

Contango Holdings Plc ('Contango' or the 'Company')

29 October 2021

Garalo-Ntiela Gold Project Update

Highlights:

- Airborne magnetics have confirmed that Garalo-Ntiela Project hosts similar tectonic structures, which support a number of multi-million ounce deposits in the region
- Two prominent structures have been confirmed, running NE-SW and NW-SE, along with a new 'dome' structure in the north-west corner
- Drilling to commence on G1 and G3 structures Q4 2021, targeting NI 43-101 Resource of up to 2Moz
- Near term production scenario continues to be optimised

Contango Holdings Plc, the London listed natural resource development company, is pleased to provide an update on recent activities at the Garalo-Ntiela Gold Project Area ('the Project') in Southern Mali.

Aeromagnetics and airborne geophysics for the collection of magnetic and radiometric data has been completed and analysed, with the objective of informing direct mine planning activities and supporting the Project's accelerated development into production. These studies have built on the existing drill data on the Project, the basis for the March 2021 NI 43-101 Independent Technical Report, which highlighted the potential for the Garalo licence to host a 2Moz Resource.

The survey also targeted some untested areas within the Project area, particularly at Ntiela where exploration work earlier in 2021 yielded very encouraging results. The Company believes the results of the survey reconfirm the expected extensions of the G1 and G3 deposits, the main targets used to support the potential 2Moz resource.

The Company will now focus on a short but targeted drilling campaign on the G1 and G3 deposits to test interpretations to depth alongside infill drilling, to support a formal enhanced NI 43-101 Resource Report.

The expectation remains that Garalo-Ntiela will merit the development of a processing hub capable of supporting multiple open pit operations given the excellent proximal infrastructure, historical exploration and the orebody's near surface location. However, the Company is continuing to focus and refine its plans for a smaller standalone 30,000oz per annum heap leach gold operation, which is expected to generate significant cashflow for a modest CAPEX requirement.

Carl Esprey, Chief Executive Officer of Contango Holdings, said: “The aeromagnetic and airborne geophysics work conducted during 2021 has reinforced our belief in the potential of the Garalo-Ntiela Gold Project to be developed into a profitable gold mine. Indeed, the results from the G1 target clearly demonstrate geological similarities to nearby producing mines.

“This recent programme was devised to provide valuable geotechnical data to direct our broader mine planning activities, whilst also providing further information to support a proposed initial 30,000oz per annum heap leach gold operation. The positive results have led us to embark on additional exploration with the objective of defining a 2Moz resource as indicated in the NI 43-101 Independent Technical Report delivered earlier this year. We look forward to providing further updates in due course as our activities in Mali increase over the coming weeks and months.”

Project Background

The combined Garalo-Ntiela Project covers an area of 161.5km² and is in the department of Bougouni within the Sikasso region in southern Mali, 200km south-south-east of Bamako and close to the Guinea border. The Project is surrounded by several multi-million-ounce gold deposits and the region is home to some of the world's leading gold miners, which has helped to establish Mali as the third largest gold producer in Africa.

An NI 43-101 Independent Technical Report delivered in March 2021 highlighted the potential for the Garalo to have up to 2Moz Resource. The Company believes that there is still room for improvement over and above this threshold as, in addition to G1 and G3 targets (the basis for 2Moz), numerous other clusters of anomalous zones with potential for gold discovery have been identified in both the Garalo and contiguous Ntiela permit area. With this background and given the excellent infrastructure in the vicinity, historical exploration, and the deposit's surface location, the Company aims to establish a processing hub in the region, capable of supporting multiple open pit operations targeting initial production of gold in the near term in conjunction with an exploration programme including expansion drilling.

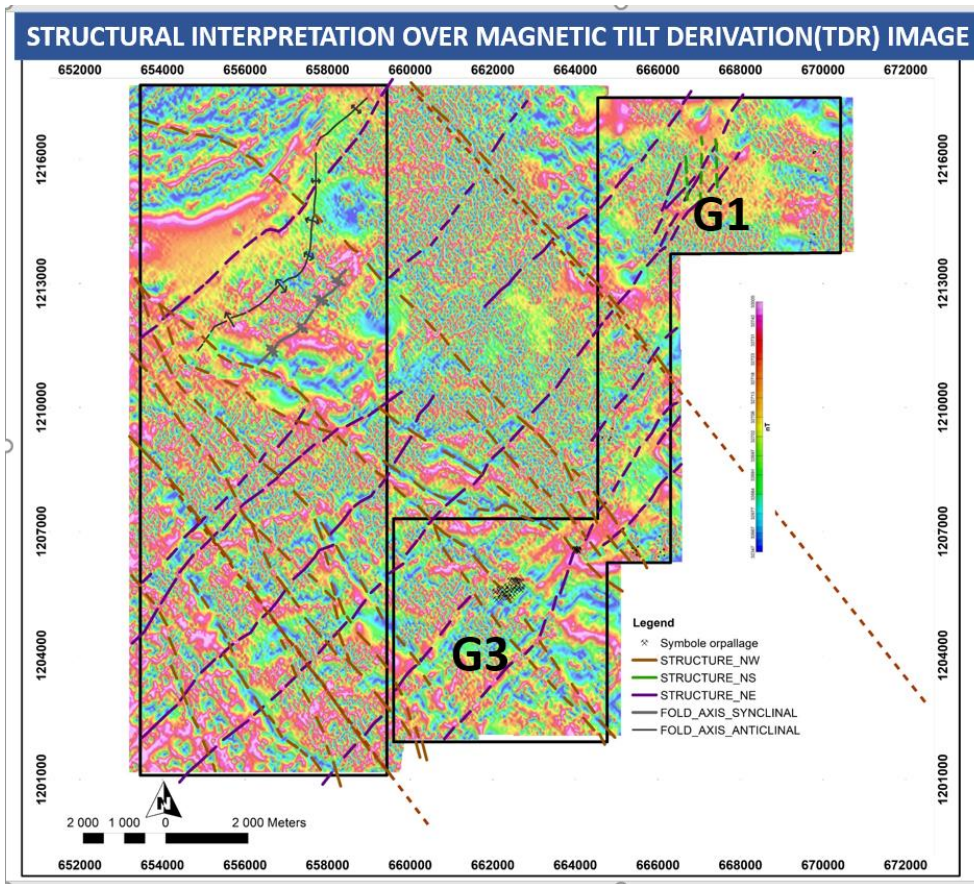


Figure 1: Geophysical interpretations identified two predominant structural fabrics running NE/SW and NW/SE as well as an interesting 'dome' structure in the NW corner (which has been interpreted as an intrusive body around which are metamorphic aureole zones). An interpretation of a NE shear has also been made which has reactivated folds in this area.

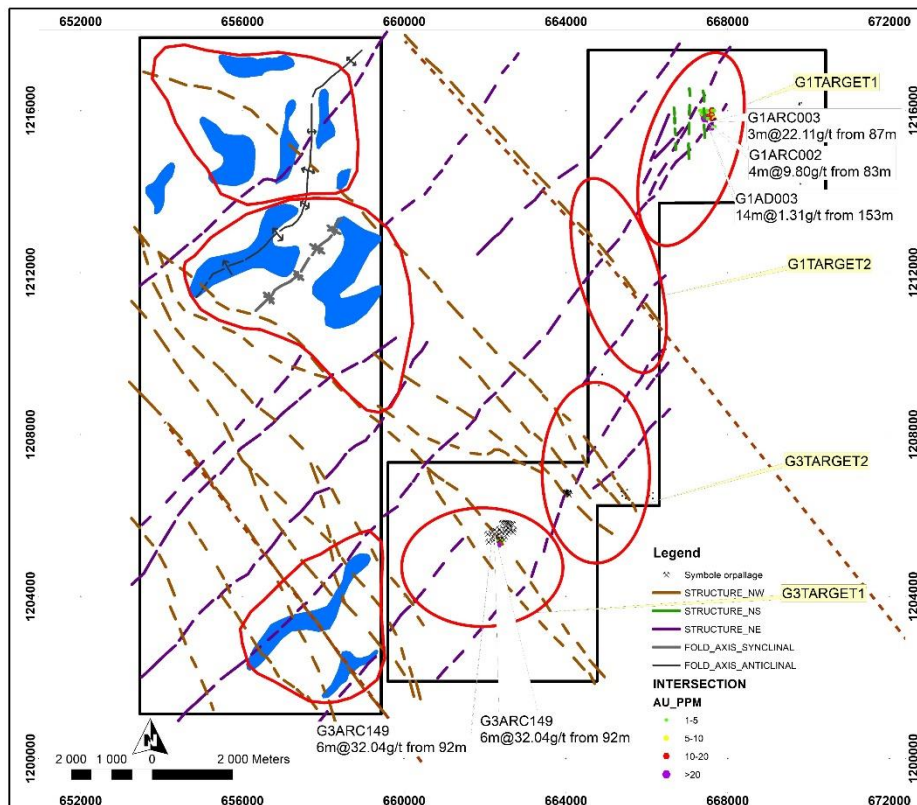


Figure 2: Re-activated folding associated with metamorphic aureole and with positive results from termite sampling programme show in the Ntiela licence. G1 target demonstrates shears similar to the Morila Gold Mine in Mali, which has produced over 7.5Moz gold since 2000.

The 2021 aeromagnetics and airborne geophysics campaign was devised to better define the extents and characteristics of the orebody, considering the significant increase in resource quantum that is now contemplated at Garalo. The Company continues to advance the development of a 30,000oz per annum heap leach operation from the shallow oxides given the high margins and low capex for development. Given the dramatic increased resource potential highlighted in the NI 43-101 Independent Technical Report released in March 2021, the Company is also likely to undertake a drilling programme in parallel to help realise and optimise the asset's full potential, as Contango looks to establish a large standalone gold mine with multiple open pit operations across both permit areas.

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