

Katoro Gold PLC ('Katoro' or the 'Company')
Major Drill Targets Confirmed at Haneti Nickel Project

Katoro Gold PLC (AIM: KAT), the Tanzanian focused exploration and development company, is pleased to provide an update in respect of its 75% owned Haneti Nickel Project ('Haneti' or the 'Project') in Tanzania.

Highlights

- Indications that Haneti could host a chonolith type nickel sulphide deposit following review and analysis of all historic work
- Implementation of a fully funded drill programme at key targets, Mihanza Hill and Mwaka Hill, to
 - ascertain the existence of disseminated or massive sulphide mineralisation
 - define a future larger drilling programme

Louis Coetzee, Executive Chairman of Katoro Gold plc commented: *“We’ve been extensively reviewing all previous work at Haneti and everything we have learnt points to the fact that this Project could host a chonolith type nickel sulphide deposit. We are therefore very excited to be pushing ahead with preparations for a drilling programme at the two key targets, Mihanza Hill and Mwaka Hill, which we hope will determine the existence of disseminated or massive sulphide mineralisation and define a future larger drilling programme. We look forward to providing updates as we look to advance what we believe to be a very exciting project.”*

Background to the Haneti Nickel Project

Katoro has a 75% interest in Haneti, a highly prospective, high-grade nickel sulphide asset in Tanzania. Development of Haneti is being advanced in tandem with its joint venture partner, Power Metal Resources plc (LON:POW) (“Power Metal”) (previously called African Battery Metals plc), which has the remaining 25% interest in Haneti and a right to acquire a further 10% interest from Katoro to increase its interest to 35% interest, through a cash payment of £25,000 to Katoro, until 15 May 2020.

The Company and Power Metal have been undertaking a review and analysis of all historic work completed on the 5,000 sq. km polymetallic Project and believe that it could host a chonolith type nickel sulphide deposit. Previous work undertaken, totalling approximately US\$1.5 million, has identified grades of up to 13.59% nickel with additional gold, cobalt, platinum values and some significant lithium anomalies. Additionally, independent work, undertaken by Western Geophysics Pty, underlined the potential of Haneti to host a substantial nickel sulphide deposit.

In 2012/13, the Geological Survey of Tanzania ('GST') conducted a high resolution airborne geophysical survey covering an area of approximately 12,000 sq. km. The GST survey outlined mafic-ultramafic zones with strike lengths of 10-20km (northwest zone), 30km (southwest zone) and 80km (central zone), extending the footprint of the known nickel sulphide prospective Haneti-Itiso Ultramafic Complex ('HIUC').

Haneti lies within the ground area covered by the HIUC and, following the findings above, was subject to an independent geochemical interpretation, which identified the Mihanza Hill area as a prime drill target for nickel, copper and PGM mineralisation. The findings from the geochemical interpretation report and the in-house review thereon was sent to Perth based geophysical consultants, Spinifex Geophysics, for detailed processing and

interpretation to better understand the geology of Haneti and to generate new target areas particularly for nickel, copper and PGM style mineralisation.

A follow up extensive soil sampling programme was then undertaken, the results of which were announced by Katoro on 20 May 2019. This extended the strike length of previously identified high priority areas and the findings have been utilised to inform planning for a proposed drill programme. Furthermore, it also identified a new, previously unidentified exploration target.

Following further review of the accumulated work undertaken, the JV partners have agreed to immediately implement a drill programme at two of the Project's key targets: Mihanza Hill and Mwaka Hill. At the primary target, Mihanza Hill, a high magnetic anomaly was modelled using a 3D inversion modelling technique to better understand how the magnetic signature varied with depth. The results indicate that there is a considerable 'root' to the Mihanza Hill ultramafic outcrop, which points to a large volume of rock that could have positive implications for the differentiation of nickel sulphide rich magmas and provides a large volume of nickel prospective target rock at this location.

The main objective of the 2019 exploration work programme will be to ascertain the existence of disseminated or massive sulphide mineralisation at the identified high priority exploration targets. Using a variety of exploration techniques, the programme will seek to define a future drilling programme. Further information regarding this programme, including more extensive information on the drilling methodology and additional geological rationale for the targets selected for drilling, will be provided in due course.