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Kodal Minerals plc
(“Kodal Minerals”, “Kodal” or the “Company”)

Update on Gold Exploration and Activity at Bougouni Lithium Project

Kodal Minerals, the mineral exploration and development company, is pleased to provide this update on the recent activities at the Fatou Gold project drilling for gold mineralisation and the ongoing activity at the Bougouni Lithium project, both located in southern Mali.

Highlights

Gold Exploration

Fatou Gold project

- Initial reverse circulation (“RC”) drilling programme consisting of 11 RC drill holes for 1,242m completed with initial programme focussed on the northern Fatou area where historic NI43-101 resource estimate had previously been completed around an area of significant artisanal workings.
- Kodal is seeking to validate the width and tenor of mineralisation in this area and drilling has indicated zones of sulphide mineralisation as well as highlighting extensions of artisanal workings.
- All samples have been dispatched to laboratory for analysis and results are expected in January 2022.

Nielle Gold project

- Kodal has completed community follow-up at the Nielle project in northern Cote d’Ivoire with consultation with local farmers to access areas for drilling in late December-January.
- Kodal is expected to complete a programme of follow-up drilling as soon as possible to infill and extend the gold mineralised intersections from previously announced initial drilling including:
 - i. 13m at 5.07g/t gold from 12m in drill hole NLRC035
- including 3m at 16.33g/t gold from 13m.
 - ii. 5m at 15.42g/t gold from 7m in drill hole NLRC032
- including 2m at 31.54g/t gold from 8m
(all results previously announced on 11 October 2021)

Bougouni Lithium Project

- Following grant of the Mining Licence, as announced on 8 November 2021, Kodal has commenced social impact and land usage studies for the community inclusion package for the mine development.
- Kodal undertaking a review of processing plant and update of proposed capital costs with major Chinese contracting and construction firm. A report of proposed plant design and upgrades to cost estimates is expected by the end of January 2022.

Bernard Aylward, CEO of Kodal Minerals, commented: *“Kodal is now working on multiple projects across southern Mali and Northern Cote d’Ivoire, including working towards construction at our fully permitted Bougouni Lithium project and proving up what we believe will be a very significant global resource inventory across our gold assets.*

“This initial drilling programme at the Fatou Gold project is very exciting. The initial target area has widespread artisanal workings and the historic drilling has not been able to test fully the extent of the gold mineralised zone. Our initial drilling is planned to confirm areas of known mineralisation and attempt to extend to the north along strike. Our geologists are reporting zones of sulphide mineralisation that is expected to correlate to gold mineralisation and reporting new zones away from the artisanal workings. All our samples have been dispatched to the laboratory and results are expected in January 2022.

“Kodal is now in the position of being fully permitted to begin development activities at the Bougouni Lithium project following the granting of our Mining Licence. We continue to focus on the community and environmental aspects of our development activity in the region and are building on our strong relationships as we move to finalise community development and compensation packages as part of our mine development. In addition, we have been undertaking a review of our existing Feasibility Study to upgrade costs and estimates to reflect current expectations and best practices. This work has included a review of our proposed treatment plant plans undertaken with a major Chinese consulting and construction group, to update our original capital estimates and look to improve our flowsheet and metallurgical recoveries. Results of this important work are expected by the end of January 2022.

“The lithium spodumene market, and in general the lithium-ion battery market, is continuing to show very strong market sentiment. Kodal notes the increasing demand and price for the spodumene concentrate type it intends to produce and how the current market price exceeding US\$2,300 per tonne of concentrate compares very favourably with the price of US\$680 per tonne used as the initial price in our 2020 Feasibility Study. We have outlined a work programme required to update our feasibility study and increase confidence in our existing mineral resource estimate to allow a final investment decision in the first half of 2022.”

FURTHER INFORMATION

Drilling Programme

Kodal has completed an initial RC drilling programme at the Fatou Gold project consisting of 11 drill holes for 1,242m completed. Drillholes were unable to reach planned depth in five (5) of the eleven (11) completed holes due to the presence of artisanal workings and poor ground conditions. Initial geological logging of the drillholes has confirmed the presence of sulphide mineralisation and alteration of host rock geology that may indicate the presence of gold mineralisation. All assay results are pending.

The drilling programme and ongoing geological review of the Fatou project highlight a very extensive structural zone of gold mineralisation that currently remains open to the north and south. Kodal will review additional work following receipt of all assay information, however this remains a very prospective project and historical exploration activity has previously defined a NI43-101 Mineral Resource estimate that Kodal is looking to validate and expand through its exploration activities.

Fatou Gold project

The Fatou project consists of two concessions, the Fininko (also known as Fatou) and Foutière concessions, located 280km south of Bamako, the capital city of Mali (refer Figure 1). The project forms a contiguous landholding exceeding 300km² and has been acquired through agreements with local vendors (refer announcement 17 December 2020).

Geological Setting

The Fatou project is hosted within the Birimian sequence of West Africa, a sequence of mafic volcanic rocks separated by sedimentary basins and are intruded by granitic rocks of varying composition. The geology at Fatou project is mostly sedimentary sequences interlayered phyllite and siltstone along with abundant volcaniclastic and tuffaceous strata. These rocks are intruded by three phases of granodiorite occurring as small plutons and stocks. Minor mafic and felsic dikes occur as tabular stocks. The geology is weathered to a depth of 75m (typical depth between 35m and 50m) and laterite capped mesa are formed with the laterite extending for several metres' depth.

The dominant structural feature observed at the Fatou project is a major northwest-trending shear zone which aligns the gold targets, local shear fabrics, folds, cross faults, low angle faults, planar fabrics, and crenulation. The northwest shears are inferred to be steeply dipping to slightly east-dipping and further low-angle structures have been interpreted in drill hole modelling that dip to the east.

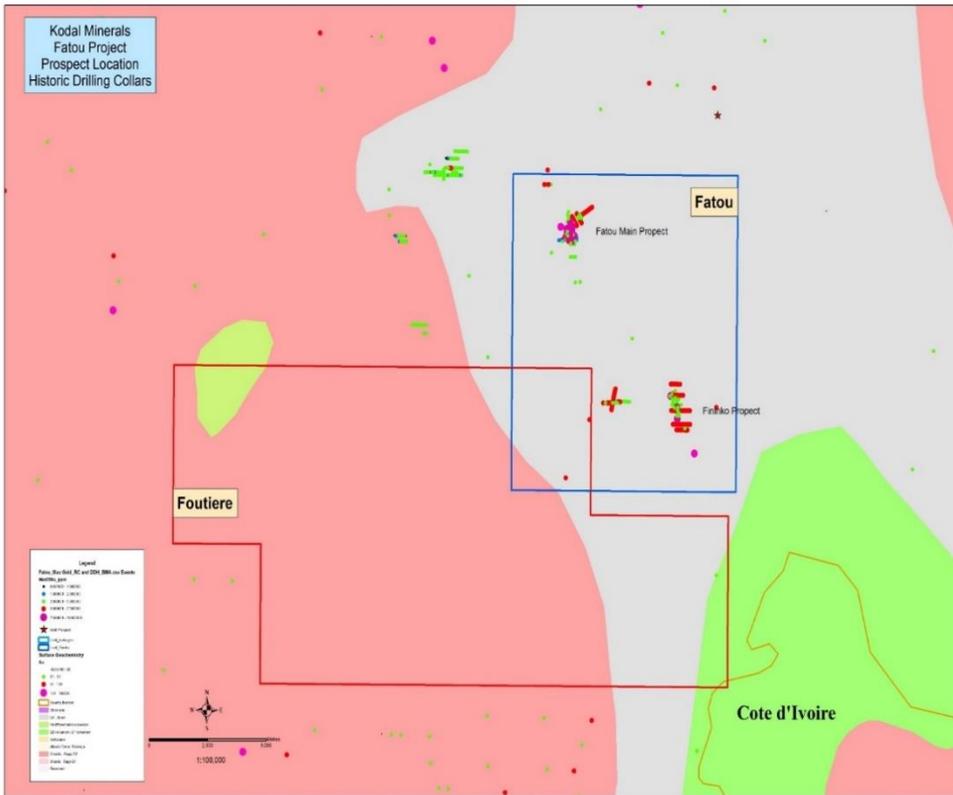


Figure 1: Fininko and Foutiere project locations, south Mali

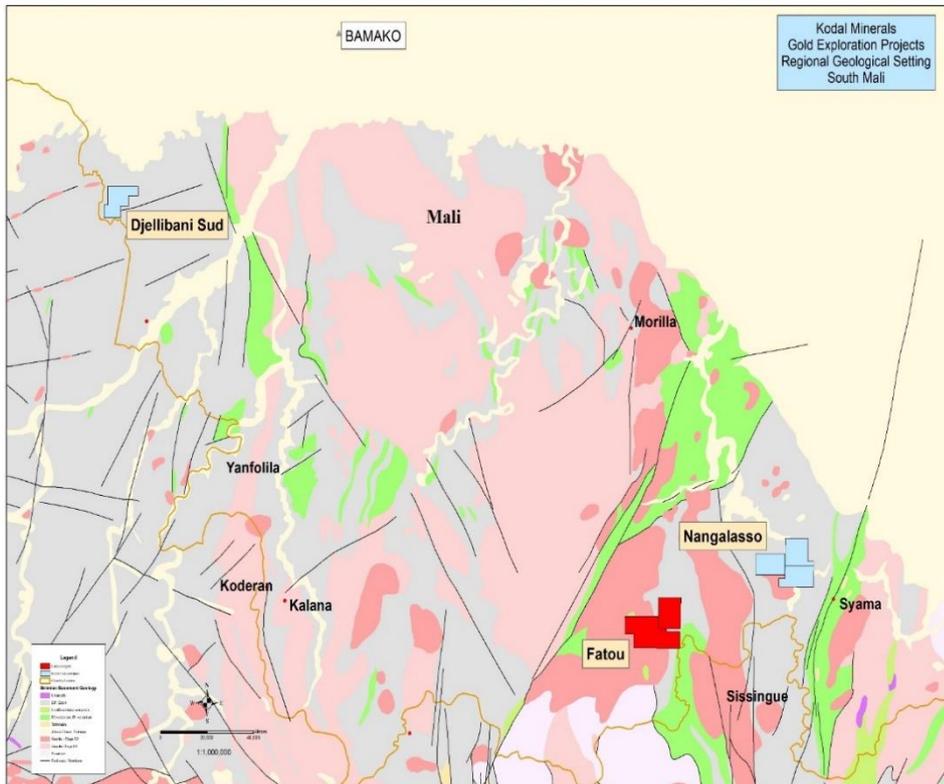


Figure 2: Fatou Project – concession locations and historic exploration drilling. Background is regional geological interpretation

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For further information, please visit www.kodalminerals.com or contact the following:

Kodal Minerals plc

Bernard Aylward, CEO

Tel: +61 418 943 345

Allenby Capital Limited, Nominated Adviser

Jeremy Porter/Nick Harriss

Tel: 020 3328 5656

SP Angel Corporate Finance LLP, Financial Adviser & Broker

John Mackay, Adam Cowl

Tel: 020 3470 0470

St Brides Partners Ltd, Financial PR

Susie Geliher

Tel: 020 7236 1177

The exploration results and activity reported in this announcement have been reviewed by Mr Bernard Aylward who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Aylward 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 Qualified Person as defined in the AIM Note for Mining and Oil & Gas Companies dated June 2009. Mr Aylward consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.