

## KALAHARI METALS EXPLORATION ANNOUNCEMENT

Kalahari Metals Limited ("KML" or "Company") is pleased to provide an exploration update covering both progress on the environmental permits required prior to drilling and the results of recent high-resolution airborne magnetic ('HMAG') and electromagnetic ('AEM') surveys over its Okavango ('OCP') and Ngami Copper ('NCP') Projects

### Highlights

- Drilling can proceed under an environmental management plan on the Ngami Project.
- Numerous follow-up targets identified on the Okavango Project including a 'dome style' target' analogous to MOD Resources T3 deposit.
- Three 'dome style' targets identified for follow up on the Ngami Project.
- ~340 km of mineralised contact identified for higher resolution follow-up work prior to drilling.

Based on successful results of the first phase of airborne geophysics, KML has commissioned a second phase of work including detailed AEM surveys in both the OCP and NCP and further HMAG in the NCP. Data collection is anticipated to be completed in November with fully processed and interpreted data available from February 2019. Results from this phase of work will be used for drill planning.

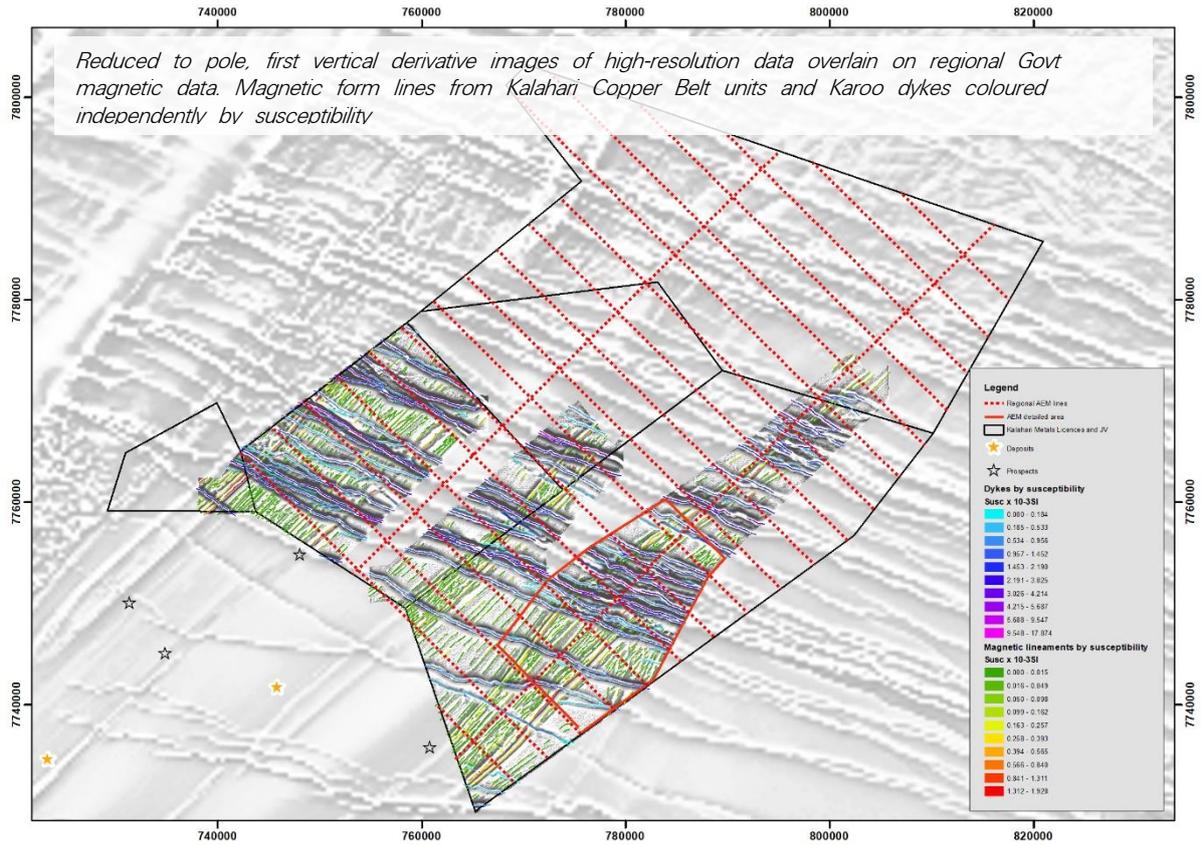
### Environmental Permitting

The Botswana Department of Environmental Affairs have agreed that drilling can proceed on the NCP project under an environmental management plan (EMP) while a more detailed environmental impact assessment (EIA) will be required for the OCP project. The reduced timeframe for an EMP application should place KML in a position to drill test new targets at the start of the 2019 dry season.

Both EMP and EIA studies have commenced with community liaison meetings recently completed in the OCP.

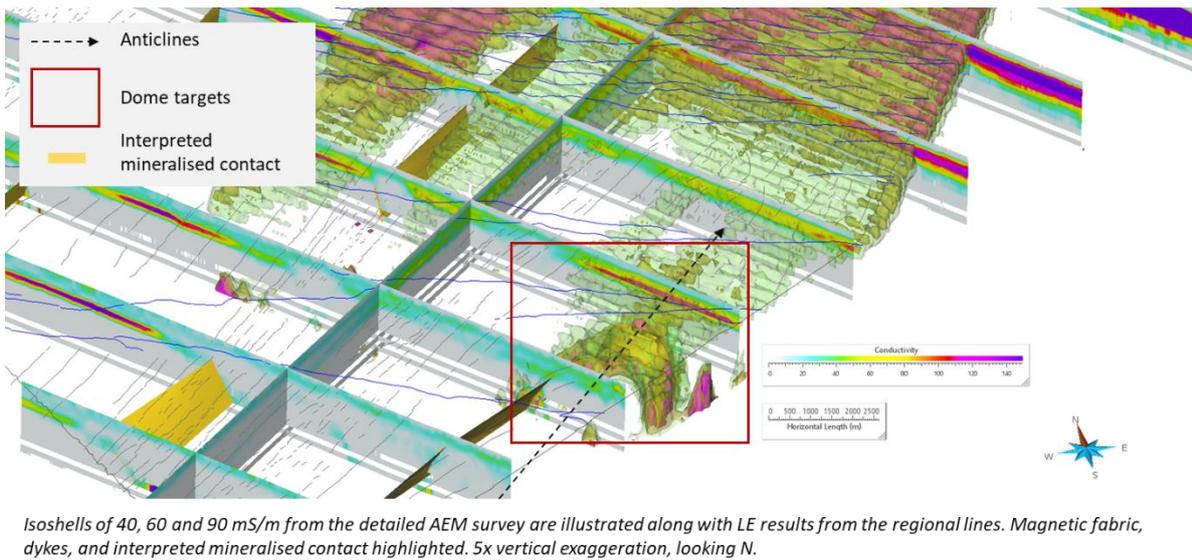
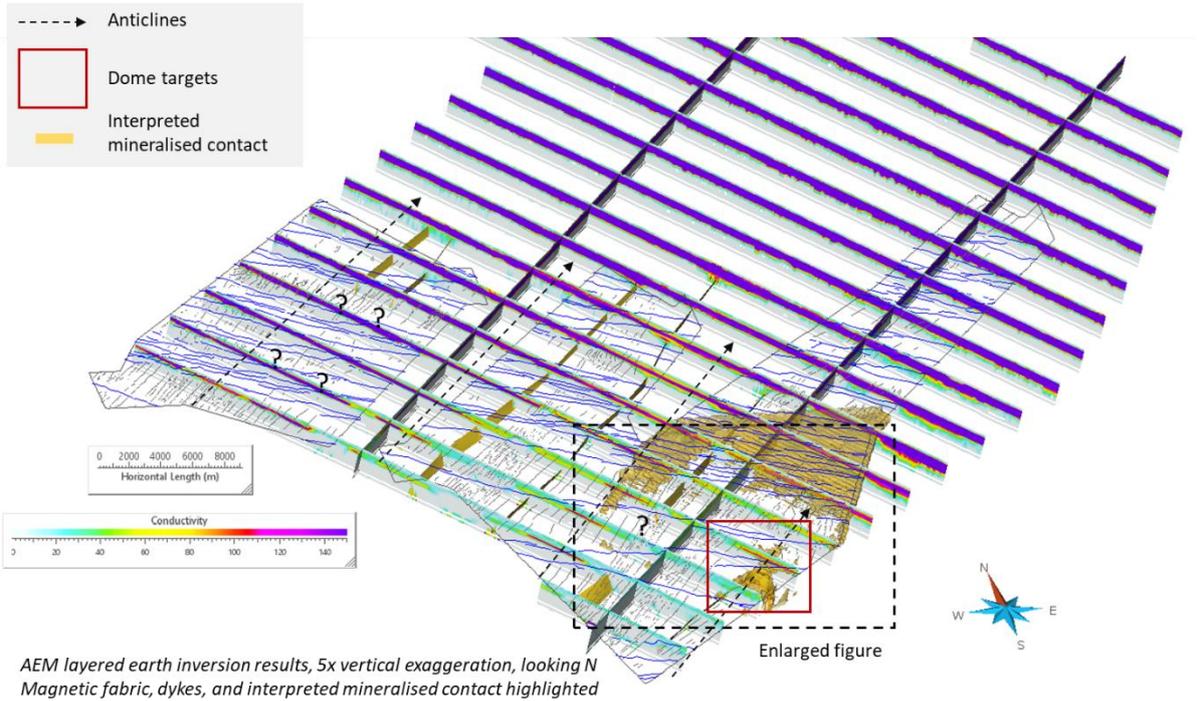
### Okavango Copper Project Geophysics

High-resolution magnetic surveys carried out on the OCP provide a detailed map of Kalahari Copper Belt (KCB) stratigraphy under Kalahari cover and between NNW trending Karoo dyke swarms. Evidence of cross-cutting structures, particularly perpendicular demagnetised structure, are clearly apparent in magnetic derivative products potentially highlighting more prospective areas along the mineralised Ngwako-D'Kar Formation redox contact.



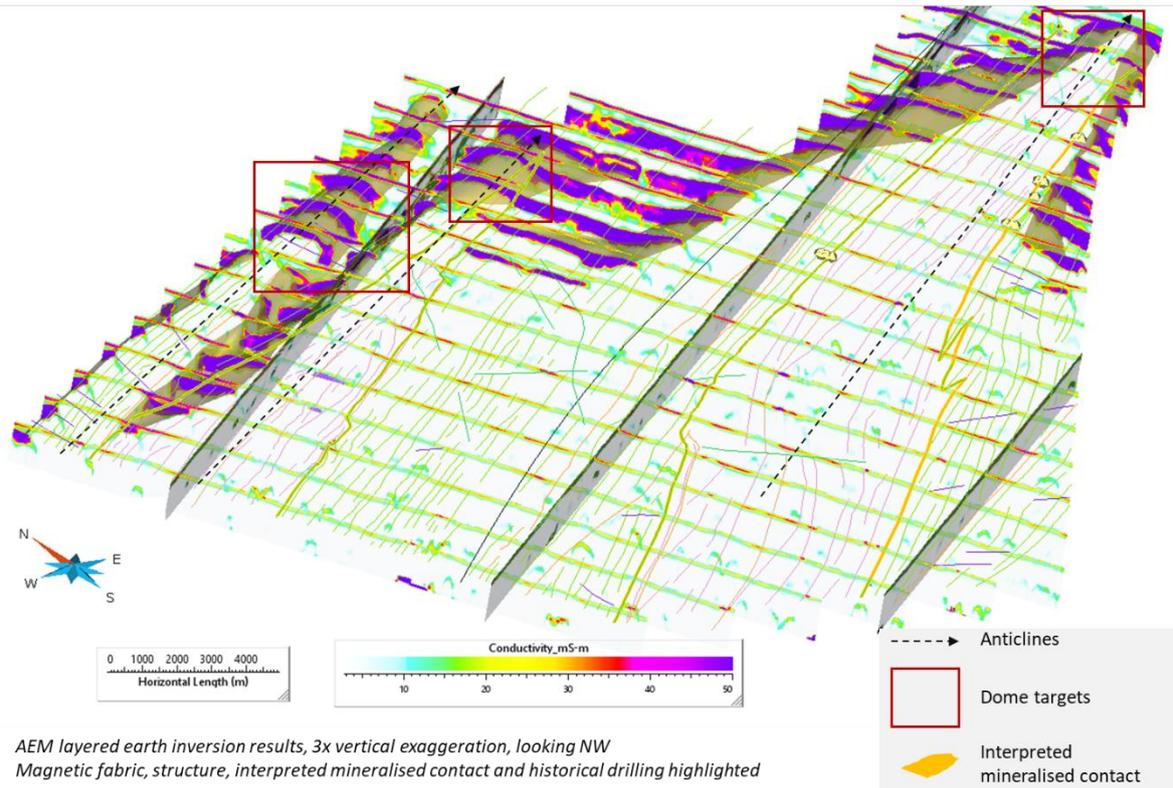
AEM surveys included a regional component (4km spaced traverses), designed to map Kalahari cover thickness, saline water effects and key conductive marker units in the Lower D’Kar Formation directly above the target mineralised redox boundary. The objective of the regional survey was to prioritise areas for detailed follow-up in a second phase of AEM survey. In addition to the regional component, a more detailed area (400m traverses) was flown over an interpreted fold hinge zone derived from magnetic data.

Layered earth (‘LE’) inversion modelling of the AEM data effectively maps conductive Kalahari cover. The survey identified conductive marker units which appear to correlate with the mineralised redox contact and also a compelling fold structure in the eastern part of the survey area which provides a priority “dome target”. Areas for detailed AEM follow-up can be delineated with confidence using the regional data as a guide.



**Ngwako Copper Project**

Layered earth inversion models of the regional AEM traverses (2 km spacing) across the NCP have effectively mapped a number of anticlinal structures expanding on targets identified in a re-interpretation of available high-resolution magnetic data. The LE models appear to map out key conductive marker units in the Lower D’Kar Formation directly above the target mineralised redox boundary. Target areas where the interpreted mineralised contact appears in shallow anticlinal hinge zones have been prioritised as analogous settings to Mod Resources’ T3 deposit.



*AEM layered earth inversion results, 3x vertical exaggeration, looking NW  
Magnetic fabric, structure, interpreted mineralised contact and historical drilling highlighted*