

20 May 2016

## **Kodal Minerals Plc ('Kodal Minerals' or 'the Company')**

### **Completion of Acquisition of West African Gold Portfolio and Fundraising**

Kodal Minerals, the mineral exploration and development company, is pleased to announce the completion of its acquisition of 100 per cent. of International Goldfields (Bermuda) Limited ("IGS"), which controls a portfolio of highly prospective gold properties in Côte d'Ivoire and Mali, and a £680,000 fundraising.

#### **Highlights**

- Portfolio includes eight mineral licences and two licence applications covering a collection of highly prospective gold exploration targets in Côte d'Ivoire and Mali on the West African Birimian Greenstone Belt
- Existing joint venture and farm-in agreements on four licence areas with two leading producing gold companies, Newcrest Mining Limited ('Newcrest') and Resolute Mining Limited ('Resolute'), with an aggregate exploration spend of up to US\$4.7 million:
  - Newcrest has a farm-in agreement to spend US\$1.7m to earn a 75 per cent. interest on the Dabakala gold project in Côte d'Ivoire
  - Resolute has the right to earn up to a 75 per cent. interest over two concessions and one concession application in Côte d'Ivoire through expenditure of US\$3.0 million over four years
- Bernard Aylward, experienced geologist with proven track record of mine discovery, appointed as Chief Executive Officer
- Ongoing strategy in west Africa of acquiring prospective ground, employing low cost exploration methods to highlight potential and seeking to develop the projects through joint venture partnerships
- Defined work programme for advancing current portfolio in West Africa of 1,845 sq. km of licence area and the existing assets in Norway, whilst continuing to identify and appraise additional opportunities
- Fundraising of £680,000 (before expenses) to fund development activities and working capital

**David Jones, Chairman of Kodal Minerals, said:** "The gold portfolio provides us with exposure to a proven gold district in West Africa that contains a number of multimillion ounce mining operations. The joint ventures already achieved with Resolute and Newcrest are a validation

of the quality of the ground selection and of our strategy. We are looking forward to working with someone of Bernard's proven ability and furthering our business model of identifying projects with potential and sourcing experienced and well-resourced mining operators as joint venture partners to drive their development."

**Bernard Aylward, newly appointed Chief Executive Officer said:** "I am looking forward to assisting in the Company's diversification strategy and continuing the strategy of acquisition with early low cost exploration. The projects generated to date are of a quality to have attracted partners with proven gold pedigrees who have agreed to invest up to US\$4.7 million in exploration and development finance, allowing us to free carry on the potential upside. We look forward to advancing our activities across our jurisdictions and building significant value for shareholders."

### **Acquisition**

Kodal Minerals has purchased 100 per cent. of the issued and to be issued share capital of IGS from Taruga Gold Limited ("Taruga"), a company listed on the Australian Securities Exchange. The assets of IGS and its subsidiaries are a collection of gold exploration targets in West Africa consisting of interests in eight mineral exploration licences, four in Côte d'Ivoire and four in Mali, together with two further mineral exploration licence applications submitted in Côte d'Ivoire.

The consideration for the Acquisition of £410,000 has been satisfied by the Company by the issue of 1,025,000,000 new ordinary shares ("Consideration Shares") to Taruga (representing a price of 0.04 pence per share) and therefore Taruga has an interest in approximately 27.15 per cent. of the issued share capital of the Company. Taruga intends to distribute the Consideration Shares on 3 June 2016 as an in specie return of capital to Taruga shareholders of record on 27 May 2016.

### **Fundraising**

The Company has raised a total of £680,000 (before expenses) through the issue of 1,700,000,000 new ordinary shares ("Fundraising Shares") in a placing and subscription with new and existing shareholders, at a placing price of 0.04 pence per share. The net placing proceeds will be applied to the progression of the Company's assets in West Africa and Norway and the Company's working capital requirements.

### **Total voting rights**

Following the issue of the Consideration Shares and the Fundraising Shares ("New Ordinary Shares"), the total issued share capital of the Company now comprises 3,774,854,849 ordinary shares of 0.03125 pence each, with one voting right per share. The Company does not hold any ordinary shares in treasury. The total number of ordinary shares and voting rights in the Company is therefore 3,774,854,849.

The above figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

Admission of the New Ordinary Shares to trading on AIM became effective at 8.00am today.

### **Board changes**

With completion of the Acquisition and the Fundraising today, Markus Ekberg has stepped down as a director of the Company and Bernard Aylward's appointment as a director and Chief Executive Officer ("CEO") is now effective.

### **Directors' shareholdings**

With the completion of the Acquisition and the Fundraising today, the holdings of the Directors of Kodal Minerals are as follows:

<b>Name of Director</b>	<b>No. of Ordinary Shares</b>	<b>Percentage of issued share capital</b>
Robert Wooldridge	50,417,949	1.34%
Luke Bryan	48,500,000*	1.28%
David Jones	7,808,000	0.21%

\* Held by Novoco Mine Engineering Limited, a company wholly owned by Luke Bryan

In addition to the above, it is expected that Bernard Aylward (CEO) will receive ordinary shares in the Company representing approximately 2.5 per cent. of the current issued share capital as a result of the proposed in specie distribution of the Consideration Shares to Taruga shareholders (of which he is one) on 3 June 2016 (as noted above). An announcement providing details of his interest in ordinary shares in the Company will be made once the in specie distribution has occurred. Mr Aylward does not currently hold any ordinary shares in the Company.

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

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

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