

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR")

Kodal Minerals Plc / Index: AIM / Epic: KOD / Sector: Mining

31 May 2018

Kodal Minerals plc ('Kodal Minerals' or the 'Company')

**High Grade Lithium Intersections Continue at Sogola-Baoule Prospect,
Bougouni Project, Southern Mali**

Kodal Minerals plc, the mineral exploration and development company focussed on West Africa, is pleased to announce it has identified further high-grade lithium mineralised intersections at the Sogola-Baoule prospect ("Sogola-Baoule") located within the Company's Bougouni Lithium Project in Southern Mali ("Bougouni" or the "Project").

Highlights

- **High grade lithium mineralisation intersected in follow-up and extension drilling at Sogola-Baoule.** Intersections include:
 - **21m at 1.60% Li₂O** from 87m
 - **14m at 1.53% Li₂O** from 92m
 - **11m at 1.42% Li₂O** from 151m &
10m at 1.59% Li₂O from 189m(Note all depths are downhole depth, and true vertical depth will be shallower or closer to surface)
- **Drill results confirm and extend previous intersections** and mineralisation remains open at depth and along strike
- **Drill results pending for drill holes** defining eastern extension with a further 25 drill holes pending assay
- **Exploration drill rig returned to Sogola-Baoule** targeting eastern extension of main pegmatite vein with drilling on a definition spacing over an additional 400m strike length

Bernard Aylward, CEO of Kodal Minerals, said: *"These latest high-grade intersections continue to highlight the potential of the Sogola-Baoule prospect. The results reported today are mainly infill and follow-up on the existing known pegmatite mineralisation demonstrating the continuity of mineralisation associated with the outcropping pegmatite veins. We are awaiting the assay results of drill holes testing the eastern extension that has initially outlined a consistent, wide pegmatite vein on multiple sections and we will report these as soon as received."*

"A drill rig has returned to Sogola-Baoule to continue the step-out drilling. We remain very active on site, maximising the time available in the field season to complete drilling at our key

prospects. This work will be very important in our assessment of future development potential as we look to develop our maiden resource estimate over the wet season.”

Further Information

Bougouni Lithium Project – Drilling Update

Sogola-Baoule Prospect

As previously reported (1 May 2018 and 21 May 2018) exploration drilling at the Sogola-Baoule prospect continued to target infill and definition of previous mineralised intersections. This drilling has confirmed previous zones and provided geological control for our interpretation. Drilling has been undertaken with holes drilled angled to the north and south, however our drilling is indicating a predominately north dipping pegmatite vein indicating that some of the north dipping drill holes will be ineffective in testing the zone.

The drilling has also targeted the adjacent zone of narrow pegmatite outcrops referred to as the Filon B prospect (refer Figure 1). The RC drilling has returned shallow zones of mineralisation that will be reviewed in conjunction with the Sogola-Baoule prospect to determine potential for future development.

Drilling is currently targeting further eastern extensions of the Sogola-Baoule prospect with drilling planned to continue on step-out drill sections on a regular 50m spacing. An additional 400m significant strike length will be tested prior to the wet season and drilling completed so far has continued to intersect the main pegmatite vein. As reported on the 21 May 2018 this extension zone is interpreted to be away from the influence of interpreted faults (refer Figure 1) and is demonstrating geological predictability that is confirmed in wide-spaced drilling.

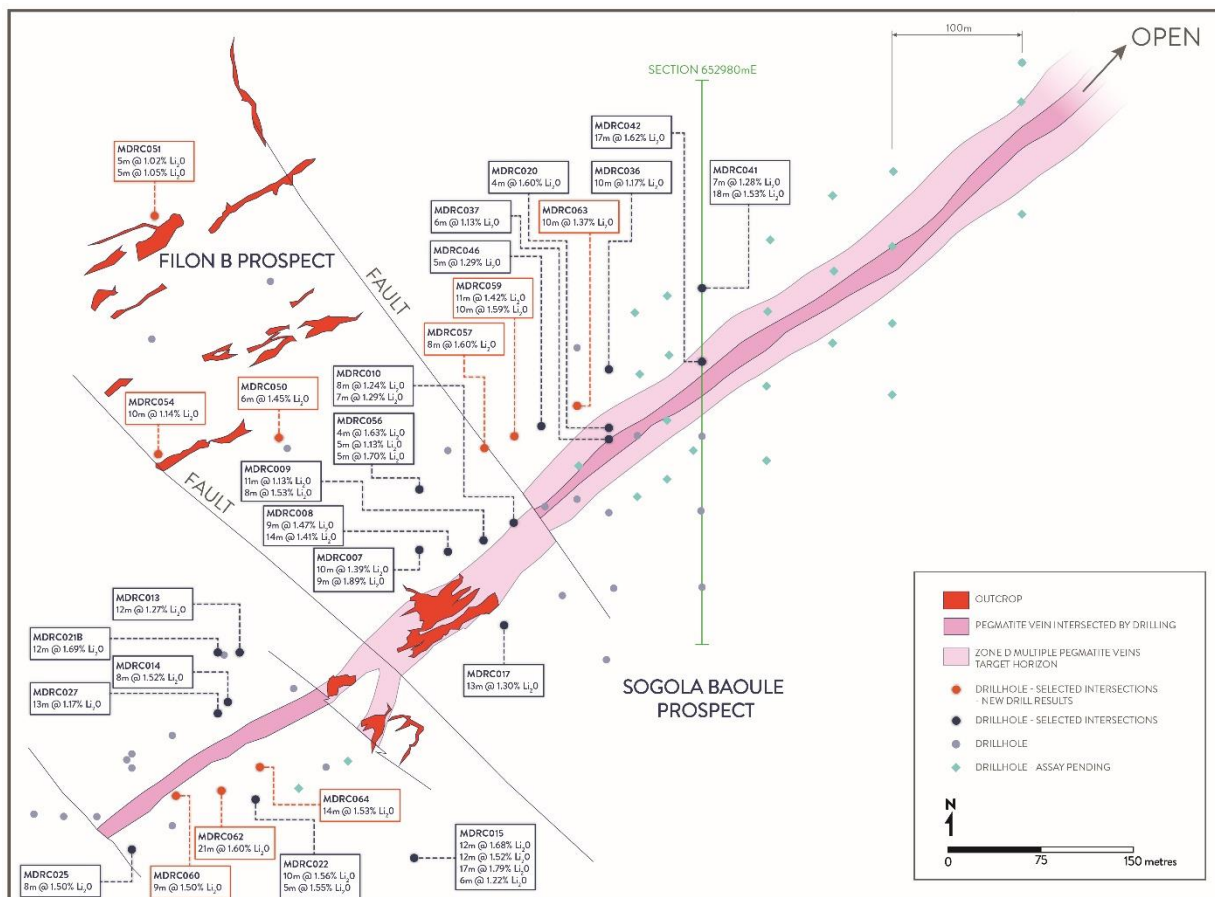


Figure 1: Sogola-Baoule Prospect – Updated Drill Hole location and Interpretation plan

Assay results have been received for a further 14 RC drill holes. The drilling has returned numerous mineralised pegmatite intersections as expected for this prospect and the significant intersections based on a minimum 5m width, and calculated using a 1% Li₂O lower cut-off, maximum 2m internal dilution are tabled below:

Hole Id	Northing	Easting	Hole Depth m	From m	To m	Thickness m	Li ₂ O %
MDRC050	1253329	652640	199	81	87	6	1.45
MDRC051	1253530	652545	205	123	128	5	1.02
MDRC054	1253335	652545	109	8	18	10	1.14
MDRC059	1253359	652834	205	151	162	11	1.42
				177	187	10	1.59
MDRC060	1253063	652566	118	100	109	9	1.5
MDRC062	1253069	652601	133	87	108	21	1.60
MDRC063	1253380	652882	127	56	66	10	1.37
MDRC064	1253091	652630	112	92	106	14	1.53

Notes: Drill holes are reverse circulation drill holes completed by specialist contractor Geodrill Limited. Drill holes have been sampled on a 1m basis, with samples collected via a cyclone and riffle splitter. Drill hole collars are surveyed using a differential GPS with sub 1-metre accuracy, coordinate system WGS84 – Zone 29N, and all holes are survey down-hole for dip and azimuth on approximately 30m intervals. All drill holes are geologically logged, and sampling for analysis is based on geological boundaries. 1m samples of pegmatite rock have been collected via riffle splitter, and 3 metre composite samples of metasediment host rock. Samples analysed by ALS Global. Assay results are reported as Li% and converted to Li₂O% by a factor of 2.153. Intersections are reported using a 1%Li₂O lower-cut-off, and allowing for a maximum of 2m internal dilution.

An additional 25 drill holes are pending assay and will be reported as soon as available.

Lithium

The pegmatite veins intersected by drilling at Bougouni are spodumene rich (20-30% spodumene content) low mica pegmatite bodies with spodumene being the main lithium bearing mineral in most hard rock lithium deposits. The high-grade lithium mineralisation returned in the assays compares favourably with other hard rock spodumene mineralised pegmatite veins under development around the world where grades range from 1.1% Li₂O through to 1.4% Li₂O. The intersections reported in this announcement have been estimated using a 1.0% Li₂O lower-cut and have consistently high mineralisation throughout the pegmatite bodies.

An initial review of the development process for the Bougouni lithium pegmatite bodies was completed as part of the World Bank sponsored SYSMIN study completed by CSA Global in 2008. This report indicated that a process of mine site crushing, screening and dense media separation techniques was able to produce a good quality spodumene concentrate, with grade over 6% Li₂O. Further tests completed by Shandong Ruifu Lithium Co Ltd, one of the largest lithium carbonate producers in China, and reported by the Company on 9 October 2017, produced a high quality, low impurity battery grade lithium carbonate using spodumene concentrate from Bougouni.

Recent lithium concentrate (grade 6%) prices range between US\$800/t and US\$950/t.

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.

****ENDS****

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

Tel: 020 3470 0470

St Brides Partners Ltd, Financial PR

Susie Geliher/Lottie Wadham

Tel: 020 7236 1177