OKLO RESOURCES LIMITED ASX:OKU

ASX ANNOUNCEMENT

7th APRIL 2020

OKLO'S POSITIVE METALLURGICAL RESULTS HIGHLIGHT SIMPLE PROCESSING OPTIONS FOR SEKO

Oklo Resources Limited ("Oklo" or "the Company") is pleased to announce results from the metallurgical test work program completed on samples from Seko within the Company's flagship Dandoko project located in west Mali, Africa.

The program included gravity separation, bond abrasion & mill work indices, leach kinetics and basic grind size variability, and initial flotation test work on three composite samples collected from SK2, representing soft oxide, transitional and fresh/hard rock gold mineralisation.

The test work was undertaken by ALS Metallurgy in Perth, Western Australia under the supervision of Lycopodium Minerals.

HIGHLIGHTS

- Seko exhibits straightforward, non-refractory metallurgical characteristics from the test work completed to date, with a likely processing route incorporating a simple, industry standard cyanide leach circuit.
- Cyanide leach gold recoveries of ~94% for oxide, with ~85% and ~88% gold recoveries for transitional and fresh mineralisation respectively.
- Encouraging leach kinetics and rapid leach times, with at least 96% of extractable gold dissolution within 8 hours.
- Oxide mineralisation amenable to gravity concentration to recover free gold within the milling circuit.
- Flotation gold recoveries to concentrate of ~95% and ~91% for transitional and fresh mineralisation respectively.
- Ball mill work indices of 10.2 kWh/t – 16.0 kWh/t, comparable to other gold operations in the region.
- Moderate bond abrasion index (Ai) for oxide and fresh mineralisation of 0.05 Ai and 0.20 Ai respectively, and 0.31 Ai for transitional mineralisation.
- Further test work to be conducted on samples from SK1 and SK3.
- All metallurgical results to be incorporated into a Scoping Study, to commence following delivery of the Company's maiden Mineral Resource estimate (MRE).

"The metallurgical test work results are highly encouraging in confirming the likelihood of a simple gold processing flowsheet at Seko. The results for the oxide zone, which comprises a large proportion of the mineralisation intersected to date at Seko, are particularly favourable. The test work results complement the excellent progress that the Company is making with its resource definition drilling program at the SK1 North discovery, both of which will be essential elements in informing the forthcoming Scoping Study." – commented Oklo's Managing Director, Simon Taylor.

SEKO METALLURGICAL TEST WORK PROGRAM

A detailed metallurgical program has been completed at the Company's Seko prospect, following on from previous positive preliminary results. The test work was undertaken on three separate metallurgical samples, representing soft oxide mineralisation grading approximately 4.0g/t gold, transitional mineralisation of approximately 6.5g/t gold and a fresh/hard rock mineralisation grading approximately 3.0g/t gold.

The test work program was undertaken by ALS Metallurgy in Perth, Western Australia under the supervision of Lycopodium Minerals in Brisbane, Queensland.

The scope of the test work program included:

- Physical characterisation test work (bond abrasion and mill work indices).
- Leach kinetics and grind size investigation.
- Flotation tests.
- Gravity recovery test work.

The test work program was designed to provide preliminary comminution design data, gravity recovery data and flotation information suitable for use in the forthcoming Scoping Study. The results will provide key data to assist in identifying the likely processing route for Seko.

SAMPLE SELECTION

Three 80kg composite samples were collected from the SK2 prospect being the central trend at Seko. The oxide and transitional samples were taken from ½ PQ diamond core in hole DDSK19-047, which was specifically drilled to provide representative material for the test work program and had returned an intersection of 50m at 3.99g/t gold[1]. The oxide sample was from a down hole depth of 5m to 27m and the transitional sample was from 27m to 50m. The fresh rock sample was obtained from ¼ HQ core from a down hole depth of 180m to 250m in hole RDSK18-029, which had returned an intersection of 51m at 2.22g/t gold[2].

PREVIOUS METALLURGICAL TEST WORK RESULTS[3]

The Company previously undertook bottle roll cyanide leach check analysis to provide an estimate of gold recoveries that may be achievable by processing through a conventional leach circuit.

A total of 86 samples (20 oxide and 66 fresh) were collected from reverse circulation and diamond core holes drilled across the Seko trends (SK 1-3) and were submitted for 24 hr bottle roll cyanide leach analysis.

The results returned an average 95% recovery for the fresh and oxide material, with a difference of less than 5% between the original fire assay and bottle roll assays, indicating that the use of cyanide leach could be appropriate and that mineralisation at all three trends was non-refractory in nature.

[1] ASX Release 22 October 2019, Resource drilling & metallurgical testwork underway at Dandoko

[2] ASX Release 2 July 2018, Seko anomaly SK2 delivers further outstanding gold intersections

[3] ASX Release 6 August 2018, Excellent initial metallurgical results at Seko

TEST WORK RESULTS

General test work

As part of head grade assay analysis for the samples, multi-element ICP was undertaken with the results summarised as follows:

- Organic carbon content is low, indicating that the gold mineralisation does not contain mineral phases that are able to re-adsorb the gold cyanide in competition with activated carbon.
- Tellurium content is low, indicating that there should be no material issue with slow leaching telluride gold.
- Arsenic and antimony contents are low, indicating that these elements should not adversely affect leach kinetics.
- Silver content is low, which is advantageous for plant design in requiring a smaller elution circuit and less electrowinning capacity.
- Mercury content is low, which is favourable for industrial hygiene.

Physical characterisation test work

The results from the physical recovery test work highlights that the mineralisation is medium hard to hard with a bond ball work index of 10.2 – 16.0 kWh/t and is moderately abrasive to abrasive with an abrasion index of 0.05 – 0.31.

The work index and abrasiveness values are softer or comparable to tier 1 gold mining operations in the immediate region. For comparison, values realised by B2 Gold as part of the Fekola Project Definitive Feasibility Study included a ball mill work index of 14.1 – 19.7 kWh/t and an abrasion index of 0.21 – 0.88[4].

TYPE	PRODUCT SIZE *P80 (µM)*	BOND BALL WI *(kWh/t)*	HARDNESS	ABRASION INDEX *(AI)*	ABRASIVENESS
Oxide	68	10.2	Medium hardness	0.0498	Moderately Abrasive
Transitional	83	15.2	Hard	0.3139	Abrasive
Fresh	77	16.0	Hard	0.1984	Moderately Abrasive

Table 1: Seko rock parameter results

[4] B2 Gold Corp Fekola NI 43-101 Technical Report filed on SEDAR with effective date of 30 June 2015

Leach kinetics, flotation test work & grind size variability

The results from the leach recovery tests were very good, with the results indicating:

- Cyanide leaching was rapid and essentially complete within 24 hours.
- For the oxide mineralisation, a finer grind size did not improve the gold recovery and that a P80 grind size of 75 microns is sufficient to generate excellent recoveries (Table 2).
- For the transition and fresh mineralisation, reducing the grind size from 75 to 53 microns improved gold recovery (Figure 1).
- A finer grind size and resultant improved liberation resulted in the fresh mineralisation achieving a better extraction than the direct cyanidation bottle roll BLEG test work.
- Cyanide consumption is low for all mineralisation types, and whilst lime consumption for oxide mineralisation was relatively high, this is not atypical for saprolite ores which tend to be acidic and consume more lime.
- A very good transition mineralisation gold recovery of 95.3% and fresh mineralisation gold recovery of 91.3% for 15 minutes of flotation.

Further test work was conducted on leach test residue using cyanide leach for an additional 48 hours to determine the amount of remaining free gold, an aqua regia digest to determine sulphide encapsulated gold, and fire assay to determine gold in silicates.

Figure 2 highlights that for the transitional and fresh mineralisation, almost all remaining gold is encapsulated in pyrite, that there is limited further potential for gold recovery without a significantly finer grind, and that the test conditions are extracting almost all cyanide leachable gold.

TYPE	FLOWSHEET	GRIND SIZE P80 *(µm)*	GOLD							CONSUMPTION	
			LEACH FEED *(PPM)*	LEACH RECOVERY *(%)*	RESIDUE *(PPM)*	FLOTATION FEED *(PPM)*	FLOTATION RECOVERY **(%)**	TAIL *(PPM)*	BLEG RECOVERY *(%)*	NACN *(Kg/t)*	LIME *(Kg/t)*
Oxide	Cyanide Leach	75	4.41	**94.1**	0.26	-	-	-	96.7	**0.15**	**3.19**
Trans.	Cyanide Leach	53	5.99	**84.7**	0.92	-	-	-	86.3	**0.10**	**1.07**
Fresh	Cyanide Leach	53	2.76	**88.0**	0.33	-	-	-	84.8	**0.15**	**1.14**
Oxide	Flotation	*Not tested*									
Trans.	Flotation	75	-	-	-	6.44	**95.3**	0.34		-	-
Fresh	Flotation	75	-	-	-	2.57	**91.3**	0.24		-	-

Table 2: Seko cyanide leach and flotation recovery results

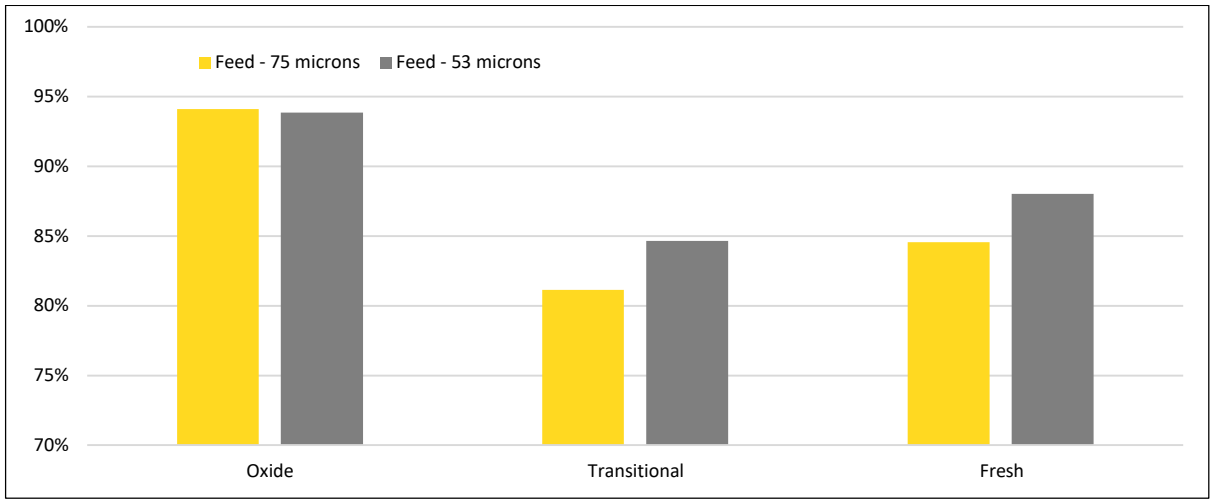


Figure 1: Total gold recovery at P80 grind size of 75µm and 53µm

Figure 2: Mode of gold occurrence at P80 grind size of 75µm and 53µm

Gravity test work

The gravity testwork indicated that the gravity recoverable gold (GRG) content was 52.6% for the oxide composite, 30.6% for the transition composite and 30.3% for the fresh composite (Table 3), highlighting the potential for GRG concentration to recover liberated free gold for the oxide mineralisation.

A decision on whether to utilise a gravity gold circuit for oxide mineralisation will be assessed as part of the Scoping Study and will be informed by the proportion of oxide material in the maiden MRE.

TYPE	HEAD GRADE *(g/t)*	RECOVERY TO CONCENTRATE *(%)*	GRIND SIZE P80 *(µm)*
Oxide	4.83	52.6%	75
Transitional	6.68	30.6%	75
Fresh	2.71	30.3%	75

Table 3: Seko gravity gold results

FURTHER WORK

Drilling is ongoing at SK1 North in order to define the extents of mineralisation and this will be incorporated into the MRE. As part of this program, additional material from SK1 and SK3 will be collected and dispatched for metallurgical test work to characterise these zones.

It is intended that work on a Scoping Study will commence upon completion of the MRE. Further detailed metallurgical work will be undertaken when informed by the results of the upcoming MRE and Scoping Study.

– ENDS –

This announcement is authorised for release by Oklo's Managing Director, Simon Taylor.

For further information, please contact:

Simon Taylor
Managing Director

T: +61 2 8319 9233
E: staylor@okloresources.com

Competent Person's Declaration

The information in this announcement that relates to Exploration Results is based on information compiled by geologists employed by Africa Mining (a wholly owned subsidiary of Oklo Resources) and reviewed by Mr Simon Taylor, who is a member of the Australian Institute of Geoscientists. Mr Taylor is the Managing Director of Oklo Resources Limited. Mr Taylor is considered to have sufficient experience deemed relevant to the style of mineralisation and type of deposit under consideration, and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the 2012 JORC Code). Mr Taylor consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

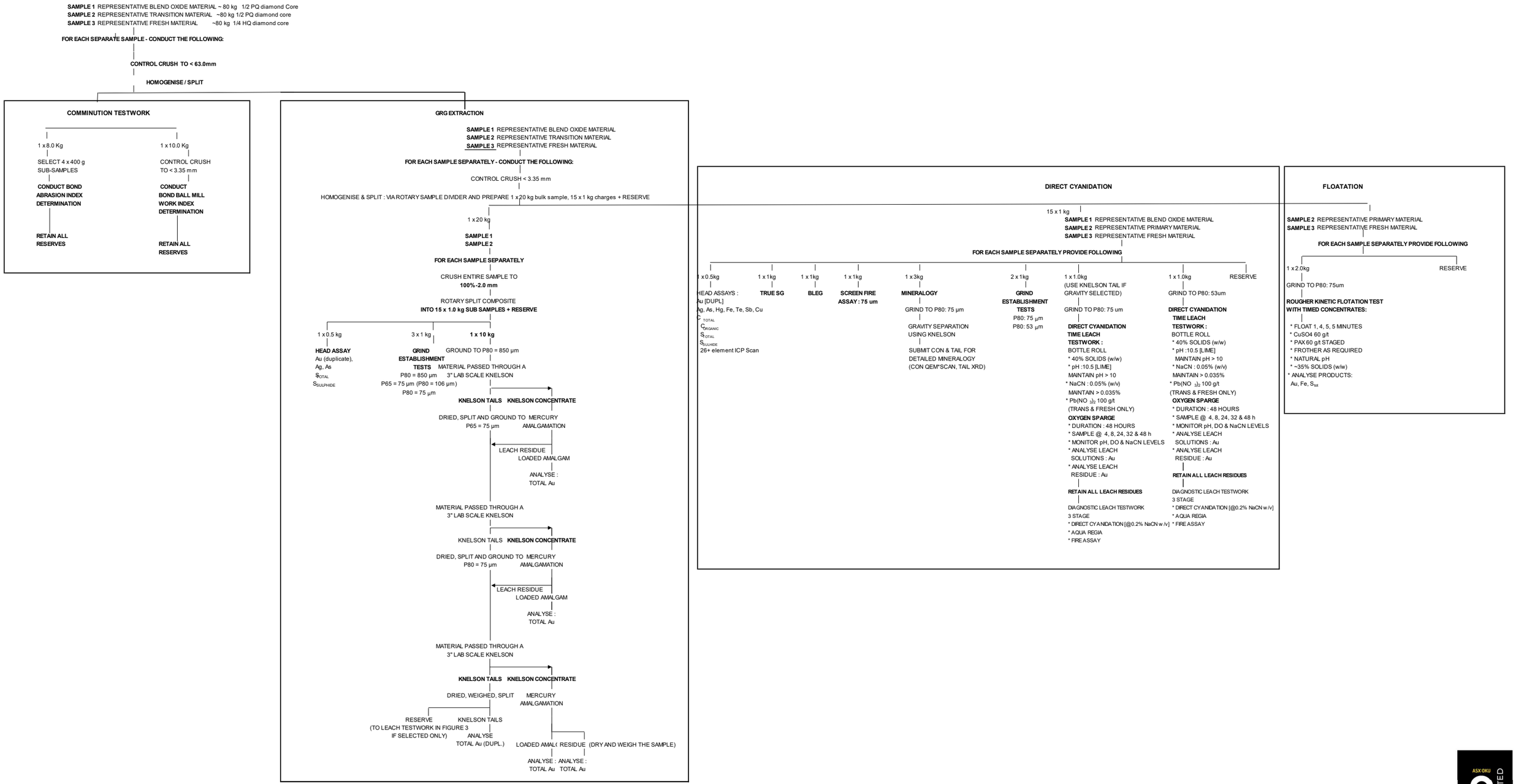
The information in this announcement that relates to Metallurgical Test Work Results is based on information reviewed by Mr Geoff Duckworth (B.Eng (Chem), M. Eng Sc, PhD, FIChemE, MIEAust, FAusIMM, RPEQ 2702). Mr Duckworth is an independent consulting engineer working for Lycopodium Minerals Pty Ltd. Mr Duckworth has 40 years of relevant experience in this area of work. Mr Duckworth consents to the inclusion in this announcement of the matters based on information provided to him and in the form and context in which it appears.

This report contains information extracted from previous ASX market announcements dated 2nd July 2018, 6 August 2018 and 22nd October 2019, reported in accordance with the JORC Code (2012) and available for viewing at www.okloresources.com. Oklo Resources confirms that in respect of these announcements it is not aware of any new information or data that materially affects the information included in any original ASX market announcement.

Appendix 1 – Metallurgical Test Program Flow Sheet

LYCOPODIUM MINERALS PTY LTD/ OKLO RESOURCES

DANDOKO GOLD PROJECT



JORC CODE, 2012 EDITION – TABLE 1
Section 1 Sampling Techniques and Data

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sampling techniques	► Nature and quality of sampling, measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. ► Aspects of the determination of mineralisation that are Material to the Public Report. ► In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	► Previous work indicated comparable recoveries and mineralogical behaviour from each of the three Seko prospects. ► Seko 2 material was selected for study use due to it being the central prospect and having the most extensive oxide material at time of sample selection. ► Intervals were selected to represent an oxide, transitional and deep fresh rock sample to provide indicatives behaviour of the three main material classifications that might be expected. ► Half core diamond PQ core was sampled as 1m composites that were consolidated into ~80kg bulk samples and homogenised for the oxide and transitional sample. ► Quarter core diamond HQ core was sampled as 1m composites that were consolidated into ~80kg bulk samples and homogenised for the fresh sample.
Drilling techniques	► Drill type (e.g. core, reverse circulation, open<hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face<sampling bit or other type, whether core is oriented and if so, by what method, etc).	► All core used for the metallurgical study was collected via a diamond triple tube PQ or HQ drilling method.
Drill sample recovery	► Method of recording and assessing core and chip sample recoveries and results assessed. ► Measures taken to maximise sample recovery and ensure representative nature of the samples. ► Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	► Triple tube DD technique was used to ensure maximal recovery. ► Core recoveries are recorded and monitored at the drill rig site.
Logging	► Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. ► Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. ► The total length and percentage of the relevant intersections logged.	► All drill samples were geologically logged by Oklo Resources subsidiary Africa Mining geologists. ► Geological logging used a standardised logging system.
Sub-sampling techniques and sample preparation	► If core, whether cut or sawn and whether quarter, half or all core taken. ► If non<core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. ► For all sample types, the nature, quality and appropriateness of the sample preparation technique. ► Quality control procedures adopted for all sub<sampling stages to maximise representivity of samples. ► Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second<half sampling. ► Whether sample sizes are appropriate to the grain size of the material being sampled.	► Samples were prepared and sampled as per flow sheet in Appendix 1. ► Three samples of an oxide, transitional and fresh nature to explore the representativeness of the material. Further follow up test work based on these results are planned.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Quality of assay data and laboratory tests	► The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. ► For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. ► Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	► Samples were prepared and sampled as per flow sheet in Appendix 1. ► Work undertaken is of a scoping nature and procedures, accuracy and extent of analysis are appropriate for this level of study. ► No external test work was undertaken. Further follow up test work based on these results are planned.
Verification of sampling and assaying	► The verification of significant intersections by either independent or alternative company personnel. ► The use of twinned holes. ► Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. ► Discuss any adjustment to assay data.	► ALS Metallurgy Pty Ltd test work was review by Lycopodium Minerals Limited. ► Further follow up test work based on these results are planned.
Location of data points	► Accuracy and quality of surveys used to locate drill holes (collar and down<hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. ► Specification of the grid system used. ► Quality and adequacy of topographic control.	► Not applicable as sample were bulk in nature and designed to be representative of a broad area.
Data spacing and distribution	► Data spacing for reporting of Exploration Results. ► Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. ► Whether sample compositing has been applied.	► All data was collected from the Seko 2 prospect. ► Work undertaken is of an initial scoping nature and further work is required and planned to provide further representative metallurgical characteristics. ► No Mineral Resource Estimation or Exploration Target has been established, though the study work is sufficient to allow for the application of metallurgical related Modifying Factors to support the evaluation of the economic viability of a deposit if an MRE was estimated.
Orientation of data in relation to geological structure	► Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. ► If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	► Work undertaken is of an initial scoping nature and further work is required and planned to provide further representative metallurgical characteristics.
Sample security	► The measures taken to ensure sample security.	► Sample material was prepared by Oklo's subsidiary company staff and shipped to ALS Metallurgy Pty Ltd in Australia via tracked courier within locked containers.
Audits or reviews	► The results of any audits or reviews of sampling techniques and data.	► ALS Metallurgy Pty Ltd test work was reviewed and reported to the Company by Lycopodium Minerals Limited.

Section 2 Reporting of Exploration Results

CRITERIA	JORC CODE EXPLANATION	CRITERIA
Mineral tenement and land tenure status	► Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. ► The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	► The results reported in this report are all contained within the Dandoko Exploration Permit, Gombaly Exploration Permit which are held 100% by Africa Mining SARL, a wholly owned subsidiary of Oklo Resources Limited. ► The Dandoko permit (100km^2) which was renewed on the 10/8/17, for a period of 3 years and renewable twice, each for a period of 2 years: ► The Gombaly permit (34km^2) which was granted on the 10/8/17, for a period of 3 years and renewable twice, each for a period of 2 years
Exploration done by other parties	► Acknowledgment and appraisal of exploration by other parties.	► The area that is presently covered by the Dandoko permit was explored intermittently by Compass Gold Corporation between 2010 and 2013. ► Exploration consisted of aeromagnetic surveys, gridding, soil sampling and minor reconnaissance (RC) drilling. ► The area that is presently covered by the Mousalla permit was explored intermittently by Compass Gold Corporation between 2010 and 2013. ► Exploration consisted of aeromagnetic surveys, gridding, soil sampling. ► Ashanti Mali undertook reconnaissance soil sampling surveys over part of the license area.
Geology	► Deposit type, geological setting and style of mineralisation.	► The deposit style targeted for exploration is orogenic lode gold. ► This style of mineralisation can occur as veins or disseminations in altered (often silicified) host rock or as pervasive alteration over a broad zone. ► Deposit are often found in close proximity to linear geological structures (faults & shears) often associated with deep<seated structures. ► Lateritic weathering is common within the project area. The depth to fresh rock is variable and may extend up to 50-70m below surface and in this drill program weathering of >150m was encountered.
Drill hole Information	► A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. ► If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	► Not applicable as exploration results are not reported.
Data aggregation methods	► In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut<off grades are usually Material and should be stated. ► Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation	► Not applicable as exploration results are not reported.

CRITERIA	JORC CODE EXPLANATION	CRITERIA
	should be stated and some typical examples of such aggregations should be shown in detail. ► The assumptions used for any reporting of metal equivalent values should be clearly stated.	
Relationship between mineralisation widths and intercept lengths	► These relationships are particularly important in the reporting of Exploration Results. ► If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. ► If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	► Not applicable as exploration results are not reported.
Diagrams	► Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	► N/A
Balanced reporting	► Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	► The results of all metallurgical tests performed have been reported on. No results have been excluded.
Other substantive exploration data	► Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	► N/A
Further work	► The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large<scale step<out drilling). ► Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	► Future metallurgical test work programs will be informed by the relative proportions of oxide, transitional and fresh material from the prospects and be designed to be further representative of any resources estimated by the Company.