

4 March 2020

KITLANYA PROJECT UPDATE

Kalahari Metals Limited (“KML” or “Company”) is pleased to provide the following update on its wholly owned Kitlanya East (“KIT-E”) project.

During the 2019 field season, work on the KIT-E project identified a number of interpreted anticlinal structures which have potential to host Cu-Ag mineralisation along the traditional D’Kar Formation (“DKF”) – Ngwako Pan Formation (“NPF”) redox contact as well as in folded trapsites above the DKF-NPF contact, akin to Sandfire Resource’s T3 and A4 deposits which are situated directly north of the project.

An initial phase of drilling, designed to provide important stratigraphic information and identify potential mineralisation in targets in the far northern portion of the project area, has now commenced.

Highlights

- Drill rig mobilisation is currently underway with plans to commence drill testing of targets next week;
- A follow-up soil sampling programme targeting shallow mineralisation in an interpreted anticlinal structure to the south of the current drill programme is planned to start in mid-late March 2020;
- License renewals have been granted for both Kitlanya West (“KIT-W”) and KIT-E by the Botswana Department of Mines

Kitlanya East Drill Programme

The phase 1 drill programme for KIT-E focusses on the northern anticline structure where detailed airborne electromagnetic (“AEM”) survey has identified compelling fold structures possibly related to marker conductor units in the lower DKF stratigraphy. Drilling will aim to confirm the presence of NPF which will significantly upgrade the potential for shallow economic mineralisation in this target.

Four diamond drill holes, totalling approximately 1200m, are proposed in the phase 1 programme (Figure 1). In addition to stratigraphic information, drill holes will target mineralisation associated with the traditional DKF-NPF contact as well as potential folded trapsites which may host mineralisation above the contact akin to neighbouring T3 and A4 deposits.

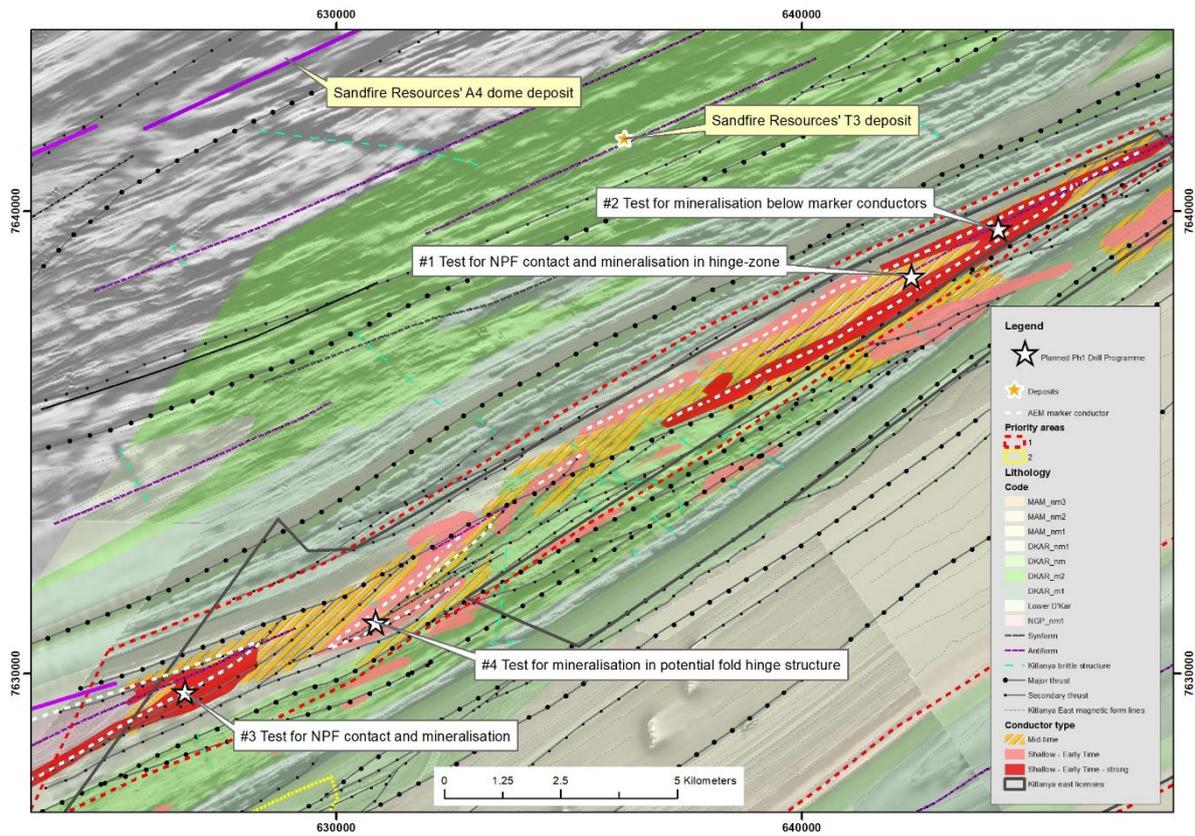


Figure 1. Drill hole locality map for the phase 1 programme overlain on a lithological interpretation from detailed magnetic data with AEM conductors highlighted.

Kitlanya East Sample Programme

Further soil sampling is planned to commence towards the end of March 2020 on an anticline target (Southern Anticline) situated to the south of the current drill programme (Figure 2). The soil programme has been designed to corroborate anomalous Zn (and Cu) identified in regional soil sampling traverses as well as testing for further potential anomalies in the central part of the interpreted anticline where lower DKF stratigraphy and associated mineralisation may be present at shallow depths. A total of 2000 samples are planned along thirteen 1 km spaced traverses.

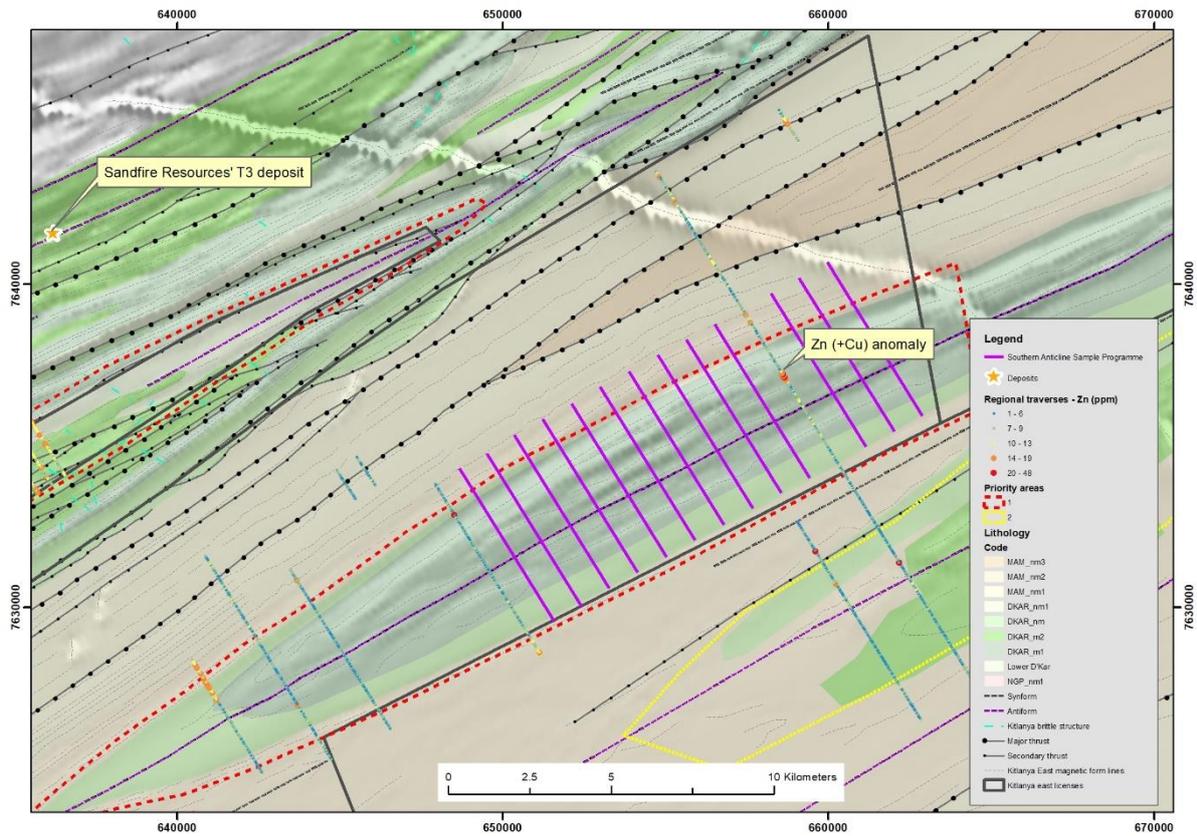


Figure 2. Planned soil sampling traverses (purple lines) overlain on lithological interpretation from regional magnetic data. Zn (+Cu) anomalies from regional sampling are highlighted.

Kitlanya License Update

License renewals for both KIT-E and KIT-W licenses (PL342/2016, PL343/2016, PLO70/2017, PLO71/2017, and PLO72/2017) have been granted by the Botswana Department of Mines. Granted renewals include 100% of the original license acreage and are valid for a further two years.