

KALAHARI METALS EXPLORATION ANNOUNCEMENT

Kalahari Metals Limited ("KML" or "Company") is pleased to announce results from high-resolution magnetic and electromagnetic ('AEM') surveys recently completed over its Ngami Copper ('NCP') and Okavango ('OCP') Projects. The recent surveys have significantly advanced the exploration potential on both projects with a number of compelling drill-ready targets defined:

- Results from this phase of work have identified 3 compelling drill ready anticline fold-hinge ('dome') targets in the NCP.
- Marker conductors associated mineralised contacts have been mapped successfully from Cupric Canyon's Zone5 and 5N deposits into the OCP licenses.
- A prominent fold closure target in southwest OCP is considered drill ready.

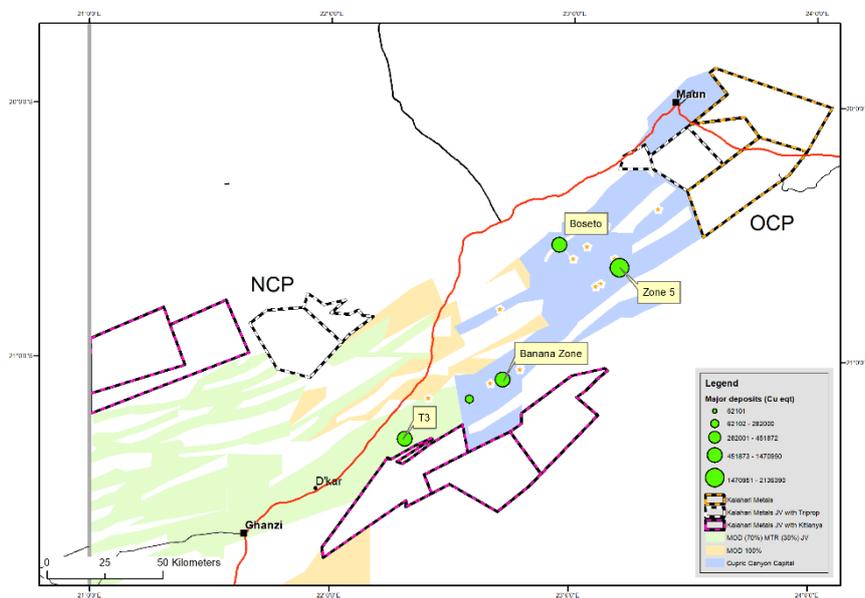


Figure 1. Locality of KML licenses and JV projects.

Ngami Copper Project

As part of a second phase of airborne geophysics, a total of 1498km of AEM and 1830 of heliborne magnetic data were collected in the NCP project. Surveys target encouraging results from an earlier phase of regional AEM which identified a number of compelling fold structures which may present ideal trap-sites for high-grade Cu-Ag mineralisation analogous to Mod Resources' T3 deposit (60Mt @ 0.98% Cu and 14 g/t Ag).

Processing and modelling of the new AEM data further refined the 3-dimensional structure of these prospective fold-hinges, delineating 3 compelling drill-ready targets. In each target, interpreted conductive reduced lower D'Kar Formation ('DKF') units are preserved in northeast-plunging anticlinal structures overlying oxidised Ngwako Pan Formation ('NPF') with mineralisation expected in proximity to the contact. A combination of vertical and inclined diamond drill holes are recommended to test for contact Cu-Ag mineralisation in each target.

Modelling, interpretation and recommended drill plans are illustrated in Figures 2 and 3.

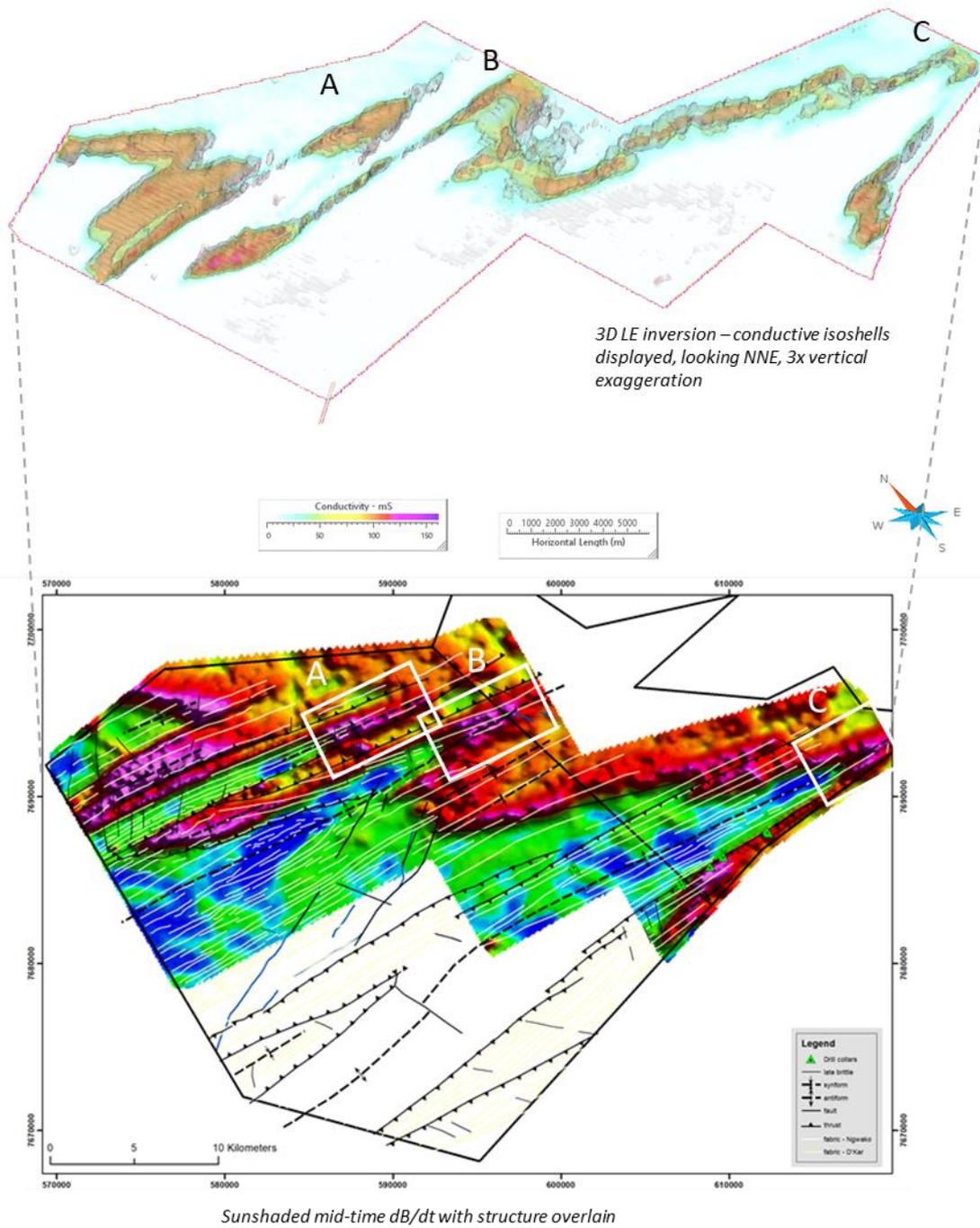


Figure 2. AEM processing and layered earth ('LE') inversion results (above) clearly highlight a series of NE plunging, fault-bounded, fold structures. Targets A - C highlighted and illustrated in C/S in Figure 3.

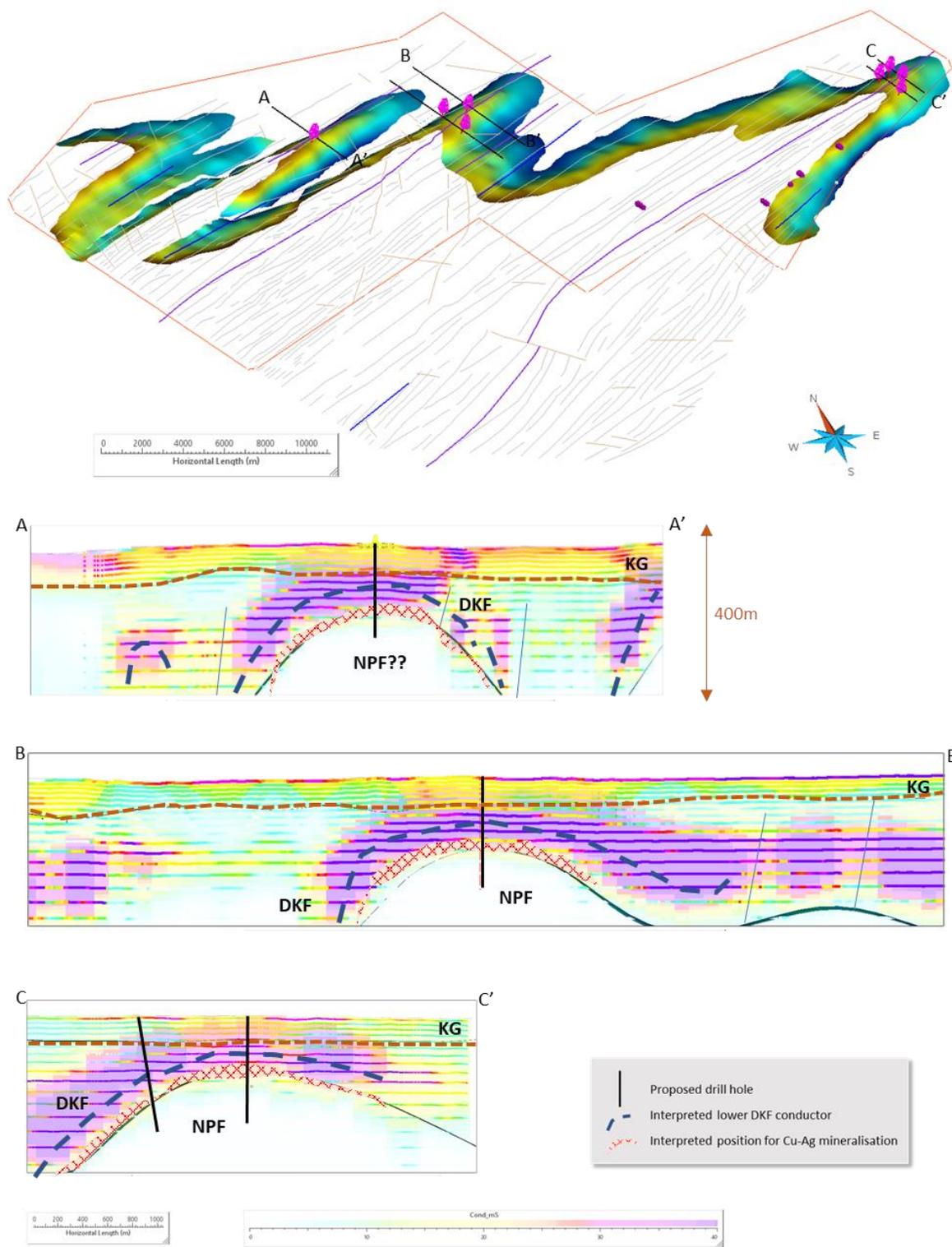


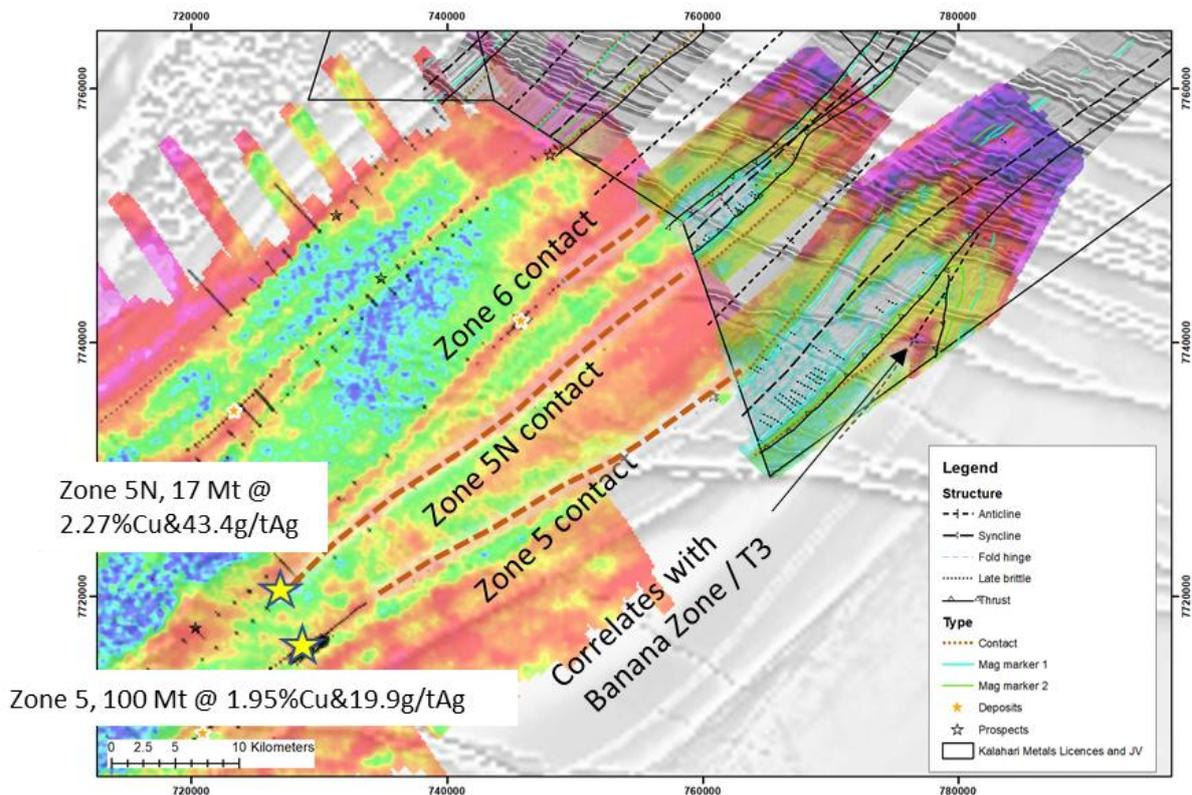
Figure 3. The interpreted position of the NPF-DKF contact below the conductive lower D'Kar units has been modelled in 3D (above). Selected sections illustrating the 3 fold-hinge targets A, B and C are illustrated.

Okavango Copper Project

885 km of detailed AEM data were collected in two blocks in the OCP. Surveys were designed to map the marker conductor above the DKF-NPF contact extending from Cupric Canyon's Zone5 (100 Mt @ 1.95% Cu and 19.9 g/t Ag) and Zone5N (17 Mt @ 2.27% Cu and 43.4 g/t Ag) into the OCP license area. In addition, AEM coverage from the compelling fold-closure target in the southwest of the OCP was extended to the western license border.

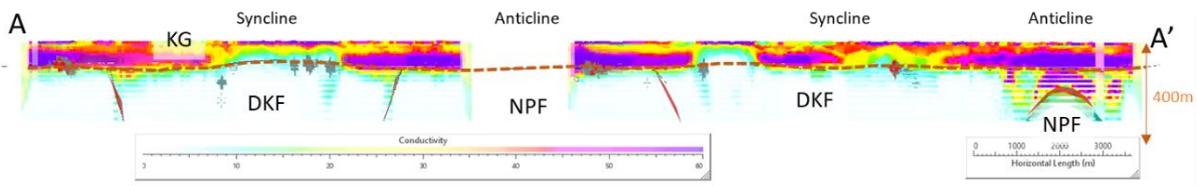
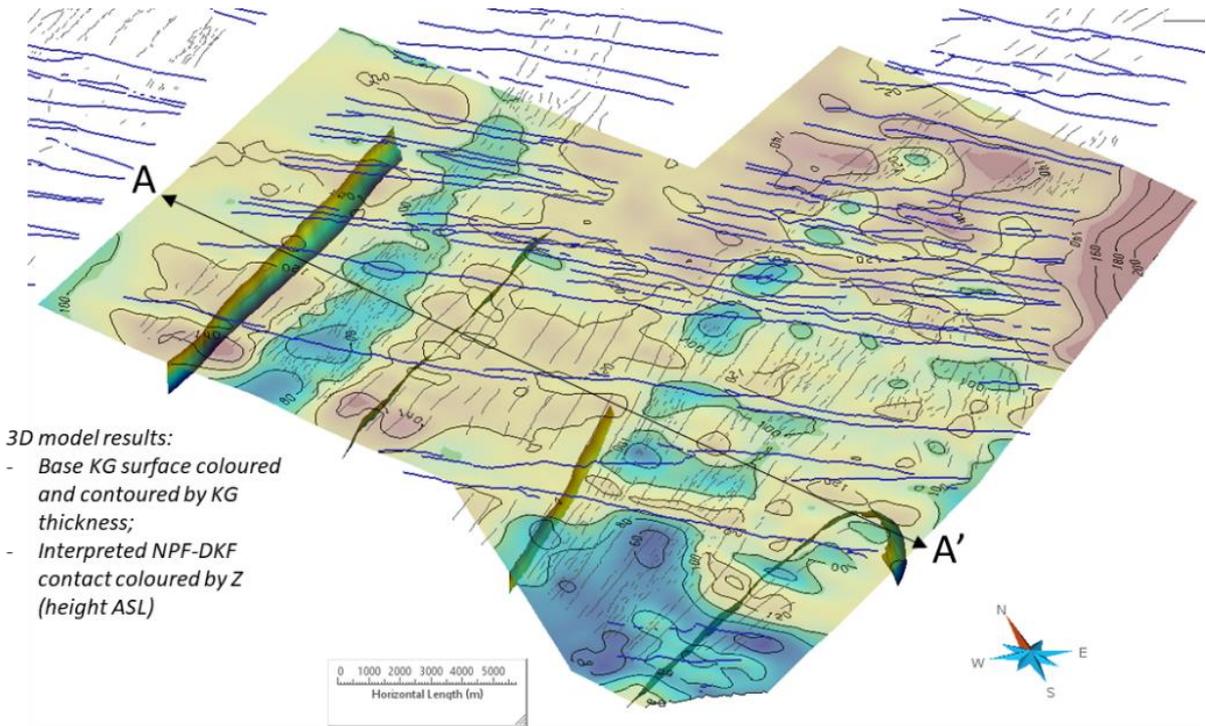
The detailed AEM surveys successfully map marker horizons from both Zone5, Zone5N and Zone6 deposits under conductive Kalahari Group ('KG') cover. The fold-closure target provides an ideal drill target for mineralisation hosted in an anticline hinge zone which extends from the Banana Zone and T3 deposit. Excellent potential for 'classic' Kalahari Copperbelt mineralisation on anticline limbs has been identified in modelled contact zones extending several 10s of kms into the OCP.

Figures 4 – 6 illustrate the recent AEM data, modelling and recommended drill positions for follow-up.



Comparison of mid-time dB/dt data with historical SPECTREM AEM data. Key NPF-DKF contacts mapped into OCP license area.

Figure 4. Mid-time AEM image correlated with historical AEM data. Note the success in mapping marker conductors from significant deposits into the OCP project.



Section (5x vertical exaggeration) illustrating LE conductivity results, Euler magnetic solutions and interpreted contacts and structure

Figure 5. Results of 3D modelling (above) of the base of KG (contoured by cover thickness) and interpreted DKF-NPF contact. Section line A-A' (below) illustrates the LE model results with contacts highlighted.

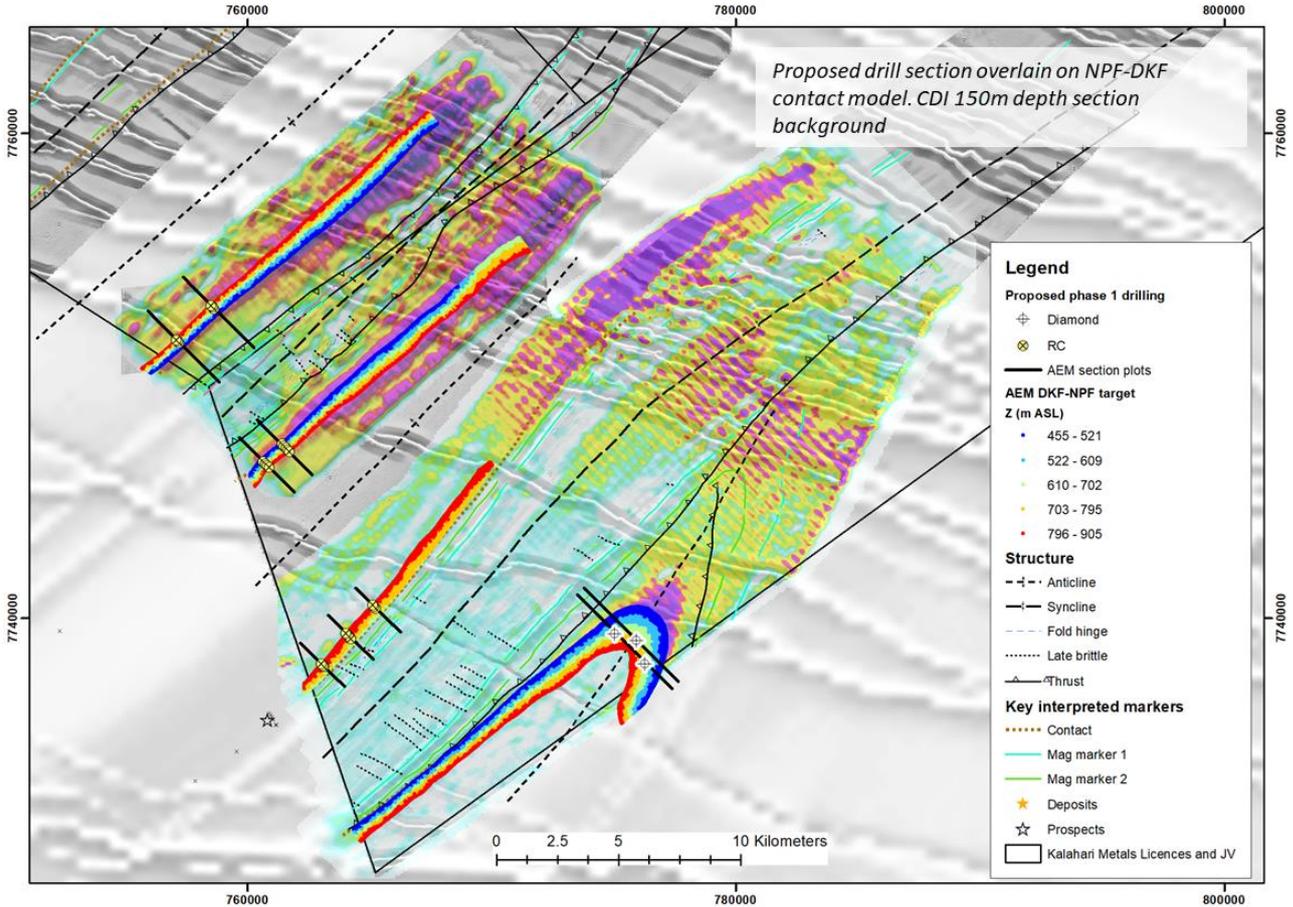


Figure 6. 200m depth slice through conductivity-depth-image ('CDI') with modelled 3D DKF-NPF contact overlain and coloured by height (i.e. red = shallow, blue = deep). Recommended drill positions are highlighted.