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Kodal Minerals plc

("Kodal Minerals", "Kodal" or the "Company")

**Bougouni Lithium Project Final Assay Results Confirm High-Grade Mineralisation
and
Update on Funding Package - Further Extension of Long Stop Date to 30 June 2023**

Kodal Minerals, the mineral exploration and development company focused on lithium and gold assets in West Africa, provides an update on the Bougouni Lithium Project Funding Package with Hainan Mining Co. Limited ("Hainan") and its wholly owned UK-incorporated subsidiary Xinmao Investment Co. Limited ("Xinmao") and the agreement of all parties to allow a further extension of the long stop date to 30 June 2023.

The Company is also pleased to provide an update on the completed drilling at the Company's Bougouni Lithium Project located in southern Mali. In this regard, the Company reports additional lithium mineralised intersections at the Boumou, Bougouni South and Ngoualana prospects.

Highlights:

- Further wide, high-grade extensions returned at the Boumou prospect with significant results including:
 - **24m at 1.13% Li₂O from 55m**
including **8m at 1.37% Li₂O from 55m** in drill hole KLRC193.
- The Boumou prospect is a high priority target for further drilling to extend and define the pegmatite bodies to allow a new resource estimate to be completed.
- Final results have been received for the Bougouni South drilling programme with significant lithium mineralised intersections including:
 - **11m at 1.14% Li₂O from 71m;** and
6m at 1.48% Li₂O from 101m in drill hole MDRC135.
- Drilling has confirmed extensive pegmatite veins at Bougouni South that require additional exploration including diamond drilling to determine structural control and extent of mineralisation.
- At the Ngoualana prospect diamond drill holes completed along the strike of the orebody to obtain variability test samples have returned wide high-grade intersections up to:
 - **37m at 2.17% Li₂O from 3m to end of hole** in drill hole MT004.

Bernard Aylward, CEO of Kodal Minerals, remarked: "Kodal and our partners Hainan and Xinmao continue to work together to finalise all conditions precedent for the completion of the funding package. While it is disappointing that we have not yet finalised this process and require a further extension of the long stop date, the parties remain committed to the transaction and are working together on the preliminary engineering and development processes required to ensure we move quickly into development upon completion and receipt of funds."

"The assay results received for the drilling campaign continue to demonstrate significant extensions at the Boumou prospect with wide high grade pegmatite zones further extended. We are very confident that further drilling will continue to expand this prospect and it is now the priority target for infill and extension drilling. Upon completion of the next phase of drilling at the Boumou prospect the JORC Mineral Resource estimate will be updated to be included in the long-term planning and the timing of the possible further development of a flotation plant at Bougouni in addition to the initial proposed DMS (dense media separation) plant.

"The Company is continuing with the final metallurgical testing and engineering design for the proposed DMS development, and we expect to be able to update shareholders on ongoing activity as details become available."

FURTHER INFORMATION

Bougouni Lithium Project - Funding Package

Kodal, Kodal Mining UK Limited ("KMUK"), Hainan and Hainan's wholly owned UK-incorporated subsidiary Xinmao have agreed to an extension of the deadline for the completion of the funding package announced on 19 January 2023 to 30 June 2023 (originally 30 April 2023, and first extended to 31 May 2023).

The extension is required for conditions precedent to be satisfied, including the transfer of the Bougouni Project to a new Mali mining company owned by Kodal's recently incorporated UK subsidiary KMUK. This restructuring is in progress and the parties have agreed to further extend the completion deadline for the funding package to 30 June 2023.

The parties are fully committed to the completion of the funding transaction as soon as possible and continue to work together to prepare for the development of the project with activities including additional metallurgical testwork, engineering planning and review and finalisation planning for the proposed DMS development.

The approvals the Hainan and Xinmao have received from the Chinese Government authorities, and as announced by the Company on 13 April 2023, remain valid for the parties to complete its funding and investment, including "Overseas Project Investment Filing Certificates" from the Hainan Province National Development and Reform Commission ("NDRC") and Company Overseas Investment Certificate from the Department of Commerce of Hainan Province.

Ngoulana Prospect

At the Ngoulana prospect a series of diamond drillholes were completed to provide variability samples along the strike of the orebody for additional metallurgical testwork. The drilling targeted near surface mineralisation to assist in planning of the initial mining period.

As expected, the drillholes intersected coarse grained spodumene rich pegmatite veins consistent with all previous drilling. The samples visually contained abundant spodumene crystals and highlight this prospect as a prime opportunity for the DMS process to successfully produce a high-grade spodumene concentrate.

All assay results have been received for the drill holes, and high-grade mineralisation has been confirmed commencing from surface. All significant intersections are tabled below:

Hole_ID	Northing	Easting	RL	Dip/Azi	Depth	From	To	Width	Grade Li ₂ O
MT001	1255398	664157	330	-90/000	40	6	40	34	1.70
MT002	1255388	664200	330	-90/000	40	4	40	36	1.65
MT003	1255380	664249	330	-60/195	63.2	21	47	26	1.69
MT004	1255355	664289	330	-90/000	40	3	40	37	2.17
MT005	1255351	664321	330	-90/000	40	8	40	32	1.67
MT006	1255327	664400	330	-90/000	40	26	40	14	1.62

Notes: Drill holes are diamond core drill holes. Drill holes have been sampled on a geological basis and at a maximum of 1.0m downhole width. Samples have been cut with a diamond saw and sampled on a representative basis. 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 ALS Global. Assay results are reported as Li% and converted to Li₂O% by a factor of 2.153. Intersections are reported using geological boundaries for logged pegmatite, with a nominal 0.5%Li₂O lower-cut-off and allowing for a maximum of 2m internal dilution.

A full summary of the metallurgical testing programme will be provided when results are received. Metallurgical testwork is being completed at laboratories in China, Australia and South Africa to allow comparison and confirmation of best process.

Boumou Prospect

Final assay results have been received for the 7 RC drill holes for a total of 1,344m that were completed at the Boumou prospect in the recent drilling campaign. The drilling has successfully targeted extensions to the west of the defined resource zone with multiple wide high grade mineralised pegmatite veins intersected.

Final assay results have been received for all drill holes and confirm the presence of wide, high grade lithium mineralisation with all significant results for the drilling tabled below:

Hole_ID	Northing	Easting	RL	Dip/Azi	Depth	From	To	Width	Grade Li ₂ O
KLRC193	1255768	655293	330	-50/180	190 <i>incl</i>	55	79	24	1.13
						55	63	8	1.37
						113	118	5	1.31
						125	128	3	1.37
						161	164	3	1.17
KLRC194	1255560	655299	330	-50/000	183 <i>incl</i>	45	57	12	1.14
						49	57	8	1.36
KLRC196B	1255683	655083	330	-50/180	191	81	85	4	1.49
						126	134	8	1.25
						146	148	2	0.96
						166	173	7	1.13
KLRC197	1255613	655083	330	-50/180	162	72	81	9	1.26
						93	129	36	1.29
						155	157	2	0.80
KLRC198	1255543	655083	330	-50/180	174 <i>Incl</i> <i>incl</i>	56	58	2	0.98
						78	129	51	1.08
						89	95	6	1.50
						112	121	9	1.77
KLRC199	1255473	655083	330	-50/180	210	42	73	31	1.23
						85	87	2	0.99
						101	108	7	1.20

Notes: Drillholes KLRC197, KLRC198, KLRC199 previously reported 19 April 2023. Drill holes are RC drill holes. Drill holes have been sampled on a 1.0m 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 ALS Global. Assay results are reported as Li% and converted to Li₂O% by a factor of 2.153. Intersections are reported using geological boundaries for logged pegmatite, with a nominal 0.5%Li₂O lower-cut-off and allowing for a maximum of 2m internal dilution.

The Boumou prospect has a current Inferred Resource that remains open along strike, and this recent phase of drilling indicates a potential strike length exceeding 750m and up to 1km, providing potential for significant growth in the Boumou prospect defined resource.

The next stage of exploration at Boumou is to undertake infill drilling to provide geological control on the interpretation of the lithium mineralised pegmatite veins as well as continue the extension drilling to continue to expand the prospect as much as possible.

Bougouni South Prospect

At the Bougouni South prospect a total of 6 RC drill holes for 989m were completed as part of the Company's recent drilling campaign. The programme has intersected consistent wide pegmatite veins with individual veins up to 48m in downhole width and a cumulative thickness of pegmatite in hole up to 91m in drill hole MDRC135. The geological logging indicates fine to medium grained mineralisation possibly most suited to

flotation processing. The drilling programme has extended the known pegmatite veins to over 500m in strike length and remains open along strike.

All assay results for the programme have been received, and while the results confirm that the pegmatite veins are mineralised, the grade is generally lower tenor. The review of the geology indicates potential for large veins to be defined and an economic assessment of the prospect is required to determine if the metallurgical recovery of spodumene concentrate, and the nature of the veins will support open pit mining.

The next phase of exploration proposed is a series of diamond drillholes to allow evaluation of the geological controls on the pegmatite veins and supply samples for initial metallurgical testwork. The prospect is located close to the planned processing facility and infrastructure and may prove to be complementary to the mining development.

Final assay results have been received for all drill holes and significant lithium mineralised intersections are tabled below:

Hole_ID	Northing	Easting	RL	Dip/Azi	Depth	From	To	Width	Grade Li ₂ O	
MDRC133	1259108	664447	330	-50/000	187	43	47	4	0.88	
						58	60	2	1.05	
						72	74	2	1.18	
						135	142	7	0.46	
						135	137	2	0.84	
MDRC134	1258917	664300	330	-50/000	222	153	165	12	0.77	
						<i>incl</i>	159	164	5	1.27
MDRC135	1258877	664200	330	-50/000	220	69	108	39	0.93	
						<i>Incl</i>	71	82	11	1.14
						<i>Incl</i>	85	90	5	1.05
						<i>incl</i>	101	107	6	1.48
MDRC136B	1258861	664201	330	-60/000	93	37	48	11	0.80	
						<i>Incl</i>	44	48	4	1.33
MDRC137	1258850	664102	330	-50/000	252	44	46	2	1.31	
						62	64	2	0.87	
						105	113	8	1.05	
						119	126	7	0.83	
						<i>incl</i>	122	126	4	1.11
						188	190	2	1.24	

Notes: Drill holes are RC drill holes. Drill holes have been sampled on a 1.0m 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 ALS Global. Assay results are reported as Li% and converted to Li₂O% by a factor of 2.153. Intersections are reported using geological boundaries for logged pegmatite, with a nominal 0.5%Li₂O lower-cut-off and allowing for a maximum of 2m internal dilution.

Qualified Person's Statement

The Mineral Resource estimates have been prepared by Dr Matthew Cobb who is a Member of the Australian Institute of Geoscientists. Dr Cobb is a Principal Resource Consultant with CSA Global and 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. Dr Cobb consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

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****

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