

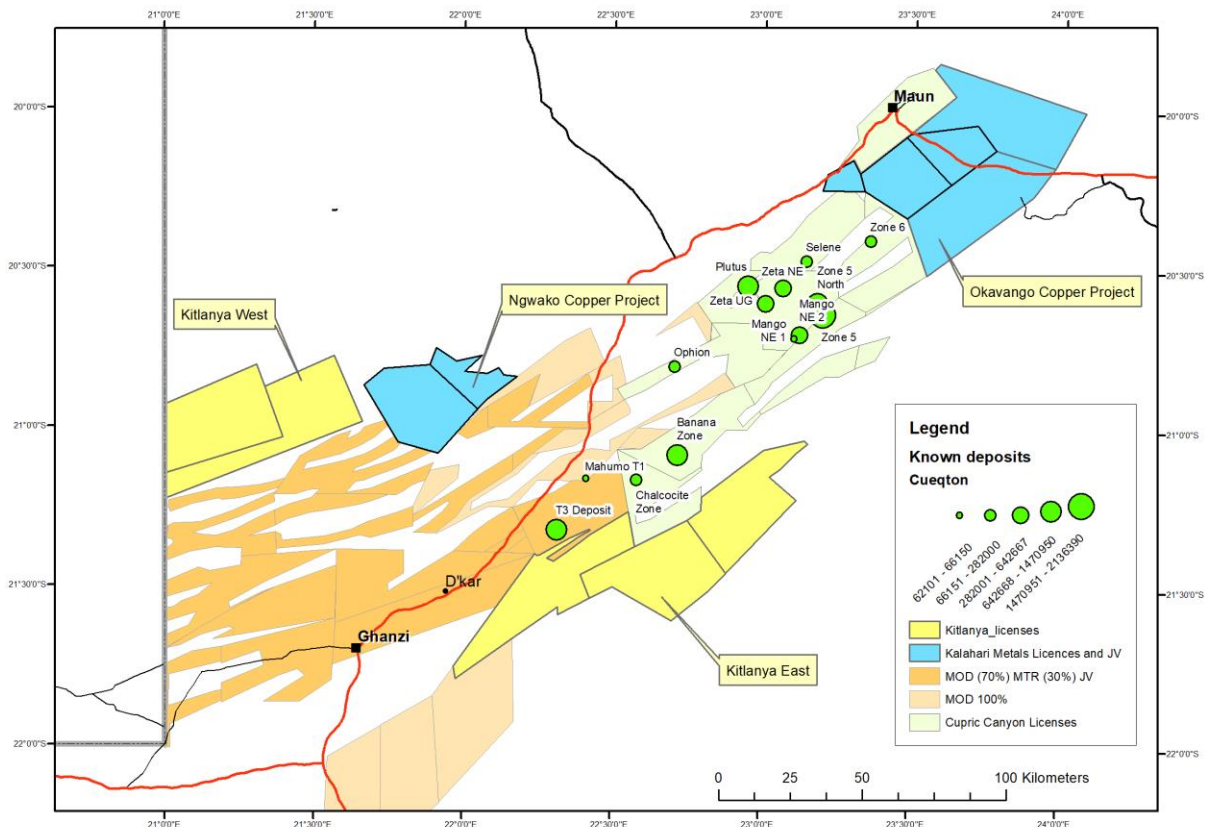


28 November 2018

## KALAHARI METALS EARN-IN ANNOUNCEMENT

Kalahari Metals Limited (“KML” or “Company”) is pleased to announce it has entered into an earn-in agreement with Resource Exploration and Development Limited (“RED”) to purchase up to 100% of Kitlanya Metals Limited (“Kitlanya”). Kitlanya owns 5 recently granted exploration licenses covering approximately 4661 km<sup>2</sup> of well-located exploration tenure in the Kalahari Copperbelt in Botswana. The earn-in provides KML with an opportunity to significantly expand its current land position in Botswana to circa 8594 km<sup>2</sup>.

Under the terms of the agreement KML will invest US\$100,000 in exploration on the Kitlanya licences to earn 25% of Kitlanya and an option to purchase the remaining 75% of Kitlanya for shares in KML to the value of US\$700,000. The option may be exercised at any time in the year following KML becoming a shareholder in Kitlanya. KML shall also pay RED US\$5 per tonne of contained copper as defined on the date at which an indicated JORC compliant resource is announced by KML.



The 5 licenses have been divided into two project areas, namely Kitlanya West and Kitlanya East. Projects target traditional mineralised redox boundaries proximal to basin margins and basement horst blocks which are interpreted to extend through both project areas.

The Kitlanya West Project is situated along strike of KML's Ngawko Copper Project ('NCP') with similar potential for doubly plunging anticlines or 'dome' targets. A review of the historical airborne electromagnetic ('AEM') data has flagged encouraging targets which KML will refine by further reprocessing and inverting the data. Given the drill tested copper mineralisation in the adjacent NCP, AEM results are expected to identify drill targets for the 2019 field season.

The Kitlanya East Project is notable for its thin cover, proximity to Mod Resources' T3 deposit, and copper occurrences along strike of the licenses. A first phase of soil sampling, scheduled to start immediately, has been designed to target potential 'domes' and interpreted redox contacts as well as corroborating historical soil anomalies. Regional AEM test lines will be flown concurrently in order to assist with the design of follow-up programmes.