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Kodal Minerals Plc

(‘Kodal’ or ‘the Company’)

High-Grade Rock Chip Samples Returned at Malian Lithium Projects

Kodal Minerals, the mineral exploration and development company focussed on West Africa, is pleased to announce high grade rock chip results from the first dispatch of samples from the reconnaissance rock chip sampling at its lithium interests in Southern Mali.

Highlights

- First rock-chip assay results confirm high-grade lithium mineralisation at the Bougouni lithium project (“Bougouni”).
- Assay results up to 2.04% Li₂O returned for sampling at the Sogola pegmatite vein located within Bougouni.
- New areas of high-grade lithium mineralisation identified within Bougouni with assay results up 1.9% Li₂O and 1.65% Li₂O.
- An additional 44 rock-chip samples are pending analysis from the ongoing geological reconnaissance at Bougouni.
- Reverse Circulation (“RC”) drilling continuing at Bougouni with programme expected to be completed in mid-December 2016.
- RC drilling targeting the Bougouni’s Sogola, Ngoualana and Kola veins initially, with further geological exploration to develop the new high-grade targets for drilling.
- Initial results from the Diendio lithium project (“Diendio”) confirm presence of lithium mineralisation, maximum result of 0.03% Li₂O returned from limited sampling.

Bernard Aylward, CEO of Kodal Minerals, said: *“These initial rock-chip results confirm the presence of high-grade lithium mineralisation at Bougouni and reinforced our confidence in the prospectivity and potential strategic value of this asset. Kodal has acquired a significant landholding in this region and our exploration activity is continuing to highlight multiple targets and areas of high-grade lithium mineralisation.*

Exploration is continuing at Bougouni with the first RC drilling programme underway targeting three of our high-grade pegmatite veins. This drilling is expected to be completed in mid-December 2016 and will provide vital information on the depth and continuity of the pegmatite bodies as well as provide reliable samples for analysis of the grade of the mineralisation.

Kodal will continue to rapidly explore and advance both Bougouni and the newly acquired Diendio, with on-going geological mapping, sampling and additional drilling planned."

Further Information

Geological Reconnaissance and Rock Chip Sampling Programme

The Company is undertaking a systematic geological reconnaissance and rock-chip sampling programme at Bougouni and the recently acquired Diendio.

A total of 85 samples are reported in this first batch, which includes 14 samples from Diendio Sud (12 sample locations and 2 QAQC duplicate samples) and 71 samples from Bougouni (66 sample locations and 5 QAQC duplicate samples). The assay range for the samples varies from a minimum of below detection limit (0.005% Li) to a maximum result of 2.04% Li₂O. Samples are reported at Li% and converted to Li₂O% by multiplication of a factor of 2.153.

Samples were analysed by ALS Laboratories, with sample receipt at ALS Bamako Mali, sample preparation at ALS Ouagoudougou, Burkina Faso with final analysis completed at ALS Vancouver, Canada. Samples analysis was completed with a four acid digest and final detection by ICP-AES method.

An additional 44 rock-chip samples are pending final analysis.

Bougouni Project

Bougouni consists of two concessions, the Kolassokoro and Madina concessions, which cover a contiguous area of 500km². The project area is located approximately 180km south of Bamako, the capital of Mali, with excellent access to the project via sealed road from Bamako. Kodal has recently entered into Option to Purchase and Access agreements that grant Kodal exclusive rights to explore and develop any identified mineralisation within the project area. Details of the agreements have previously been announced to the market.

The rock chip sampling results at Bougouni confirm the high-grade surface mineralisation at the Sogola vein, and potentially indicate extensions and parallel zones to this system. The maximum result of 2.04% Li₂O was returned for sampling at Sogola. The RC drilling is currently underway at Bougouni with this initial round of drilling focussing on the Sogola, Ngoualana and Kola pegmatite veins.

In addition to confirming the Sogola mineralisation, this geological reconnaissance and rock chip sampling programme has identified new zones of pegmatite hosted lithium mineralisation with initial assays including 1.9% Li₂O and 1.65% Li₂O within Bougouni. In total this first sample batch returned 10 samples greater than 1% Li₂O at Bougouni and these areas are being reviewed to determine potential for future exploration and drilling.

Diendio Project

The 109km² Diendio Project is located approximately 230km south of Bamako. Access to the project is by sealed road from Bamako to the city of Bougouni, then good dirt road to Diendio with good access throughout the concession area by local road and track.

Geological reconnaissance and sampling is at an early stage at Diendio. The first 14 samples collected confirmed presence of lithium mineralisation, however it is low grade in the limited initial samples, with a maximum of 0.03% Li₂O returned. Geological reconnaissance completed has highlighted the limited outcrop and generally flat and soil-covered terrain of Diendio. The limited outcrops of pegmatite contain lithium bearing minerals (spodumene principally) and additional sampling and trenching is required to evaluate these pegmatites.

Geological reconnaissance and sampling of Diendio is on-going in conjunction with the field work at Bougouni.

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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