

KALAHARI METALS LIMITED: EXPLORATION UPDATE

Metal Tiger plc (AIM: MTR, ASX: MTR), the AIM and ASX listed investor in natural resource opportunities, is pleased to provide an update in respect of the Botswana Kalahari Copper Belt discovery focussed explorer, Kalahari Metals Limited ("KML"). As announced on 12 April 2021, Metal Tiger currently holds a 50.01% interest in KML, with Cobre Limited ("Cobre") holding the remainder of the shareholding.

At KML's Kitlanya West ("KIT-W") Project, a fixed-wing airborne magnetic and gravity geophysics survey has been recently completed, with initial interpretation results helping to further refine target settings for copper-silver mineralisation. In addition, diamond drilling has also commenced at Kit-W, testing the first of the targeted airborne electromagnetic ("AEM") anomalies, with initial results corroborating the conceptual target model.

The drilling programme at the Kitlanya East ("KIT-E") Project is ongoing, with a total of 1,742m completed to date, consisting 839m of reverse circulation ("RC") and 903m of diamond core drilling (drilling commencement announced 11 May 2021).

Interpretation of important new geophysical data for Kit-W, along with existing soil sampling and ongoing diamond drilling results, has further prioritised target areas with a high potential for hosting Cu-Ag mineralisation. The work to date shows evidence for a variety of potential deposition styles and mineralisation trap sites. The scale and distribution of anomalies within the KIT-W licence area, combined with evidence of prospective sub-basins, enhances the potential for the project to deliver new copper-silver discoveries.

A link to Cobre's announcement released today is set out below:

https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02395082-2A1309730?access_token=83ff96335c2d45a094df02a206a39ff4

Kit-W Exploration Highlights

- Airborne gravity geophysics survey has mapped out an east-northeast ("ENE") trending gravity low, likely related to the development of a deeper sub-basin in the lower Kalahari Copper Belt ("KCB") basin, the margins of which are considered prospective sites for Cu-Ag mineralisation.
- High-resolution magnetic geophysics data clearly maps out fold targets in the D'Kar Formation ("DKF") correlating with, and adding further support for, existing AEM targets.
- Interpretation of magnetic data further suggests that much of the previously interpreted Ngwako Pan Formation ("NPF") is covered with thin DKF - this would open the possibility for shallow, relatively flat lying mineralisation along the redox¹ contact between these formations.
- Updated interpretation is further supported by regional soil sampling traverses with both Cu and Zn anomalies correlating with the position of the interpreted redox contact between the DKF and NPF.
- Initial results from the Kit-W diamond drilling confirm the existence of DKF in the fold structures mapped in the AEM modelling.



Michael McNeilly, Chief Executive Officer of Metal Tiger, commented:

"We are very pleased to provide details of important advances being made in defining potential copper-silver deposition sites in the Kitlanya West Project on the Kalahari Copper Belt.

The results from the recently completed high resolution gravity and magnetic geophysics surveys provide important new information in understanding the potential morphology and evolution of the sedimentary basins and post-depositional folding, faulting and thrusting which could have focussed hydrothermal fluids and provided trap-sites for copper deposition. The new data further enhances the interpretative exploration model, supplementing the soil geochemistry, AEM targets and drilling data, and provides important vectors to sites for potential copper deposit formation.

We look forward to sharing further updates and results as the concurrent Kit-E and Kit-W programmes progress."

Illustrative figures for viewing in conjunction with this announcement showing the position of the project areas, airborne geophysics survey results and KML's interpretation can be viewed on the Company's website at: <https://www.metaltigerplc.com/kml-kit-w-update>

Airborne Magnetic and Gravity Geophysics Details

A total of 9,970 line-km of airborne magnetic and gravity survey data were collected by New Resolution Geophysics ("NRG") using a fixed-wing aircraft flown at low-level (approximately 30m survey height) and 100m line spacing.

Airborne gravity data was collected using NRG's patented Xtract™ gravity system with a GT2A total field gravimeter. The system employs a laser ring gyro strapdown Inertial Measurement Unit which does not require the mechanical orientation platform used in traditional airborne gravimeter designs, allowing for operation in turbulent conditions typical in low-level tight drape magnetic surveys. As a result, high-sensitivity gravity data can be collected concurrently with high-resolution magnetic data. The combined gravity and magnetic data products provide an effective combination for mapping and target generation.

Airborne gravity data provides a novel method for mapping the original basin architecture given that the main density contrast in the geological section relates to the interface between dense Okwa Group basement and lower density volcano-sedimentary units of the Kalahari Copper Belt. Thicker basins and sub-basins are thus expected to manifest as gravity low anomalies. The margins of these gravity lows are priority sites for deposit formation.

The presence of sub-basin architecture with basin margins and intra-basinal highs provide important controls in sedimentary copper models. Fault controls along these boundaries provide pathways for mineralising hydrothermal fluids both during basin formation and again during basin inversion. Importantly, sub-basins provide closed systems for focussed fluid flow, which can increase the metal tenor of any deposit.



Results from the airborne survey and KML's interpretation of data are summarised below (also refer to the, above linked, illustrative figures on the Company's website):

- Airborne gravity data map out a prominent 4 mGal, 30 x 7 km, ENE trending gravity low which is likely related to a deeper sub-basin (see model results in linked Figure 2).
- The margins of the sub-basin would provide priority sites for deposit formation and can be further prioritised when cross referenced with magnetic, AEM and soil geochemical datasets.
- Several tight folds in the DKF are clearly mapped in the magnetic data, where these correlate with historical AEM conductors they form compelling targets analogous to Sandfire Resources T3 and A4 deposits².
- The priority folded conductor, currently being drill tested, also coincides with the interpreted sub-basin margin.
- Interestingly, in the central portion of the survey area, potential exists for thin DKF cover on NPF anticlines which is evidenced by slightly elevated magnetic susceptibility units with different textural character to the NPF.

The updated lithological interpretation appears to correlate well with regional soil sampling traverses collected in 2019. Both elevated Cu and Zn are often associated with the interpreted contact between DKF and NPF as would be expected.

Results support the potential for traditional targets on the NPF-DKF contact on fold limbs as well as under thin DKF cover where flatter geometry may be possible.

In addition, several tightly folded portions of DKF have been delineated with corresponding AEM anomalies like those identified at T3 and A4 with potential for mineralisation to occur higher in the DKF above the NPF contact in structurally controlled trap-sites. Linked Figure 4 illustrates these results.

KIT-W Drill Programme

The Kit-W diamond drilling programme (see Table 1 below) has now commenced testing the first of the AEM conductors with diamond drill hole ("DDH") KITW-001 currently in progress. A total of 40m has been drilled into DKF sandstones and siltstones beneath 20m of Kalahari cover (including 9m of calcrete). Initial drilling results from KITW-001 thus confirm the target AEM conductor is related to units in the DKF.

In addition to the ongoing diamond drilling, a short percussion programme is planned to verify the updated interpretation presented in this announcement. The percussion drill programme will consist of a series of short vertical holes to confirm the underlying geology and cover thickness and provide geochemical samples from the base of the Kalahari cover deposits in the survey area.

Table 1: Kit-W Planned Drill Programme

Project /Target	Drilling Planned	Target Rationale
Kitlanya West	2 x DDH (900m) Optional 3 x DDH follow-up (~1,300m)	<p>AEM conductive targets associated with soil anomalies and fold structures.</p> <p>Potential for traditional fold limb, redox targets as well as fold hinge and structurally controlled targets above the traditional contact.</p> <p>Interpreted Kgwebe Formation geology and position on the northern margin of the KCB considered encouraging vectors for deposits.</p> <p>AEM conductor targets developed upon local anticlines within a broad synclinal structure supported by coincident Cu / Zn soil geochemical survey anomalies.</p> <p>Anomalies have a similar geophysical response (in terms of geological setting, conductivity, geometry, and scale) to the Sandfire T3, A4 and A1 targets.</p> <p>KML note the similarities between the structural setting of Kit-W and Sandfire's A4 deposit where high-grade drilling intercepts up to 33.0m @ 4.6% Cu & 74.3 g/t Ag from 109m down-hole were reported in December 2020².</p>
Kitlanya West	10 percussion holes (~500m) (Optional follow up percussion - 10 holes ~500m)	<p>The percussion drill programme will consist of a series of short vertical holes to confirm the underlying geology as well as providing estimates of Kalahari cover thickness and geochemical samples at the base of the Kalahari cover.</p>

KIT-E Drill Programme

On the Kit-E Project the drill programme announced 11 May 2021 is ongoing, with a total of 1,742 m completed to date, consisting 839m of RC and 903m of diamond core drilling.

An additional diamond drill rig is scheduled to mobilise onto this programme to help improve production rates this week. Provisional results from this programme will be reported in a forthcoming announcement.



Project Background:

Kalahari Metals Limited, which was incorporated in England & Wales on 3 May 2017, holds interests in 12 highly prospective exploration licences covering a total area of 8,595km² in the Kalahari Copper Belt of Botswana, comprising two 100% owned exploration licences, five exploration licences subject to a binding earn-in agreement with Triprop Holdings (Pty) Limited (includes the Ngami Copper Project), and five exploration licences held by 100% owned subsidiary, Kitlanya Limited.

As announced on 15 December 2020, KML signed a Share Purchase Agreement with Cobre, which will, following completion of the transaction and subject to obtaining change in control approval from the Minister of Mineral, Energy and Water Resources of the Republic of Botswana, result in Metal Tiger owning a 59.57% economic interest in KML (comprising a 49% direct interest and a 20.72% interest in Cobre, which, in turn, will have a 51% interest in KML) (the "Cobre Transaction").

The completion of Cobre's purchase of 49.99% of KML occurred on 12 April 2021, resulting in Metal Tiger holding a 50.01% interest in KML. As announced on 15 December 2020, subject to obtaining change in control approval from the Minister of Mineral Energy and Water Resources of the Republic of Botswana (the "Botswana Consent") in respect of the KML group, Metal Tiger's shareholding in KML will reduce to 49.00%.

Metal Tiger holds a 2% net smelter royalty over all KML's wholly owned licences, being seven licences covering, in aggregate, 6,650km² (together, the "Royalties") and the main areas. The five exploration licences owned by Triprop Holdings (Pty) Limited (in which KML has a 51% interest) do not form part of the Royalties.

Further details are available under the Project Investments section of the Company's website at: <https://www.metaltigerplc.com/portfolio/project-investments/kalahari-metals>.

Qualified Person's Statement

The technical information contained in this announcement has been read and approved by Mr Nick O'Reilly (MSc, DIC, MIMMM, MAusIMM, FGS), who is a qualified geologist and acts as the Qualified Person under the AIM Rules - Note for Mining and Oil & Gas Companies. Mr O'Reilly is a Principal consultant working for Mining Analyst Consulting Ltd which has been retained by Metal Tiger PLC to provide technical support.

Reference Notes

- 1: Redox contact: reduction-oxidation ("redox") contacts are geological boundaries where geochemical interactions can lead to the deposition of copper-silver mineralisation. In this case the potential redox contact is at the geological boundary between the D'Kar Formation and Ngwako Pan Formation rocks.
- 2: Sandfire Resources ASX announcement 1 December 2020
<https://www.sandfire.com.au/site/PDF/8dfc69c6-9a2e-43cc-9079-c9880da7a102/SandfireApprovesDevelopmentofnewLonglifeCopperMine>

This ASX release was authorised on behalf of the Metal Tiger Board by: David Michael McNeilly, Chief Executive Officer.

