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

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

### **Company Update – Bougouni Lithium Project Activity and Gold Intersections at Fatou Project**

Kodal Minerals, the mineral exploration and development company, is pleased to provide an update on its Bougouni Lithium Project in southern Mali (the “Bougouni” or the “Bougouni Project”) and to report wide intersections of gold mineralisation from reverse circulation (“RC”) drilling at the Fatou Project (“Fatou”) in southern Mali.

#### **Highlights**

##### **Bougouni Lithium Project**

- Kodal technical team completed site visits in January in preparation for development activity.
- Development work ongoing, including a detailed LIDAR (light detection and ranging) survey to commence in late February for use in final development planning.
- Meetings held with local Governor and officials and local Chiefs to update them on Kodal's proposed activities.

##### **Fatou Gold Project**

- Initial RC drilling programme consisted of 11 RC drill holes for 1,242m completed.
- Final assay results of RC drilling returned multiple zones of gold mineralisation with broad intersections and grade up to 7.09g/t gold. Intersections include:
  - 23m at 1.63g/t gold from 82m - including 6m at 3.88g/t gold from 94m & 11m at 1.37g/t gold from 111m & 4m at 1.93g/t gold from 130m to end of hole in drillhole FNRC001
  - 6m at 1.49g/t gold from 40m – including 1m at 4.18g/t gold from 40m & 3m at 1.43g/t gold from 80m in drillhole FNRC007
- RC drilling confirms multiple mineralised zones and highlights extensions to the north and south. Additional drilling is required to test the Fatou prospect. Geological mapping and sampling of artisanal workings is in progress and first pass sampling of the southern extension of the mineralised structure into the Foutiere concession has commenced.

**Bernard Aylward, CEO of Kodal Minerals, commented:** *“Kodal continues to progress the development of the Bougouni Project. During the site visit to Mali in January, meetings were held with the Minister of Mines to discuss our upcoming work and development programme. Kodal continues to receive strong support from the Mali government and regional officials for the development of a new lithium mine in the Bougouni region.*

*“Kodal’s technical team completed a site visit to the project as part of the continued development programme to upgrade and update the Feasibility study to support a decision to mine. The next phase of work will be to complete a detailed LIDAR survey to assist in the finalisation of the processing plant and infrastructure planning*

*“The wide intersections of gold mineralisation from the initial drilling programme at the Fatou Gold project confirm the historic drilling. Unfortunately, several of the drill holes in this initial programme were not able to reach target depth due to issues with the artisanal workings and drilling problems. The next stage of drilling will focus on strike extensions of the mineralised structures away from the workings and historical drilling.*

*“The lithium spodumene market has commenced the 2022 year by continuing the strong price support and market sentiment noted over the 2021 year. The strong increase in demand for lithium spodumene concentrate highlights the potential of our Bougouni project that is fully permitted for development.”*

## **FURTHER INFORMATION**

### ***Bougouni Lithium Project***

Kodal Minerals completed the initial Bougouni Feasibility Study in January 2020 to support the mining licence application, details of which were announced on 27 January 2020. The Project was based on a proposed open pit mining operation with a 2Mtpa processing plant utilising a conventional flotation circuit to maximise spodumene recovery. The Feasibility Study indicated a very robust project with strong fundamentals including:

- Minimum 8.5-year mine life producing on average 220,000 tonnes of 6% spodumene concentrate per annum, at life of mine ("LOM") lithium average metallurgical recovery of 71%;
- Total LOM will produce 1.94Mt of concentrate with LOM revenue exceeding US\$1.4bn; and
- Estimated C1 cash costs of US\$431 per tonne concentrate (US\$466 including royalties and sustaining capital).

*\*C1 is the net direct cash cost that represents the cash cost at each processing stage from mining through to recoverable metal as indicated in the Company’s announcement of 27 January 2020.*

Kodal completed a technical site visit to Bougouni in January 2022 to continue the development programme. A detailed LIDAR survey has been planned for the project area and will commence in late February. This survey will provide detailed information to assist in the final planning of the processing plant and associated infrastructure. In addition, community engagement, consultation and evaluation of the impact of the proposed mining sites is continuing with our Environmental Consultants, Digby Wells.

Kodal has previously announced an engineering work programme to provide an update on the capital cost estimate for the development of the Project and complete a detailed assessment to confirm the operating costs of the Project, including the review of the proposed transport costs (details of which were previously announced on 27 January 2020), ahead of securing funding for mine development and construction. This programme of work is continuing with a focus on the process plant design and capital cost estimate, improvements in metallurgical recovery and an update of the open pit optimisation of the defined minerals resources.

#### ***Fatou Project Drilling Programme***

Kodal has completed an initial RC drilling programme consisting of 11 drill holes for 1,242m completed. Drillholes were unable to reach planned depth in five of the eleven 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 have now been received for the drilling with multiple zones of gold mineralisation and several wide structures intersected. Geological mapping and sampling of the artisanal workings is in progress and these drill holes will be incorporated into the historical database to fully assess the gold mineralised zones. The drilling programme highlights a very extensive structural zone of gold mineralisation that currently remains open to the north and south.

Significant intersections for the RC drill holes calculated using a 0.5g/t gold lower cut-off, maximum 3m internal dilution are tabled below:

Hole Id	Northing	Easting	Hole Depth m	From m	To m	Thickness m	g/t Au
FNRC001	1192313	748676	134  <i>includes</i>	39	45	6	1.44
				82	105	23	1.63
				94	100	6	3.88
				111	122	11	1.37
				130	134 eoh	4	1.93
FNRC002	1192306	748757	168	138	139	1	2.62
FNRC004	1192400	748501	60	26	27	1	5.71
FNRC006B	1192501	748523	170	70	71	1	1.48
				86	87	1	1.2
FNRC007	1192499	748601	160	40	46	6	1.49
				40	41	1	4.18
				80	83	3	1.43
				104	107	3	1.01
				119	120	1	3.62
				152	154	2	1.28

Notes: Drill holes are RC drill holes. Drill holes have been sampled on a 1m basis with samples collected via a riffle split system. Drill hole collars are surveyed using a differential GPS with sub 1-metre accuracy, coordinate system WGS84 – Zone 29N, and all holes are surveyed 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. Samples analysed by SGS Laboratories with preparation in Cote d'Ivoire and final analysis in Burkina Faso. Assay results are reported as g/t gold (ppm) Intersections are reported using a 0.5g/t gold lower-cut-off, and allowing for a maximum of 3m internal dilution

### Fatou 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 300km<sup>2</sup> and has been acquired through agreements with local vendors (refer to Kodal's announcement of 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 volcanoclastic 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.

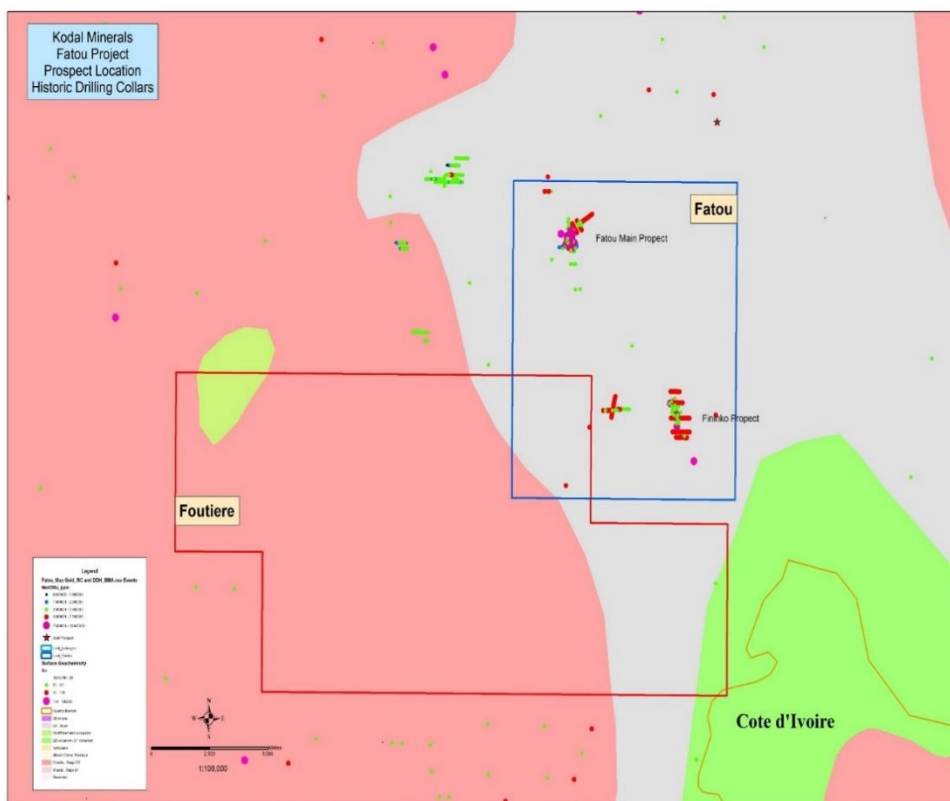
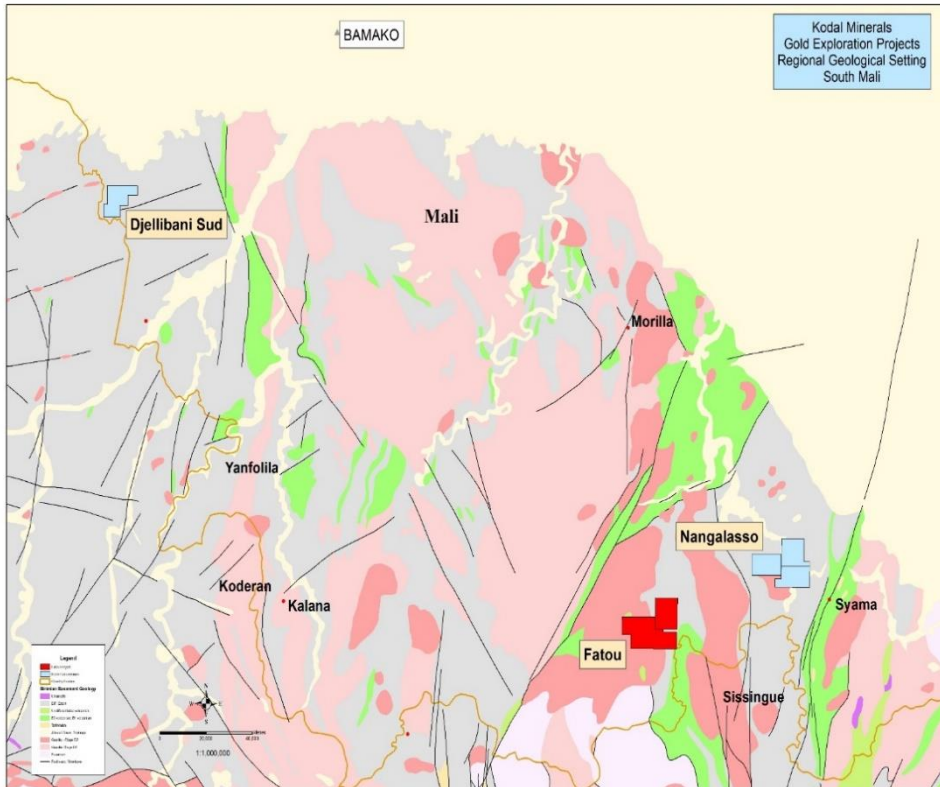


Figure 1: Fininko and Foutiere project locations, south Mali



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

**\*\*ENDS\*\***

For further information, please visit [www.kodalminerals.com](http://www.kodalminerals.com) or contact the following:

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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.