20 December 2018

TECHNICAL REVIEW OF KOPPAR’S EXTENSIVE TENEMENT PACKAGE GENERATES FURTHER HIGH PRIORITY TARGETS

HIGHLIGHTS

- Highly respected geological consultant Rocky Osborne completes technical review of Koppar’s tenement package

- New focus on Tverfjellet and Undal Projects which have not undergone modern day exploration

- High priority targets identified at Tverfjellet including mapped massive sulphide occurrences

- Prospectivity of Grimsdalen Project confirmed, with planned drilling subject to approvals

Koppar Resources Limited (ASX:KRX) (Koppar or the Company) is pleased to advise that highly respected geological consultant Grant “Rocky” Osborne has completed a detailed technical review of Koppar’s extensive copper-zinc portfolio in Norway, which currently cover an area of 737 km².

Mr Osborne’s review objectively assessed the Company’s extensive Norwegian holdings in conjunction with the Company’s technical team and geophysical consultants, Newexco Pty Ltd. A regional scale approach was employed to determine the highest priority projects within the Company’s portfolio using available geophysical and geochemical data as well as geological mapping and historical reports.

The key findings of the review have been to focus on the Company’s holdings in the Støren Nappe and Meråker Nappe, being the Tverfjellet, Undal, Grimsdal and Killingdal Projects. These geological terranes are considered the most prospective to host large tonnage VMS-style base metal mineralisation due to their estimated metal endowment (based on recorded production data) and their lower degree of deformation. Excitingly these projects are also the ones where least modern-day exploration has been carried out, including the absence of modern day airborne or ground geophysical surveys.

Koppar plans to advance exploration at the Tverfjellet and Undal Projects via airborne geophysical surveys which will be followed by ground geophysical surveys to define targets for drilling.
GEOLICAL CONTEXT

KRX’s Norway Project has the largest base metal tenement package in the South Trondheim region comprising 78 tenements targeting Cu, Cu-Au and Cu-Zn-Au mineralization in a mature exploration area. KRX acquired the Løkken, Tverfjellet, Stormwatz, Killingdal and Grimsdalen Projects in March 2018 with the Undal, Vangrøfta, Fløttum, Rodalen and Lomsjodalalen Projects pegged in August 2018 (refer ASX Announcement 29 August 2018).

These eight project areas fall geologically into 5 (five) terranes of the Trondheim Nappe Complex arranged either side of the central Gula Complex (Figure 1). The technical review considered each of these geological terranes separately. Mr Osborne used production data contained within the Fennoscandian Ore Deposit Database (GTK, 2017) along with interpretation after Grenne et al (1999) to derive an estimate of the metal endowment of the southern Trondheim region shown in Figure 2.

Importantly, the metal endowment is not equally distributed across the five geological terranes. By far the largest recorded production is from mines hosted within the Løkken Ophiolite to the west, followed
by the Støren Nappe, the Meråker Nappe and the Røros Nappe, while the Central Gula Nappe has an insignificant metal endowment (Table 1).

Review of the geological setting indicated that the western terranes are relatively less-deformed than those in the east. As a result mineralisation in the eastern terranes are usually described as “pencil” or “ruler-like” bodies. In contrast mineralisation at the historical Lokken and Tverfjellet mines is more tabular due to their less deformed nature and consequently larger in tonnage (Table 1).

Mr Osborne has highlighted the potential of the Company’s holdings in the western terranes, specifically the Tverfjellet and Undal Projects. The Grimsdal and Killingdal Projects are also considered prospective as they occur in less deformed areas and, like the Tverfjellet and Undal Projects, are associated with interpreted crustal scale structures.

Figure 2: Simplified geology of the Trondheim Nappe Complex and adjacent Røros Nappe showing the location of deposits from the Fennoscanian Ore Deposit Database (GTK, 2017) assessed to estimate metal endowment for the region. The percentages of metal for each terrane are expressed in terms of percentage total metal produced across the entire Trondheim Nappe Complex.

Table 1: Historical production information as recorded by the NGU’s Ore Database, deposits ordered from west to east

<table>
<thead>
<tr>
<th>Project</th>
<th>Terrane</th>
<th>Tonnes</th>
<th>Cu%</th>
<th>Zn%</th>
<th>Pb%</th>
<th>Ag g/t</th>
<th>Au g/t</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lokken</td>
<td>Løkken</td>
<td>24 Mt</td>
<td>2.1</td>
<td>1.9</td>
<td>0.02</td>
<td>19</td>
<td>0.2</td>
<td>KRX’s tenure adjacent to Lokken mine</td>
</tr>
<tr>
<td>Tverfjellet</td>
<td>Støren</td>
<td>15 Mt</td>
<td>1.0</td>
<td>1.2</td>
<td>0.2</td>
<td>10</td>
<td>0.1</td>
<td>Also produced Fe and S</td>
</tr>
<tr>
<td>Undal</td>
<td>Støren</td>
<td>0.3 Mt</td>
<td>1.15</td>
<td>1.86</td>
<td></td>
<td></td>
<td></td>
<td>No production</td>
</tr>
<tr>
<td>Grimsdalen</td>
<td>Meråker</td>
<td>No production</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nygruva</td>
<td>Meråker</td>
<td>0.3</td>
<td>2.0</td>
<td>5.0</td>
<td>0.45</td>
<td>48</td>
<td>0.35</td>
<td></td>
</tr>
<tr>
<td>Killingdal</td>
<td>Meråker</td>
<td>3 Mt</td>
<td>1.7</td>
<td>5.5</td>
<td>0.4</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Storwatz</td>
<td>Røros</td>
<td>3.5 Mt</td>
<td>~1.9</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Production comes from 6 mines</td>
</tr>
<tr>
<td>Flottum</td>
<td>Gula</td>
<td>No production</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rødalen</td>
<td>Gula</td>
<td>0.04 Mt</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>No grades recorded</td>
<td></td>
</tr>
</tbody>
</table>

(http://aps.ngu.no/pls/oradb/imiobj.visfylker?p_sprak=E)
**Tverrfjellet**

The Tverrfjellet deposit is a 1.8 km long mineralised body which was in operation from 1968 until 1993 producing circa 15 Mt at 1.0% Cu, 1.2% Zn, 0.2% Pb and 36% sulphur (according to NGU records). In addition, the deposit contained about 4% magnetite, 10 g/t Ag and 0.1 g/t Au. The NGU reports that at its time, the Tverrfjellet mine was the largest producer of pyrite concentrate, chalcopyrite and sphalerite in Norway. The deposit occurs as three almost vertical lenticular mineralised zones which average 15 m in thickness, with thicknesses reported up to 60 m in places. The deposit lies on the edge of an inverted part of the Trondheim Nappe Complex, and consequently it is structurally complex with tight folding and repetition of lithologies. These structures are responsible for the lenticular shape and the almost separated characteristics of the three zones, which plunge to the east (Figure 3).

Historic EM and regional magnetic surveys show a conductive and coincident magnetic trend traversing into the lease and weakening from the east. This trend (combined with historical regional geological mapping) was the rationale for additional tenements being pegged in this area.

The idea of clusters of VHMS deposits with individual deposits forming at specified distances (4km-5km) along Sediment Interface Zones is well documented and accepted worldwide. In the Southern Trodheim region this relationship has been observed at the Løkken Project, as well as at other camps such as Folldal and Fjellsø. Review of historical reports has now identified additional mineralised sulphides mapped in the Tverrfjellet East tenement, at a distance of 4km from the historical Tverrfjellet Mine. Mr Osborne therefore suggests that there is a high likelihood of underexplored targets within the immediate area and recommends that an airborne EM survey be flown to detect near surface massive sulphide occurrences.

**Undal**

Compositionally similar to Tverrfjellet, but smaller, is the massive sulphide deposit of Undal which is situated in a metabasaltic lens in the “Selbusjøen mélange” zone between the Gula and Støren Nappes. The deposit is approximately 600 m long and has the form of a thin ruler, about 70 m wide and 3.5 m thick and consists of pyrite with subordinate chalcopyrite and sphalerite. Historical mine production reportedly yielded 1.15 % Cu, 1.86 % Zn, 43.2 % Fe and 41.1 % S. Approximately 280 000 t was mined from Undal between 1952 and 1971.

The Undal Project area also covers the historical Nyberget copper and zinc mine. Mineralisation at Nyberget mine appears as a composite sheet, that ranges in thickness from 0.5 to 3 m, and is conformably emplaced between two greenstone units with a strike of approximately 300 m. Massive, medium-grained pyrite mineralisation occurs close to the greenstone and is chiefly composed of granoblastic pyrite with interstitial minor sphalerite and magnetite which grades into weak pyrrhotite- and chalcopyrite-disseminations towards the hanging wall.

In total, KRX’s Undal Project includes 24 mineral occurrences; 4 magnetite exhalative and 20 base metal sulphide occurrences. The majority of these have had no modern day exploration and almost no drilling. The presence of substantial sulphides is generally accepted as a positive indicator for sulphide-associated mineralisation in mineralised systems such as VMS deposits. The presence of these at the sediment interface zone is therefore further encouragement of the potential of the Undal Project, with work to focus on areas where these sulphides may be Cu, Pb or Zn-bearing.
GRIMSDALEN DRILLING PROGRAMME

The Company is waiting for approvals to commence its maiden drilling programme at the Grimsdalen Project. While the proposed hole locations are located outside of a National Park the area is still administered by the National Park Board, who have requested more information from both the Company and the Norwegian Mines Directorate.

FUTURE WORK PROGRAMME

Koppar is urgently assessing the implications of Mr Osborne’s review and feeding it into the planning for the 2019 field programme.

Along with the planned drilling at Grimsdalen the Company is now designing work programmes for the Tverfjellet Project including an airborne EM survey and on ground verification of the mapped massive sulphide occurrences. Compilation of historical drilling and geochemical data at both Tverfjellet and Undal will be completed and integrated with the results of the geophysical surveys to enable drill targets to be generated.

Based on the technical review the Company will also look to rationalise its tenure.
For and on behalf of the board:

Mauro Piccini
Company Secretary

References


About Koppar

Koppar is a junior exploration company established with the purpose of exploring and developing copper, zinc and other mineral opportunities. The Company owns mineral exploration projects located in the Trøndelag region of Norway, namely the Løkken Project, Tverrfjellet Project, Grimsdal Project, Kllingdal Project, Storwartz Project, Undal Project, Fløttum Project, Vangrøfta Project, and the Rødalen and Lomsjødalalen Projects. The Projects are located in a historic mining area, and mining has been previously carried out on several of the projects.

For further information visit www.kopparresources.com

Competent Persons Statement

The technical information in this announcement complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Miss Rebecca Morgan, the Non-Executive Technical Director of Koppar Resources Ltd. Miss Morgan is a Member of the Australasian Institute of Geoscientists. She has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Miss Morgan consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

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