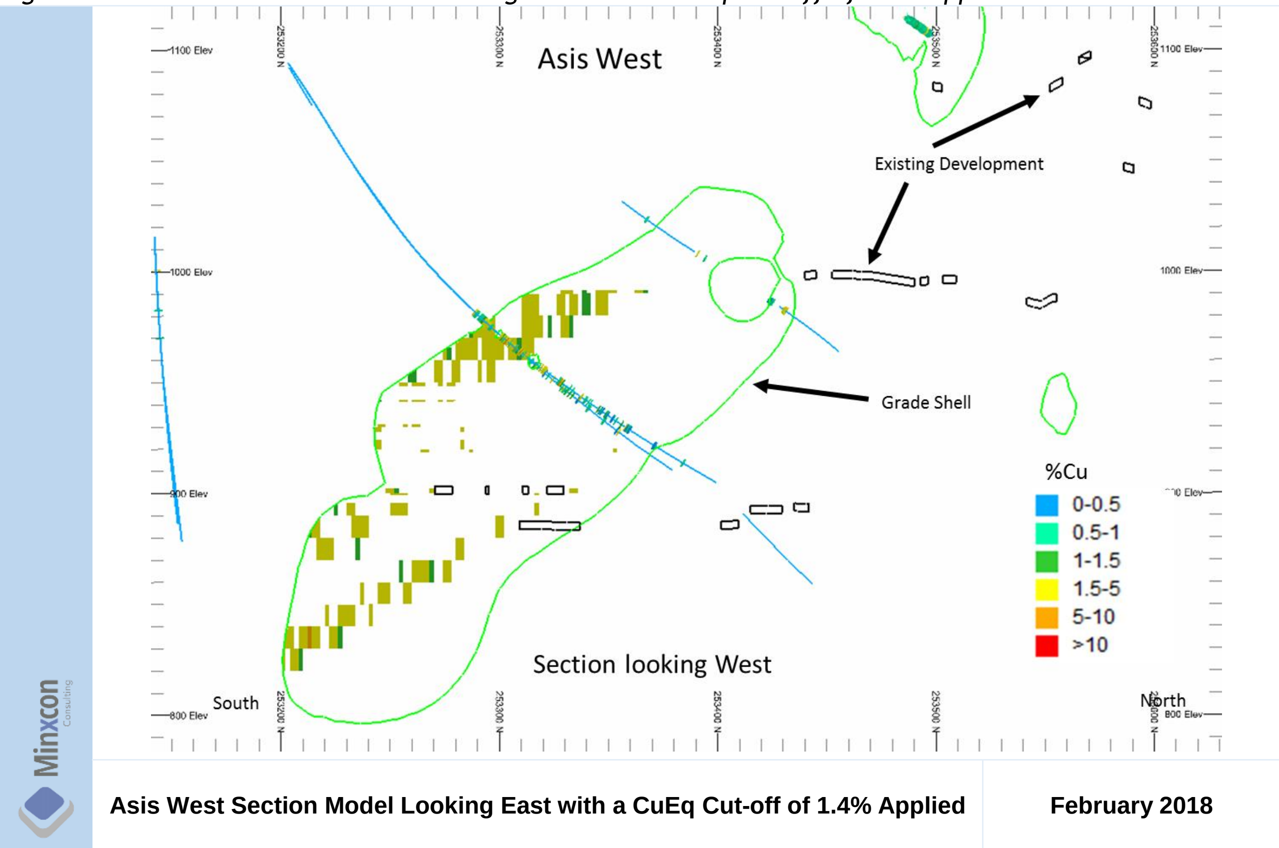


Figure 98: Asis Far West Section Model Looking East with a CuEq Cut-off of 1.4% Applied

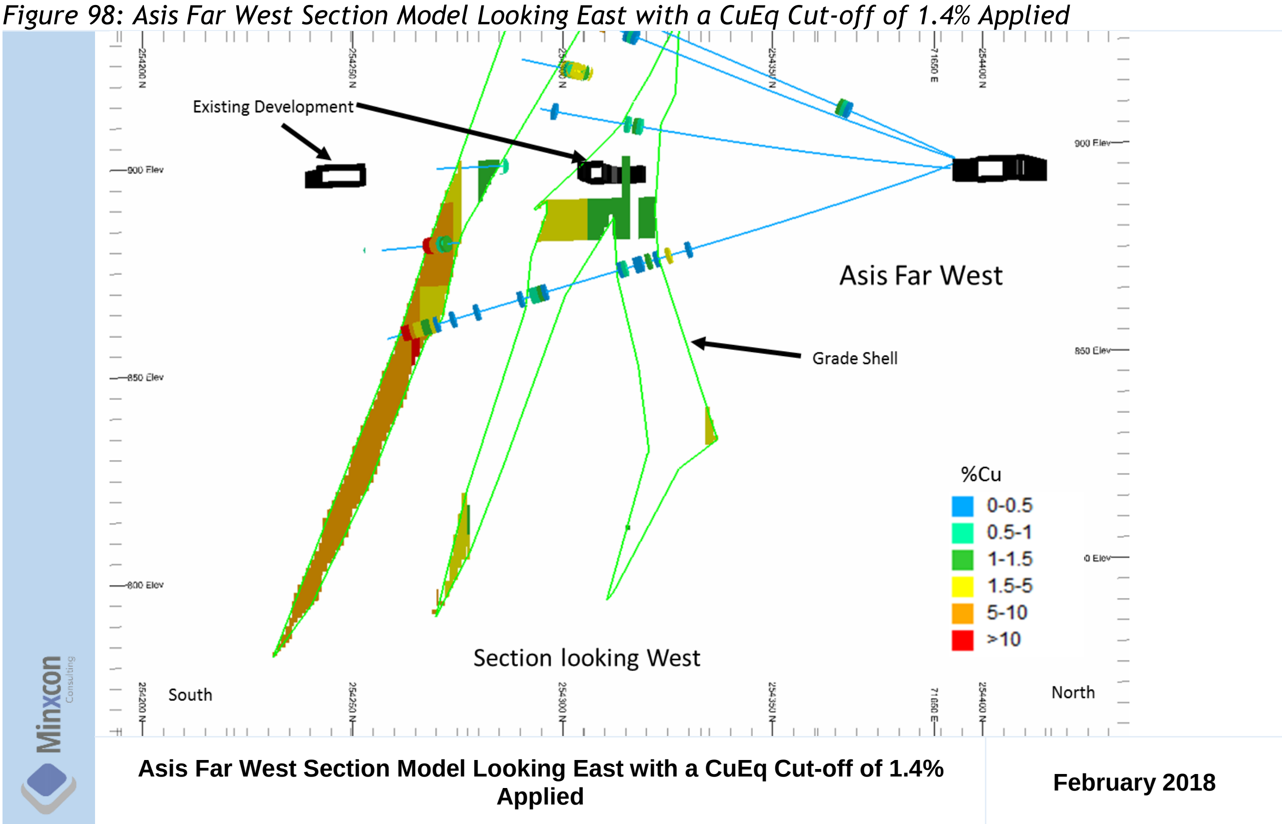
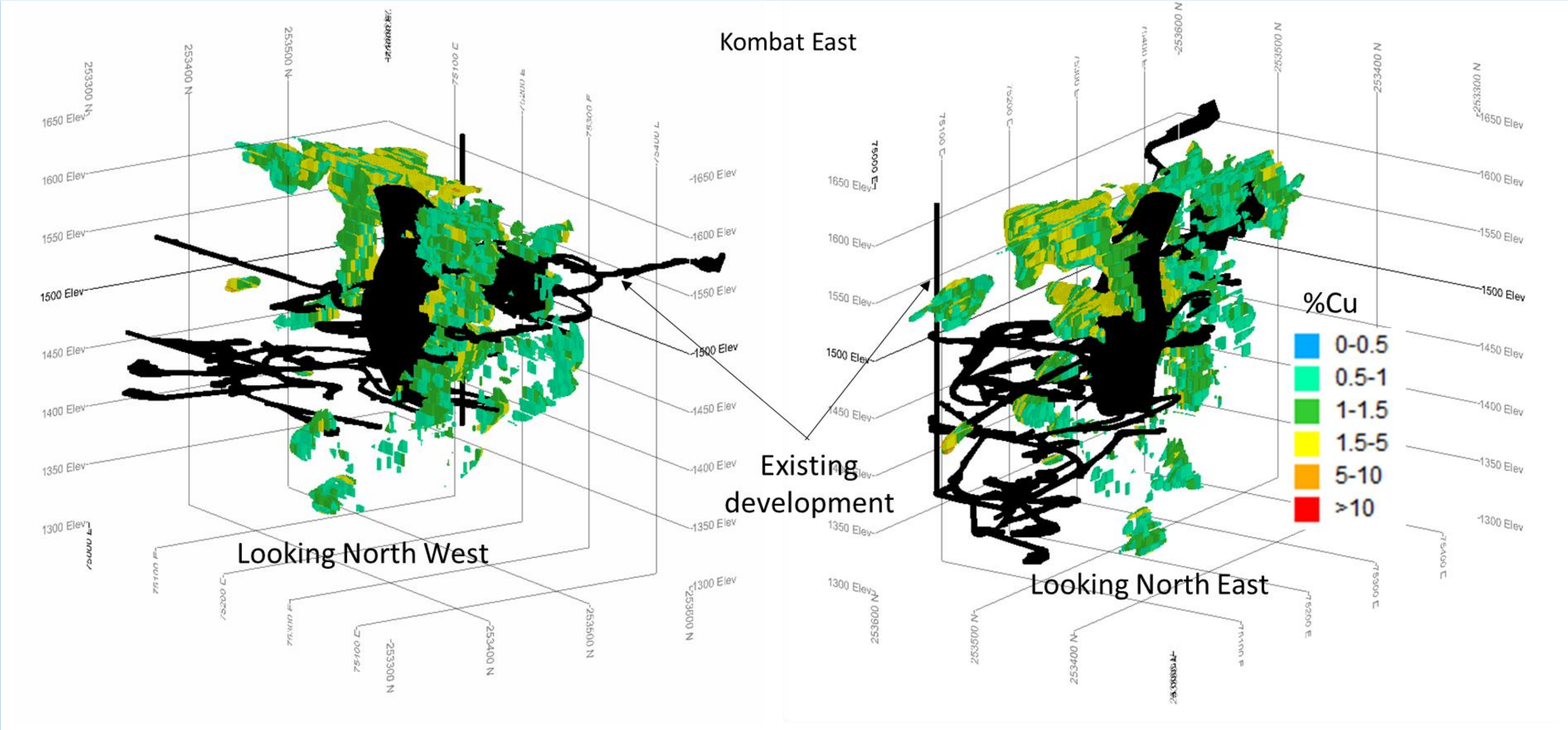


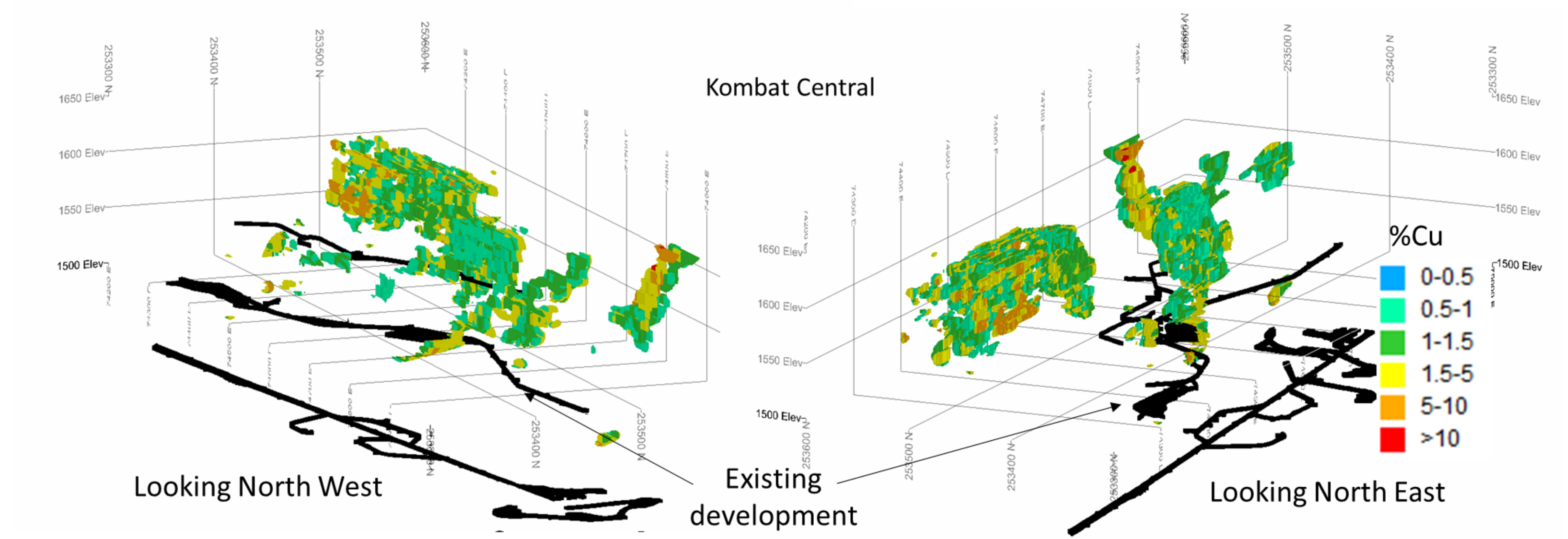
Figure 99 to Figure 103 show zoomed in figures of the grade estimation models of the various project areas at CuEq cut-offs in relation to the historical mining.

Figure 99: Kombat East Estimation Model at a CuEq Cut-Off of 0.60% with Historical Mining Voids



Kombat East Estimation Model at a CuEq Cut-Off of 0.60% with Historical Mining Voids | **February 2018**

Figure 100: Kombat Central Estimation Model at a CuEq cut-off of 0.60% with Historical Mining Voids

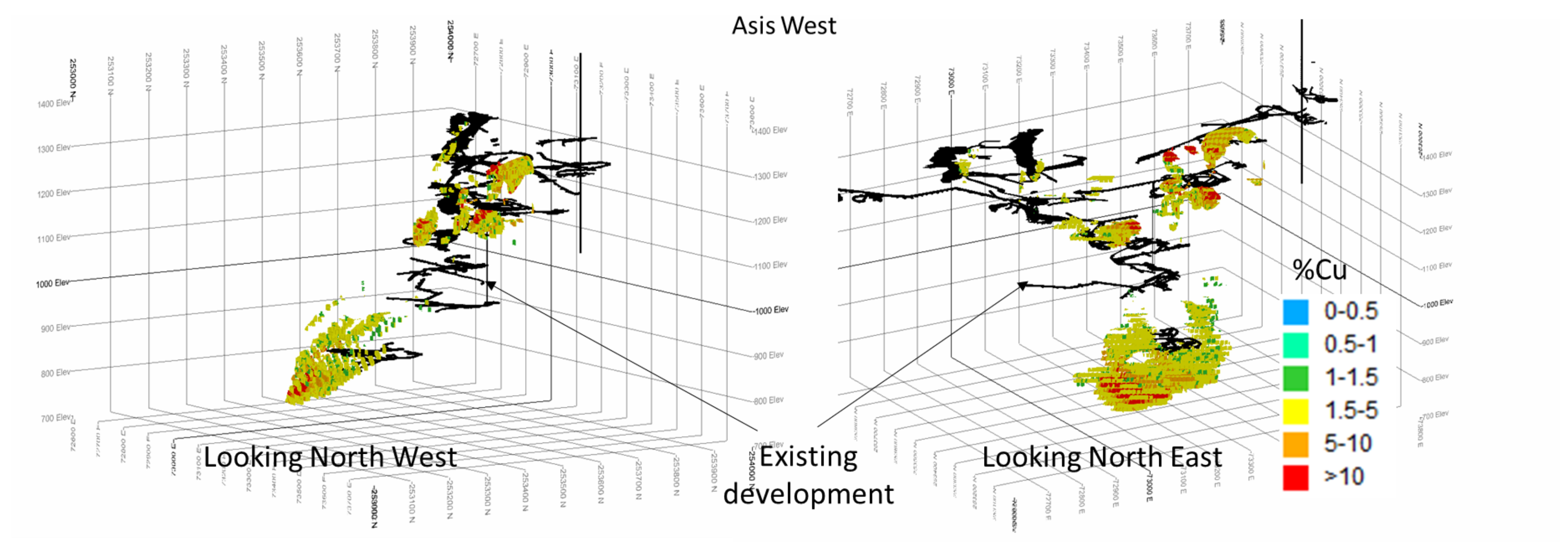


Kombat Central Estimation Model at a CuEq Cut-Off of 0.60% with Historical Mining Voids | **February 2018**

Figure 101: Kombat West Estimation Model at a CuEq cut-off of 0.60% with Historical Mining Voids

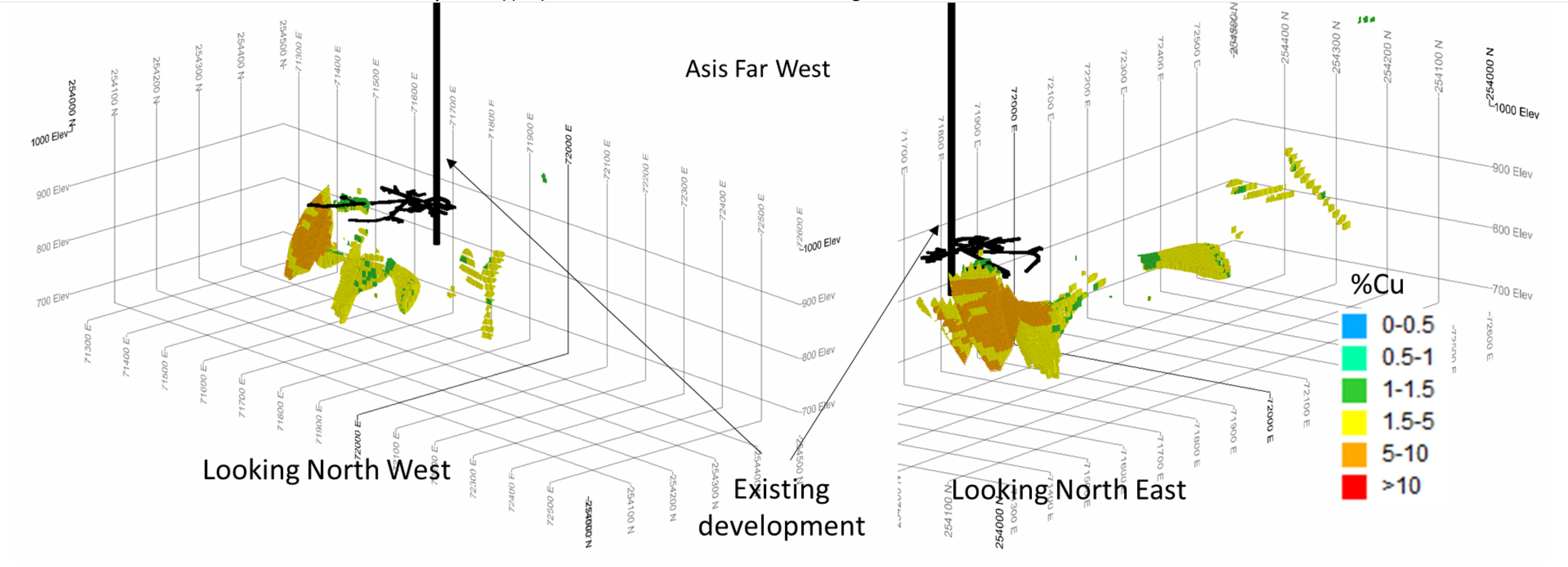
Kombat West Estimation Model at a CuEq Cut-Off of 0.60% with Historical Mining Voids	February 2018

Figure 102: Asis West Estimation Model at a CuEq cut-off of 1.40 % with Historical Mining Voids



Asis West Estimation Model at a CuEq Cut-Off of 1.40 % with Historical Mining Voids | **February 2018**

Figure 103: Asis Far West Estimation Model at a CuEq cut-off of 1.40 % with Historical Mining Voids



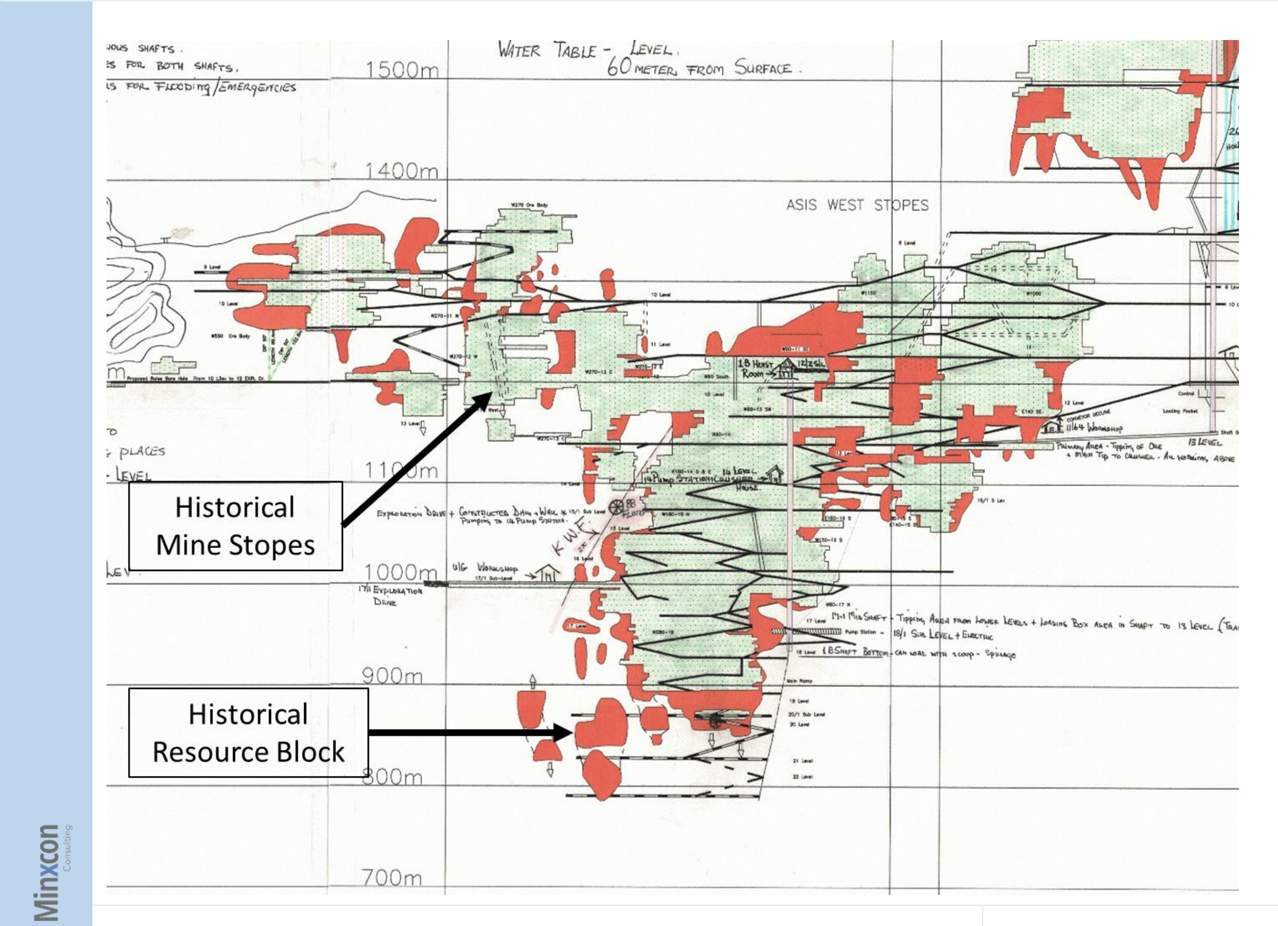
Asis Far West Estimation Model at a CuEq Cut-Off of 1.40 % with Historical Mining Voids	February 2018

Mining Depletions

The Mineral Resources for the Kombat operations were depleted based upon the available digital historical voids with regards the stoping and development. Review of Mine longitudinal sections however demonstrated that the stoping voids are largely incomplete. Minxcon thus digitized the most extensive stope outlines on longitudinal section on a per mine shaft basis and projected these through the entire project area towards the north in order to remove all mineralisation within the presented profile so as not to over-estimate the Mineral Resources.

Figure 104 below shows an example of one of the scanned longitudinal mine sections over Asis West which was digitised to conduct the additional depletions.

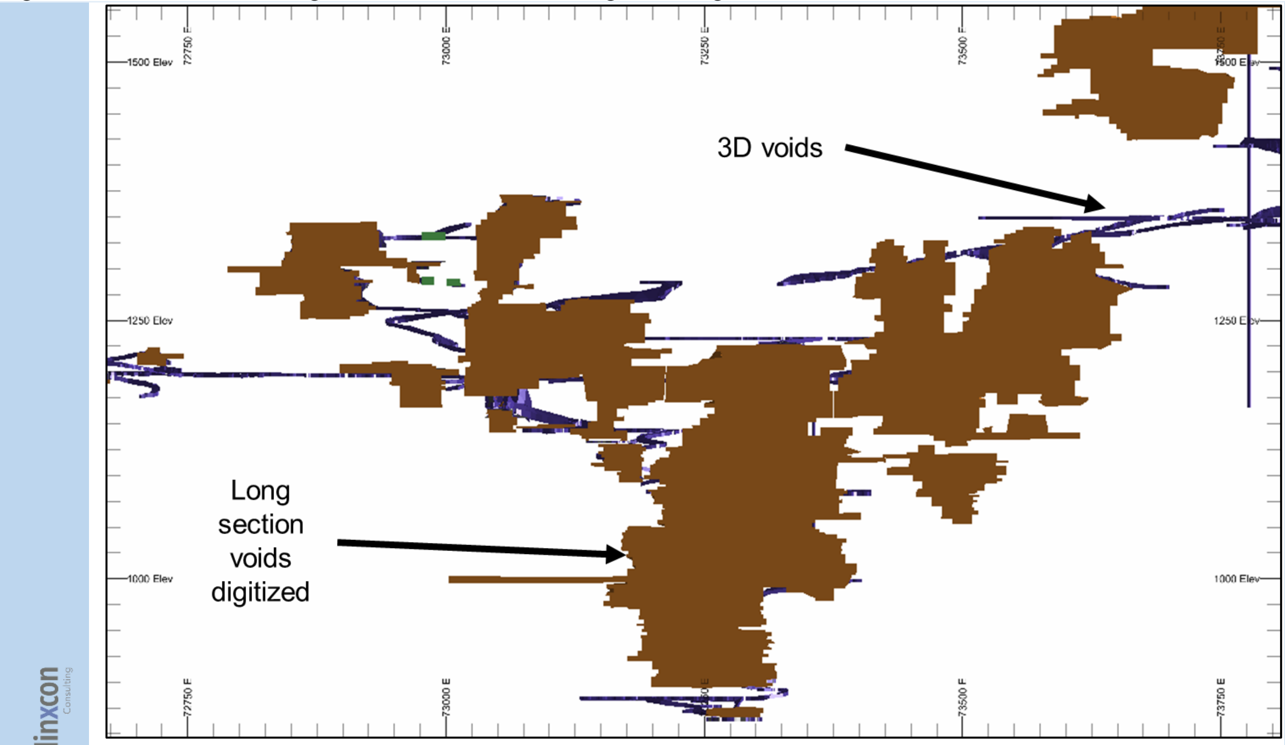
Figure 104: Historical Longitudinal Sections Showing the Mined-out Areas



Historical Longitudinal Sections Showing the Mined-out Areas	February 2018

Figure 105 depicts the comparative final digital constructed voids to the scanned section in Figure 104 with all the final development and stoping areas included.

Figure 105: Historical Longitudinal Section Showing Void Digitised into Datamine



Historical Longitudinal Section Showing Void Digitised into Datamine.	February 2018

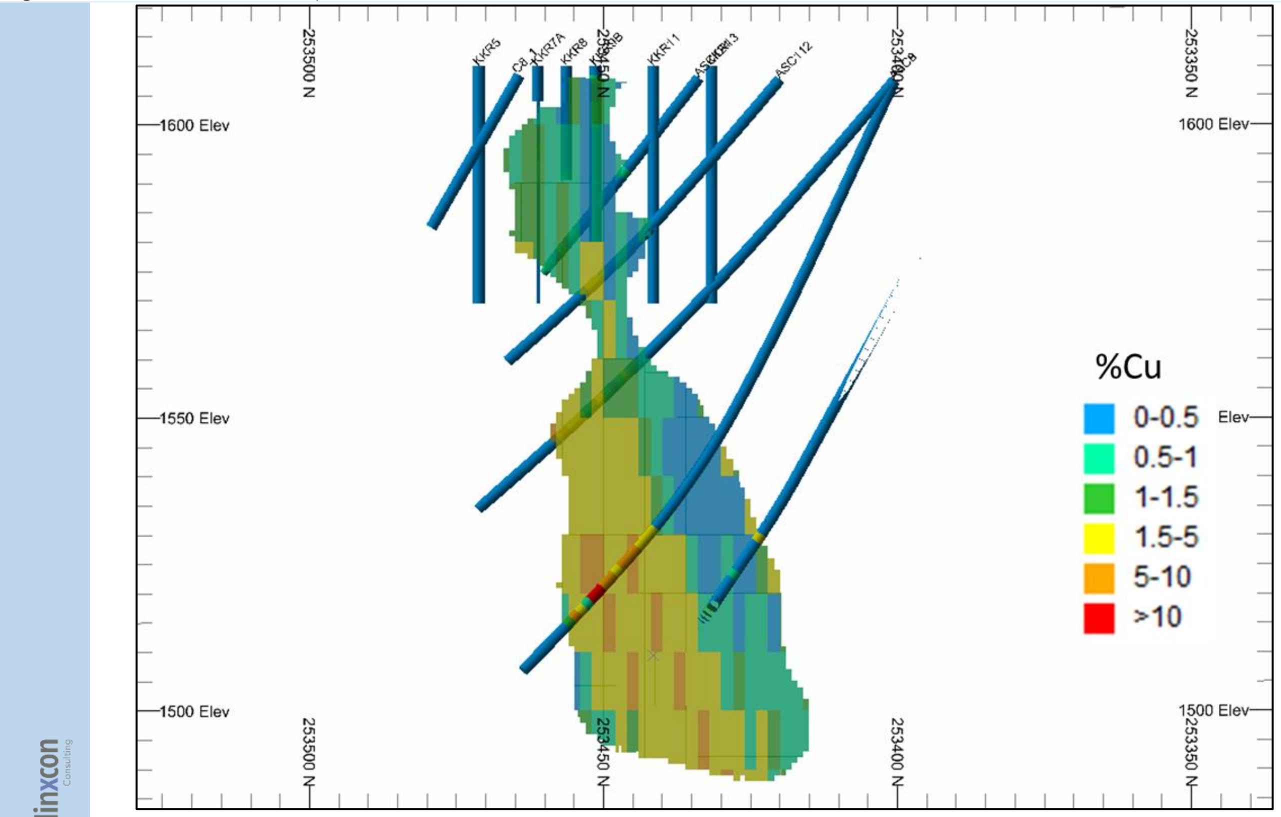
Block Model Validation

Visual Model Validation

The block model validation was carried out with regards a number of checks. During the block model grade interpolation, Minxcon conducted parallel Inverse Distance Squared (“ID^2”) and nearest neighbour estimates. A visual check and comparison with regard estimated block model values and drillhole values was also carried out on sections to ensure the estimate reflected the drillhole values.

The estimation of the 2017 drilling programme was validated visually and statistically. Figure 106 shows the additional drilling and the 2018 estimation. From the figure it is seen that the estimation honours the drilling values and the estimation has performed well with regards the delineation of the grade horizons.

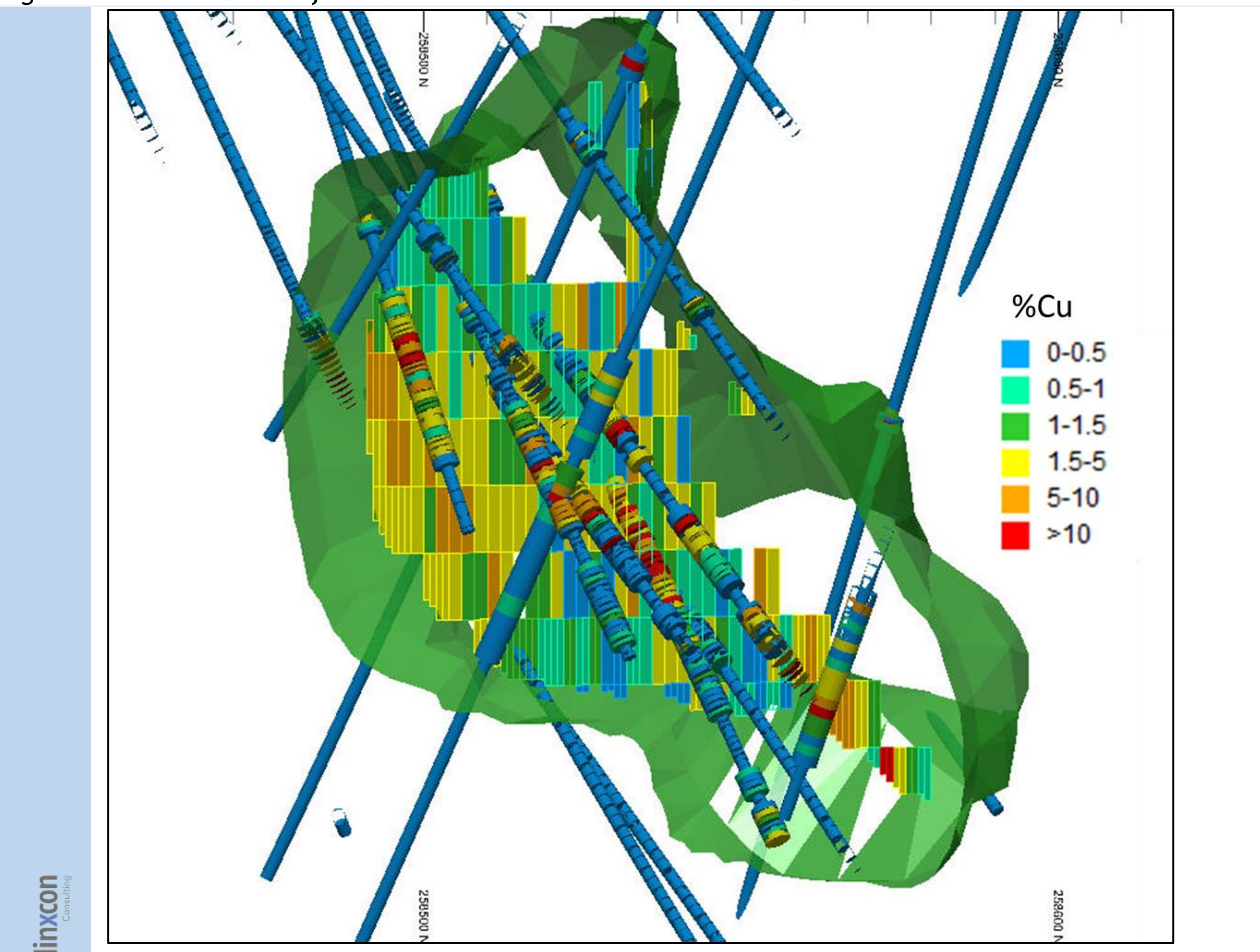
Figure 106: Visual Check of the 2018 Estimate versus the Drillhole Values Section Line 8



Visual Check of the 2018 Estimate versus the Drillhole Values Section Line 8 | **February 2018**

Figure 107 depicts a clipped section showing the high grade and low grade modelled areas corresponding with those of the drillholes.

Figure 107: Visual Check of the Otavi Model versus the Estimated Grade Model



Visual Check of the Otavi Model versus the Estimated Grade Model | **February 2018**

Scatterplot Model Validation

In addition, scatter plots of the estimated block value versus the average drillhole value for the models was carried out and show a good correlation between the Ordinary Kriging estimate and the drillhole values. These scatter plots for each of the three areas are presented below for both copper and lead.

Figure 108 shows the correlation between the copper estimate and the drillholes used followed by the same for lead for Kombat section. The copper estimate generated a correlation co-efficient of 0.963, while the lead estimate generated a correlation co-efficient of 0.957.

Figure 108 Kombat Section Scatter Plot of the Copper and Lead Estimation versus the Average Drillhole Values

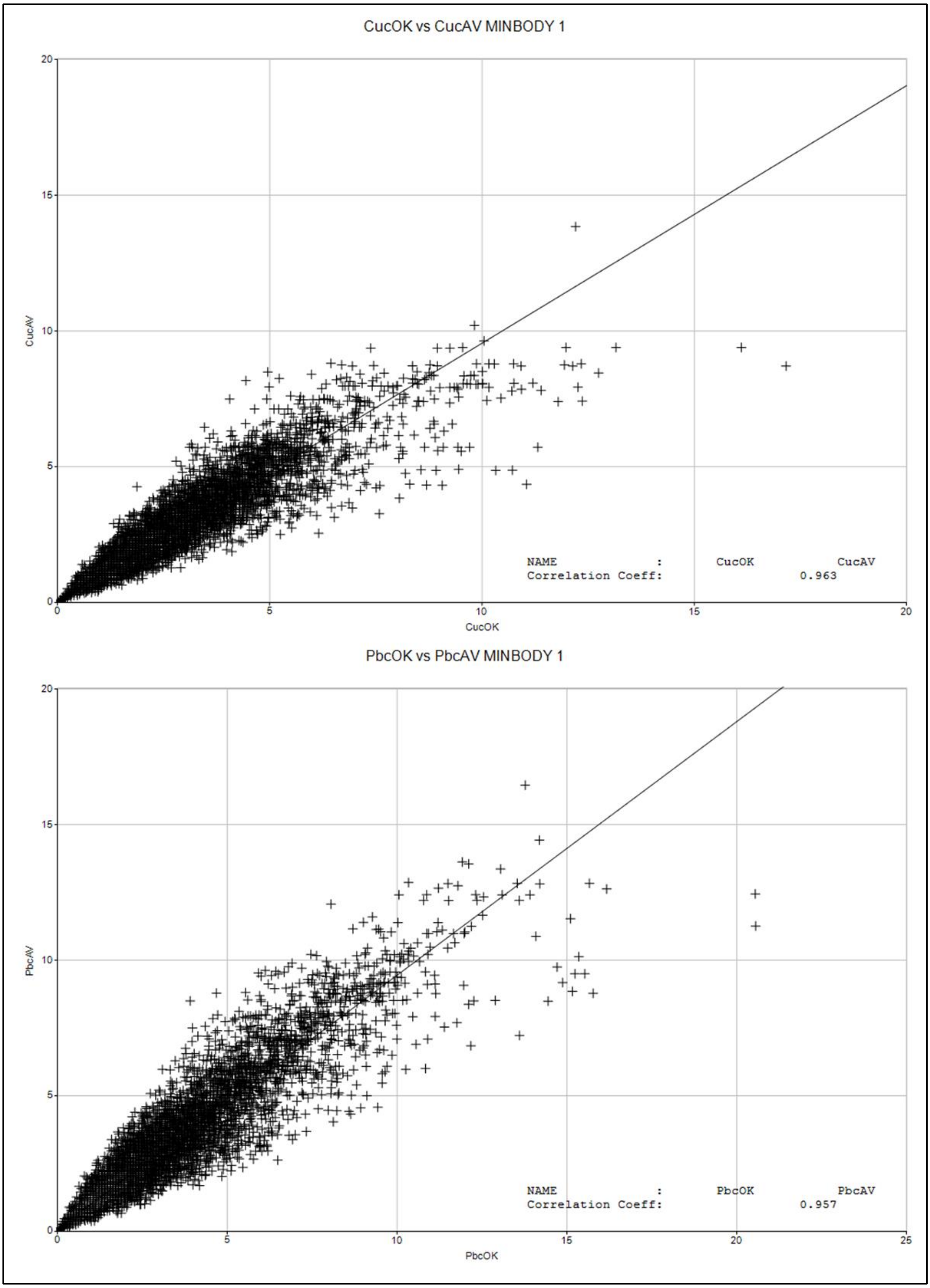


Figure 109 shows the correlation between the copper estimate and the drillholes used followed by the same for lead for the Asis section. The copper estimate generated a correlation co-efficient of 0.980, while the lead estimate generated a correlation co-efficient of 0.986.

Figure 109: Asis Section Scatter Plot of the Copper and Lead Estimation versus the Average Drillhole Values

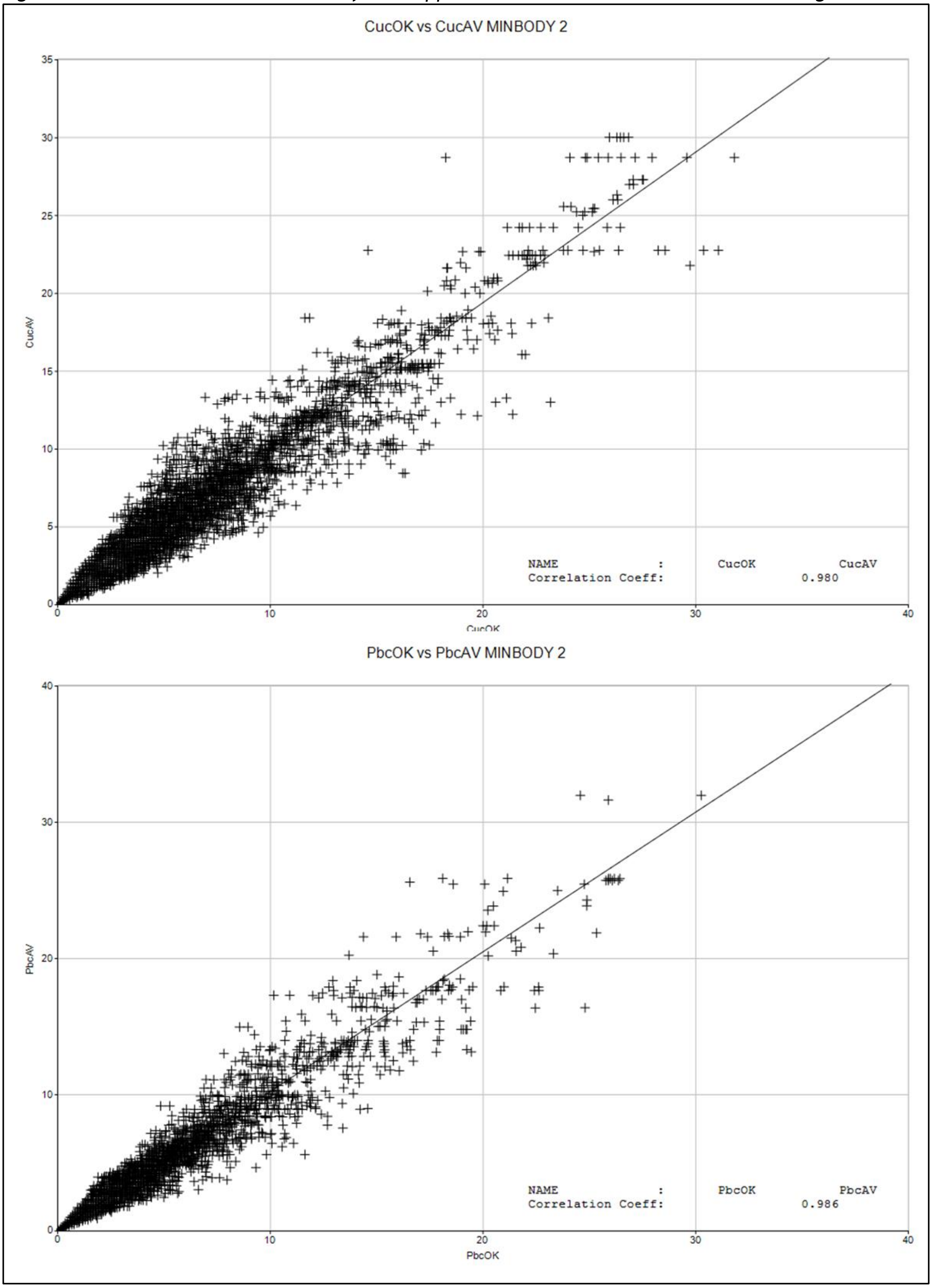
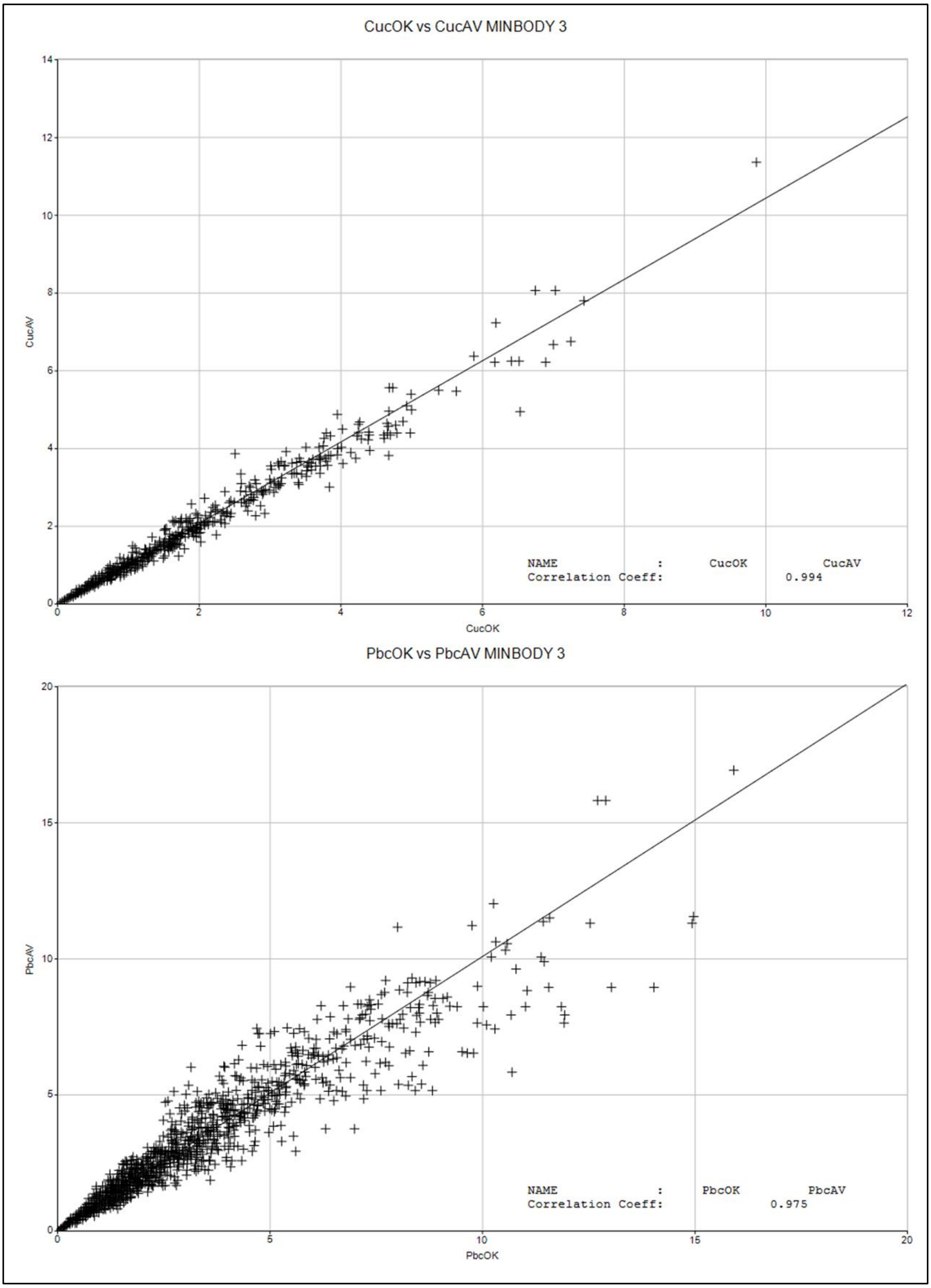


Figure 110 shows the correlation between the copper estimate and the drillholes used followed by the same for lead for the Otavi section. The copper estimate generated a correlation co-efficient of 0.994, while the lead estimate generated a correlation co-efficient of 0.975.

Figure 110: Otavi Section Scatter Plot of the Copper and Lead Estimation versus the Average Drillhole Values

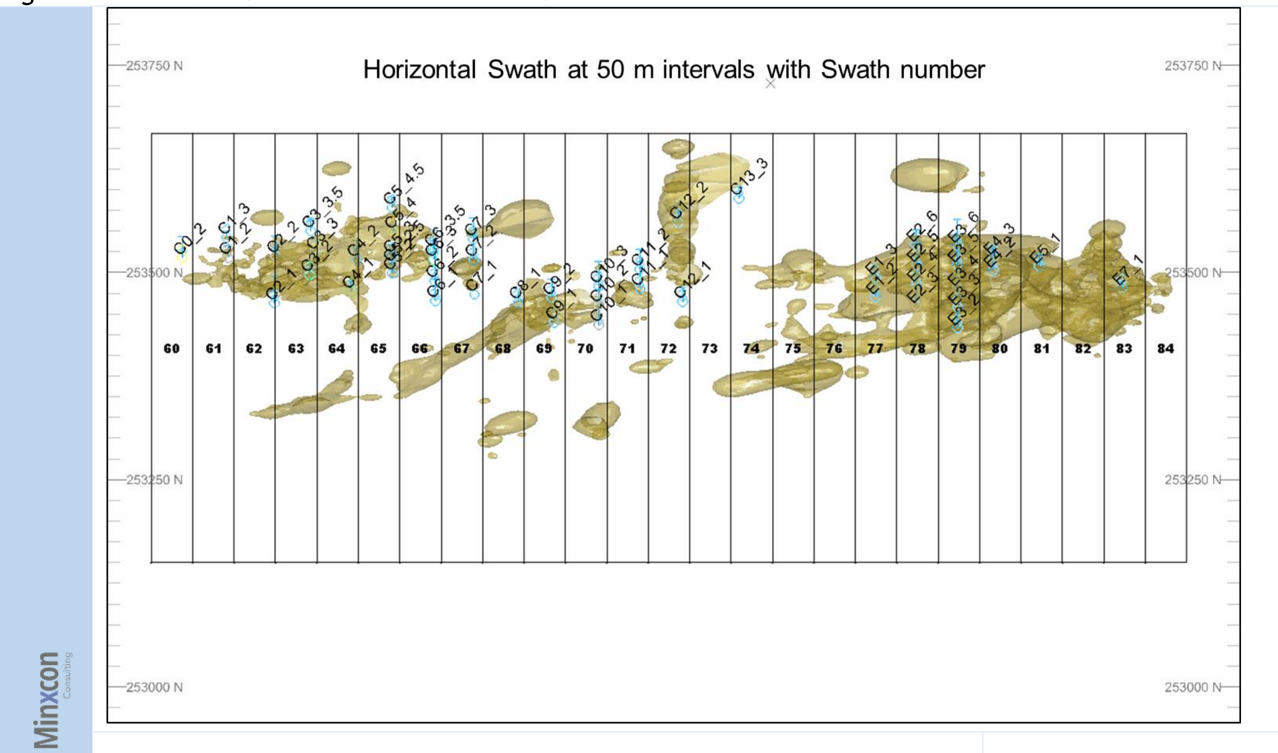


Swath Analysis Model Validation

A final validation was carried out by means of swath plots across the block model and the informing drillholes, both in plan view as well as in depth to compare the behaviour and estimation trends of the block model to that of the drillholes used to inform the block model.

Kombat section was included in the current drilling and the 2018 estimation. Due to the changes in the grade distribution a detailed analysis of the swaths was carried out. The Kombat section horizontal swaths were done on a spacing of 50 m and the vertical on 20 m. The swath numbers range from 60 to 84 and include the 2017 drilling for Kombat Central for the horizontal (Figure 111) and 41 to 49 for the vertical (Figure 112). The swath analysis was limited to the new 2017 drilling and estimation.

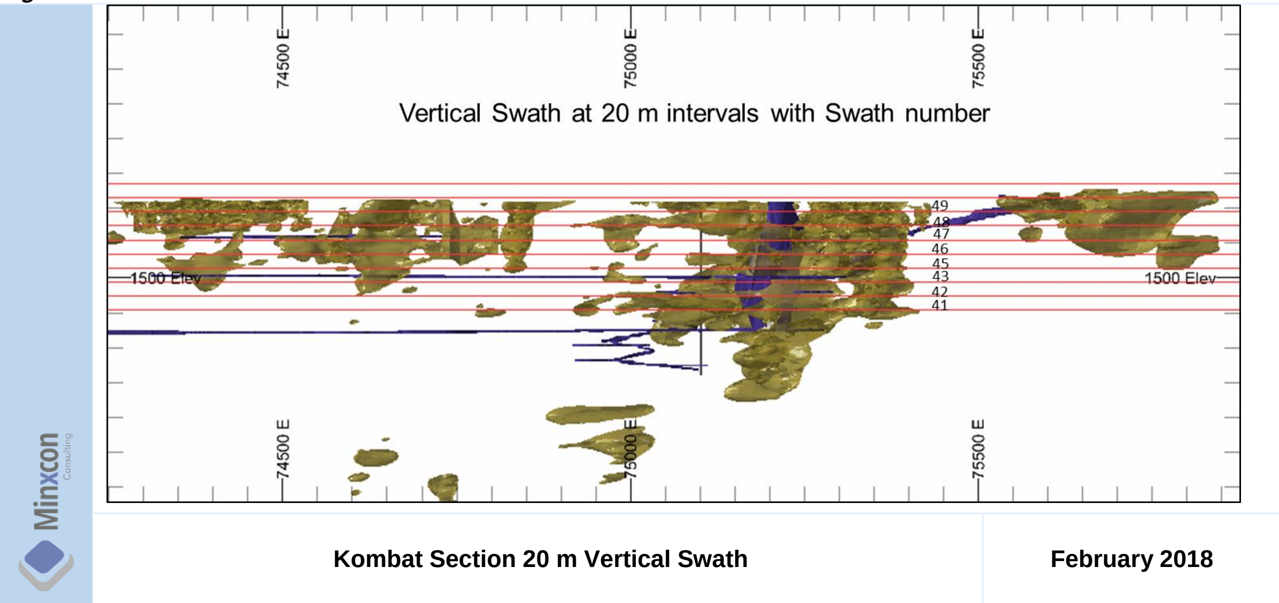
Figure 111: Kombat Section Horizontal 50 m Swaths



Kombat Section Horizontal 50 m Swaths

February 2018

Figure 112: Kombat Section 20 m Vertical Swath



The result of the west to east swath analysis for copper for Kombat sections is presented in Figure 113 for the Cu and Figure 114 for the Pb . The Cu grade and the Pb grade follow the trends of the drillhole data and show a good correlation to the drilling.

Figure 113: Kombat Section Swath Analysis of the Cu Estimated Grade and the Drillhole Grade

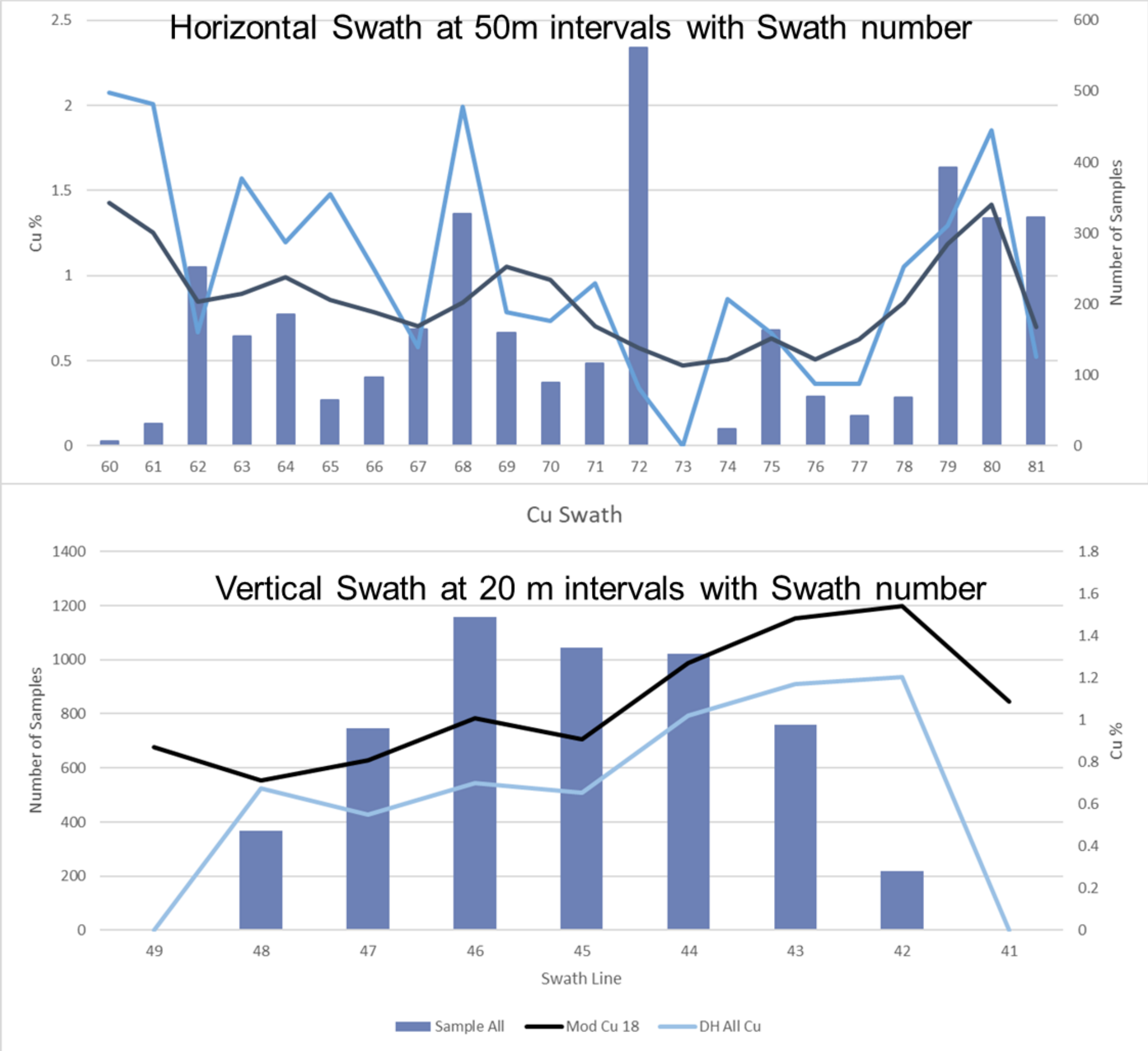
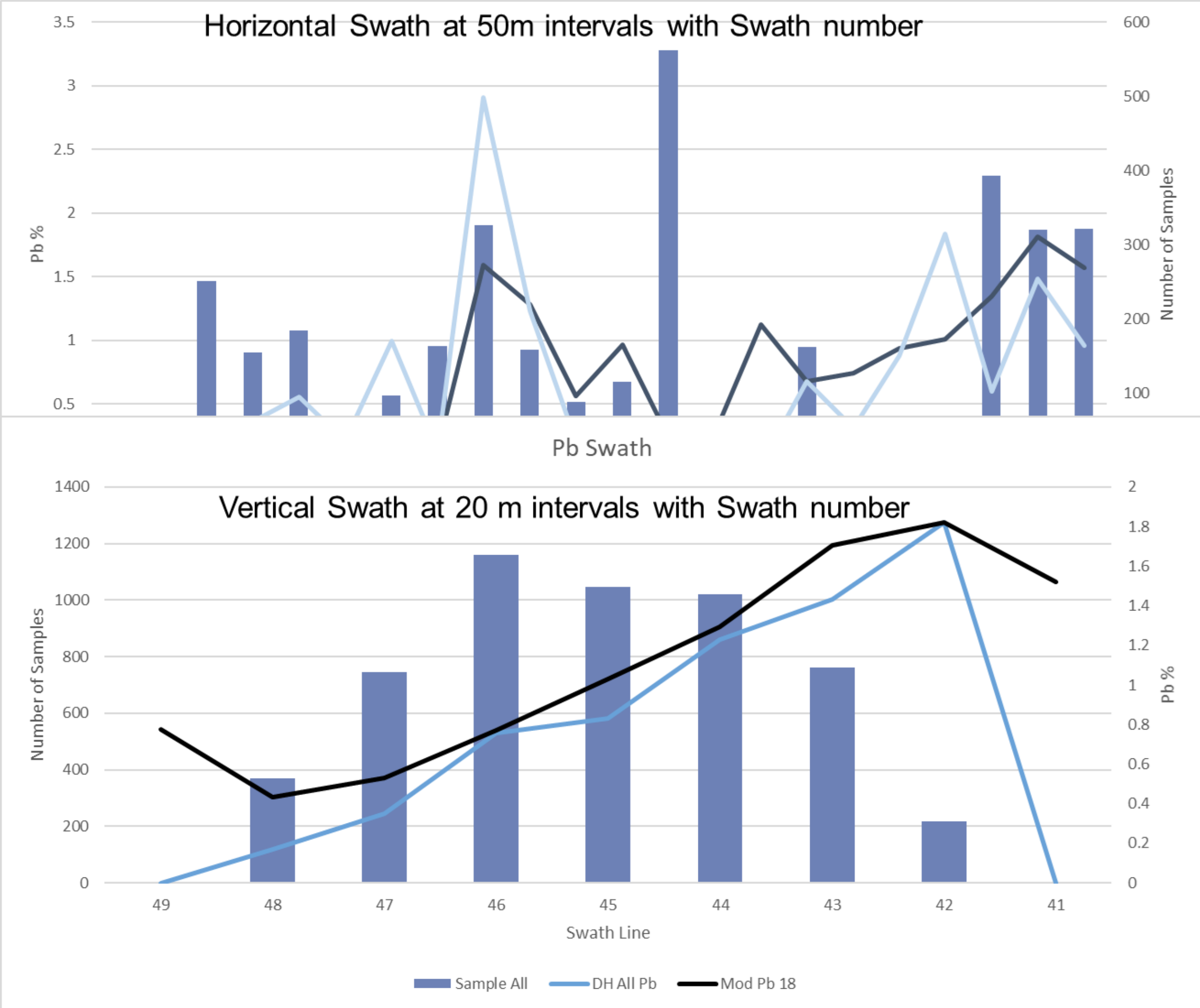


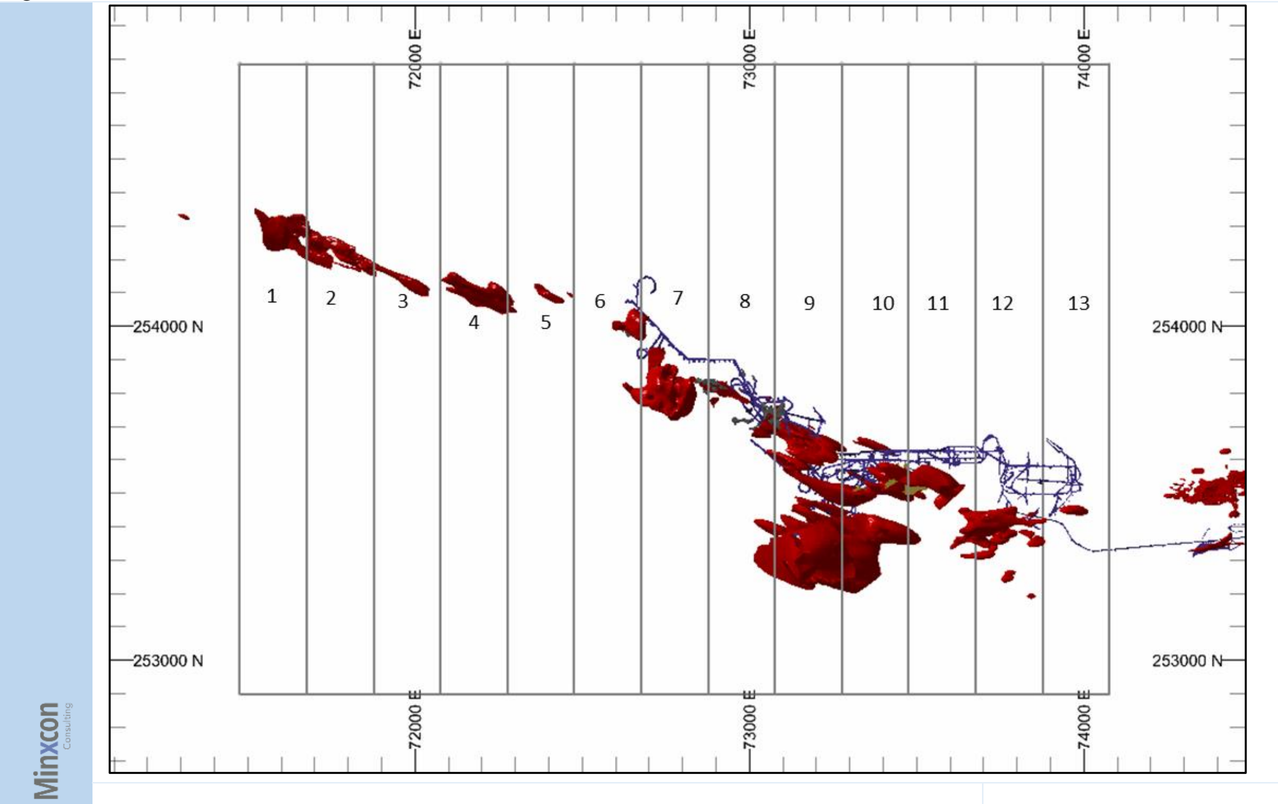
Figure 114: Kombat Section Swath Analysis of the Pb Estimated Grade and the Drillhole Grade



The swath widths in a north to south orientation for the Asis sections were set at 200 m and numbered in sequence from west to east resulting in 13 swaths. The vertical swaths were conducted in 100 m layers from the surface down rendering a total of 10 swaths numbered top-down.

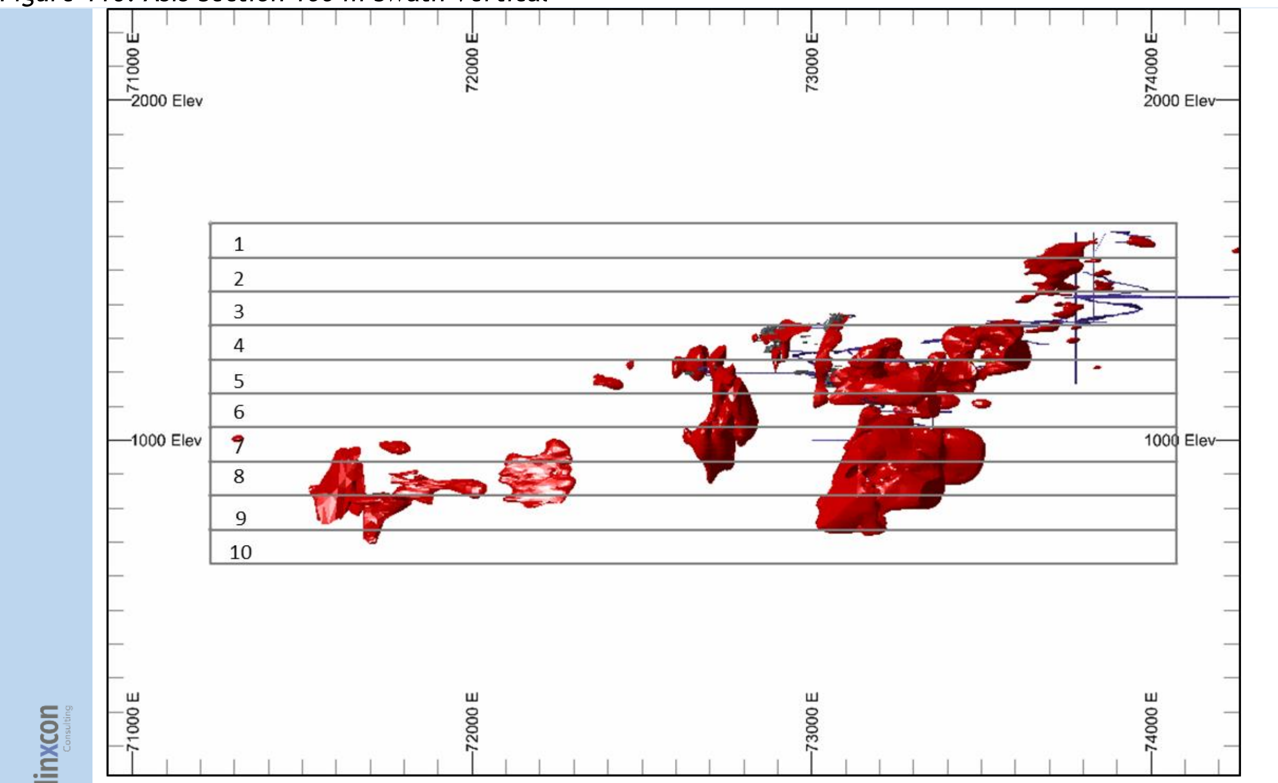
Asis section swath analysis and the overview plan (Figure 115 and Figure 116) shows the location of the 11 swaths for the west to east comparison and the relative elevation of the 10 swaths utilised in the vertical analysis.

Figure 115: Asis Section 200 m Swaths Horizontal



Asis Section 200 m Swaths Horizontal **February 2018**

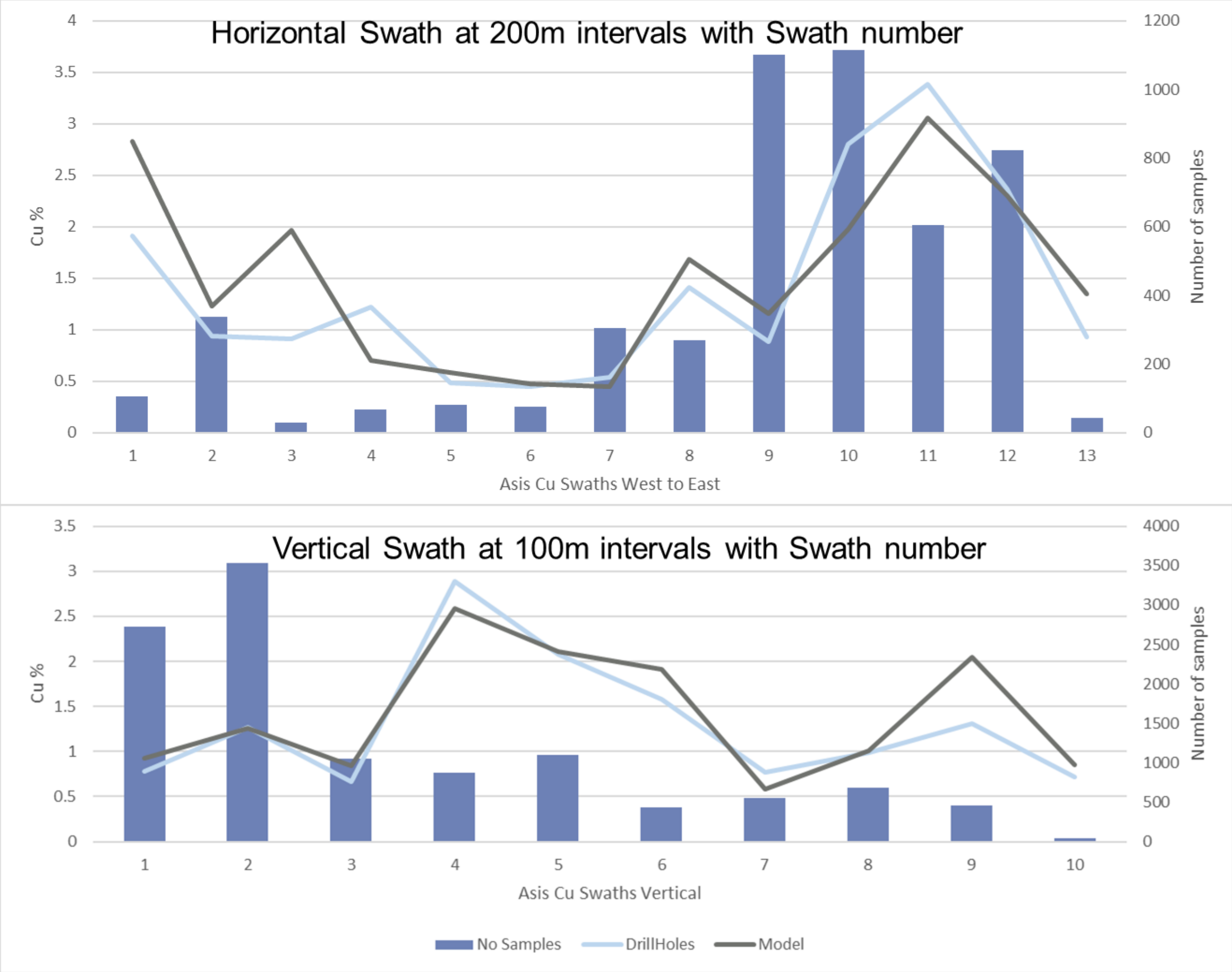
Figure 116: Asis Section 100 m Swath Vertical



Asis Section 100 m Swath Vertical **February 2018**

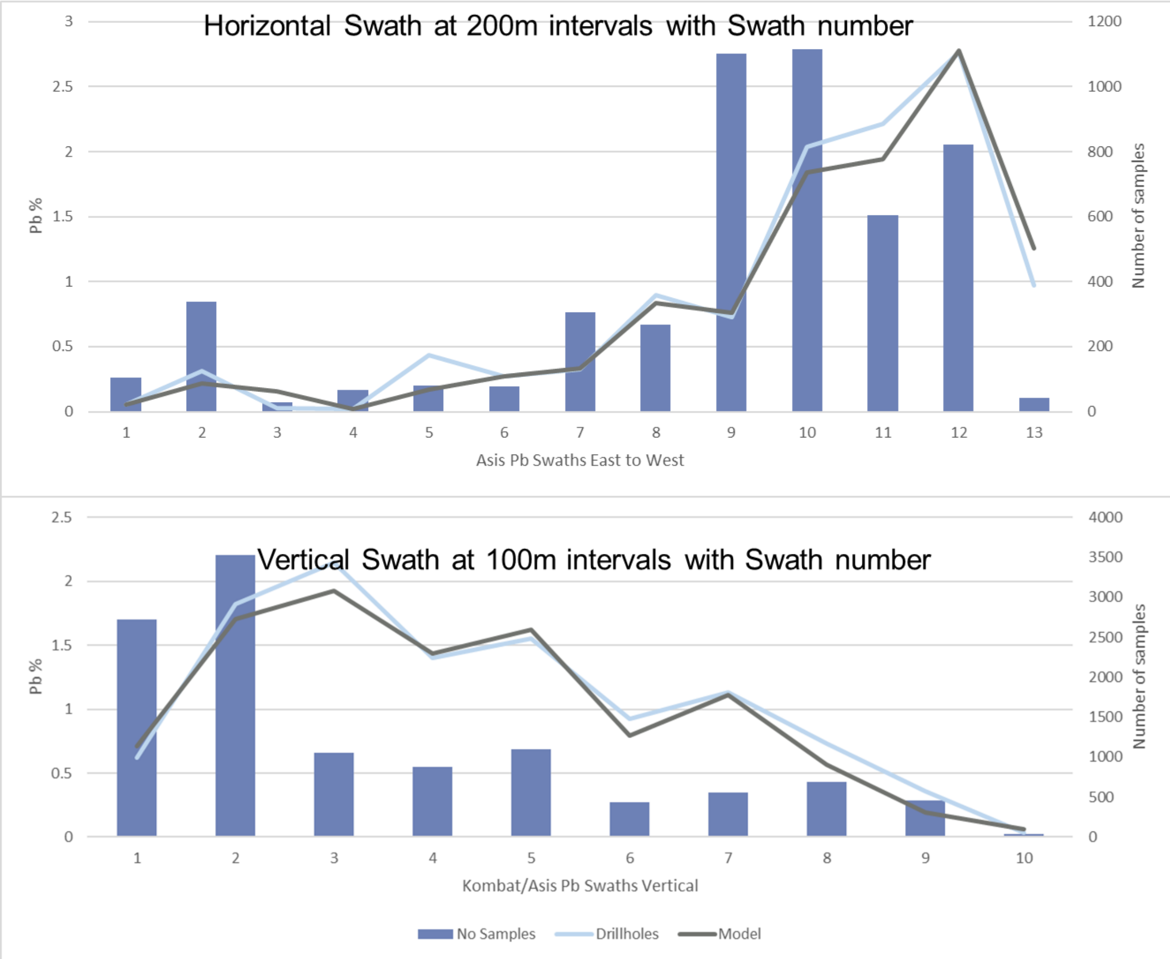
The result of the west to east swath analysis for copper for Asis sections is presented in Figure 117. It is immediately evident that the grade trends of the model largely reflect the trends of the informing drillholes. The vertical swath plot at the bottom of Figure 117 also depicts a close local correlation between the model and the informing drillholes.

Figure 117: Asis Section Copper Swath Analysis East to West and Vertically



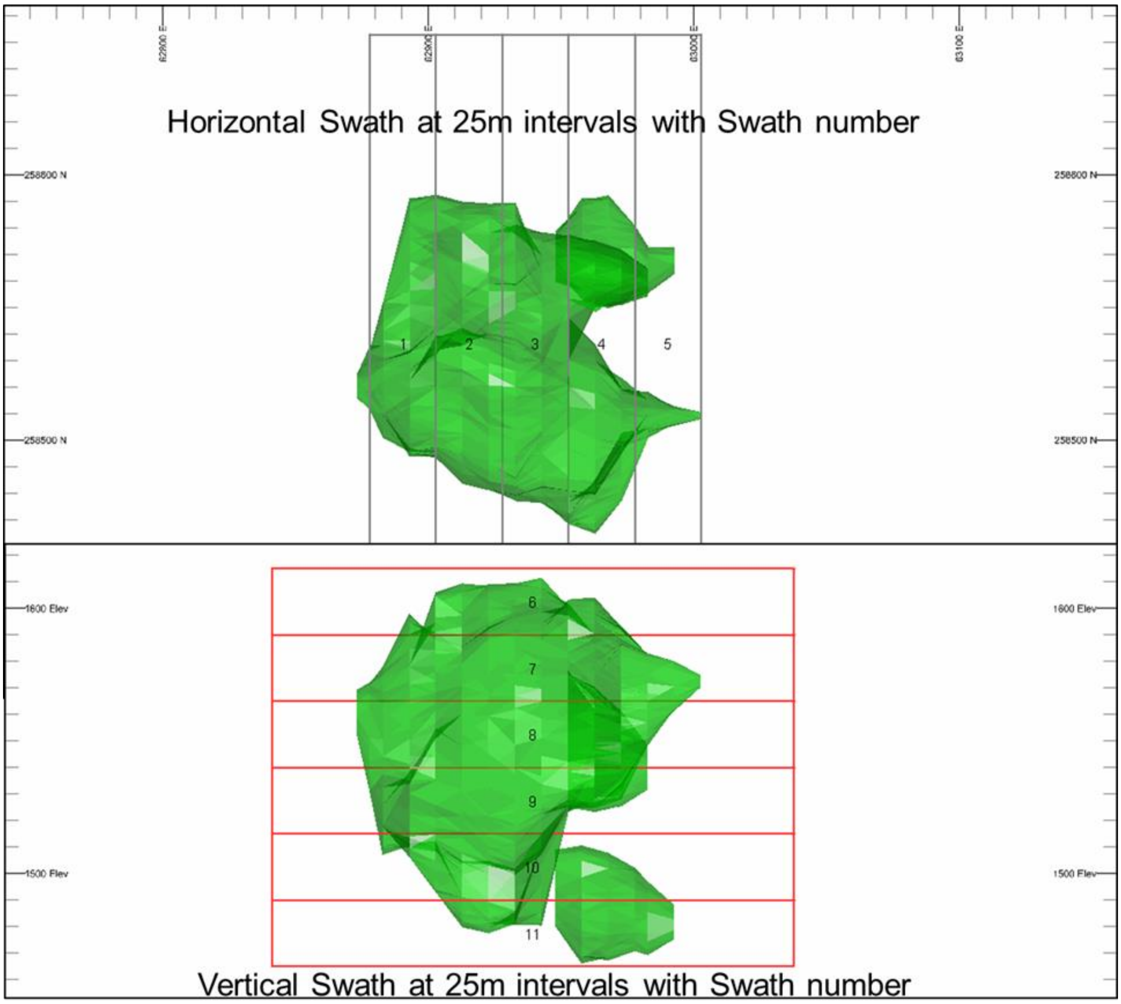
The result of the west to east swath analysis for lead for Asis sections is presented in Figure 118. It is evident that the grade trends of the estimated model largely reflect the trends of the informing drillholes. The vertical swath plot at the bottom of Figure 118 also depicts a close local correlation between the model and the informing drillholes.

Figure 118: Kombat/Asis Section Lead Swath Analysis East to West and Vertically



The Otavi section swath analysis and the overview plan (Figure 119) shows a total of five swaths were conducted at 25 m intervals from west to east on strike while six were generated for the vertical swath analysis which were numbered sequentially top –down. Swath spacing was small due to the relatively small size of the Otavi orebody.

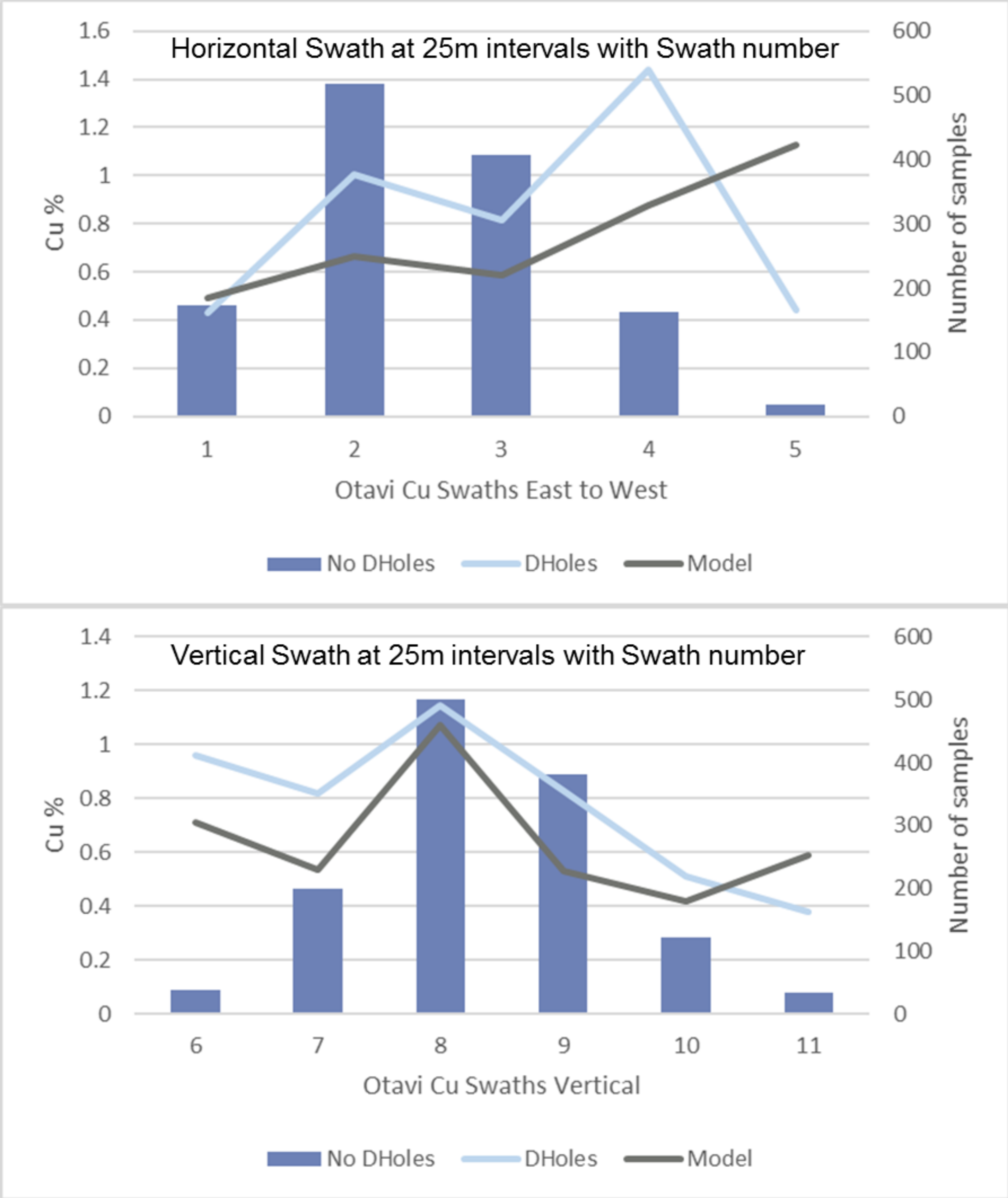
Figure 119: Otavi Section Swath Plan and Section



Otavi Section Swath Plan and Section | **February 2018**

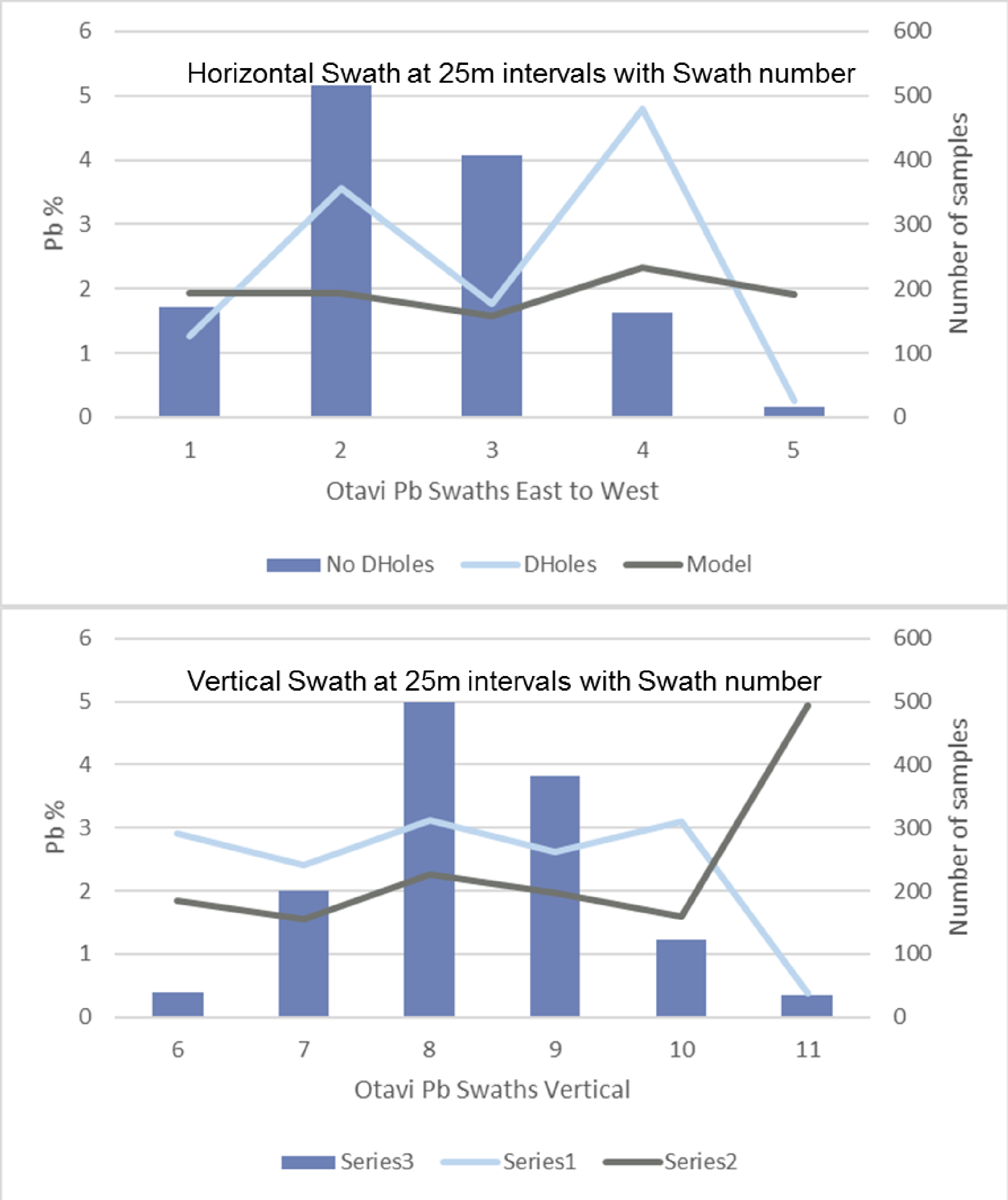
The result of the west to east swath analysis for copper for Otavi is presented in Figure 120. The grade trends of the model largely reflect the trends of the informing drillholes. The vertical swath plot at the bottom of Figure 120 also depicts a close local correlation between the model and the informing drillholes.

Figure 120: Otavi Section Copper Swath Analysis East to West and Vertically



The result of the west to east swath analysis for lead for Otavi is presented in Figure 121. The grade trends of the model largely reflect the trends of the informing drillholes. The vertical swath plot at the bottom of Figure 121 also depicts a close local correlation between the model and the informing drillholes.

Figure 121: Otavi Section Lead Swath Analysis East to West and Vertically



Item 14 (b) – Disclosure Requirements for Resources

All Mineral Resources have been categorised and reported in compliance with the definitions embodied in the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council (incorporated into NI 43-101). As per CIM Code specifications, Mineral Resources have been reported separately in the Measured, Indicated and Inferred Mineral Resource categories. Inferred Mineral Resources have been reported separately and have not been incorporated with the Measured and Indicated Mineral Resources.

Item 14 (c) – INDIVIDUAL GRADE OF METALS

Mineral Resource Classification

The Mineral Resource has been classified as an Inferred and Indicated Mineral Resource. The Indicated Mineral Resource is limited to the Kombat section where new 2017 drilling has increased the confidence in the estimation model.

The Indicated Mineral Resource is limited to the 2017 drilling as QAQC and industry standards were adhered to with this programme. The Indicated classification is limited to only Mineral Resources that fall within the proposed open pit, have at least two drillholes informing the estimation and are within the first range of the variogram.

Although QAQC from the 2012-2015 drilling programmes are available and no fatal flaws were identified in these checks, the historical drilling predating the 2012 drilling campaign does not have the robust QAQC required to improve the Mineral Resource classification. In addition, no underground stope sampling was available, nor any detailed stope outlines or stope voids to conduct accurate depletions of the modelled grade shells. In some instances, the grade shells had to be generated and expanded to encompass historic mined out areas where it was assumed that the grade was sufficient to warrant mining.

It is Minxcon's view that due to the reasons cited above, an Inferred Mineral Resource classification is warranted. The Inferred Mineral Resource classification is also warranted (as opposed to only being referred to as an Exploration Target) due to the fact that the dataset is extremely large due to the long mining history. In addition, the drillhole dataset was found to be in good condition and easily traceable back to drillhole hardcopies currently stored on the mine. Previous operational staff were also prepared to vouch for the quality of the data and also expressed agreement with the Minxcon modelled interpretation.

Item 14 (d) – FACTORS AFFECTING MINERAL RESOURCE ESTIMATES

Depletions

Owing to the uncertainty surrounding the exact location of the 3D stoping voids, Minxcon is of the view that the depletion should and does play a significant role in the Mineral Resource classification. It is possible that the final tabulated Mineral Resources might produce a somewhat over-depleted tonnage due to the methodology employed in depleting right through all the mineralised zones, hence the Inferred Mineral Resource classification. It is Minxcon's view that the depletions as conducted might be aggressive in their application, thus resulting in a slightly conservative tonnage estimate.

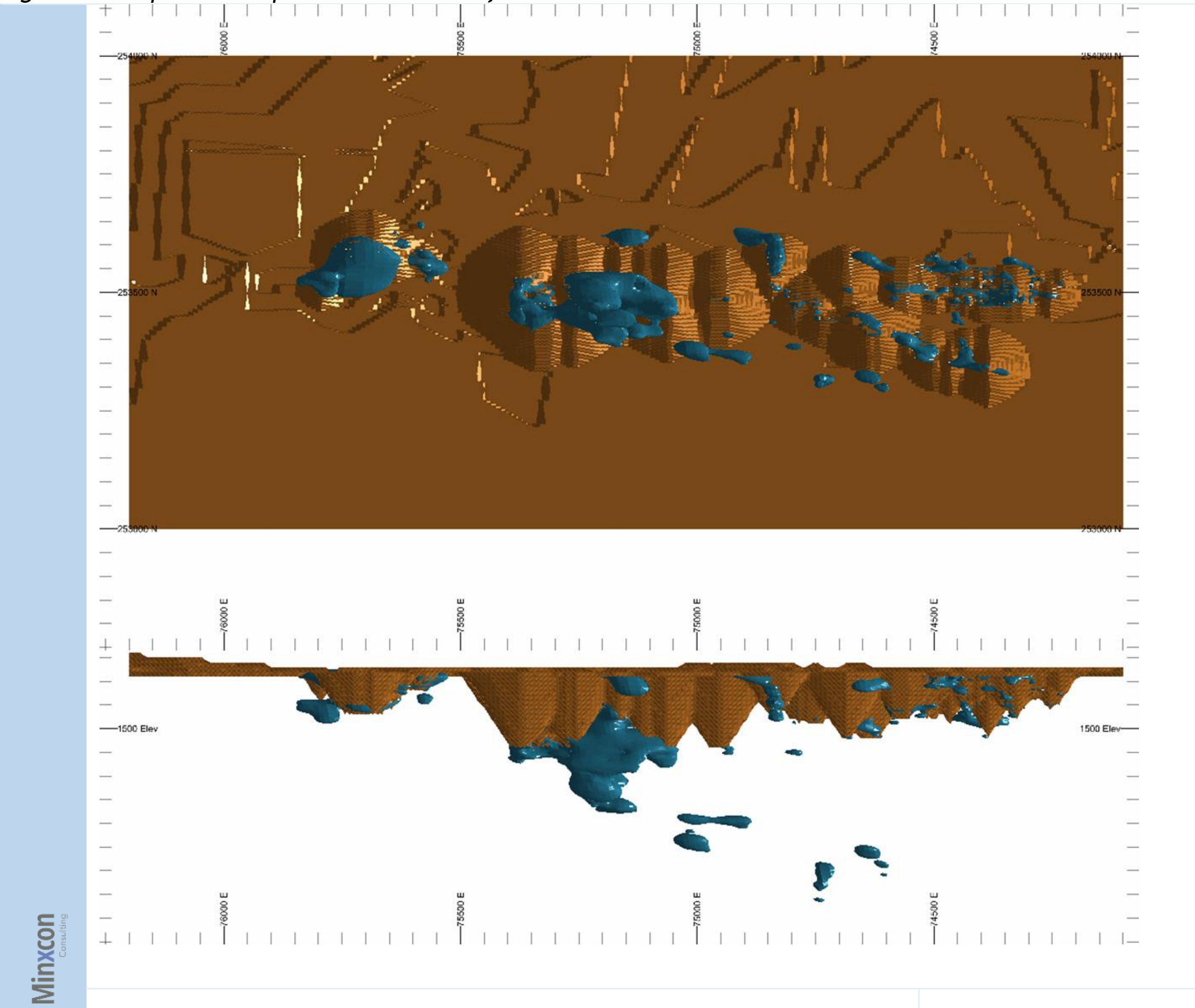
Pit Optimisation

In order to determine the quantities of material offering "reasonable prospects for eventual economic extraction" by means of an open pit, Minxcon used a pit optimiser together with reasonable mining assumptions to evaluate the proportions of the block models that could be "reasonably expected" to be mined from an open pit. The results are used as a guide to assist in the preparation of a Mineral Resource statement, as well as to select an appropriate Mineral Resource reporting cut-off grade.

The pit optimisation shows that a maximum depth of 150 m at a cut-off grade of 0.60% Cu with 70% Cu recovery (or 6.40% for Pb with a 25% Pb recovery) is possible for the Kombat open pits, while the Otavi area the same depth limit is reached at a copper cut-off of 0.77% Cu with a 70% recovery (or 2.00% Pb at 80% Pb plant recovery). The 150 m has been used as a Mineral Resource depth cut-off to delineate Mineral Resources exploitable by means of open pit. Mineral Resources deeper than 150 m are declared at a higher cut-off grade due to being only economically exploitable by means of underground mining.

The final optimised pits over the Kombat section are presented in Figure 122 below. The top diagram presents a plan view of the area under consideration, while the underlying diagram presents the corresponding longitudinal section.

Figure 122: Optimised Open Pit Simulation for the Kombat Section



Optimised Open Pit Simulation for the Kombat Section | **February 2018**

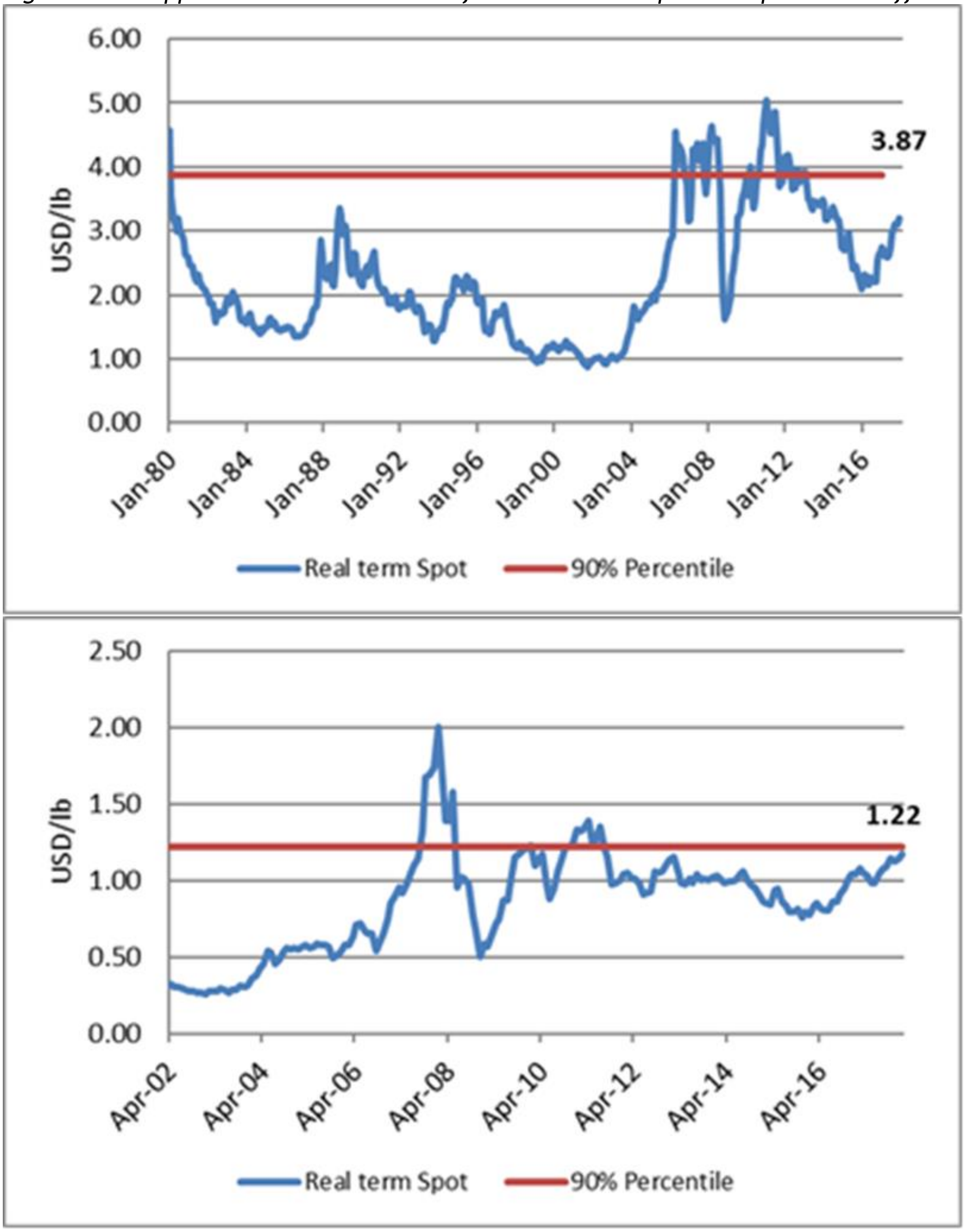
Cut-off Parameters

The Mineral Resource cut-off grades for the respective open pit and underground accessible Mineral Resources were based upon optimistic mining considerations. The Mineral Resource cut-offs should not be considered in terms of Mineral Reserves, but as a long-term view based on realistic operational and processing costs, as well as long term projected commodity prices as explained in the paragraph below.

The cut-off for the mining operation, for the initial Mineral Resource, was based upon a copper price of USD7,033/t and a lead price of USD2,315/t, which represented the 80th percentile of the historical real term commodity prices since 1980. These commodity prices were rounded to USD3/lb and USD1/lb for copper and lead respectively after discussions with Trigon. The cut-off grades for Otavi and the underground Mineral Resource have not changed and are still based on the lower commodity prices.

However, for the Kombat open pit update, the cut-off for the Kombat open pit mining operation was based upon a copper price of USD8,535/t and a lead price of USD2,683/t, which represents the 90th percentile of the historical real term commodity prices since 1980 (Figure 123). These commodity prices in pounds (lb) are USD3.87/lb and USD1.22/lb for copper and lead respectively.

Figure 123: Copper and Lead Prices used for the Kombat Open Pit Update Cut-off Parameters



For the underground mining, a mining cost of USD47.52 per tonne was applied with an overhead mining cost of USD10.21 per tonne and a smelting and freight cost of USD14.70 per tonne. Processing cost for the plant was calculated at USD13.4 per tonne.

For the open pit calculations, the processing, smelting and overhead costs remained the same while a mining cost of USD1.68 per tonne was applied.

The recoveries for the copper were calculated at 70% for both Kombat and Otavi. Owing to the nature of the orebodies under consideration, lead recoveries are seen to vary significantly in relation to grade. The lead recoveries were calculated at 25% for Kombat and 80% for Otavi. The relevant %Cu cut-off values applicable to the different mining areas are presented in Table 22.

Table 22: Cut-off Values Relative to Cu and Pb Recovery Values as Calculated for Each Mining Area

Description	Cu Recovery	Pb Recovery	Cu Cut-off	Conversion Factor to CuEq
	%	%	%	
Kombat Open Pit	70.00	25.00	0.60	0.12
Otavi Open Pit	70.00	80.00	0.77	0.39
Underground %Cu	90.00	30.00	1.40	1.09

Mineral Resource Statement

The Mineral Resource statement for the Kombat operations is presented relative to the 150 m depth cut-off with respect to the possible employable mining strategy. The open pittable Mineral Resources are stated at copper equivalent ("CuEq") value of CuEq 0.60% for the Kombat section and 0.77% for the Gross Otavi, the underground mineable Mineral Resources are stated at the value of CuEq 1.4%. The conversion factor to copper equivalent is indicated in Table 22 above.

The Mineral Resources have been depleted for the Kombat and Asis sections as described in the preceding sections. No historical voids are available for the Otavi section, but it was indicated by mine personnel that very little development has taken place. This was evidenced by Minxcon personnel upon the site visit to Otavi. The Otavi section in the Mineral Resource has been discounted by 1% in order to account for historical mining with an additional 7.5% as a porosity factor due to the presence of karst voids. Density for the hard rock has been estimated based on the new density measurements taken in the 2017 drilling programme.

Inferred and Indicated Mineral Resources have been calculated for the Kombat operations and a 15% and 10% geological loss has been applied to the Inferred and Indicated Mineral Resource respectively. No tailings have been declared at a 0.4% Cu cut-off but are seen as an upside potential at 0.3% Cu cut-off. All Mineral Resources are limited to the property boundaries of the project area. Columns may not add up due to rounding. Inferred Mineral Resources have a low level of confidence and while it would be reasonable to expect that the majority of Inferred Mineral Resources would upgrade to Indicated Mineral Resources with continued exploration, due to the uncertainty of Inferred Mineral Resources, it should not be assumed that such upgrading will occur.

Table 23 presents the estimated Mineral Resources for the potential open pit areas.

Table 23: Open Pittable Mineral Resources for the Kombat Operations as at 28 February 2018

Mine Area	Mineral Resource Class	Tonnes	Density	Cu	Pb	Ag	Cu Content	Pb Content	Ag Content
		Mt	t/m³	%	%	ppm	t	t	kg
Kombat East	Indicated	0.951	2.82	1.03	0.92	1.01	9,806	8,721	961
Kombat Central	Indicated	0.578	2.81	1.32	0.41	5.96	7,623	2,341	3,440
Kombat West	Indicated	-	-	-	-	-	-	-	-
Total	**Indicated**	**1.529**	**2.82**	**1.14**	**0.72**	**2.88**	**17,428**	**11,062**	**4,401**
Kombat East	Inferred	0.318	2.81	0.91	0.42	1.87	2,888	1,322	593
Kombat Central	Inferred	0.264	2.82	1.29	0.61	5.70	3,412	1,612	1,508
Kombat West	Inferred	0.357	2.88	2.75	2.61	2.22	9,801	9,326	791
Total Kombat	**Inferred**	**0.939**	**2.84**	**1.71**	**1.31**	**3.08**	**16,101**	**12,260**	**2,892**
Otavi	Inferred	0.643	2.84	0.93	2.50	0.85	6,006	16,053	546
Total	**Inferred**	**1.582**	**2.84**	**1.40**	**1.79**	**2.17**	**22 107**	**28 313**	**3 437**
Open pit	**Total**	**3.111**	**2.83**	**1.27**	**1.31**	**2.47**	**39,535**	**39,375**	**7,838**

Note:

1. The open pit Mineral Resource is declared to a depth of 150 m with a CuEq cut-off of 0.60% for Kombat and 0.77% for Otavi.
2. A geological loss of 15% for the Inferred and 10% for the Indicated Mineral Resource has been applied.
3. The Mineral Resources are exclusive of Mineral Reserves.
4. Mineral Resources are reported as total Mineral Resources and are not attributed.

Table 24 presents the estimated Mineral Resources for the potential underground areas.

Table 24: Underground Mineral Resources for the Kombat Operations as at 28 February 2018

Mine Area	Mineral Resource Class	Tonnes	Density	Cu	Pb	Ag	Cu Content	Pb Content	Ag Content
		Mt	t/m³	%	%	ppm	t	t	kg
Kombat East	Inferred	0.079	2.86	1.93	2.25	0.71	1,521	1,773	56
Kombat Central	Inferred	0.023	2.89	2.23	3.86	8.39	514	890	193
Kombat West	Inferred	0.104	2.91	2.79	4.15	3.27	2,899	4,307	339
Kombat	**Inferred**	**0.206**	**2.89**	**2.40**	**3.39**	**2.86**	**4,934**	**6,971**	**588**
Asis West	Inferred	2.475	2.88	4.05	1.28	32.36	100,214	31,735	80,078
Asis Gap	Inferred	0.166	2.83	2.35	0.35	21.15	3,909	590	3,514
Asis Far West	Inferred	1.082	2.85	3.42	0.10	35.81	37,000	1,036	38,763
Asis	**Inferred**	**3.723**	**2.87**	**3.79**	**0.90**	**32.86**	**141,122**	**33,361**	**122,355**
Underground	**Total**	**3.929**	**2.87**	**3.72**	**1.03**	**31.29**	**146,056**	**40,331**	**122,943**

Note:

1. The underground Mineral Resource (below 150 m) is declared at a CuEq cut-off of 1.4%.
2. A geological loss of 15% for the Inferred and 10% for the Indicated Mineral Resource has been applied.
3. The Mineral Resources are exclusive of Mineral Reserves.
4. Mineral Resources are reported as total Mineral Resources and are not attributed.

Table 25 presents the total combined Mineral Resources for the Kombat operations.

Table 25: Combined Mineral Resources for the Kombat Operations as at 28 February 2018

Mine Area	Mineral Resource Class	Tonnes	Density	Cu	Pb	Ag	Cu Content	Pb Content	Ag Content
		Mt	t/m³	%	%	ppm	t	t	kg
Kombat East	Indicated	0.951	2.82	1.03	0.92	1.01	9,806	8,721	961
Kombat Central	Indicated	0.578	2.81	1.32	0.41	5.96	7,623	2,341	3,440
Kombat West	Indicated	-	-	-	-	-	-	-	-
Total	**Indicated**	**1.529**	**2.82**	**1.14**	**0.72**	**2.88**	**17,428**	**11,062**	**4,401**
Kombat East	Inferred	0.397	2.85	1.11	0.78	1.63	4,409	3,096	648
Kombat Central	Inferred	0.287	2.84	1.37	0.87	5.92	3,926	2,502	1,701
Kombat West	Inferred	0.461	2.88	2.76	2.96	2.45	12,700	13,633	1,130
Otavi	Inferred	0.643	2.84	0.93	2.50	0.85	6,006	16,053	546
Asis West	Inferred	2.475	2.88	4.05	1.28	32.36	100,214	31,735	80,078
Asis Gap	Inferred	0.166	2.83	2.35	0.35	21.15	3,909	590	3,514
Asis Far West	Inferred	1.082	2.85	3.42	0.10	35.81	37,000	1,036	38,763
Total	**Inferred**	**5.511**	**2.86**	**3.05**	**1.25**	**22.93**	**168,163**	**68,644**	**126,380**
Total (Indicated & Inferred)		**7.040**	**2.85**	**2.64**	**1.13**	**18.58**	**185,591**	**79,706**	**130,781**

Note:

1. The open pit Mineral Resource is declared to a depth of 150 m with a CuEq cut-off of 0.60% for Kombat and 0.77% for Otavi.
2. The underground Mineral Resource (below 150 m) is declared at a CuEq cut-off of 1.4%.
3. A geological loss of 15 % for the Inferred and 10% for the Indicated Mineral Resource has been applied
4. The Mineral Resources are exclusive of Mineral Reserves.
5. Mineral Resources are reported as total Mineral Resources and are not attributed.

Figure 124 shows the grade tonnage curves for copper for the Kombat section.

Figure 124: Kombat Section Copper Grade Tonnage Curve

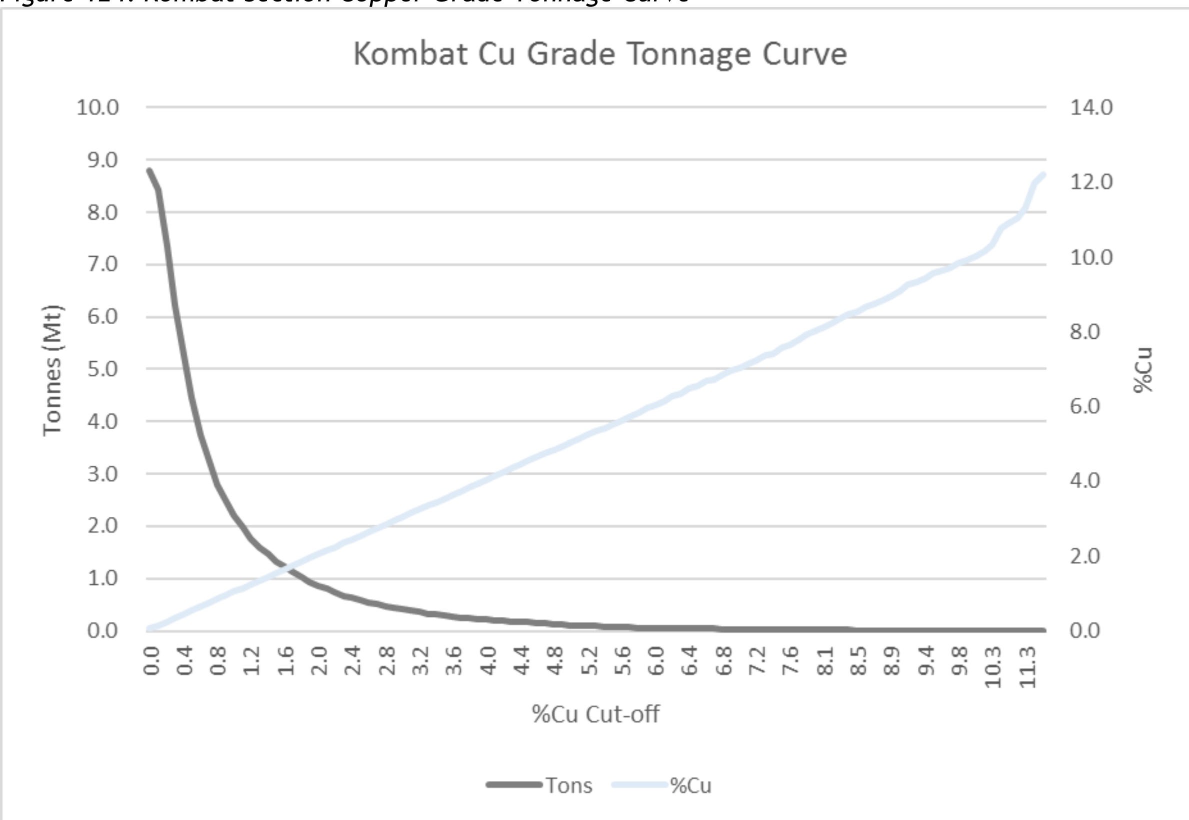


Figure 125 shows the grade tonnage curves for copper for the Asis section.

Figure 125: Asis Mine Copper Grade Tonnage Curve

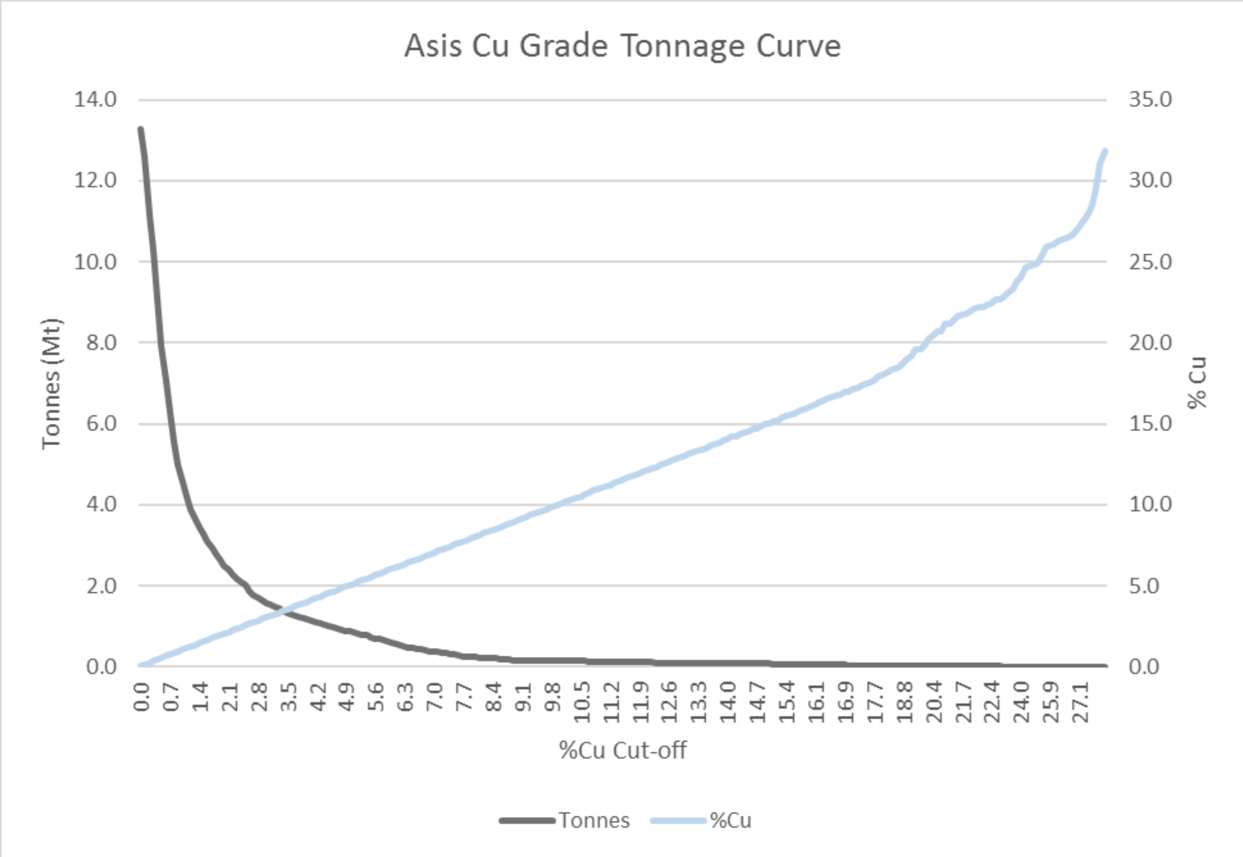
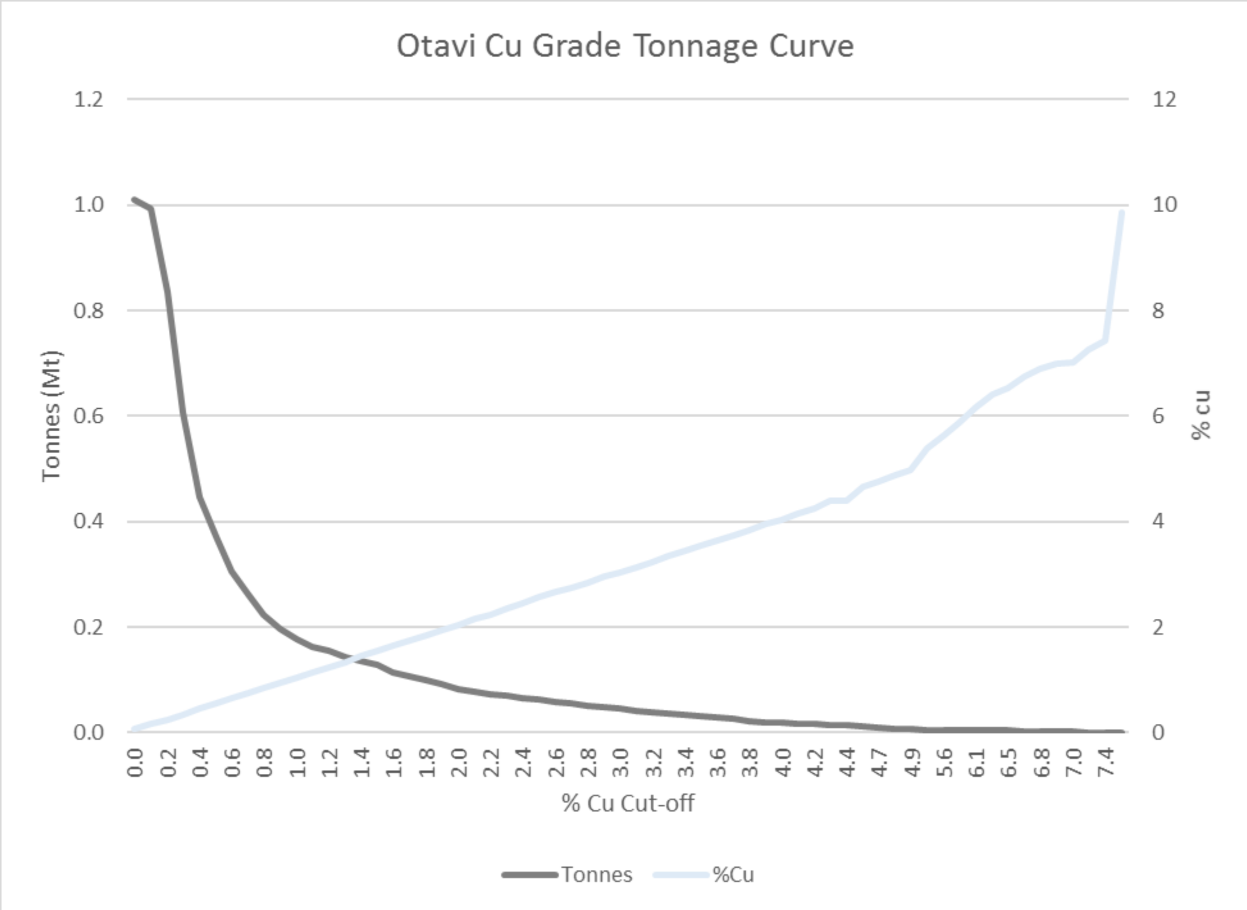


Figure 126 shows the grade tonnage curves for copper for the Gross Otavi section.

Figure 126: Gross Otavi Section Copper Grade Tonnage Curve



Mineral Reconciliation

The Mineral Resource reconciliation was carried out on the difference between the 2017 Kombat section and the 2018 Kombat section. This was done as the 2017 drilling only affected the proposed open pit with the main focus being an upgrade in the classification of the Mineral Resource. The drilling programme achieved its goals with regards to the Mineral Resource category upgrade, but did not achieve the goals with regards the grade expectations which also had an impact on the decrease in the wireframe volumes.

The grade within the Kombat section dropped by 0.43% for the Cu and 0.12% for the Pb at a cut-off of 0.6% CuEq. The main drop was with regards the tonnages which is attributed to the remodelling of the ore wireframes with the 2017 drilling. Table 26 shows the comparison of the 2017 and 2018 Mineral Resources pre-geological losses.

Table 26: Kombat East and Central Reconciliation Pre-Geological Losses

Year	Cut-off	Mine	Section	Tonnes	Density	Cu	Pb	Ag	Cu	Pb	Ag
				Mt		%	%	ppm	t	t	kg
2017	0.77	Kombat	East & Central	2.418	2.82	1.54	0.73	3.85	37,177	17,593	9,320
2018	0.6	Kombat	East & Central	2.383	2.81	1.12	0.66	3.09	26,776	15,743	7,361

It should be noted that the drilling of 2017 was aimed at increasing the confidence of the Mineral Resource model and the conversion of Inferred to Indicated Mineral Resource. The result was that 71% of the Inferred was converted to Indicated Mineral Resource in the proposed pit.

The Mineral Resource statements for Gross Otavi and Asis were not affected by the 2017 drilling and therefore remain the same as the declaration of 2017.

ITEM 15 - MINERAL RESERVE ESTIMATES

This Report is intended as a Mineral Resource Report. No Mineral Reserves were estimated.

ITEM 16 - MINING METHODS

This Report is intended as a Mineral Resource Report. An investigation into potential mining methods was undertaken in a scoping level preliminary economic assessment ("PEA") in 2017 (refer to Item 24 (a)). For the purposes of this document, these items were not re-evaluated as a definitive feasibility study ("DFS") is currently underway.

ITEM 17 - RECOVERY METHODS

This Report is intended as a Mineral Resource Report. As such, recovery methods were not investigated for this Report. However, they were investigated as part of the 2017 PEA study 2017 (refer to Item 24 (a)).

ITEM 18 - PROJECT INFRASTRUCTURE

This Report is intended as a Mineral Resource Report. As such, project infrastructure was not investigated for this Report further than that work completed for the 2017 PEA study 2017 (refer to Item 24 (a)).

ITEM 19 - MARKET STUDIES AND CONTRACTS

This Report is intended as a Mineral Resource Report. As such, market studies and contracts were not investigated.

ITEM 20 - ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

Item 20 (a) – RELEVANT ENVIRONMENTAL ISSUES AND RESULTS OF STUDIES DONE

At the Project Areas, the orebodies are hosted in karstic or water-bearing dolomite. Thus, although the local carbonate rocks have low permeability, there is a groundwater influence. Notwithstanding, mining has taken place in this environment for 50 years and the main risks can be mitigated by following sound engineering and mining principles taking cognisance of historical information when the past mistakes are considered. The sphere of groundwater influence around the mine is about 120 km^2 and, due to a limited amount of surface runoff, a relatively high percentage (17%) of the annual rainfall (600 mm) enters two mutually inclusive groundwater flow systems. Groundwater flows along the connectivity via joints, fractures, faults or contact zones, between these two permeability networks and influences the inflows of water into the underground workings (SMS, 2014).

The majority of the inflows from groundwater are associated with northeast-southwest trending faults, with smaller amounts of storage aquifers associated with fractures and the contact of the orebodies with the phyllite. It is along the more continuous faults where mine inflow problems have occurred. It has also been reported that the 270 West Fault generated an inflow of about 320 klph. When Kombat produced in the order of 35 ktpm, an average of 350,000 m^3/month water was pumped to surface from a pump station on 14 Level. Of this, 155,000 m^3/month was from above 14 Level (SMS, 2014).

There is no active pre-dewatering from surface. The risk of underground inflows of water was previously managed by cover drilling and grouting with plain cement during development. The cement budget was typically 0.4 t to 0.5 t of cement per (planned) cementation drill metre, translating to some 2 t to 3 t of cement per development metre (SMS, 2014).

A revised EMP has been completed by SLR Namibia (SLR Namibia, 2018b) for the proposed Kombat open pit mining and dewatering for underground exploration activities, as at January 2018 as part of the EIA process.

Specialist studies were conducted as part of the EIA process, including:-

- biodiversity assessment;
- air quality impact assessment;
- noise impact assessment;
- blasting and vibrations assessment;
- groundwater and surface water impact assessment; and
- socio-economic impact assessment.

The following general findings were made. The SLR Namibia (2018a) report provides mitigation measures to avoid or minimise the following potential impacts:-

- safety risk to people and animals from hazardous excavations and infrastructure, movement of mining vehicles, and blasting;
- health and/or nuisance impacts of air and noise pollution to third parties;
- impact of blasting vibrations and airblast side effects on third parties and relevant infrastructure;
- pollution of surface water through discharge of dewatering from mine. Surface water may also be polluted from other mine-activity related sources;
- reduction in groundwater levels as a result of mining activities which may also cause groundwater contamination;

- general disturbance and physical destruction of biodiversity from clearing land and placing infrastructure;
- spreading of alien invasive plant species;
- economic impact including the positive impacts on regional and national economies;
- positive impacts relating to job creation and skills development;
- impacts of in-migration of persons into the local area; and
- impact on community and infrastructure close to the mine.

The most significant impacts will be those on the safety of third parties and animals, air quality, surface water and the socio-economy. The impacts on surface water and air quality can be avoided/mitigated through implementation of effective mitigation measures and continuous monitoring.

Item 20 (b) – Waste Disposal, Site Monitoring and Water Management

The items presented in this section are summarised from SLR Namibia (2018a).

Waste Disposal

The operational waste management facility (landfill site) is located on the MLs (Nr. 1 Fill Pit). A smaller pit (Nr. 2 Pit) is located next to the Nr. 1 Pit but is not currently in use. The landfill site is used for waste from the mine (domestic waste and waste from care and maintenance activities), waste from the town, and from neighbouring farmers. Waste gets burned at the facility.

There is no record of hazardous waste disposal, which is currently stored on site. Historically, hazardous waste was disposed of into the open cast hole (No. 1 Shaft Pit). This pit has almost been completely backfilled with tailings, waste rock and other waste.

Waste oil is sent to OilTech, which is a waste oil and tyre recycling plant.

The landfill facility is located on the Kombat mining area and belongs to Trigon through acquisition of Manila. Trigon is therefore accountable for this facility, even though it is also being used by the Kombat town residents and relevant farmers for the disposal of their waste.

For the proposed mining project, waste will be separated at source and stored in a manner that there can be no discharge of contamination to the environment. Some waste will be recycled or reused where possible; where this is not possible, non-hazardous, non-recyclable waste will be disposed on site in the existing general landfill site, which will ultimately be encapsulated by the waste rock. Scrap metal will be sold offsite. Detailed management and mitigation actions are included in the EMP relating to proper waste management and the operations of the existing landfill facility.

The Central Pit might in future overlap with the northern section of the landfill site. If this occurs, the waste will be removed from this facility and disposed of on a dedicated area in the proposed new TSF (on already disposed tailings material, without compromising the liner). The remainder of the void (not part of the Central Pit) will be closed with waste rock and rehabilitated.

Hazardous waste that is non-recyclable will be transported offsite to an approved hazardous waste disposal facility in either Walvis Bay or Windhoek.

Site Monitoring

Currently no environmental monitoring is undertaken. Mine water levels at the Asis Far West, No. 1 Shaft and No. 3 Shaft are measured weekly.

Monitoring plans will be developed and implemented for water quality and water levels, dust, noise, blasting vibrations, biodiversity, soil management, mineralised waste facilities, non-mineralised solid and liquid waste, and weather. The updated EMP makes recommendations for the monitoring programmes.

Water Management

The current wastewater treatment system is part of Kombat Town, and collects and treats waste water from both the Kombat Town and the mine. The system is badly managed and needs to be replaced by either revamping it completely or putting up a new treatment system altogether.

It is planned to improve the current wastewater treatment or to design and implement a new treatment system altogether, prior to implementing the proposed project.

Item 20 (c) – Permit Requirements

Manila currently has a valid prospecting ECC expiring on 17 September 2020 for the ML areas.

An application will be submitted to the MET: DEA for an ECC for open pit mining in ML73B and associated activities, processing of the ore at the existing process plant (to be refurbished), and associated activities, and dewatering the Asis Far West Shaft and conducting further underground exploration activities in ML16.

Additional environmental permit requirements are discussed in Item 4 (g) and Item 20 (b) .

Item 20 (d) – Social and Community-Related Requirements

The mine has been on care and maintenance for nearly a decade. The socio-economic impacts of the proposed Kombat Mine have been investigated by SLR Namibia (2018).

There will be direct significant economic benefits to the local and national economy, especially if labour and services are sourced from locally or nationally. The influx of people to the immediate region will provide increased job opportunities, but also place strain on local resources. Basic services in neighbouring settlements may deteriorate and will need careful management and investment.

Although Trigon and its subsidiaries do not currently have any legal obligations towards the local communities, water pipelines and bursaries have been supplied ad hoc.

A detailed social and labour plan will be developed for the proposed mine.

Item 20 (e) – Mine Closure Costs and Requirements

A Mine Closure strategy has been developed as part of the environmental studies being undertaken in support of an ECC application. As described by SLR Namibia (2018), the main closure objective will be to remove as much infrastructure as possible and rehabilitate the land to resemble the pre-project land state as closely as possible.

It is planned to backfill the open pits with waste rock at closure.

On-going rehabilitation will be undertaken throughout the life of mine, including progressive re-vegetation of side walls of the proposed new TSF, so as to limit the remaining rehabilitation efforts required at closure. Permanent visible features such as the TSF, waste rock dumps and related environmental bunds will be left in a form that blends with the surrounds. Roads, pipelines, conveyors and related components will be removed and the disturbed land rehabilitated to blend with the surrounding natural environment. Contamination beyond the mine site by wind, surface run-off or groundwater movement will be prevented through appropriate erosion resistant covers, containment bunds and drainage to the open pit. Topsoil will be replaced on all roads and re-contoured infrastructure sites.

Socio-economic impacts (including the loss of employment) will be minimised through careful planning and preparation for closure.

A Mine Closure Plan is currently being developed, which will make provision for detailed closure costing.

ITEM 21 – CAPITAL AND OPERATING COSTS

This Report is intended as a Mineral Resource Report. Investigation into the capital and operating costs for the proposed mine was undertaken in a scoping level PEA in 2017 (refer to Item 24 (a)). For the purposes of this document, these items were not re-evaluated as a DFS is currently underway. However, for the current valuation, a pit optimisation was rerun on the updated (2018) Mineral Resources.

ITEM 22 – ECONOMIC ANALYSIS

This Report is intended as a Mineral Resource Report. An economic analysis was undertaken for the 2017 PEA as discussed above. The valuation has been updated in current terms based on the updated Mineral Resources. This update is provided in Item 24 (a).

ITEM 23 - ADJACENT PROPERTIES

Item 23 (a) - PUBLIC DOMAIN INFORMATION

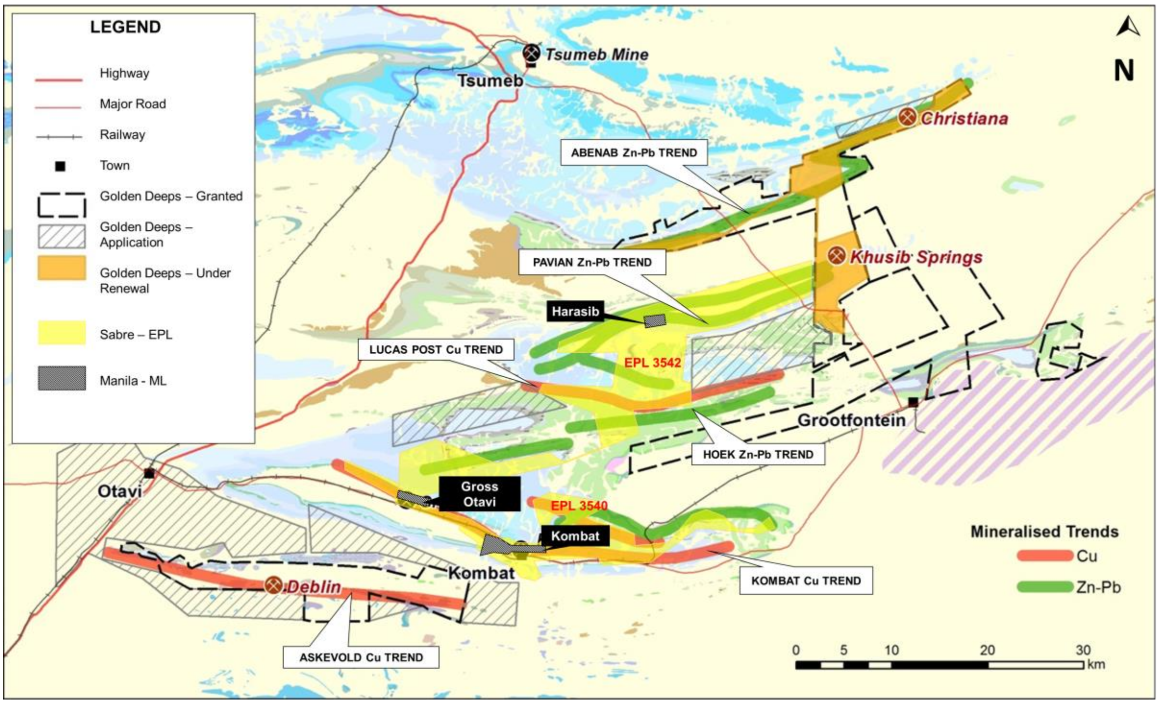
A number of historic mines are scattered in the immediate and regional vicinity.

ASX-listed Sabre Resources Limited ("Sabre") currently holds majority interest in the Otavi Mountain Land Exploration Project that comprises two tenements, EPL 3540 and EPL 3542, over some 700 km^2. The 220 km^2 EPL 3540 is over 40 km of the strike extents of the Kombat Copper Trend and entirely encompasses the Kombat Mine and Gross Otavi licence areas, located on the Kombat Copper Trend. Exploration is focused some 10 km east of Kombat Mine at the Guchab South Prospect. Geochemical drilling at Guchab South has identified visible chalcocite and malachite over an 850 m by 100 m zone along trend east of the Kombat Copper Mine. The EPL 3542 entirely surrounds the Harasib licence area and is located on the Border-Toggenburg Lead-zinc Corridor (Sabre, 2017; Figure 127).

ASX-listed Golden Deeps Limited holds licences or applications within the nearby area under their Grootfontein Base Metal Project, as illustrated in Figure 127. Striking east-west, the Askevold Copper Trend, which strikes some 30 km, hosts the Deblin Copper Mine. The majority of mineralisation encountered at Deblin occurs within 100 mbs and it may be amenable to open cast mining. The deposit is mineralogically uncomplex and hosts a broad low-grade copper mineralisation halo around the thickest intercept. In the early 1970s, a shaft and cross cut were developed but the mine was closed in early 1974 due to flooding from a severe rainfall event. Since then, very little work has been undertaken at Deblin. An extensive area of outcropping copper sulphide mineralisation and gossanous material occurs 350 m northwest of the Deblin Shaft, which is interpreted to be the surface expression of an easterly plunging mineralised system. Drilling and subsequent geological modelling resulted in several significant copper intersections. Further drilling is required to extend and confirm the geometry and mineralisation and to allow a compliant copper Mineral Resource to be estimated. Broad intersections of mineralisation resulted in a revised structural interpretation for Deblin. The model suggests faulting and thrusting to be the main controls rather than folding (Golden Deeps Limited, 2017 and 2018).

Further north lies the old Tsumeb Mine, as well as the only operational mine in the region, namely the open pit Tschudi Copper Mine of Weatherly International PLC, which is located some 55 km north-northwest of Gross Otavi on a ML125 granted mining licence (Figure 128). The mine has a 9-year life and production commenced in October 2015. Oxidised copper ore is mined at a rate of 2.6 Mtpa using conventional drill and blast methods. The ore is treated through heap-leach, solvent extraction and electro-winning to produce an average of 17,000 tpa copper. Tschudi contains JORC-compliant Measured and Indicated Mineral Resources of 29.6 Mt at 0.87% Cu for 256,600 t Cu, Inferred Mineral Resources at 21.4 Mt at 0.61% Cu for 131,100 t Cu, and Proven and Probable Mineral Reserves of 15.6 Mt at 0.89% Cu, for some 138,200 t Cu as at 30 June 2017 (weatherlyplc.com).

Figure 127: Adjacent Properties

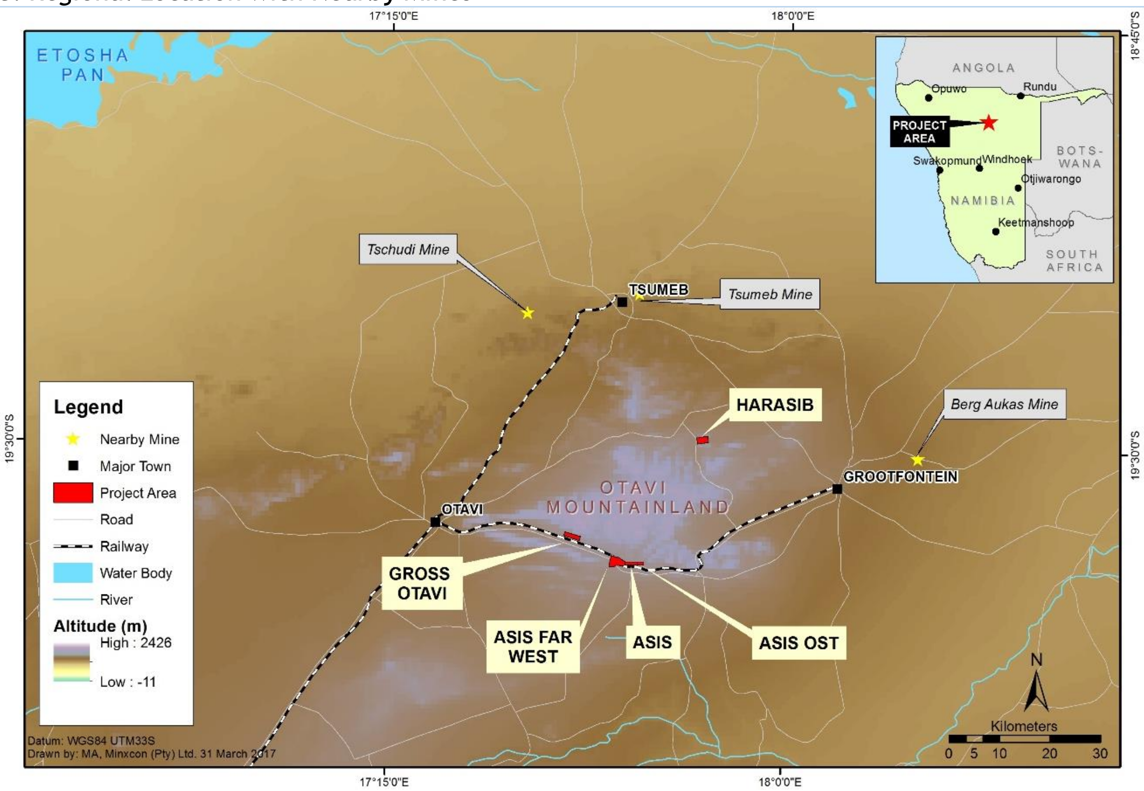


Source: Adapted from Sabre (2017) and Golden Deeps (2018)

Adjacent Properties	February 2018

The nearby mines are illustrated in Figure 128.

Figure 128: Regional Location with Nearby Mines



Regional Location with Nearby Mines	February 2018

Item 23 (b) – Sources of Information

All information as used in this Section is sourced from public sources as follows:-

- Golden Deeps Limited – Annual Report 2017
- Sabre Resources Limited - Annual Report 2017
- http://goldendeeps.com/namibia-grootfontein-base-metals.php
- http://weatherlyplc.com/operations/tschudi/

Item 23 (c) – Verification of Information

Minxcon has relied on the information as is presented by the above sources. Verification has been limited to that data which is made available publicly and has been limited to cross-referencing information presented by the individual sources.

Item 23 (d) – Applicability of Adjacent Property's Mineral Deposit to Project

The licence areas of Sabre entirely surround the Kombat Mine, Gross Otavi and Harasib prospects of Trigon, and are situated along the same mineralised trends within a few kilometres of each other. As such, the style of mineralisation at Sabre's targets is applicable to that of Trigon's Project Areas.

The deposits targeted by Golden Deeps Limited are of the same style of mineralisation and thus can be used as indicative information only.

Item 23 (e) – Historical Estimates of Mineral Resources or Mineral Reserves

No historical Mineral Resource or Mineral Reserve estimates have been declared for any areas lying immediately adjacent to the Kombat Project Areas.

ITEM 24 - OTHER RELEVANT DATA AND INFORMATION

Item 24 (a) - UPSIDE POTENTIAL

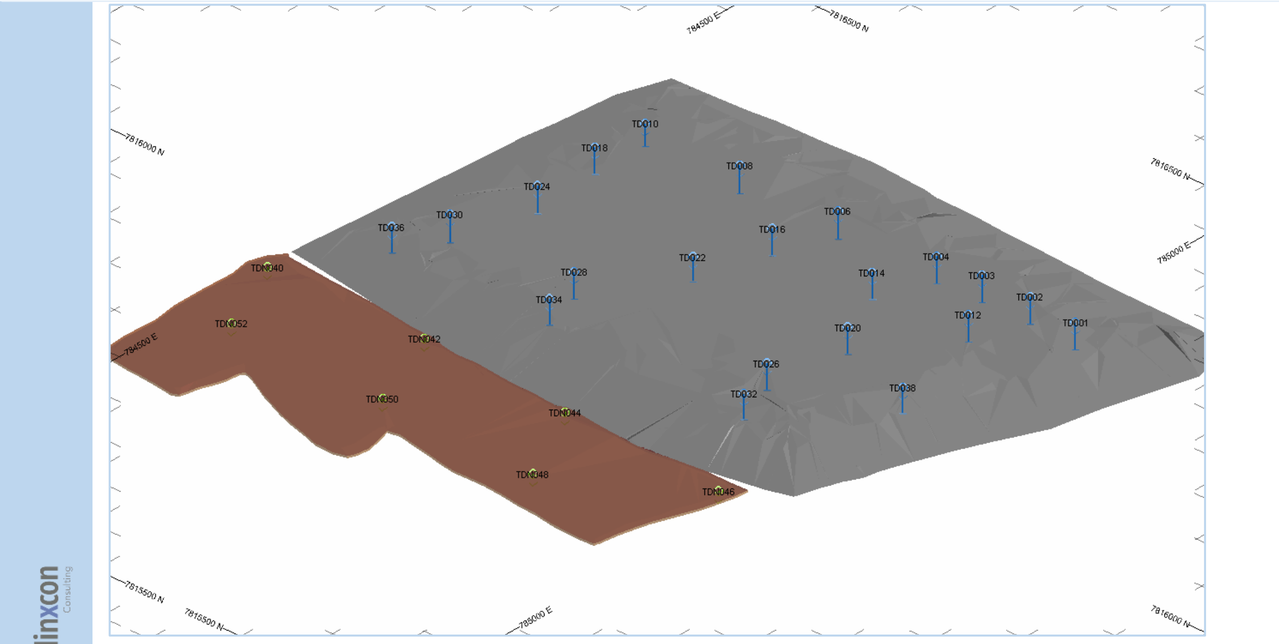
MINERAL RESOURCES

Kombat TSF

The TSF was investigated in 2017 for inclusion to the Mineral Resources stated in this Report, however in line with the global economic circumstances and the then lower copper price, and the fact that the tonnages attributable to the TSF do not meet the definition of "possible eventual economic extraction", these were not included in the estimate.

The estimation was conducted utilising the inverse distance squared method based on a total of 28 RAB holes and the surveyed tailings dam wireframe (Figure 129).

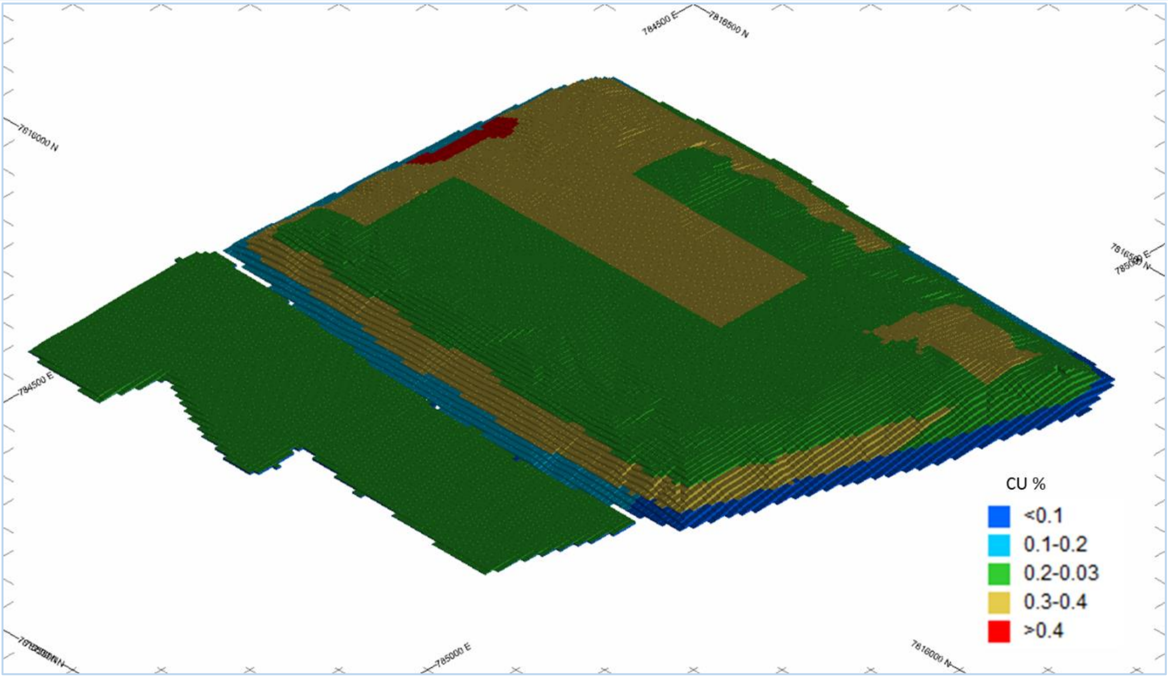
Figure 129: TSF Wireframe with the Drillholes



TSF Wireframe with the Drillholes | February 2018

The TSF block model is presented in Figure 130.

Figure 130: Inverse Distance Squared Estimation of the TSF shows Potential at 0.3% Cu Cut-off



Inverse Distance Squared Estimation of the TSF shows Potential at 0.3% Cu Cut-off

February 2018

The copper is viewed as being the only economic metal and a costing with regards the processing and mining of the dump was conducted by Minxcon. The economic cut-off for the dump was calculated at 0.4% copper, and when applied to the TSF estimated block model, it cannot be deemed economically viable as only approximately 55 000 t out of a total of some 3.078 Mt reporting above a 0.3% cut-off. In the event that the copper price significantly improves such that a pay limit of 0.3% Cu is possible, the tonnages attributable to the TSF could potentially be added to the current Mineral Resources as presented below in Table 27.

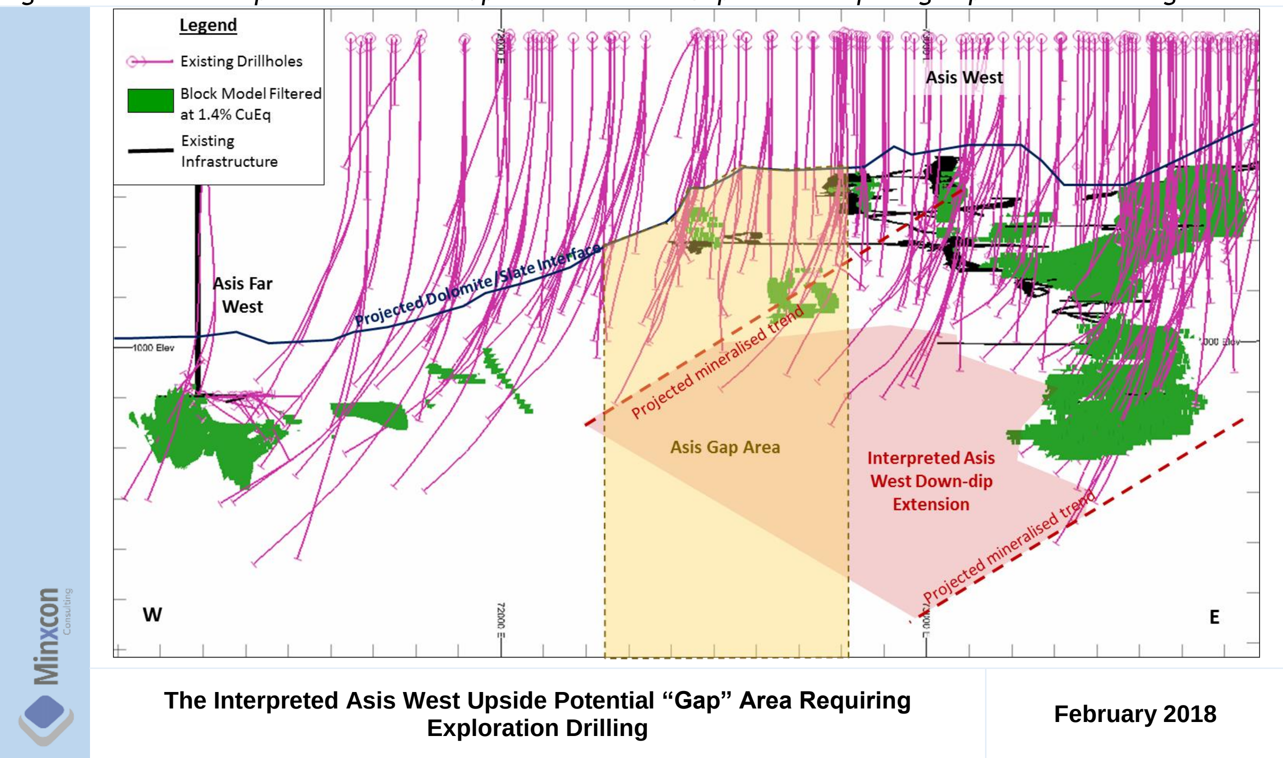
Table 27: Potential Mineral Resources for the TSF at a 0.3 % Cu and 0.4 % Cu Cut-off

Mine	Cu Cut-off	Tonnes	Density	Cu	Pb	Ag	Cu	Pb	Ag
	%	Mt		%	%	ppm	t	t	kg
TSF	0.3	3.078	1.45	0.35	0.34	1.27	10,668	10,584	3,900
TSF	0.4	0.055	1.45	0.40	0.40	1.00	220	218	54

Asis West Gap Area

Additional upside potential may be attributed to the Asis West Gap area (which has limited drilling) and extends on plunge and dip from the current Asis West workings, westwards towards Asis Far West. Minxcon recommends that focussed exploration drilling be conducted from surface, or at a later stage, dewatered underground drilling platforms.

Figure 131: The Interpreted Asis West Upside Potential "Gap" Area Requiring Exploration Drilling



Gross Otavi

At Gross Otavi, only a single orebody has currently been identified and evaluated. Upside potential could exist along strike and at depth as the property is located on the Kombat Copper Trend (Refer to Figure 127). Exploration drilling would assist in testing the possibility of upside potential.

Harasib

The Harasib property belonging to Kombat is located on the Pavian Zinc-Lead Trend (Figure 127) and is located approximately 20 km to the north of the Kombat operations but did not form part of the current scope of work. Harasib has a lot of historical data. Minxcon recommends that a proper assessment be conducted of the available data in order to assess the potential for additional Mineral Resources.

PRELIMINARY ECONOMIC ASSESSMENT

Introduction

Minxcon was commissioned by Trigon in April 2017 to complete a scoping level study on the Kombat Project. This Report details a scoping-level study in the form of a Preliminary Economic Assessment ("PEA") conforming to NI 43-101 standards and requirements. The pit optimisations were rerun on the updated 2018 Mineral Resources in order to update the valuation, however, the 2017 PEA parameters were preserved as a DFS is currently underway. The overall information presented here is per the 2017 PEA, bar the open pit production profile and the economic analysis which have been updated to reflect the 2018 Mineral Resource (open pit only).

The PEA includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorised as Mineral Reserves (the "PEA Study"), and there is no certainty that the PEA will be realised.

Study Purpose

The purpose of the PEA is to investigate the economic viability of the open pit and underground mining potential targeting the copper and lead resources at Kombat East, Kombat Central, Asis Far West, Asis West and Gross Otavi areas.

The PEA investigated mining methods, treatment methods and development of additional infrastructure. The study focussed on the total Inferred Mineral Resource to determine the economic viability, upside potential as well as future exploration requirements.

A discounted cash flow ("DCF") valuation was carried out on the PEA Study areas including Inferred and Indicated Mineral Resources. The value derived from the PEA is considered to represent the upside potential value of the current copper and lead resources.

Study Status

The PEA includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorised as Mineral Reserves, and there is no certainty that the PEA will be realised. The mining operating costs for the open pit operation were sourced from a contract with an industry known mining contractor and are regarded as accurate. The underground mining cost was sourced from a previous concept study and inflated to current monetary terms. The capital estimate is based on benchmarking with similar sized projects and conceptual designs conducted by Minxcon. The capital is deemed sufficient and all major infrastructure costs have been accounted for.

Strategic Considerations

Mining at Kombat will commence at a throughput of 30 ktpm to ensure the plant is fully utilised. The current processing plant requires some revamping and will be able to produce the required throughput. The production rate is planned to be doubled.

The Kombat Project consists of open pittable Mineral Resources within the Kombat East, Kombat Central, Kombat West and Gross Otavi areas and underground mineable Mineral Resources at Asis West and Asis Far West.

Each mining area was analysed separately to determine the most economically viable sequence of extraction. Open pit mining was given preference due to the lead times required to recommission the underground mines. Mining will commence at a rate of 30 ktpm with Kombat East due to its lower stripping ratio followed by Kombat Central.

Asis Far West has a higher copper grade and is also easier to de-water and re-establish underground, compared to Asis West. As a result, development of underground mining at Asis Far West will commence while Kombat Central is being mined. The processing plant will then be expanded to 60 ktpm in time to treat material from Asis Far West once Kombat Central is depleted. Development at Asis West will take place to ensure stoping can commence once Asis Far West is depleted.

Open pit mining operations will be relocated to Gross Otavi when Kombat Central is depleted. Pre-stripping will then commence to ensure that production at Gross Otavi commences after mining at Asis West ceases.

Kombat East and Kombat Central open pits require minimal establishment and will thus be less capital intensive. The underground sections of Asis Far West and Asis West will, however, be more capital intensive to re-establish than the surface operations. Thus, a decision has been made to schedule these operations after the open pit mining in order to allow time for the re-establishment process and to defer some of the larger capital-intensive processes.

Mining

Open Pits

The open pit mining method is conventional open pit mining with drilling and blasting followed by loading and hauling activities conducted by a mining contractor.

The open pit mine designs for Kombat East and Kombat Central have a depth ranging from 40 m to 95 m for Kombat East and a depth ranging from 40 m to 70 m for Kombat Central. Kombat East has the lowest stripping ratio at 8.01 with 0.46 Mt ore at a copper grade of 1.26%. Kombat Central has a higher stripping ratio compared to Kombat East, namely 8.74, with 0.53 Mt ore at a copper grade of 1.49%.

The open pit mine design for Gross Otavi has a depth ranging from 100 m to 150 m; this depth difference is attributed to the location of Gross Otavi on a hill. The stripping ratio is at 10.18, with total ore tonnes of 0.50 Mt at a copper grade of 1.16% and a lead grade of 3.39%.

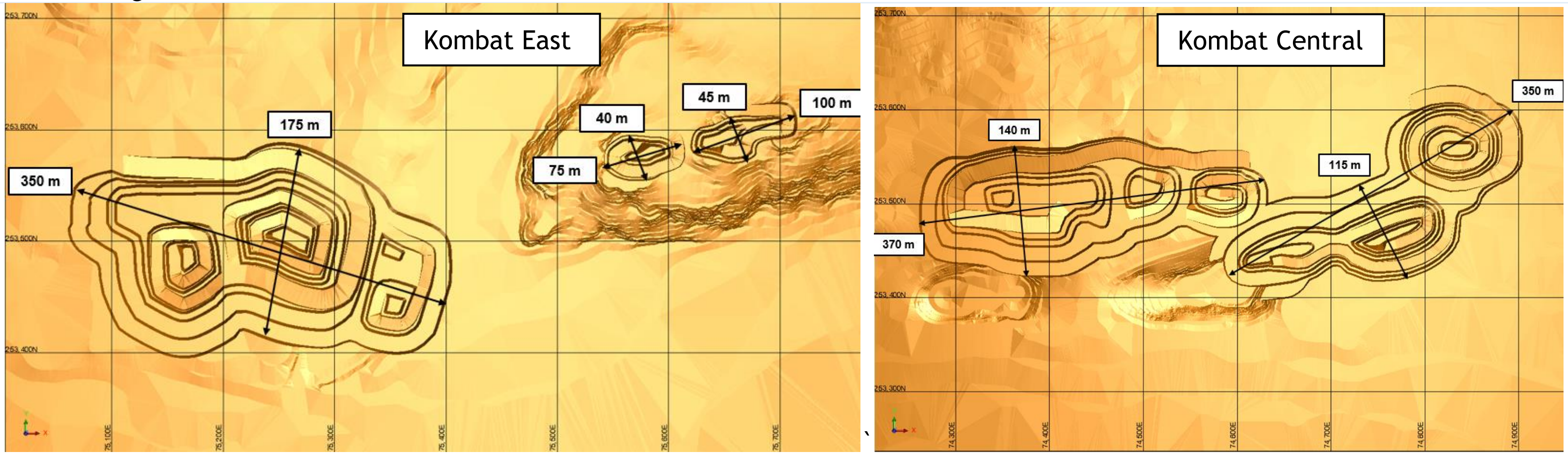
Underground

The underground mining method selected is cut-and-fill with backfilling utilising the existing underground infrastructure. The underground stopes were generated in the software program Mineable Stope Optimiser and were deemed sufficient to be utilised as final stope shapes.

The underground development and stoping for Asis Far West is shown in Figure 132. The total development required is 6,865 m and the contained material in the stopes is 0.85 Mt ore at 3.67% Cu.

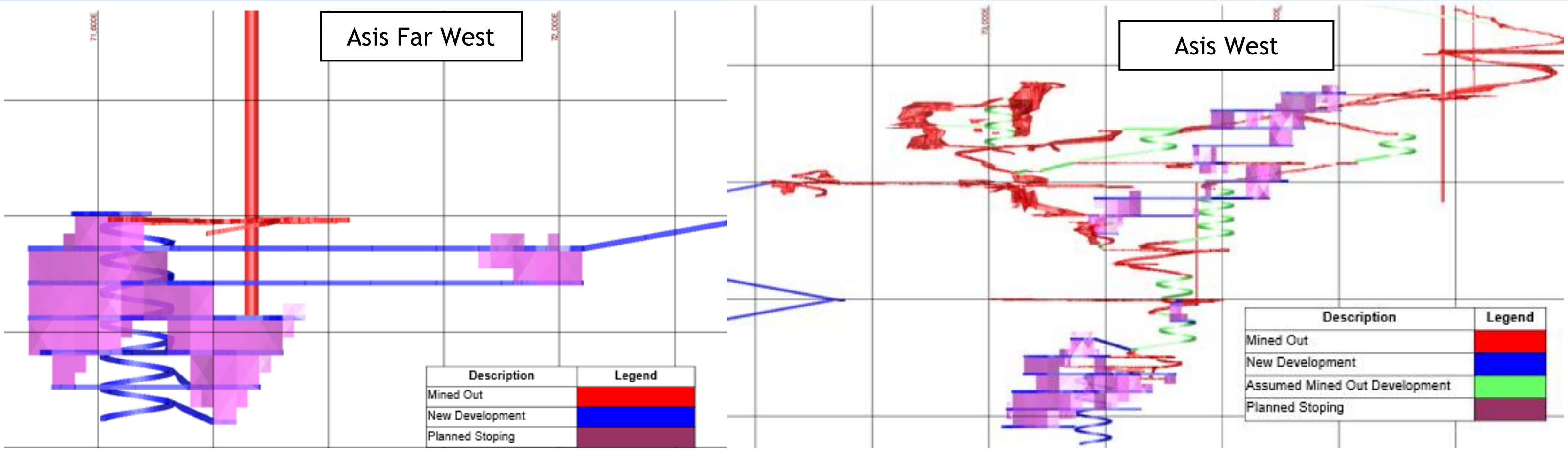
The underground development and stoping for Asis West is shown in Figure 133. The total development required is 11,153 m and the contained material in the stopes is 1.74 Mt ore at 4.08% Cu.

Figure 132: Pit Designs: Kombat East and Kombat Central



Pit Design: Kombat East and Kombat Central **February 2018**

Figure 133: Underground Designs: Asis Far West and Asis West



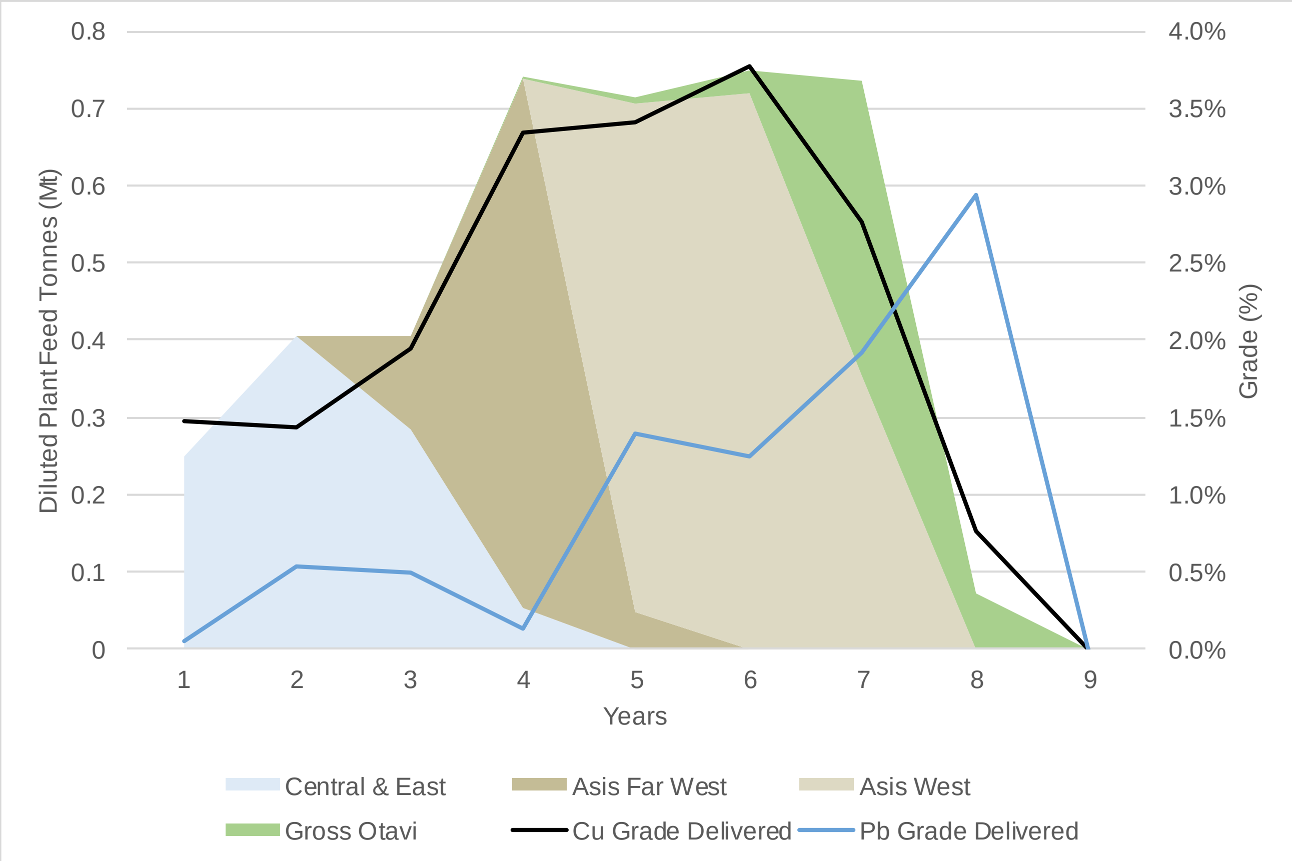
Pit Design: Kombat East and Kombat Central **February 2018**

PEA Production

The modifying factors for the open pit operations are comprised of 1% ore losses and 2% dilution and for the underground operations comprise of 5% ore losses and 10% dilution. Minor geological losses of 5% and a mine call factor of 100% were applied to both the open pit and underground operations.

The diluted plant feed tonnes are shown in Figure 134.

Figure 134: Diluted Plant Feed Tonnes



The plant feed tonnes shown highlight the increase in production rate from year four onwards to 60 ktpm. The copper grade also increases in year four due to the higher grade of the underground stopes. During year seven and year eight the lead grade increases due to the ore feed from Gross Otavi.

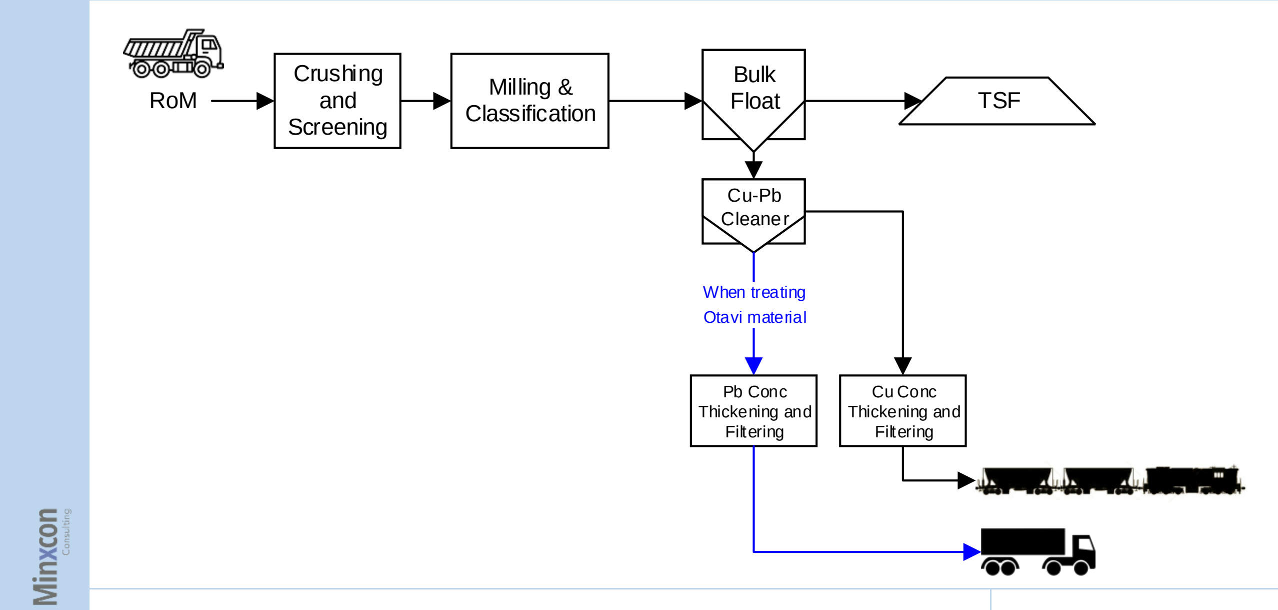
Processing

Referring to the block flow schematic below (Figure 135), the existing Kombat plant has a capacity of 30 ktpm and consists of a three-stage crushing, rod and ball milling, flotation, concentrate thickening and filtering plant which is capable of producing separate copper and lead concentrates.

Historic production efficiencies were used to estimate plant recoveries as recent testwork has not been conducted. The plant will produce a copper concentrate when treating material from Kombat, Asis and Asis Far West areas at recoveries of between 87% and 93%. Lead and copper concentrates will be produced when treating Gross Otavi material at recoveries of 80% and 70% respectively.

For the purpose of this assessment, it was assumed that both copper concentrate and lead concentrate produced will be sold to the export market. The concentrates will be thickened and filtered before loading onto rail and trucks.

Figure 135: Block Flow Schematic of the Kombat Plant



Block Flow Schematic of the Kombat Plant	February 2018

The owner-operated plant will be refurbished before it is recommissioned to treat open pit material from the Kombat area at a throughput of 30 ktpm. The plant will then be expanded to 60 ktpm in year three before underground production commences in year four at Asis Far West.

PEA Infrastructure

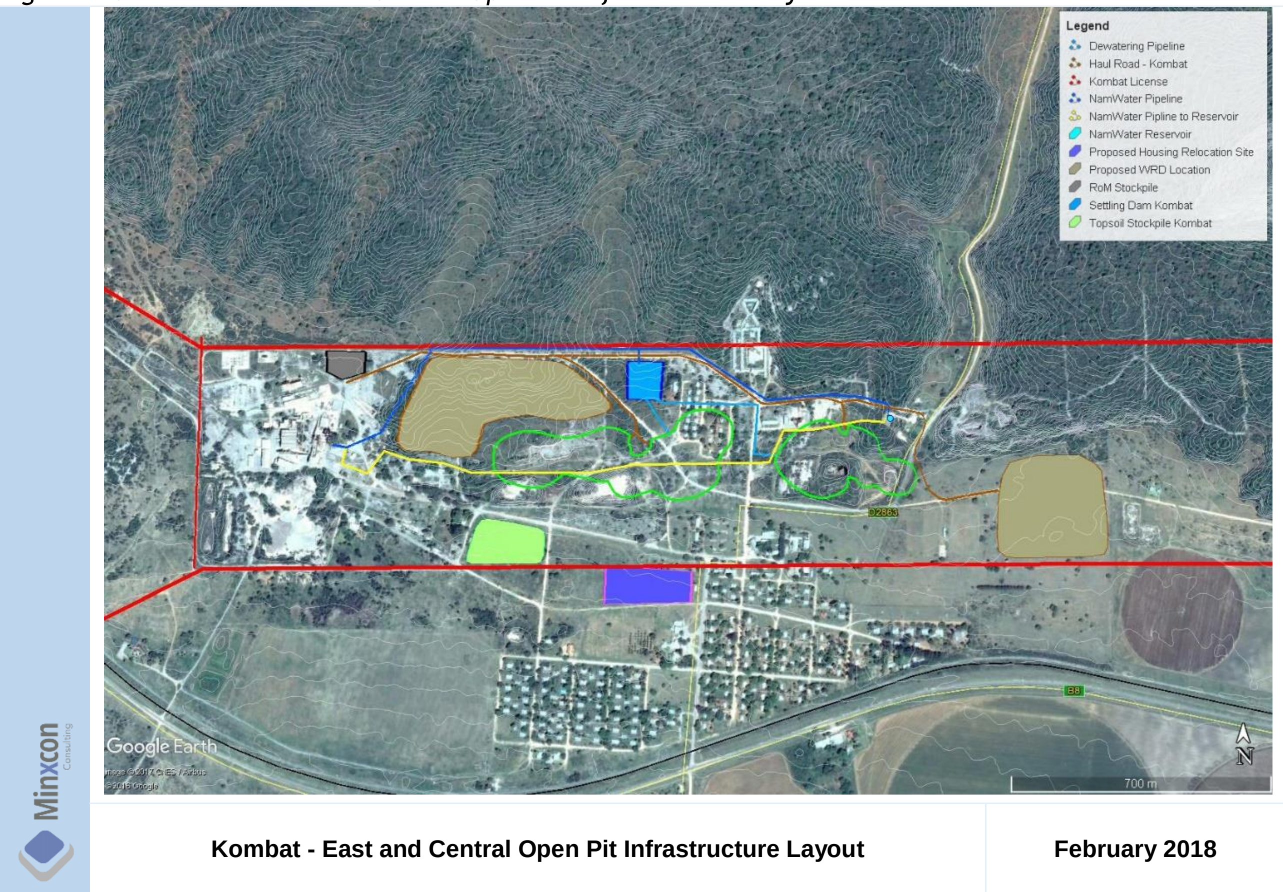
The Kombat operation is well established and easily accessible via the existing road and rail network in the area. All major infrastructure such as power supply, water supply, shaft and associated equipment and infrastructure, buildings and amenities are already in place and sufficient for the operation of the mining areas.

Minor repairs and upgrades will be required to the available infrastructure on surface in order to fully re-establish the mining operation. This will mainly include the upgrading of the Kombat substation. The underground workings will require more extensive upgrades and repairs especially at the Asis West operation. In effect the entire shaft below bank level and the total underground section will have to be refurbished once it has been completely dewatered.

The open pit operation will require minimal additional infrastructure as contractor mining will be conducted. Minor repairs will be required to existing buildings as well as the re-equipping of areas such as workshops. The Gross Otavi operation will be operated as a satellite operation to the main Kombat operation, thus minimal infrastructure will be required for the establishment of the operation. A modular approach has been taken in that as far possible all infrastructure deployed at Gross Otavi will be portable or prefabricated.

The layout indicating some of this infrastructure is illustrated in Figure 136.

Figure 136: Kombat – East and Central Open Pit Infrastructure Layout



Mining of Kombat dates back to 1960 with some 12 Mt of ore being extracted despite continual inflow of water and various periods of disruption due to flooding. A large inflow of groundwater occurred at the end of 2006 due to a 24hr power outage from NamPower. The mine did not have sufficient backup generation capacity and the pumping system could not be utilized to its full potential. As a result, the mine was flooded. Considering metal prices at the time and the cost to dewater the operations, the mine was placed under care and maintenance in January 2007. Most of the flooding events throughout Kombat's history occurred as a result of the following:-

- Power outage from NamPower;
- Insufficient backup generation capacity at Kombat Mine; and
- Knowingly holding into major fault systems – this event occurred concurrently with labour action at the mine.

The company is continuously assessing best practices going forward and has learnt from past mistakes in order to successfully mitigate the risk of potential groundwater inflows. In addition to allow for sufficient backup generating capacity (approximately 3 MVA) and avoiding major fault systems, the mining method is also being considered. An extract of the 2014 Concept Study completed by Sound Mining is shown below:

Geohydrology: "*Sound Mining understands that the sphere of ground water influence around the mine is about 120km2 (Department of Water Affairs Report 12/5/G2, February 1990) and that, due to a limited amount of surface runoff, a relatively high percentage (17%) of the annual rainfall (600 mm) enters two mutually inclusive groundwater flow systems (Henry Mutafela Mukendwa, MSc. Thesis – November 2009). Ground water flows along the connectivity via joints, fractures, faults or contact zones, between these two permeability networks and influences the inflows of water into the underground workings. The majority of the inflows from ground water are associated with the NE-SW trending faults, with smaller* *amounts of storage aquifers associated with fractures and the contact of the orebodies with the phyllite. It is along the more continuous faults, especially the Kombat West, 270 West, 271 West and 550 West where mine inflow problems have occurred (DWA Report 12/5/G2, 1990). It has also been reported that the 270 West fault generated an inflow of about 320 klph. On mine records reveal that, when Kombat produced in the order of 35 ktpm, an average of 350,000 m^3/month was pumped to surface from a pump station on 14 Level, of which 155,000 m^3/month of this was from above 14 Level.*"

Cementation: "*The risk of underground inflows of water was previously competently managed by cover drilling and grouting with plain cement during development, and this approach will form an integral part of the operations going forward. A series of 36m long horizontal pilot holes will be drilled ahead of all advancing faces to create a 'halo' of cement within which development can be advanced. They will extend beyond the advancing faces and will also serve to identify faults and fractures early, and to assist in planning for continuity of the underground operations. When a water bearing feature is intercepted, cement will be pumped into the hole to seal it off. The pumping will start with a mix of thin grout at high pressure (21 MPa to 25 MPa) until sufficient back pressure develops. The mix is then thickened and the pressure reduced to avoid destruction of the early partial sealing from the primary effort. In the past, the holes were drilled for the length of a rod, cemented and the redrilled, for a length of two rods and again cemented. This was repeated until the hole length of 36 m was achieved and fully sealed. Development will proceed for a distance of 30 m before cover drilling process is repeated, allowing a 6m safety overlap. This procedure reduces inflows and any residual water left flowing will be redirected to sumps for pumping to surface. Development should remain as far ahead of the stopes as possible to provide room to "buffer" the effect of any major inflows. Backfilling will help to reduce the impact of water flowing in the stoped out areas, but will also reduce volume for temporary water storage. Water doors can be considered in development that links different working areas to enable specific areas to be sealed off.*"

Surface Pumping: "*Vertical aquifers may be better intercepted with horizontal drain holes. The site visit revealed that there are detailed maps of the geology and structures. Sections plots of past diamond drilling from surface and underground show the position and approximate flow rates of water intersected. Pumping from surface boreholes to remove water from high storage aquifers will form some pressure relief as the average depth of mining increases. This will reduce the risk of flooding which is associated with high pressure gradients. This would be a more proactive measure to complement the barrier system of water control through cementation alone.*"

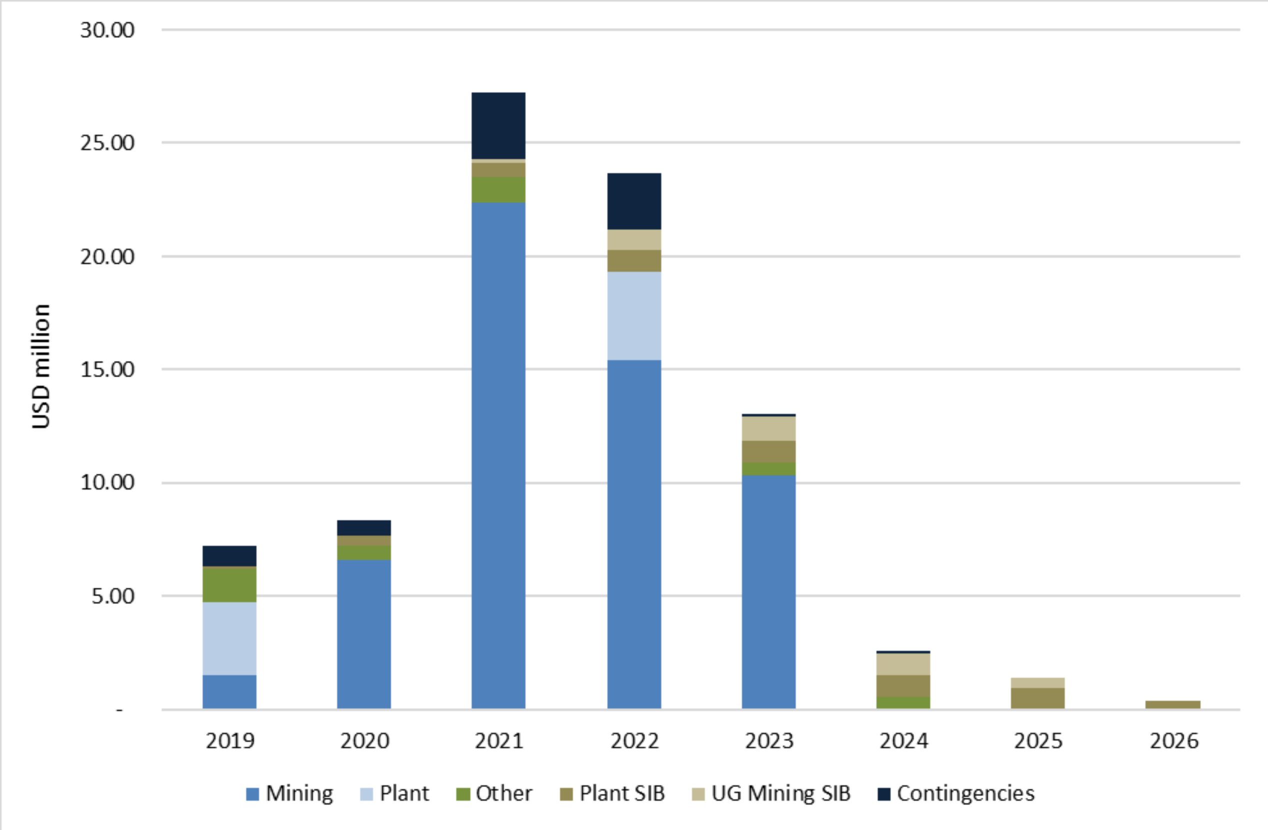
Surface pumping will be a viable option should the boreholes be in a condition allowing for such pumping.

PEA Capital Estimation Summary

The capital schedule for the Kombat mining operations for the life of mine is illustrated in Figure 137. The plant sustaining capital expenditure is based on 12.0% of the plant operating costs and the underground sustaining capital is based on 3.5% of the mining operating costs. The underground sustaining capital is mainly to do repairs in the shaft. Both the open pit and underground mining will be done by contractors who include the sustaining capital of the mining fleet in their total costs.

The start-up capital required for first production of the open pit amounts to USD7.16 million. Total direct capital expenditure over the life of mine is USD67.69 million (excluding contingency) with the peak capital expenditure during years 2021 and 2022 and peak funding requirement of USD30.15 million during 2021. The pre-development that takes place before stoping was all capitalised, thereafter it was treated as operating expenditure.

Figure 137: Capital Schedule Based on PEA Study



PEA Operating Costs

The open pit mining operating cost for the PEA was sourced from a previously submitted proposal from a reputable industry known mining contractor and benchmarked against Minxcon's operating cost model. Formal tendering processes will follow. The variable cost for Kombat East and Kombat Central was taken at an average depth of 40 m, and for Gross Otavi it was taken at an average depth of 50 m. The underground mining operating cost was sourced from a previous study and inflated. The fixed cost utilised for the open pits was sourced from Minxcon's operating cost model including the owner's fixed costs component to produce an all-in mining cost.

The plant operating costs at treatment rates of 30 ktpm and 60 ktpm are summarised in Table 28. The processing costs include the disposal of tailings.

Table 28: Mining and Processing Operating Cost Summary

<table>
<tr><th>Item</th><th>Area</th><th>Description</th><th>Type</th><th>Unit</th><th colspan="2">Value</th></tr>
<tr><td rowspan="8">Mining</td><td>Open Pit</td><td>Drill & Blast</td><td>Variable</td><td>USD/t</td><td colspan="2">1.21</td></tr>
<tr><td>Open Pit</td><td>Load and Haul Waste Kombat East and Kombat Central</td><td>Variable</td><td>USD/t</td><td colspan="2">1.04</td></tr>
<tr><td>Open Pit</td><td>Load and Haul Ore Kombat East and Kombat Central</td><td>Variable</td><td>USD/t</td><td colspan="2">1.21</td></tr>
<tr><td>Open Pit</td><td>Load and Haul Waste Gross Otavi</td><td>Variable</td><td>USD/t</td><td colspan="2">1.10</td></tr>
<tr><td>Open Pit</td><td>Load and Haul Ore Gross Otavi</td><td>Variable</td><td>USD/t</td><td colspan="2">1.14</td></tr>
<tr><td>Underground</td><td>Total (excluding development)</td><td>Variable</td><td>USD/RoM t</td><td colspan="2">30.89</td></tr>
<tr><td>Underground</td><td>Development Cost</td><td>Variable</td><td>USD/m</td><td colspan="2">2,309.61</td></tr>
<tr><td>Total Operation</td><td>Overheads</td><td>Fixed</td><td>USD'000/month</td><td colspan="2">306.22</td></tr>
<tr><th>Item</th><th>Area</th><th>Description</th><th>Type</th><th>Unit</th><th>30 ktpm</th><th>60 ktpm</th></tr>
<tr><td rowspan="3">Processing</td><td rowspan="3">Plant and Tailings</td><td rowspan="3">Plant labour, reagents, consumables, power, tailings disposal</td><td>Variable</td><td>USD/t</td><td>7.46</td><td>7.66</td></tr>
<tr><td>Fixed</td><td>USD'000/month</td><td>152.48</td><td>156.39</td></tr>
<tr><td>Total</td><td>USD/t</td><td>12.54</td><td>10.27</td></tr>
</table>

Costs reported for the Kombat operations, which consist of plant and mining operating costs, are displayed in Table 29. Other costs (C1) include concentrate transport costs, treatment costs and refining costs. Other cash costs (C3) include the corporate overheads cost. The royalty amount includes the Namibian revenue royalty of 3%. The costs are displayed per milled tonne as well as per recovered copper equivalent pound. Kombat has an all-in sustainable cost of USD105/milled tonne that equates to USD1.81/CuEq pound.

Table 29: Financial Cost Indicators

Item	Unit	Kombat Copper PEA
Net Turnover	**USD/Milled tonne**	**174**
Mine Cost	USD/Milled tonne	36
Plant Costs	USD/Milled tonne	12
Other Costs	USD/Milled tonne	29
Direct Cash Costs (C1)	**USD/Milled tonne**	**77**
Capex	USD/Milled tonne	21
Production Costs (C2)	**USD/Milled tonne**	**97**
Royalties	USD/Milled tonne	5
Corporate Overheads	USD/Milled tonne	3
All-in Sustainable Costs (C3)	**USD/Milled tonne**	**105**
All-in Sustainable Cost Margin	**%**	**40%**
EBITDA*	USD/Milled tonne	90
EBITDA Margin	%	51%
Copper Product Recovered	t	105,326
Copper Equivalent	tonnes	106,629
Net Turnover	**USD/Copper Equivalent lb**	**3.01**
Mine Cost	USD/Copper Equivalent lb	0.62
Plant Costs	USD/Copper Equivalent lb	0.20
Other Costs	USD/Copper Equivalent lb	0.50
Direct Cash Costs (C1)	**USD/Copper Equivalent lb**	**1.33**
Capex	USD/Copper Equivalent lb	0.36
Production Costs (C2)	**USD/Copper Equivalent lb**	**1.68**
Royalties	USD/Copper Equivalent lb	0.08
Corporate Overheads	USD/Copper Equivalent lb	0.05
All-in Sustainable Costs (C3)	**USD/Copper Equivalent lb**	**1.81**
EBITDA*	USD/Copper Equivalent lb	1.55

Saleable Product

The saleable product tonnes per area are displayed in Table 30. The first area mined is the combined East and Central Pits which deliver a total of 54 kt of concentrate with 22% copper content for export. The combined pits have a life of four years delivering an average copper head grade of 1.38% mining at an average of 21 ktpm.

During the third year of operation of the East and Central open pit operations, the underground mines are in a position to start treating ore at an average 60 ktpm with an average head copper grade of 3.72%. The underground mines will deliver a total of 284 kt of concentrate with approximately 30% copper content for export. The combined underground mines have a life of five years when mining at an average rate of 60 ktpm.

The final area to be mined is Gross Otavi that targets high grade lead of 3.39% Pb. The pit will start operation concurrently with the underground operations and has a life of five years. The pit will deliver a total of 30 kt of concentrate with 45% Pb content, which will be further treated to also deliver a secondary product of 22 kt of 18% copper concentrate.

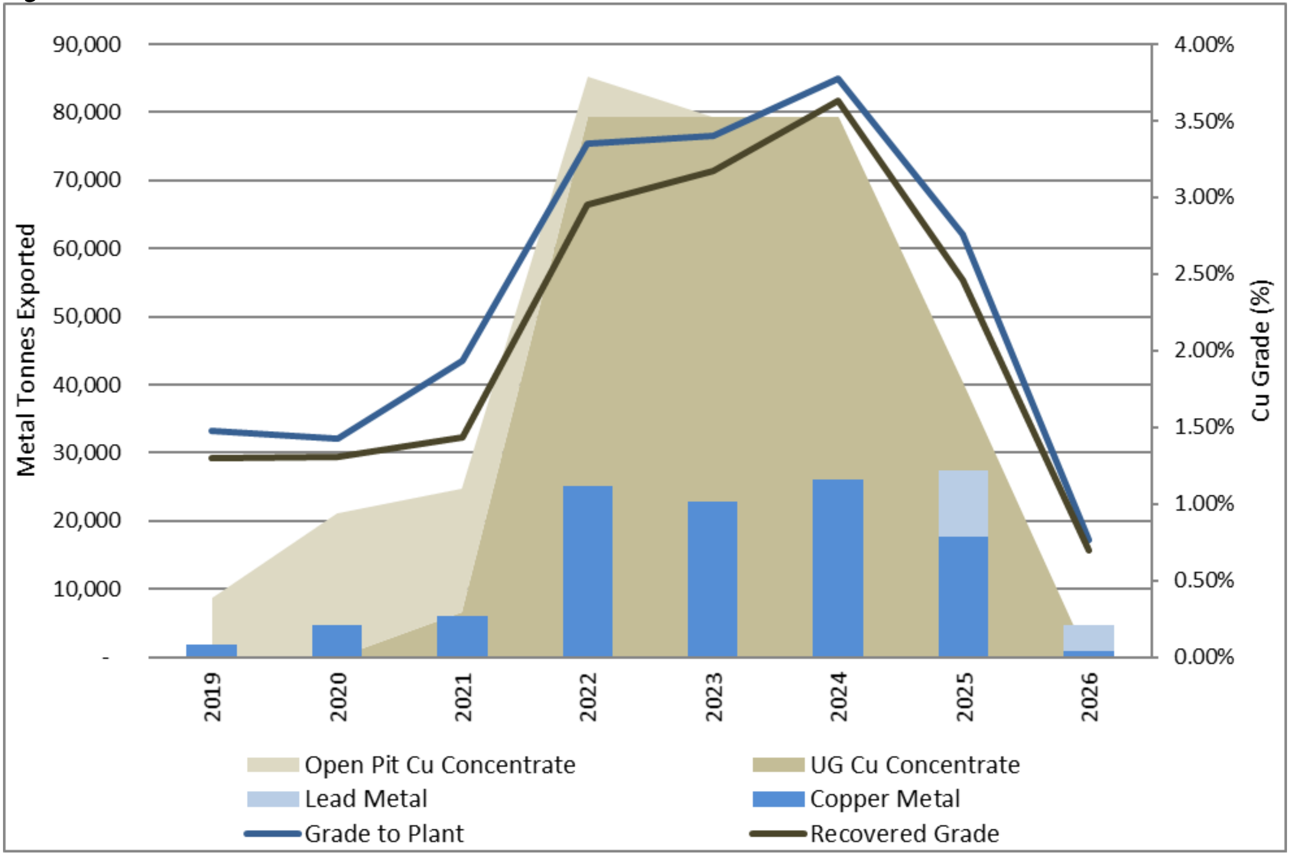
The combined open pits and underground mines have a life of eight years mining 4,071 kt at an average mined grade of 2.84% Cu. The combined production breakdown is shown in Table 30.

Table 30: Combined Production Breakdown in Life of Mine

Item	Unit	
Ore Tonnes Mined	kt	4,071
Average Cu Grade Mined	%	2.84%
Average Pb Grade Mined	%	1.00%
Average Ag Grade Mined	g/t	21.85
Total Cu Concentrate	kt	361
Total 45% Pb Concentrate	kt	30
Total Cu Metal Recovered	kt	105
Total Pb Metal Recovered	kt	13
Total Ag Metal Recovered	koz	2,385
LoM	Years	8

The saleable product tonnes paid for after taking into account the deductions per year are illustrated in Figure 138. The 22% Cu concentrate tonnes from the open pits and approximately 30% Cu concentrate tonnes from the underground are also displayed in Figure 138. The majority (92%) of the total revenue generated is from copper, while the silver credits contribute approximately 5% of the revenue stream. The lead produced from Gross Otavi contributes 4% of the total revenue.

Figure 138: Saleable Products



Valuation

Basis of Valuation of the Mining Assets

The scope of this valuation exercise was to determine the financial viability of the Project. This was done by using the discounted cash flow method on a Free Cash Flow to the Firm ("FCFF") basis, to calculate the nett present value ("NPV") and the intrinsic value (fundamental value based on the technical inputs, and a cash flow projection that creates an NPV) of the Project in real terms. The discounted cash flow model is based on the total Mineral Resource, including Inferred, to determine the potential value of the Project.

The NPV is derived using post-royalties and tax and pre-debt real cash flows, after taking into account operating costs, treatment and refining fees, corporate overheads, capital expenditures for the mining operations and the processing plant, as well as using forecast macro-economic parameters. The valuation reflects the full value of the operation and no attributable values were calculated.

In generating the financial model and deriving the valuations, the following were considered:-

- The cash flow model with economic input parameters as per forecasts from various banks and analysts.
- The cash flow model is in constant money terms and USD.
- A hurdle rate of 10.92% (in real terms) was calculated for the discount factor.
- The impact of the Prospecting and Mining Act and the Export Levy Bill as per the Namibian Mining Regulation.
- Treatment charges and refining charges ("TC/RC") as per offtake agreements and the Chinese Smelter Purchase Team's ("CSPT") agreed upon 2018 contract price.
- Sensitivity analyses were performed to ascertain the impact of discount factors, commodity prices, grade, working costs and capital expenditures.

- The model was set in financial years with the first year 2019 starting in April 2018 and ending March 2019.

The following macro-economic and commodity price forecasts were used in the discounted cash flow model (Table 31).

Table 31: Macro-Economic Forecasts and Commodity Prices over the Life of Mine (Real Terms)

Item	Unit	2019	2020	2021	2022	2023	Long-term
Silver	USD/oz.	17.6	17.9	18.1	18.3	18.2	19.0
Copper	USD/tonne	6,758	6,682	6,740	6,688	6,595	6,551
Copper	USD/lb	3.07	3.03	3.06	3.03	2.99	2.97
Lead	USD/tonne	2,410	2,231	2,115	2,050	1,990	1,966
Lead	USD/lb	1.09	1.01	0.96	0.93	0.90	0.89

Source: Various Bank and Broker Forecasts (February 2018), Minxcon.
Note: Conversion: 1 Pound = 2,204.62 tonnes.

Payability

Kombat currently has an off-take agreement in place with a leading metal trader, whereby all the copper concentrates produced will be exported through the trader instead of being further processed locally. There is, however, no off-take agreement in place for the lead concentrates from Gross-Otavi. It was assumed that the lead concentrates will also be exported under the same terms as the copper concentrates. Owing to the confidential nature of the contracts, only final payabilities after all the relevant deductions, as calculated according to the contract and invoice template provided, are shown in Table 32.

Table 32: Overall Payabilities

Item	Unit	Value
Overall Cu Payability	%	93%
Overall Pb Payability	%	90%
Overall Ag Payability	%	78%

Treatment and refining costs are reflected as other C1 costs.

Regulatory Items

Normal tax is levied on taxable income of companies, trusts and individuals from sources within or deemed to be within Namibia. Mining companies other than diamond mining companies are subject to a company tax rate of 37.5%. The company currently has unredeemed assessed losses of USD1.78 million which can be utilised against taxable income.

Royalties are levied in terms of the Prospecting and Mining Act as a percentage of the market value of the minerals extracted by licence holders in the course of finding or mining any mineral or group of minerals. The rates are determined as per *Table 33*.

Table 33: Namibian Royalty Rates per Mineral

Group of Minerals	Royalty %
Semi-precious stones/Industrial metals/Non-Nuclear fuel minerals	2.0%
Precious metals/ Base and rare metals	**3.0%**
Nuclear fuel minerals	3.0%
Oil and Gas	5.0%

For the purpose of the Project a royalty rate of 3.0% was applied in the financial model.

The Export Levy Bill imposes an export levy on certain goods exported from Namibia in order to improve the country's value share in its resources and to encourage further beneficiation within the country. The export levy is payable on the free on board ("FOB") value of the goods exported. The levy applicable to lead and copper concentrates is 1%, which was applied in the financial model.

Discount Rate

To test the appropriateness of the discount rate for the specific Project, Minxcon used the Capital Asset Pricing Model ("CAPM") to calculate the discount rate. The following were considered:-

- The U.S. 30-year Treasury bond yield rate of 3.18% was considered as an acceptable risk-free rate at the time of the valuation.
- The market risk premium of 6.0%, a rate generally considered as being the investor's expectation for investing in equity, rather than a risk-free government bond.
- The beta of a stock is normally used to reflect the stock price's volatility over and above other general equity investments in the country of listing. Since stock price values are not being considered, Minxcon calculated a project risk parameter of 1.25 on the Project instead of the beta. This specific risk was calculated using an average weighting on ranked criteria based on the most crucial elements in a mining project.
- Minxcon applied a Namibian country risk premium of 2.88%.
- By using the CAPM Minxcon calculated a nominal discount rate of 13.58% which translates in a real discount rate of 10.92%.

Table 34: Discount Rate Calculation

Group of Minerals	Royalty %
US risk-free rate	3.18%
Namibian Country Risk Premium	2.88%
Risk premium of market	6.00%
Project Beta	1.25
Nominal Cost of Equity	13.58%
Real Cost of Equity	10.92%

Valuation Results

Table 35 illustrates the Project NPV at various discount rates with a best-estimated value of USD96 million at a real discount rate of 10.92% and a high internal rate of return ("IRR") of 85.2%.

Table 35: Valuation Summary

Item	Unit	Kombat Copper PEA
NPV @ 0%	USD million	172
NPV @ 5%	USD million	133
NPV @ 10%	USD million	104
NPV @ 10.92%	**USD million**	**96**
NPV @ 15%	USD million	82
NPV @ 20%	USD million	65
IRR	%	85.2%
All-in Sustainable Cost Margin	%	39.6%
Peak Funding Requirement*	USD million	-30.15
Payback Period	Years	3.6
Break-even Copper Price	USD/Copper Equivalent t.	4,001

Note: * The Peak Funding Requirement is the maximum cumulative cash flow needed for the Project.

Monte Carlo Simulation

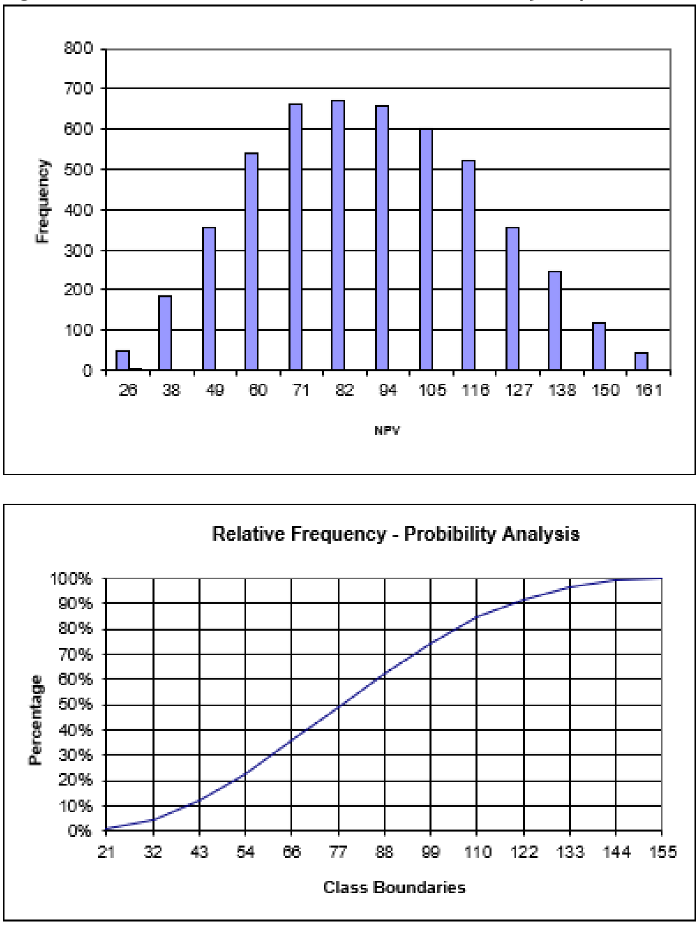
In order to evaluate risk, a Monte Carlo simulation was developed using a population of 5,000 simulations. This is a tool which allows the simulation of random scenarios to determine the effect thereof. Minxcon simulated various input parameters using a range in which a parameter is expected to vary (see Table 36). The current commodity prices are based on the average prices over the life of mine of the Project. The minimum and maximum price range are based on the short-term average low and high consensus forecast for copper prices.

Table 36: Monte Carlo Input Ranges

Input	Min	Max	Current	Min	Max
Copper Price (USD/t)	82%	114%	6,640	5,453	7,585
Lead Price (USD/t)	82%	114%	2,087	1,714	2,384
Silver Price (USD/oz.)	82%	114%	18.38	15.10	21.00
Grade (%)	90%	110%	2.84%	2.56%	3.12%
Fixed Costs (USD/Milled t)	90%	110%	11	10	12
Variable Cost (USD/Milled t)	90%	110%	65	58	71
Mining Capex (USDm)	85%	115%	61	51	70
Plant Capex (USDm)	85%	115%	7	6	8

The simulation was done on the life of mine model. The results of the simulation are depicted in Figure 139. Using these figures in the Monte Carlo model, the value range of the Kombat operation plots between USD67.69 million (Quartile 25%) and USD110.98 million (Quartile 75%). The analysis shows a positive distribution with a medium deviation from the mean. The operation is therefore somewhat robust operation and moderately sensitive to change in the input parameters - an indication of medium risk. The best-estimated value of USD96 million is also related to the mean value of USD89 million derived from the Monte Carlo simulation.

Figure 139: Monte Carlo Simulation Summary Report



Summary Statistics

Sample Size (*n*):	5000	
MEAN:	USD	89.64
STDEV:	USD	29.04
Mean Standard Error:	USD	0.41

Quartiles

Min:	USD	21.28
Q(0.25):	USD	67.69
Median:	USD	88.61
Q(0.75):	USD	110.98
Max:	USD	166.70

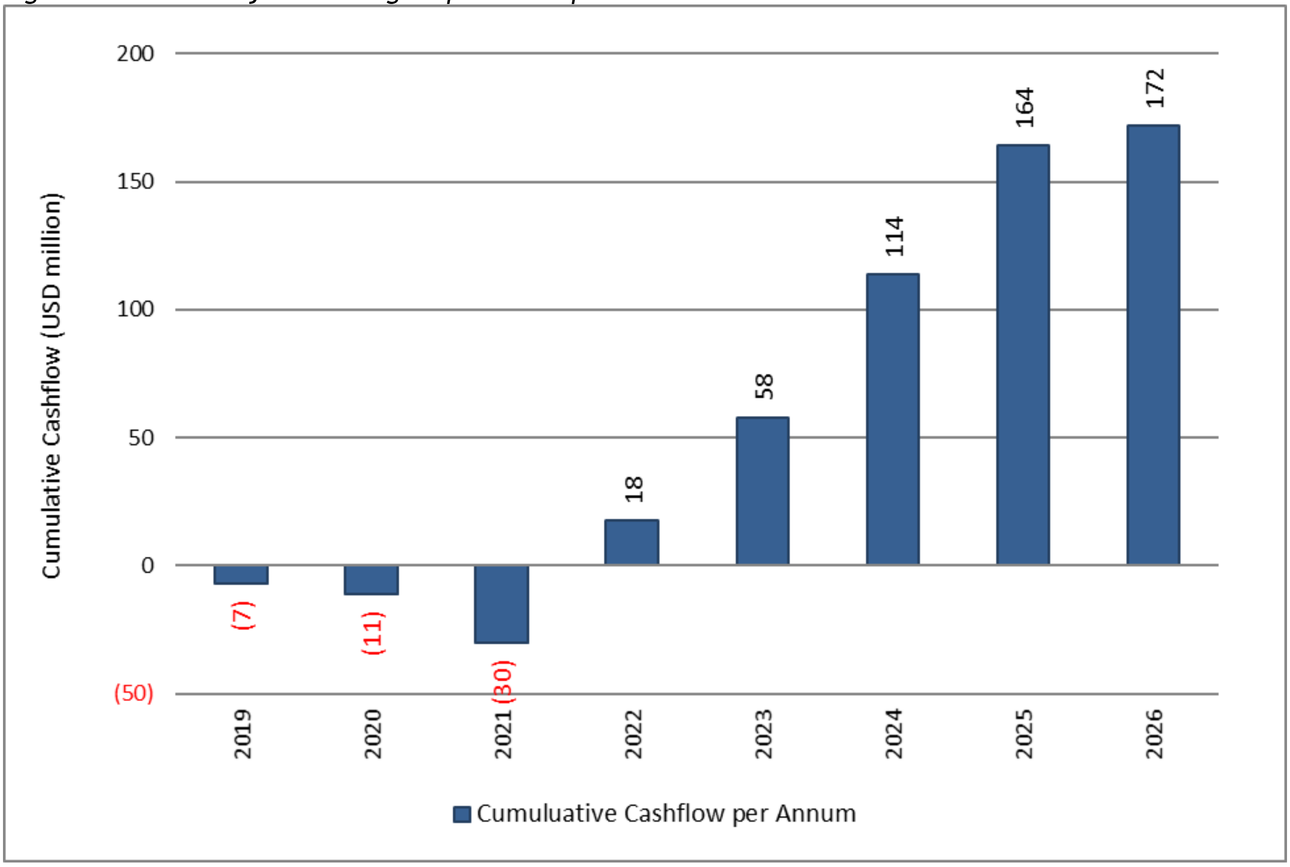
90% Central Interval

Q(0.05):	USD	43.84
Q(0.95):	USD	138.98

PEA Cash Flows

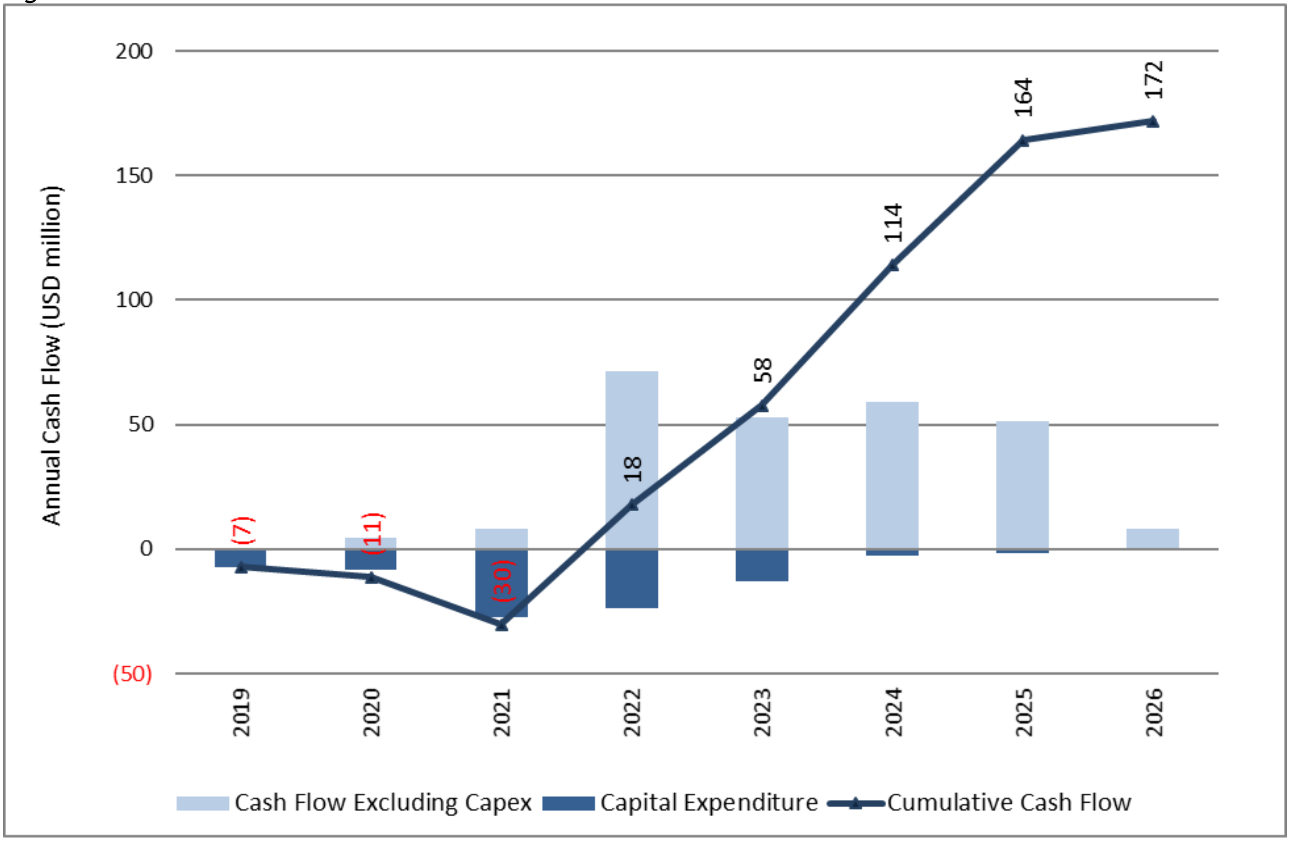
The annual cash flow before capital expenditure, total capital expenditure and cumulative cash flow forecast for the combined project over the life of mine are displayed in the figures to follow. The peak funding requirement of the combined project is displayed in Figure 140 as the minimum value of the cumulative cashflow over the life of mine.

Figure 140: Peak Project Funding Requirement per Annum



This maximum combined cash flow required amounts to USD30 million in 2021, thereafter the business is cash positive and no additional funding is required (Figure 141). The combined annual and cumulative cashflow over the life of mine is illustrated in Figure 141.

Figure 141: Combined Annual and Cumulative Cash Flow

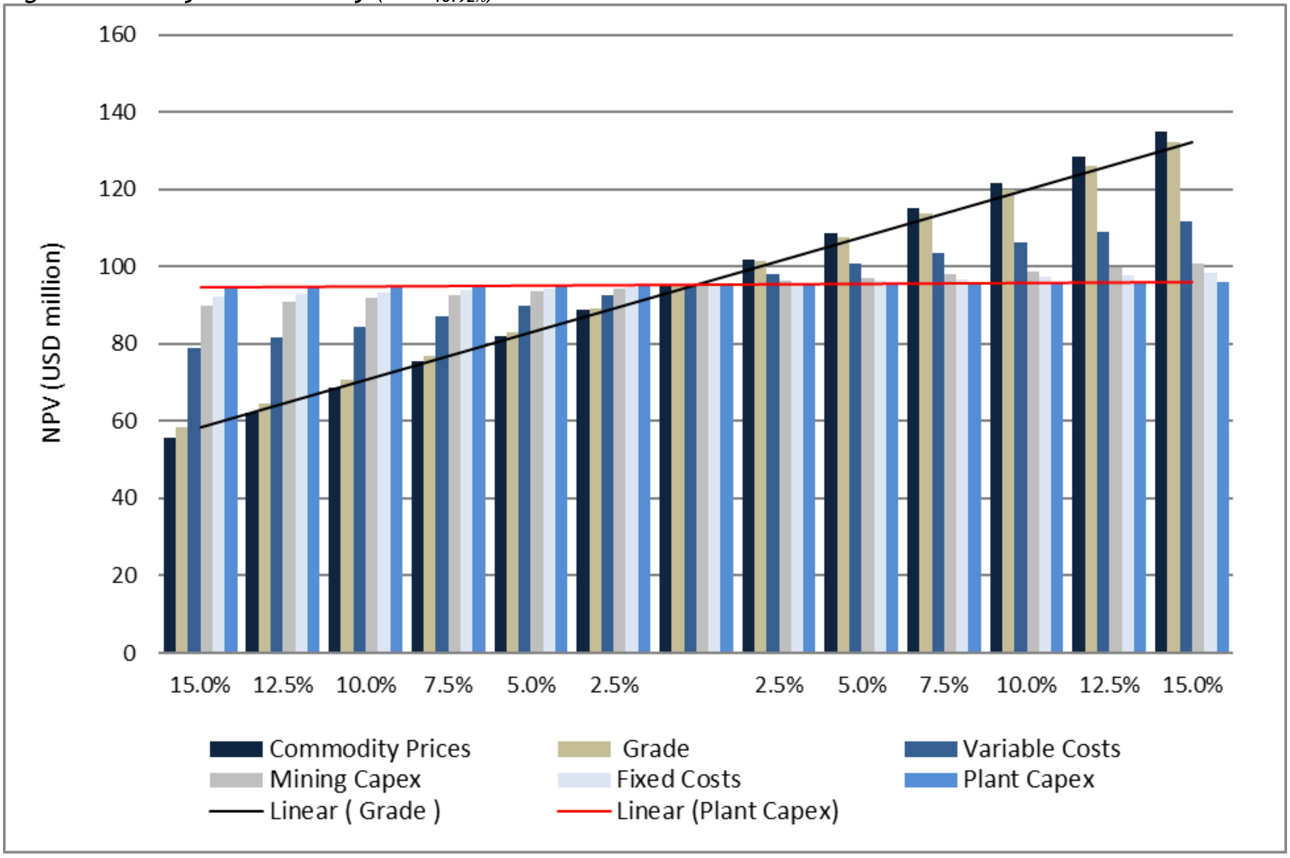


The current valuation is based on the current existing Mineral Resource that has been drilled to date. It is important to note that throughout the history of Kombat, the mine rarely had a reserve inventory of more than three to five years due to the fact that exploration drilling was not carried out well in advance. One of the reasons for this is the nature of the orebody and the manner in which exploration was historically conducted at Kombat. The short life of mine of each of the areas is thus an indication of what the current known Mineral Resource offers. The potential exists for the areas to increase the Mineral Resources and the life of the operations as the production commences which will extend the cash flows far beyond the current model valuated.

PEA Sensitivity Analysis

Based on the real cash flow calculated in the financial model, Minxcon performed single-parameter sensitivity analyses to ascertain the impact on the NPV. The bars in Figure 142 represent various inputs into the model, each being increased or decreased by 2.5%, *i.e.*, the left side of graph shows lower NPVs because of lower prices and lower grades, higher Opex and Capex and the opposite on the right hand. The red line and black line respectively represent the least sensitive and most sensitive impacts to the NPV. For the DCF, the commodity prices and grade have the biggest impact on the sensitivity of the Project followed by the variable operating cost.

Figure 142: Project Sensitivity ($NPV_{10.92\%}$)



To further demonstrate the sensitivities on the most sensitive impacts to the NPV, Minxcon included the following tables. Table 37 displays the NPV sensitivity to net turnover and average copper grade while Table 38 displays the NPV sensitivity to the Project cash cost and average copper grade.

Table 37: $NPV_{10.92\%}$ Sensitivity to Net Turnover and Average Copper Grade (USD million)

	Cu Grade	2.41%	2.48%	2.56%	2.63%	2.70%	2.77%	**2.84%**	2.91%	2.98%	3.05%	3.12%	3.19%	3.27%
Net Turnover (USD/Copper Equivalent t)	**Change %**	85.0%	87.5%	90.0%	92.5%	95.0%	97.5%	**100.0%**	102.5%	105.0%	107.5%	110.0%	112.5%	115.0%
5,644	85.0%	24	29	35	40	45	51	56	61	66	72	77	82	87
5,810	87.5%	30	35	41	46	52	57	63	68	73	79	84	89	95
5,976	90.0%	36	41	47	53	58	64	69	75	80	86	91	97	102
6,142	92.5%	42	47	53	59	64	70	76	81	87	93	99	104	110
6,308	95.0%	47	53	59	65	71	77	82	88	94	100	106	112	117
6,474	97.5%	53	59	65	71	77	83	89	95	101	107	113	119	125
6,640	**100.0%**	59	65	71	77	83	89	**96**	102	108	114	120	126	133
6,806	102.5%	64	71	77	83	90	96	102	109	115	121	128	134	140
6,972	105.0%	70	77	83	89	96	102	109	115	122	128	135	141	148
7,138	107.5%	76	82	89	96	102	109	116	122	129	135	142	149	155
7,304	110.0%	81	88	95	102	109	115	122	129	136	142	149	156	163
7,469	112.5%	87	94	101	108	115	122	129	136	143	150	157	163	170
7,635	115.0%	93	100	107	114	121	128	135	142	150	157	164	171	178
7,967	120.0%	104	111	119	126	134	141	149	156	163	171	178	186	193

Table 38: $NPV_{10.92\%}$ Sensitivity to Cash Cost and Average Copper Grade (USD million)

	Cu Grade	2.41%	2.48%	2.56%	2.63%	2.70%	2.77%	**2.84%**	2.91%	2.98%	3.05%	3.12%	3.19%	3.27%
Cash Cost (USD/Milled t)	**Change %**	85.0%	87.5%	90.0%	92.5%	95.0%	97.5%	**100.0%**	102.5%	105.0%	107.5%	110.0%	112.5%	115.0%
98	130.0%	19	26	32	38	45	51	57	63	69	75	81	87	93
94	125.0%	26	32	39	45	51	57	63	69	76	82	88	94	100
90	120.0%	33	39	45	51	58	64	70	76	82	88	94	100	106
87	115.0%	39	46	52	58	64	70	76	82	89	95	101	107	113
83	110.0%	46	52	58	64	70	77	83	89	95	101	107	113	120
79	105.0%	52	58	65	71	77	83	89	95	101	108	114	120	126
75	**100.0%**	59	65	71	77	83	89	**96**	102	108	114	120	126	133
72	95.0%	65	71	77	84	90	96	102	108	114	121	127	133	139
68	90.0%	71	78	84	90	96	102	109	115	121	127	133	139	146
64	85.0%	78	84	90	96	103	109	115	121	127	134	140	146	152
60	80.0%	84	90	97	103	109	115	121	128	134	140	146	152	159
57	75.0%	91	97	103	109	115	122	128	134	140	147	153	159	165
53	70.0%	97	103	109	116	122	128	134	141	147	153	159	165	171

ITEM 25 - INTERPRETATION AND CONCLUSIONS

Minxcon reviewed all the information and has made the following observations regarding the Project:-

NI 43-101 CONCLUSIONS

- The geological controls and mineralisation mechanisms pertaining to the Kombat operations are well understood and documented, regardless of their complexity.
- Though the apparent oxide zone is very thin, however a good understanding of this interface is required.
- The Inferred confidence in the Mineral Resource classification for the Kombat operations is based on a combination of factors such as:-
    - Low local drillhole data density in some areas.
    - The lack of QAQC on the historical drillholes (pre-2012), regardless of the check sampling conducted by P&E.
    - The inability to accurately deplete the Mineral Resources due to lack of digital underground voids relative to the block model and
    - The fact that underground stope sampling data was not available to assist in constraining the mineralised halos.
- A considerable wealth of historical geological mapping and interpretation and drillhole core exists in the mine archives in various fireproof strong rooms or the coreshed that has not been included which may serve to significantly increase the confidence in the Mineral Resource estimate.
- Due to the care and maintenance status of the Kombat operations, standard operating procedures and protocols are not easily available and need to be documented or found.
- Minimal measured bulk density values are available to support the current estimate contributing to the Inferred Mineral Resource classification, regardless of the use of the Tsumeb Formula.
- Upside potential for the Kombat operations exists in the form of the already-evaluated TSF, the Gap area at Asis West (which has limited drilling) and possible strike extension of the copper corridor at Gross Otavi and the possible addition of Harasib, which is not part of the scope of this Report.
- The additional 2017 RC drilling has achieved its aim, which was to upgrade the Inferred Mineral Resource in the open pit areas of Kombat Central and East to an Indicated Mineral Resource.
- This drilling campaign was conducted with industry best practices with QAQC protocols to substantiate the historical Mineral Resource albeit at a slightly lower than expected grade in places.
- Additional density measurements were also taken during the 2017 RC drilling campaign which supports previous density figures.

PEA CONCLUSIONS

The purpose of the PEA is to investigate the economic viability of the open pit and underground mining potential targeting the copper and lead resources at Kombat East, Kombat Central, Asis Far West, Asis West and Gross Otavi areas. The PEA investigated mining methods, treatment methods and development of additional infrastructure. The study focussed on the total Mineral Resource to determine the economic viability, upside potential as well as future exploration requirements. A DCF valuation was carried out on the PEA Study areas including Indicated Resources and Inferred Mineral Resources. The value derived from the PEA is considered to represent the upside potential value of the current copper and lead resources.

Mining

The orebody analysis showed that the shallow orebodies situated at Kombat East, Kombat Central and Gross Otavi are open pittable. Pit optimisations were conducted whereby the ultimate pits were selected for pit designs. Extraction of the deeper orebodies requires underground mining methods, and the current infrastructure will provide access to the workings. Mineable Stope Optimiser generated stope shapes utilised for the underground designs. The current underground infrastructure wireframes were incomplete and it was assumed that all connections were in place. This needs to be verified in the next study phase. The mine designs were based on geotechnical assumptions and a detailed study is required in the next study phase.

The mineable portion of the combined project, namely open pits and underground, comprises 4.1 Mt at a copper grade of 2.84%. This represents about 58% of the estimated Mineral Resource. The open pits comprise of 1.5 Mt at a copper grade of 1.34% and the underground comprises of 2.59 Mt at a copper grade of 3.94%. All the mining areas produce copper only as a product, except for Gross Otavi producing copper and lead. The current reserve inventory is based on Indicated Mineral Resources and Inferred Mineral Resources. In order to convert to a formal Mineral Reserve, a pre-feasibility study needs to be conducted.

The optimal extraction sequence was determined by evaluating each mining area individually. The final sequence starts with Kombat East at 30 ktpm followed by Kombat Central at 30 ktpm. Gross Otavi commences with pre-stripping once Kombat Central is depleted. During the extraction of Kombat Central development at Asis Far West commences followed by development at Asis West. As production declines at Kombat Central, stoping at 60 ktpm commences at Asis Far West followed by stoping at Asis West. Gross Otavi ore extraction commences once Asis West is depleted at 60 ktpm.

This mining sequence enables ore extraction in the initial years from the open pits providing revenue to pay back the initial capital. From year three underground development commences simultaneously with open pit mining. This enables the mine to generate cash while opening up underground mining faces. The underground stopes are extracted once the required development is complete. The underground stopes provide the larger return and are extracted as soon as possible. Gross Otavi is processed at the tail of the mine plan due to the high stripping ratio and due to the processing of two products.

Processing

The existing processing plant will employ conventional well-tested flotation processing methods and is capable of producing copper and lead concentrates. The plant, once refurbished, will be capable of treating the planned 30 ktpm from the Kombat open pit areas. The plant will then need to be expanded to a capacity of 60 ktpm as mining production ramps up from underground.

The plant will initially produce only a copper concentrate at recoveries of between 87% and 93% when treating material from the Kombat, Asis and Asis Far West areas. Thereafter, the plant will produce copper and lead concentrates from the high-lead Otavi material at copper and lead recoveries of 70% and 80% respectively.

Engineering and Infrastructure

The Kombat operation is a well-established operation with all main infrastructure required already in place. Some maintenance, repairs and refurbishment will be required especially at the Asis West and Asis Far West underground operations. The existing infrastructure as well as the power and water supply will be capable and sufficient to accommodate the production rates planned as part of this PEA.

The Kombat East open pit falls within close proximity to the No. 3 Shaft and its associated infrastructure. This may constitute a risk to the project. Dewatering of the underground workings is the most important requirement with regards to re-establishment of the underground operation and will require detailed assessment and planning. The size of the vertical shaft at Asis Far West may constitute a risk in term of transporting mining equipment underground.

Financial Valuation

Minxcon, together with the Client, derived a mining strategy to outfit the Project financially and practically in the best way. Although the majority of the Project value lies within the underground operation, the open pits will require the least work and time before they can go into operation.

The following conclusions were reached regarding the Project PEA:-

- The Project investigated is financially feasible at a 10.92% real discount rate.
- The best-estimated value of the PEA was calculated at USD96 million at a real discount rate of 10.92% and the Project has a healthy IRR that was calculated at 85.2%. The reason for the high IRR is due to all major infrastructure already being in place and being sufficient for the operation of the mining areas. The existing plant only requires refurbishment before first production, while the underground sections will require dewatering and re-establishment.
- By using the Monte Carlo model for the PEA, the positive distribution value range of the Project plots between USD68 million and USD111 million.
- The Monte Carlo analysis has a relatively small deviation from the mean and is therefore a robust operation and not very sensitive to change in the input parameters - an indication of lower risk.
- The PEA is most sensitive to commodity prices and grade.
- The PEA has a break-even price of USD1.81/copper equivalent pound, including capital.

ITEM 26 – RECOMMENDATIONS

Minxcon recommends the following for the Project:-

NI 43-101 RECOMMENDATIONS

- All sections and plans with historical stope face positions should be digitised for incorporation into the mine void model in order to increase the confidence in the depletion of the Mineral Resource estimate.
- Historical, as well as recent processes and protocols pertaining to any sampling data should be updated and standardised in line with current accepted industry best practice in order to assist in future Mineral Resource assessments.
- The wealth of core in the coreshed should be utilised to add to a re-assay programme, over and above the one conducted by P&E, and should consider a wide spread of data over the historical life of the mine.
- The wealth of historical core available can be used to better inform the measured bulk density database. In future the mine should also consider the purchase of a scale to conduct routine raw bulk density measurements in order to support the Tsumeb Formula and save cost.
- Historical geological mapping (underground and surface) should be digitally captured and elevated in order to lend further integrity to the digital Mineral Resource estimation process.
- It was previously strongly recommended that drillhole assays and check assays are sent to accredited laboratories for sample preparation and analysis. This was done in the 2017 drilling campaign and should be continued.
- The 2017 drilling campaign was Phases 1 and 2 of the recommended drilling for the project. Additional drilling (Phases 3 and 4) is still recommended to further improve the confidence in the orebody and to increase Mineral Resources, and should also consider the oxide sulphide transition.
- In future, all drilling should continue with assaying for silver, as was done in the 2017 RC drilling, due to the current low silver data density.

PEA RECOMMENDATIONS

In order to declare Mineral Reserves, a pre-feasibility study should be completed. As part of the pre-feasibility, processing assumptions and plant recoveries should be updated. Mine planning, schedule optimisation, operating cost and capital estimations should be updated to the required level of detail. The production rate and extraction sequence should be investigated in detail.

Mining

During the pre-feasibility study, a geotechnical study and geohydrological study is recommended to recommend the rock engineering parameters for all mine designs. The optimal return air strategy for Asis Far West should be investigated in the pre-feasibility study. The optimal extraction methodology for Gross Otavi should be investigated in the pre-feasibility study.

Processing

Metallurgical testwork will be required to verify the expected processing recoveries and the plant design. The tests should also serve to confirm reagent requirements and reagent consumptions to better estimate plant operating costs.

Engineering and Infrastructure

It is recommended that during the next study level a complete and detailed assessment and plan be conducted with regards to the dewatering of the underground operation as well as the refurbishment of the main hoisting shafts. These areas will be critical in terms of re-establishment of the operation.

According to a water balance conducted, it can be expected that both during initial dewatering and dewatering during steady state production an excess of water will be present at the operation. Although NamWater utilises the majority of the excess water there may still be excess water remaining that will have to be discarded. A clear plan needs to be set out in terms of how and where excess water can be discarded/released.

A detailed trade-off study will be required to select mining equipment that will be able to be transported down the vertical shaft and still meet the required production.

Financial Valuation

The assumptions made and strategy followed should be further investigated in the pre-feasibility study. The Project valuation is sensitive to the treatment and refining charges and it is imperative for Trigon to get certainty with regards to off-take agreements.

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APPENDIX

Appendix 1: Qualified Persons' Certificates

CERTIFICATE of QUALIFIED PERSON

I, Uwe Engelmann, do hereby certify that:-

1. I am a Director of **Minxcon (Pty) Ltd**
   Suite 5, Coldstream Office Park,
   2 Coldstream Street,
   Little Falls, Roodepoort, South Africa
2. I graduated with a BSc Honours (Geology) degree from the University of the Witwatersrand in 1991.
3. I have more than 20 years' experience in the mining and exploration industry. This includes eight years as an Ore Resource Manager at the Randfontein Estates Projects on the West Rand. I have completed a number of assessments and technical reports pertaining to various commodities, including copper, using approaches described by the National Instrument 43-101 (Standards of Disclosure for Mineral Projects), Form 43-101F1 and the Companion Policy Document 43-101CP ("NI 43-101").
4. I am affiliated with the following professional associations, which meet all the attributes of a Professional Association or a Self-Regulatory Professional Association, as applicable (as those terms are defined in NI 43-101):-

Class	Professional Society	Year of Registration
Member	Geological Society of South Africa (MGSSA No. 966310)	2010
Professional Natural Scientist	South African Council for Natural Scientific Professions (Pr.Sci.Nat. Reg. No. 400058/08)	2008

5. I am responsible for all Items of the technical report titled "NI 43-101 Technical Report on the Kombat Copper Project, Namibia - Mineral Resource Report" prepared for Trigon Metals Inc. with an effective date of 28 February 2018 ("the Report").
6. I have read the definition of "Qualified Person" set out in NI 43-101 and certify that by reason of my education, affiliation with professional associations and past relevant work experience, I fulfil the requirements to be a Qualified Person for the purposes of the Report.
7. I have read NI 43-101 and the Report has been prepared in compliance with it.
8. As of the effective date, to the best of my knowledge, information and belief, the Report contains all scientific and technical information required to be disclosed to make the Report not misleading.
9. I am independent of Trigon Metals Inc. as such term is defined in Section 1.5 of NI 43-101. My compensation, employment or contractual relationship with Trigon Metals Inc. is not contingent on any aspect of the Report.
10. I undertook a personal inspection of the Project properties during the period 23 to 25 August 2017 to ground truth drill site positions, investigate surface geology and compile exploration standard operation procedures.

Signed at Little Falls, Roodepoort on 22 March 2018.

U ENGELMANN
BSc (Zoo. & Bot.), BSc Hons (Geol.)
Pr.Sci.Nat., MGSSA
DIRECTOR, MINXCON

KEY AUTHORS

Mr Daniel (Daan) van Heerden (Director, Minxcon): B Eng (Min.), MCom (Bus. Admin.), MMC, Pr.Eng. (Reg. No. 20050318), FSAIMM (Reg. No.37309), AMMSA.

Daan has worked in the mining industry for over 30 years. He has a vast amount of experience in managing underground and open cast mining operations in South Africa and abroad for world-class mining majors and junior mining companies. He was responsible for new business development for two major mining companies and has experience in mining mergers and acquisitions. He is currently heading the Mining Engineering division of Minxcon, where he is integrally involved in activities such as valuation, due diligence, finance structuring, change management required post the event, feasibility studies, life of mine plans, technical reviews and writing of technical reports for various commodities.

Mr Johan Odendaal (Director, Minxcon): BSc (Geol.), BSc Hons (Min. Econ.), MSc (Min. Eng.), Pr.Sci.Nat. (Reg. No. 400024/04), FSAIMM (Reg. No. 702615), MGSSA (Reg. No. 965119).

Johan Odendaal has over 30 years' experience in the mining and financial industry. This includes 12 years as independent mining consultant specialising in the valuation of Mining Projects and 12 years as a mining analyst at two major stockbroking firms and investment bank. During this time, he was rated one of the top platinum and gold mining analysts and became a globally recognised industry specialist in various commodities. Regular contact with the mining, corporate and investment community allowed him to build an extensive network of contacts around the globe specialising in valuation of mining companies. He commands a wide range of knowledge on both local and international mining companies. As a former employee of a Global Investment Bank, he was actively involved in Financial Analysis and advising mining companies and investment bankers on corporate mining transactions. Johan has a vast experience in fundamental analysis of commodity markets. His experience with regard to Mineral Asset Valuations, Concept Studies, Competent Persons Reports, Due Diligence and Technical Reports includes precious metals, ferrous and non-ferrous metals, coal, diamonds and a number of minor metals and commodities. Johan also serves on the JSE Issuer Regulation Advisory Committee and SAMVAL Working Group.

Mr Dario Clemente (Director, Minxcon Projects SA): NHD (Ext. Met.), GCC, BLDP (WBS), MMMA (Reg. No. M000948), FSAIMM (Reg. No. 701139)

Dario has over 40 years' experience in the metallurgical industry, including five years abroad working for large international companies – as a Metallurgical Manager at a tungsten and tin base metal mine; and as a Technical Consultant at a polymetallic copper operation. He has extensive experience in base metal and platinum group metals refining, as well as gold and uranium metallurgy. He has also co-authored technical papers and presented his findings locally and abroad. He is currently heading the Metallurgy division of Minxcon Projects.

Mr Paul Obermeyer (Mineral Resource Manager, Minxcon): BSc Hons (Geol.), Pr.Sci.Nat. (Reg. No. 400114/06).

Paul has 20 years' experience in the mining industry, where he has gained extensive experience in data processing and orebody modelling using CAE (Datamine) Studio3™, and the fields of sedimentology, stratigraphy, gold exploration and QAQC. He has been involved in projects with commodities such as of gold, platinum, coal and base metals. He was a Chief Geologist on one of South Africa's most complex mines for four years. He has worked in a production environment for 13 years, as well as in exploration. Owing to his experience, Paul is also well-equipped to conduct due diligence exercises on operations for different commodities and to conduct audits.

Mr Laurence Hope (Senior Resource Geologist, Minxcon): NHD (Econ. Geol.), Pr.Sci.Nat. (Reg. No. 200010/11).

Laurence has been involved in the mining industry for over 25 years in both production and consulting. As a geologist, he has held managerial level positions for over 12 years, leading teams in numerous work environments. He has extensive experience of over 18 years in 3D geological modelling and Mineral Resource estimation for a variety of deposit types. He is proficient in many geological modelling software programs, including Vulcan, Surpac®, Datamine™, Micromine and Leapfrog3D. He has worked as a production geologist on a variety of mines and conducted exploration programmes in the field. As a consultant, a main function of his career has been in mine database management and QAQC.

Miss Maria Antoniades (Geologist, Minxcon): BSc Hons (Geol.), Cand.Sci.Nat. (Reg. No. 114426), MGSSA.

Maria has over five years' experience in the mining industry. She started her career as a Mineral Projects Analyst, where she gained experience in the assessment of mineral projects across a variety of commodities. She has worked as a sole in-house geologist, setting up company standards and assessing geological terrains. Maria forms an integral part of the Minxcon team as a geologist, undertaking roles including geological interpretations, editing and mining project co-ordination. She is actively involved in the compilation of technical documentation in compliance with the main reporting codes requirements and performs reviews of various mining and exploration projects to indicate their viability.

Mr Sherlock Rathogwa (Exploration Geologist, Minxcon): BSc (Geol. & Math.), BSc Hons (Geol.), MGSSA.

Sherlock has over six years' experience in the mining industry. He graduated with a B.Sc. in Geology and Mathematics from the University of Johannesburg in 2008. In 2009 he obtained his B.Sc. Honours in Geology from the University of Johannesburg. His experience includes extensive field exploration geology in a wide range of minerals and geological settings, GIS application in geology, 3D geological modelling. Sherlock has gained excellent proficiency in geological field work as well as the associated and relevant office work. He has worked on drilling projects where he monitored and supervised diamond drilling campaigns.

Mr Johannes Scholtz (Mining Engineer & Valuator, Minxcon): B Eng Hons (Min.).

Johannes joined the team of Mining Engineers at the financial side at Minxcon in August 2017. He is currently working on a wide range of projects involved in market research, mine operating cost and capital cost evaluation and financial estimations. Johannes completed his Honours Degree in mining engineering in 2015, specialising in mineral economics and has since worked as a mining researcher. Research projects included both technical and market research topics for the MHSC and private companies.

Mr Wilhelm Warschkuhl (Mining Engineer, Minxcon): B Eng (Min.), B Eng Hons (Min.), MSAIMM.

Wilhelm is a mining engineer with eight years' experience in the mining industry. He has had the privilege to gain a respectable amount of experience from two different mining environments. He worked for various internationally acclaimed companies. Wilhelm has completed his underground coal blasting certificate and gained coal mining experience as a miner at Khutala Colliery. He then joined Hatch Goba whereby he gained experience in mine planning, supplier engagement, production scheduling and operational cost estimating. During his time with Hatch Goba he was involved with Order of Magnitude Studies, Pre-Feasibility Studies and Feasibility Study. During his time with VBKOM Consulting Engineers he gained experience in open pit mine design and scheduling. Wilhelm has experience in operating various mining software, namely Mine 2-4D, Studio Planner, EPS Scheduler, Deswik and Deswik Scheduler, Surpac and Mineshed.

Mr Julian Knight (Senior Process Engineer, Minxcon): B Eng (Chem.), B Eng Hons (MOT), Pr.Eng. (Reg. No. 20150289), MSAIMM.

Julian has experience in process control and optimisation as well as project management of platinum and base metals commercial projects. Furthermore, Julian has an R&D background in process control in the PGM and BM industries. As a Process Engineer at Minxcon, he is responsible for leading process engineering work with his skills directed at the metallurgical discipline in all projects that involve processing from metallurgical accounting reviews to feasibility studies and onsite optimisation. He is currently working on a wide range of projects in various commodities and forms part of Junior Management and the Executive Committee.

Mr Jano Visser (Mechanical Engineer, Minxcon): B Eng (Min.), GCC.

Jano obtained his B.Eng. (Mechanical) degree from the North West University in 2009. From 2010 he was an employee of Anglo American Platinum on the Engineer in Training Programme. During a two and a half year period he gained exposure and experience in the different company fields including shafts, underground mining (conventional and trackless), concentrators, smelters and refineries. As part of the programme he acted in various Foreman, Senior Foreman and Section Engineer roles. Jano obtained his Government Certificate of Competency –Mines and Works (Mechanical) in June 2012. In October 2012 he was appointed as Section Engineer (Production) within Anglo American Platinum. Jano joined Minxcon in November 2015 as a mechanical engineer, consulting on various mining projects and a variety of commodities. He has valuable experience in mine infrastructure design and operating and capital cost estimations.

Appendix 2: Historical QAQC Results

2012 Re-sampling Programme (Gross Otavi)

During the 2012 core re-sampling programme, the protocol included the insertion of six certified reference materials within 117 core samples to be submitted to Bureau Veritas. CRMs were purchased from Canadian Resource Laboratories Ltd. The table below presents all CRMs used during the 2012 core re-sampling programme.

Summary of CRMs used During 2012 Core Re-sampling programme.

CRMID	Provisional	Certified Concentration			
	Au	Ag	Cu	Pb	Zn
	g/t	g/t	%	%	%
CND-ME-13	0.148 ± 0.024	76.5 ± 6.8	2.69 ± 0.2	1.70 ± 0.09	18.48 ± 1.83
CDN-ME-19	0.62 ± 0.062	103 ± 7	0.474 ± 0.018	0.98 ± 0.06	0.75 ± 0.04

Analytical performance is judged by warning limits of +/- two standard deviations from the mean of the between-lab round robin characterisation, and tolerance limits of +/- three standard deviations from the certified mean. Values should remain between +/- two standard deviations nine times out of ten. Any values falling outside the tolerance limits are failures and must be examined on a case-by-case basis.

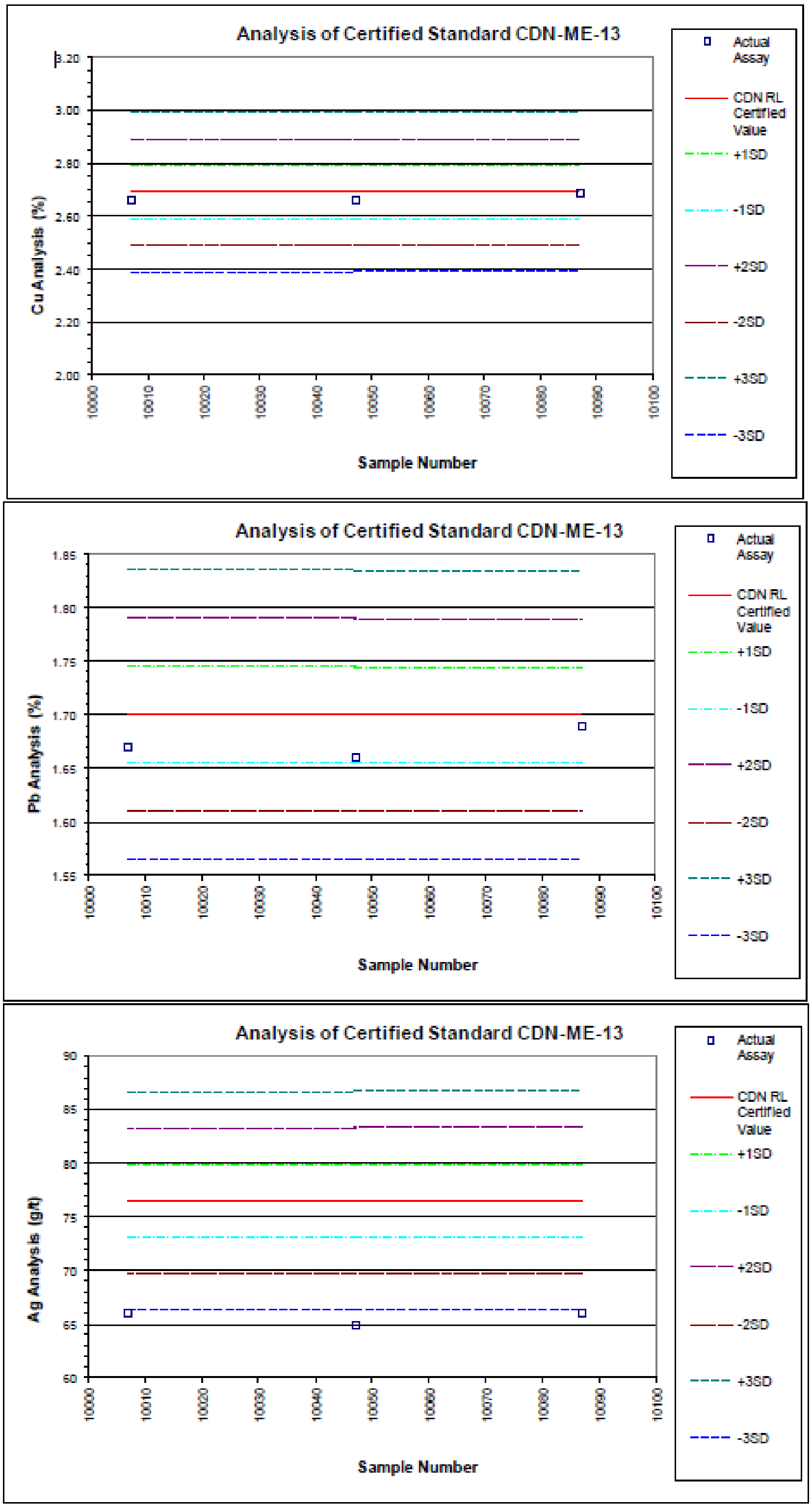
The table below presents a summary of performance of all CRMs used during the 2012 core re-sampling programme.

Summary of Performance of CRMs Analysis

Standard	Acceptance	Remarks
CDN-ME-13 Cu%	Pass	Values at or slightly below mean value
CDN-ME-13 Pb%	Pass	Slightly low but within one standard deviation
CDN-ME-13 Ag g/t	Fail	All values lower than three standard deviations
CDN-ME-19 Cu%	Marginal	Sample #10107 fail; Samples 10027 & 10067 warnings
CDN-ME-19 Pb%	Pass	Sample #10107 warning
CDN-ME-19 Ag g/t	Fail	All values lower than three standard deviations

Figure below depicts the CND-ME-13 CRM performance. Three samples failed Silver analysis, and the batch containing these samples should have been re-assayed. It is not known whether this was conducted or not.

Performance of CND-ME-13

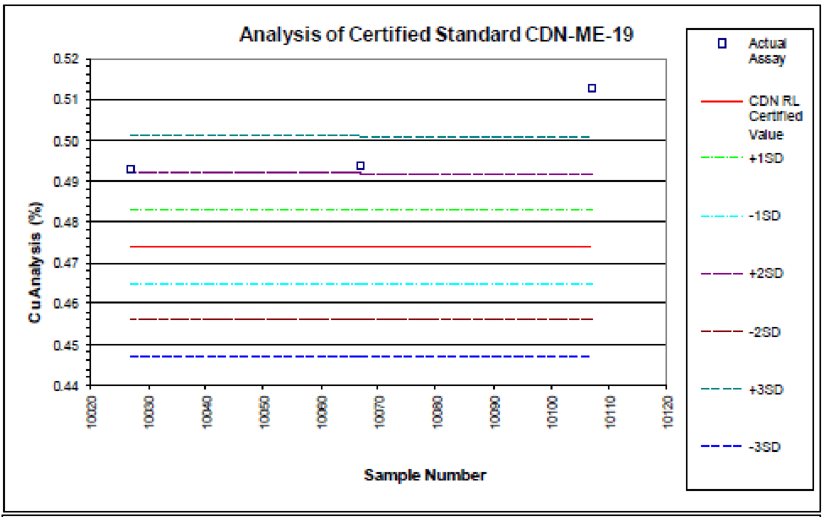


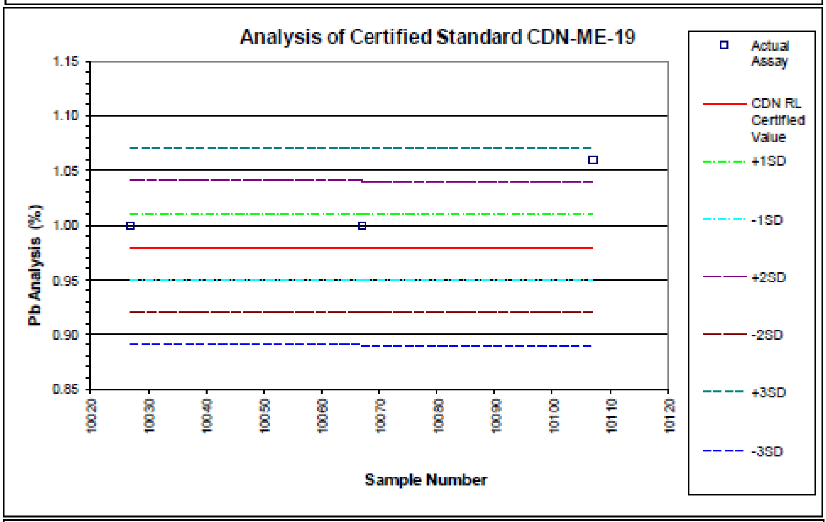
Source: P&E Mining, 2014

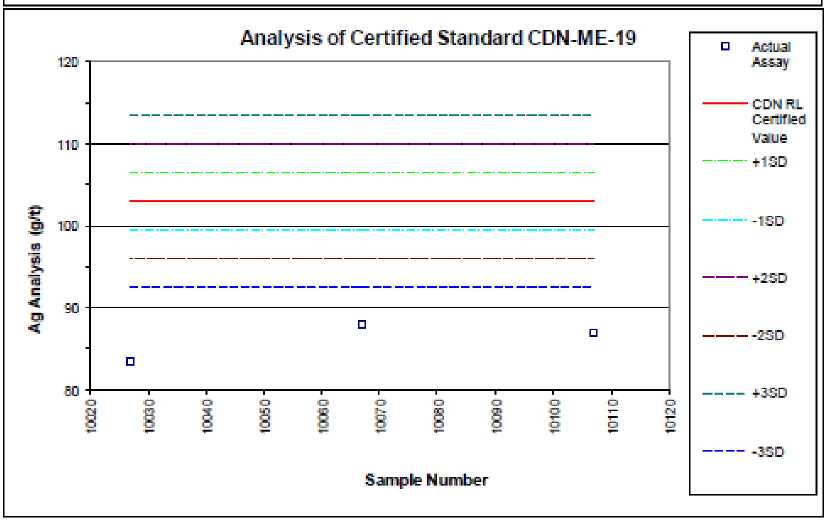
Performance of CND-ME-13	**February 2018**

Lead analyses are acceptable. The batches containing the CDN-ME-19 standard, i.e. samples 10107, 10027 and 10067, are likely to have analysed high for copper and should have been rerun for copper. Silver analysed unacceptably low for all six standards submitted and all samples should have been rerun for silver.

Performance of CND-ME-19







Source: P&E Mining, 2014

Performance of CND-ME-19	**February 2018**

Blank Material

Analytical blank, CDN-BL-10 was utilised during the 2012 re-sampling programme. The blank material was purchased from CDN Resource Laboratory in Langley, BC. And it was prepared from granitic rock. CDN-BL-10 was certified for gold, platinum and palladium only and had no certified or recommended values for copper, lead and silver. Table below presents details of the certified blank that was utilised during 2012 re-sampling programme.

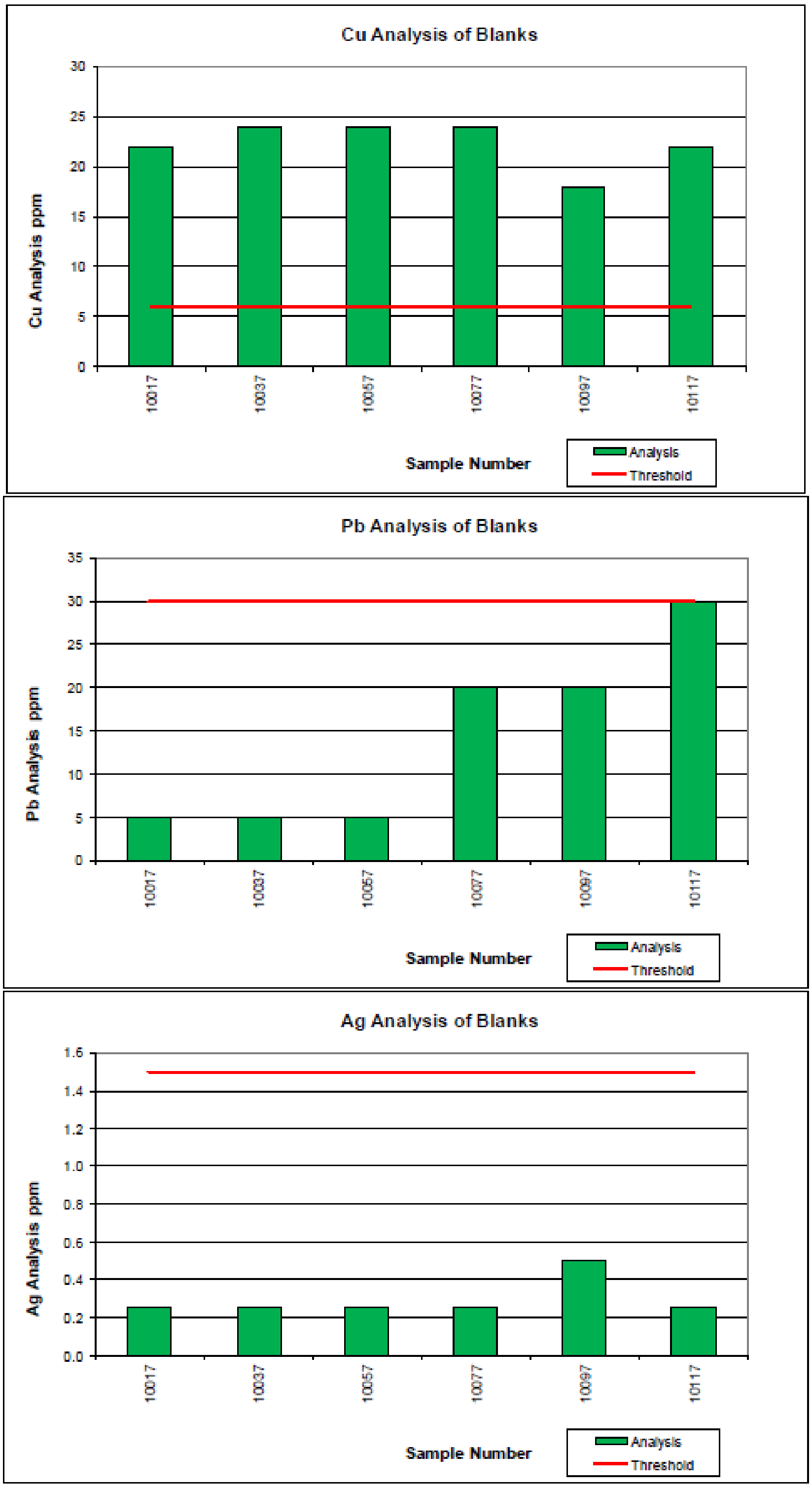
Detailed Summary of CDN-BL-10

ID	Type	Certified Concentration						
		Au	Pt	Pd	Ag	Cu	Pb	Zn
		g/t	g/t	g/t	g/t	%	%	%
CDN-BL-10	Pulp Blank	<0.01	<0.01	<0.01	-	-	-	-

The blanks were pre-pulverized to -53 µm and as such did not pass through the crushing and pulverizing stages of the sample preparation, which are most at risk for contamination.

Six blanks were analysed during the re-sampling program, and results indicated that contamination post-preparation was not an issue for Pb and Ag. Cu blanks returned less than 25 ppm but all exceeded the expected threshold of 6 ppm, which is three times the lower detection limit of 2 ppm. This level of Cu may represent background values in the blank material.

Performance of Certified Blanks



Source: P&E Mining, 2014

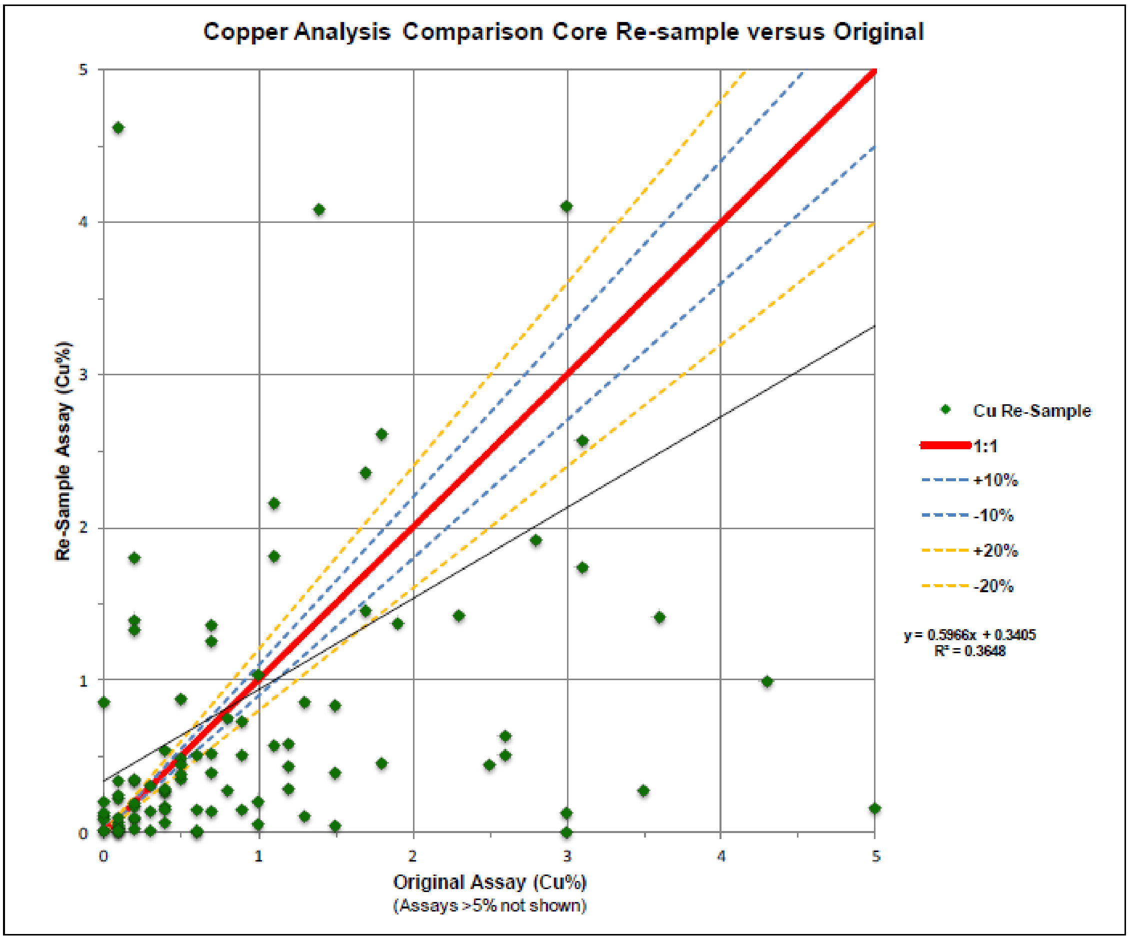
Performance of Certified Blanks	February 2018

Core Duplicates

The re-sampling program samples are essentially core duplicates and outside lab check samples since the analytical laboratory is Bureau Veritas and not the original Kombat Mine or Tsumeb laboratories. As such, sampling variance and inter-laboratory analytical variance are combined into higher overall variance.

There were 102 field duplicate pairs, comprised of a quarter core splits sent for analysis at Bureau Veritas. Scatter plots of paired analyses for copper, silver and lead are shown in the figure below. The scatter is considerable with linear correlation coefficients (R^2) of <0.5 with the relative standard deviation (“RSD”) of 147 % indicating poor reproducibility with a bias to higher grades for the original assays. At the 95% confidence limit the expected difference between assays is ±200 %. The cause for this lack of combined accuracy and precision is likely contamination at the Kombat Mine laboratory and/or poor (selective) core sampling practice. Bureau Veritas analysed two pulp duplicate pairs as part of their internal quality control. Precision was acceptable for Cu, Pb and Ag.

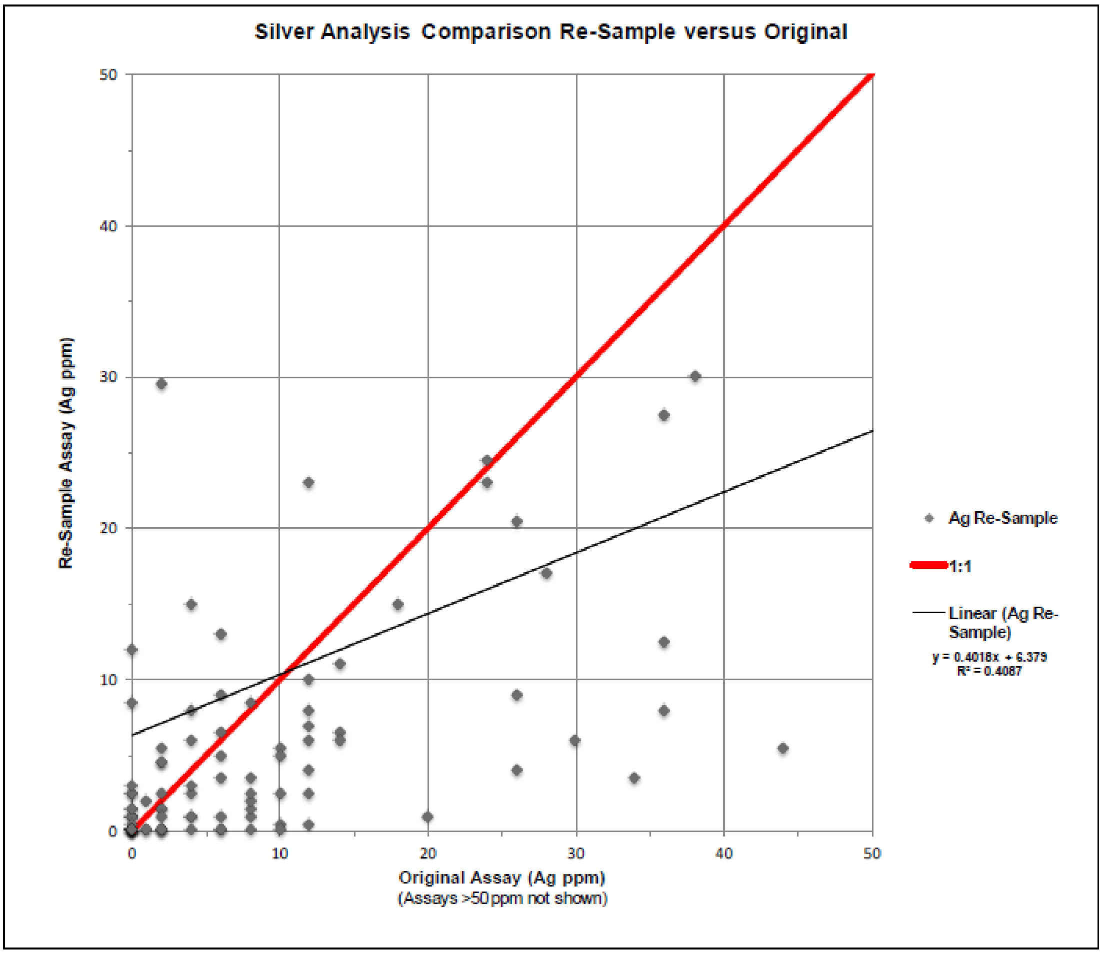
AFW Core Duplicate for Copper.



Source: P&E Mining, 2014

AFW Core Duplicate for Copper	February 2018

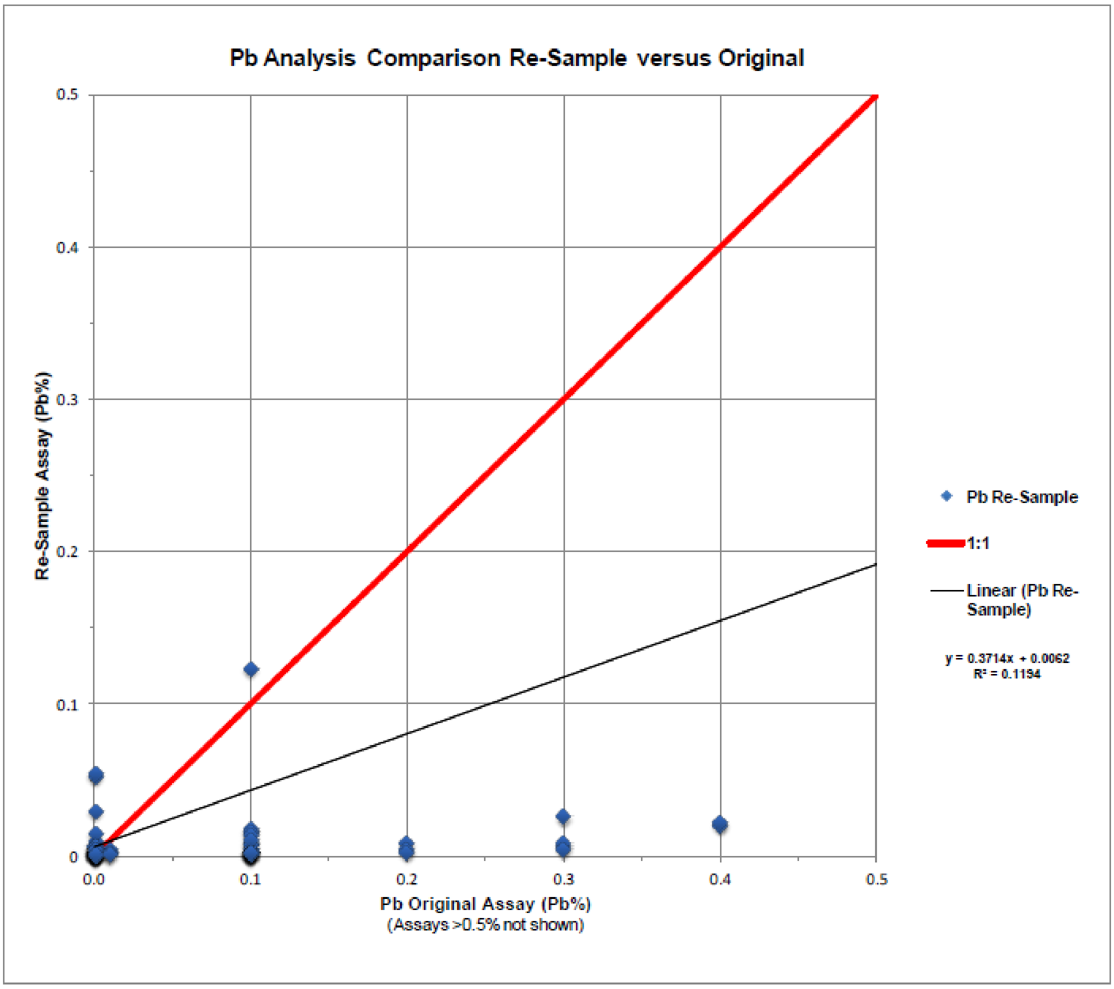
AFW Core Duplicate Pair for Silver



Source: P&E Mining, 2014

AFW Core Duplicate Pair for Silver	February 2018

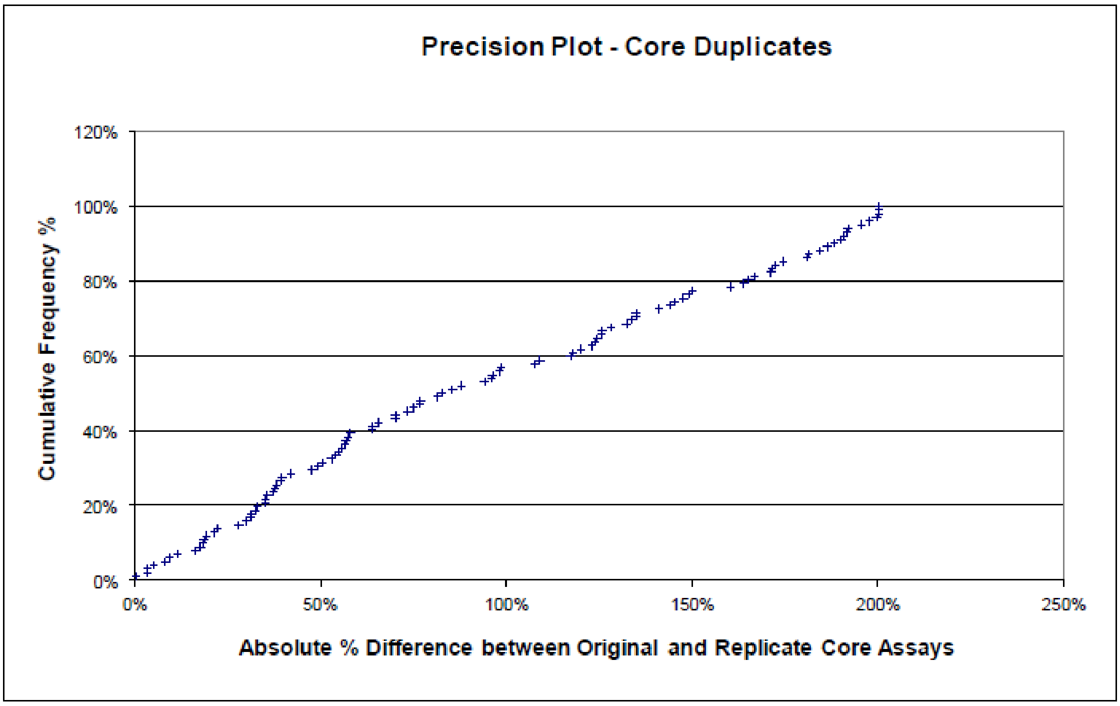
AFW Core Duplicate Pair for Lead



Source: P&E Mining, 2014

AFW Core Duplicate Pair for Lead	February 2018

AFW Precision of Original and Re-Sampled Core Assays



Source: P&E Mining, 2014

AFW Precision of Original and Re-Sampled Core Assays	February 2018

2013 Drilling Campaign (Asis Far West)

A total of 118 samples including reference material were dispatched to Bureau Veritas for sample preparation and the pulps were analysed at Acme Analytical Laboratories. Blanks and CRMs were purchased from Canadian Resource Laboratories Ltd. The details of the CRMs utilised during 2013 Drilling Campaign are presented in the table below.

Summary of CRMs used During 2013 Drilling Campaign

ID	Type	Certified Concentration						
		Au	Pt	Pd	Ag	Cu	Pb	Zn
		g/t	g/t	g/t	g/t	%	%	%
CND-BL-10	Pulp Blank	<0.01	<0.01	<0.01	-	-	-	-
CDN-ME-19	CRM	0.62 ± 0.062	-	-	103 ± 7	0.474 ± 0.018	0.98 ± 0.06	0.75 ± 0.04
CDN-ME-1201	CRM	0.125 ± 0.03	-	-	37.6 ± 3.4	1.572 ± 0.086	0.465 ± 0.032	4.99 ± 0.29

The table below presents a summary of all the quality control samples for 2013 drilling campaign.

Summary of the Quality Control Samples for 2013 Drilling Campaign.

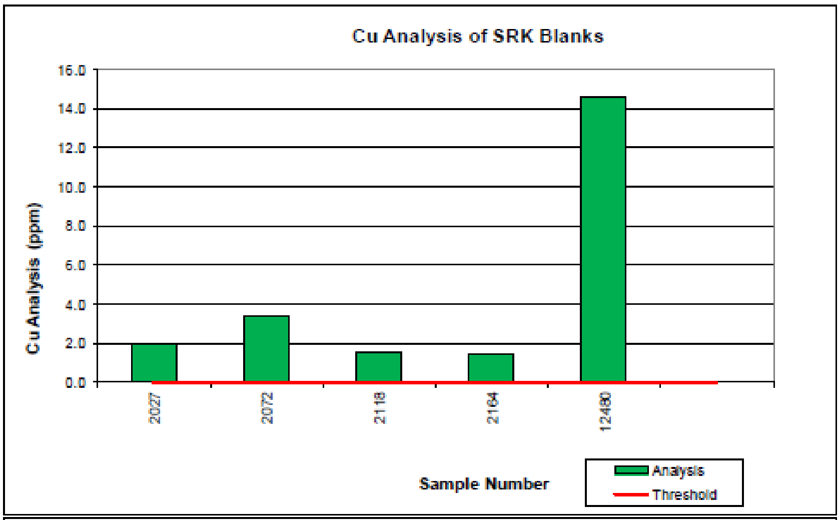
Sample ID	QC Sample	Remarks
12480	CDN-BL-10	Pulp Blank
12489	CDN-ME-19	CRM Pulp
12498	Core Duplicate	
2009	CDN-ME-1201	CRM Pulp
2018	Prep Duplicate	2nd Pulp from 2017 Sample
2027	CDN-BL-10	Pulp Blank
2036	CDN-ME-19	CRM Pulp
2045	Core Duplicate	
2054	CDN-ME-1201	CRM Pulp
2063	Prep Duplicate	of 2062 Sample

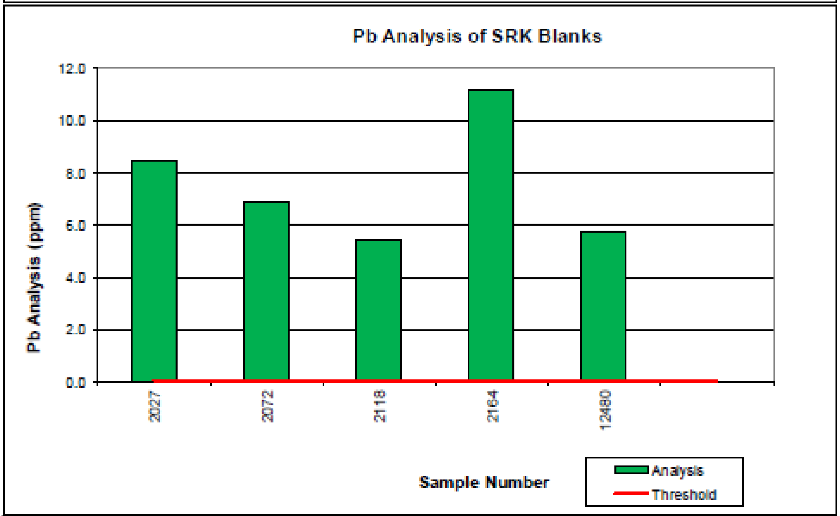
Sample ID	QC Sample	Remarks
2072	CDN-BL-10	Pulp Blank
2081	CDN-ME-19	CRM Pulp
2090	Core Duplicate	
2099	CDN-ME-1201	CRM Pulp
2108	Prep Duplicate	of 2107 Sample
2118	CDN-BL-10	Pulp Blank
2127	CDN-ME-19	CRM Pulp
2137	Core Duplicate	
2146	CDN-ME-1201	CRM Pulp
2155	Prep Duplicate	of 2154 Sample
2164	CDN-BL-10	Pulp Blank

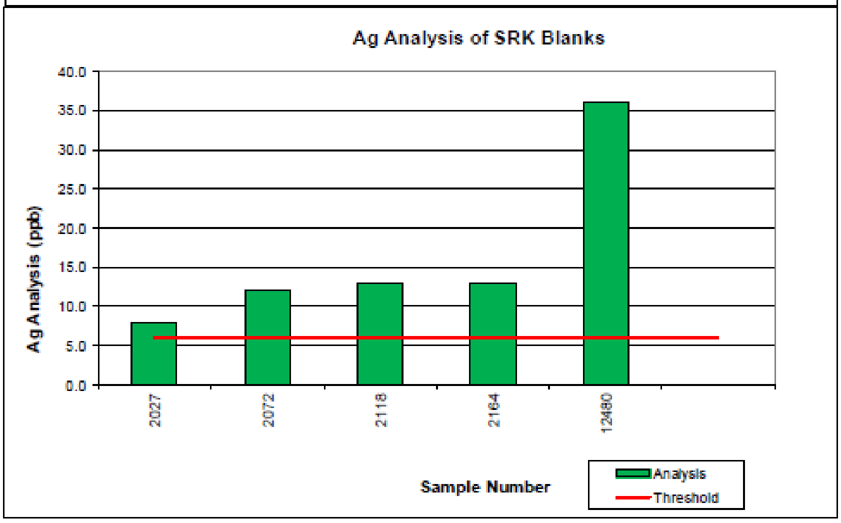
Blanks

A total of five blanks were used during the 2013 drilling campaign. The blank material (CND-BL-10) was certified for Gold, Platinum and Palladium. The figure below presents blank QAQC graphs for Copper, Lead and Silver.

Blank QAQC Results.







Source: P&E Mining, 2014

Blank QAQC Results	February 2018

CRMs

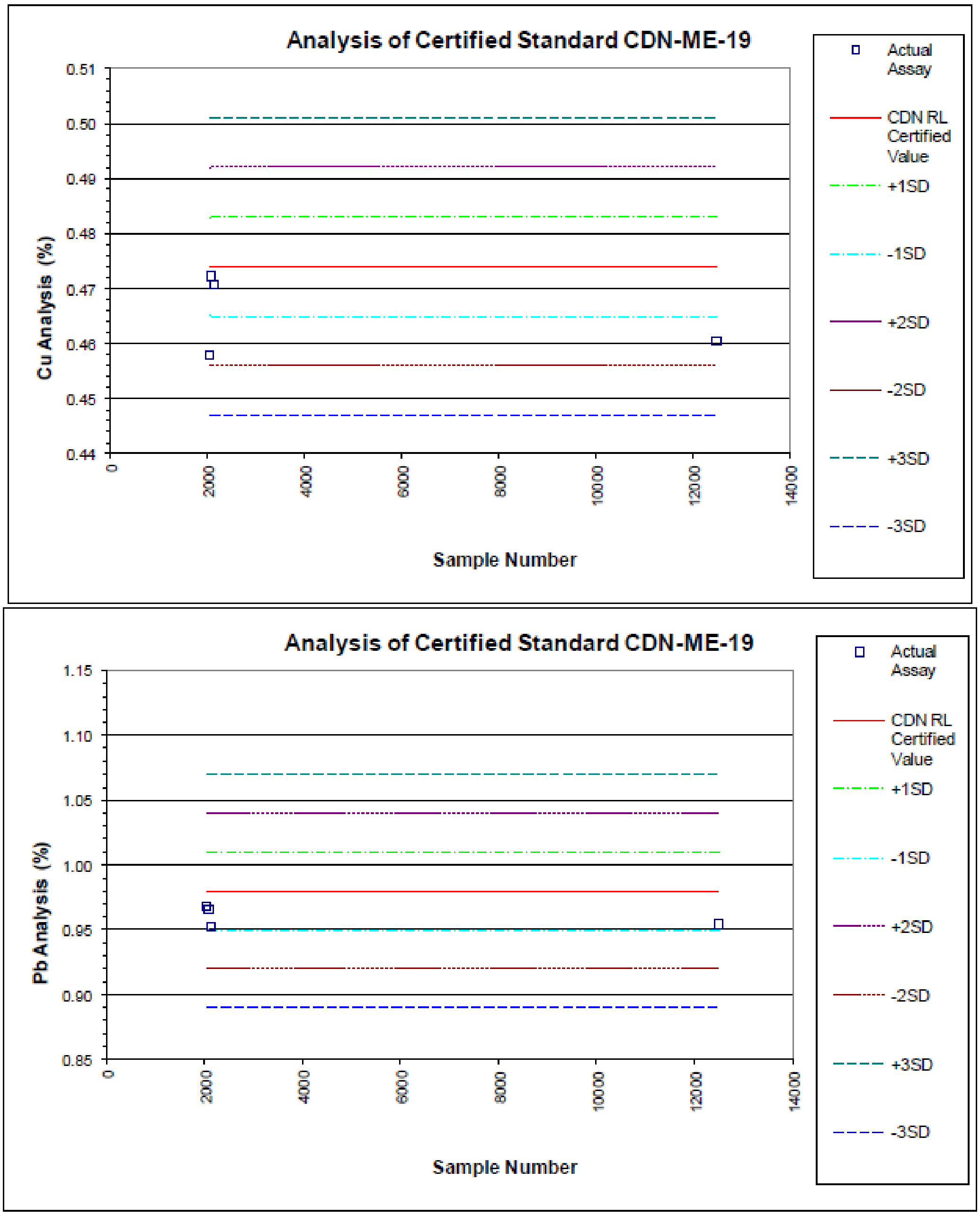
A total of eight CRMs were used during the 2013 drilling campaign, of which four were CDN-ME-19 and the other four were CDN-ME-1201. The table below presents a summary of the CRMs QAQC results.

Summary of the CRMs QAQC

Standard	Acceptance	Remarks
CDN-ME-19 Cu%	Pass	Two values within -two standard deviations
CDN-ME-19 Pb%	Pass	Slightly low but within one standard deviation
CDN-ME-1201 Pb%	Pass	One of two values at +three standard deviations
CDN-ME-1201 Ag g/t	Pass	Slightly high but within +one standard deviation

The figure below depicts analysis of CDN-ME-19 CRM for both copper and silver. All samples are within the acceptable limits and therefore the results are deemed to be reliable.

Analysis of CDN-ME-19 CRM

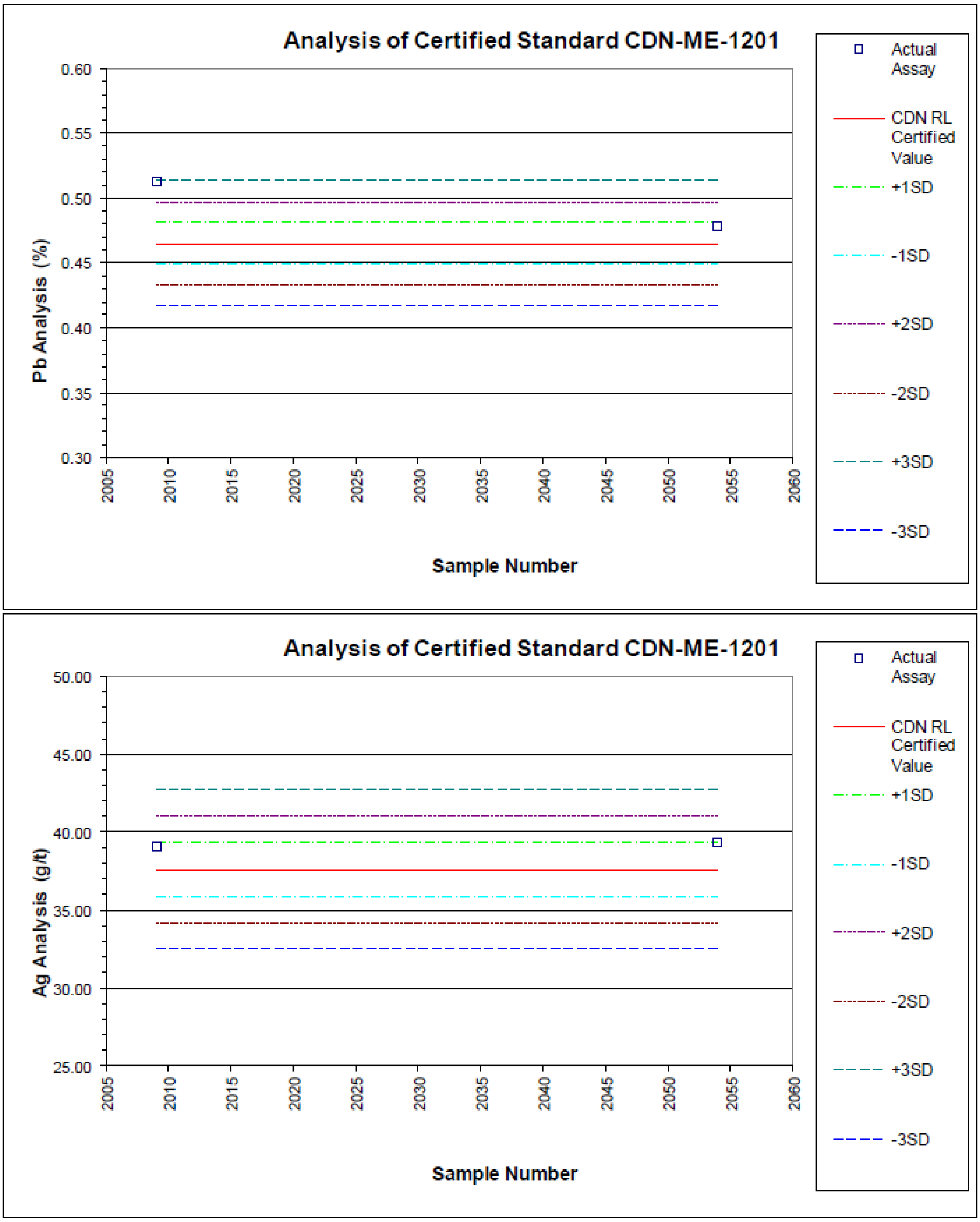


Source: P&E Mining, 2014

Analysis of CDN-ME-19 CRM	February 2018

The figure below presents analysis of CDN-ME-1201 CRM for both Lead and Silver. All samples are within the acceptable limits and therefore the results are deemed to be reliable.

Analysis of CDN-ME-1201.



Source: P&E Mining, 2014

Analysis of CDN-ME-1201 **February 2018**

Pulp Duplicates

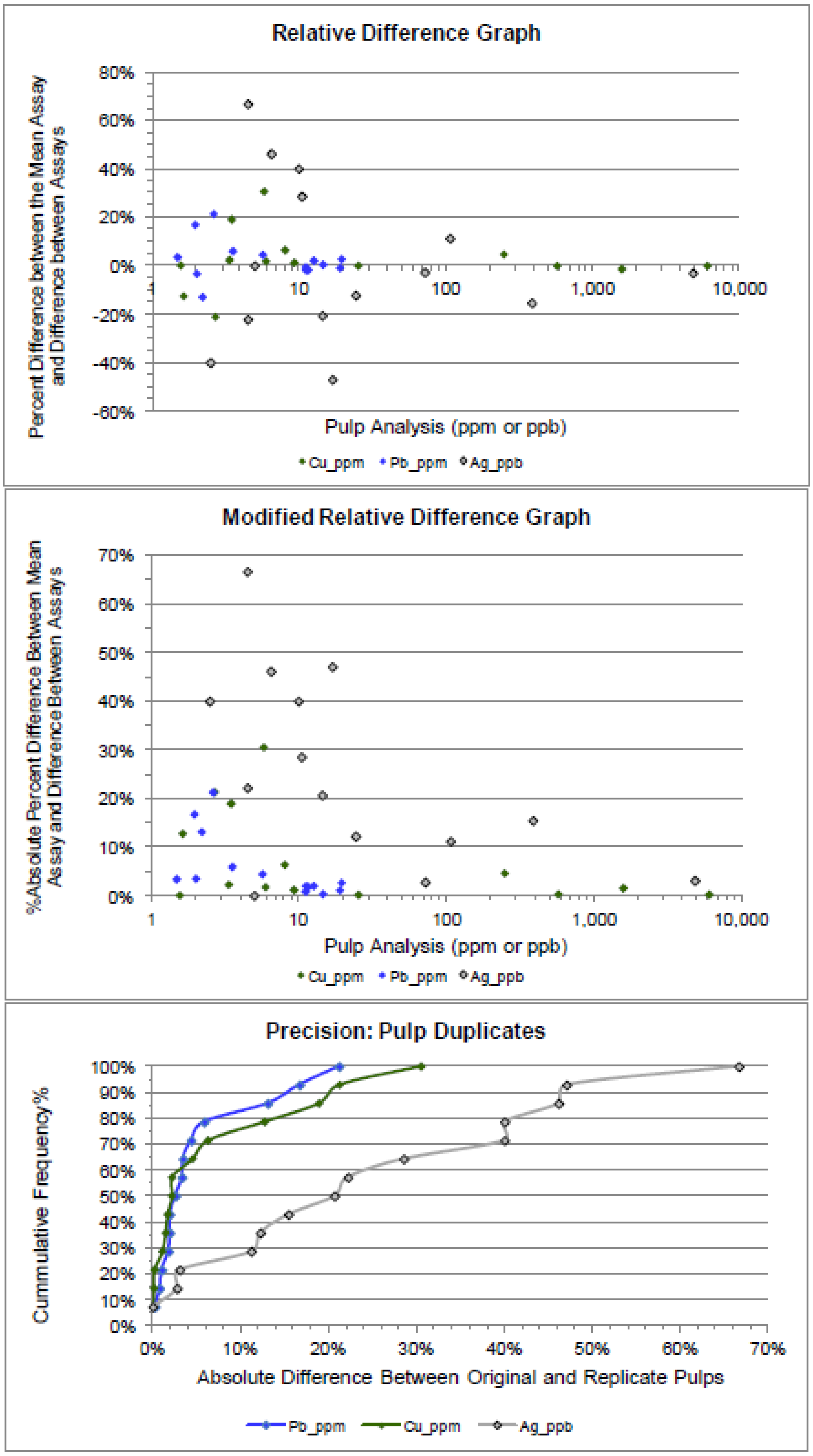
As part of the internal laboratory QAQC, 14 pulp duplicates were analysed at Acme Analytical Laboratories. Precision was ±10% for copper and lead for values above 10 ppm. Lead showed a slight bias low for the duplicates. RSD of 4.3 % for copper and 2.4 % for lead are within accepted precision limits of 5% for pulps. Silver showed a bias for higher duplicate values (9 of 14) and a RSD of 8%, which exceeds the 5% limit for pulps and indicates lower precision.

All internal blanks returned less than three times the lower detection limit and indicate that analysis was contamination free. The performance of the internal reference standards shown in the figure below appears reasonable except for one silver analysis, however the performance limits for the laboratory standards was not available. All but one silver analysis are within 10% of the expected value. Three copper, one lead and two silver standards analysed higher than 5% from the expected value and are likely at the “warning” threshold for acceptance.

According to P&E Mining, the results of the QAQC program carried out in the 2012 re-sampling program indicate that the original assay data are not of current industry accepted quality and there appears to have been a high bias in the original Kombat Mine laboratory assaying. The bias may have arisen from contamination at the sample preparation stage but may also have arisen through historic core sampling practice.

The Relative Difference precision graphs for the laboratory pulpd dulicates are presented in the graphs below.

Precision of Laboratory Pulp Duplicates.

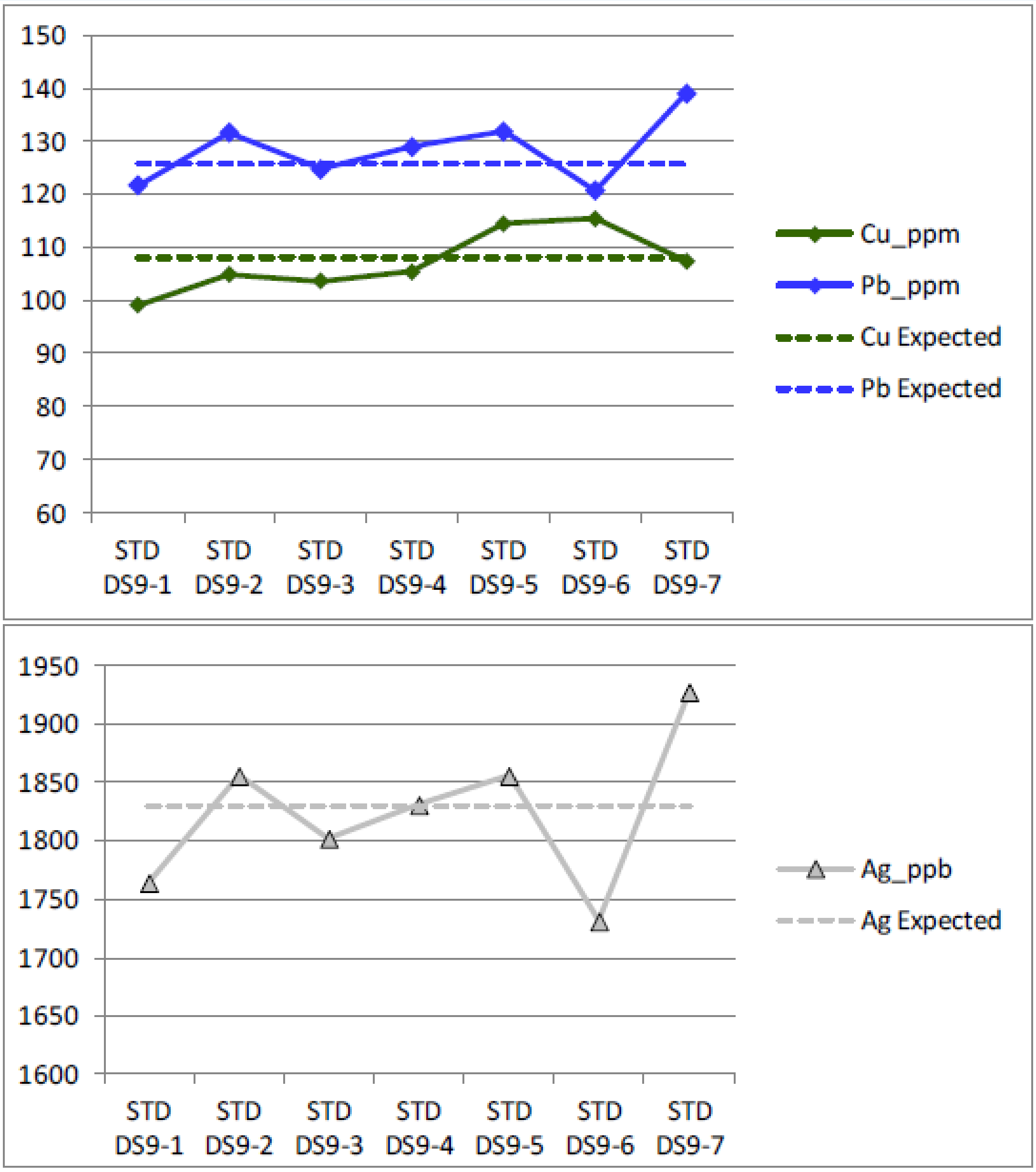


Source: P&E Mining, 2014

Precision of Laboratory Pulp Duplicates	February 2018

The performance of the Acme Laboratory Internal CRMs is presented in the graphs below.

Performance of Acme Laboratory Internal CRMs



Source: P&E Mining, 2014

Precision of Laboratory Pulp Duplicates	February 2018