

ASX ANNOUNCEMENT

6 April 2020

Board Restructure and Cost Savings

Mali Lithium Ltd (ASX:MLL) ('Mali Lithium', 'the Company') wishes to advise that it has acted to reduce expenditure, preserve cash and direct more management focus towards the Company's gold tenements as the Goulamina Lithium Project Feasibility Study draws to its conclusion.

Board and Management

The Board of Mali Lithium has been reduced from 5 to 3 members. Effective immediately, Dr Alistair Cowden will assume the position of Executive Chairman, Mr Chris Evans will resign as Managing Director and Mr Noel O'Brien will resign as a Non-executive Director. The Board will now comprise Mr Mark Hepburn, Mr Brendan Borg and Dr Alistair Cowden.

The Board thanks Chris and Noel for the commitment and skills they have brought to Mali Lithium.

Dr Cowden, a geologist, has extensive experience over a forty year career in mining; in managing listed companies, transformative transactions and in the discovery, development and operation of numerous mines. He has been involved with many mines and discoveries including; the Kanowna Belle and Sunrise Dam gold mines in Western Australia, Hartley Platinum in Zimbabwe and Kylylahti Copper in Finland.

Gold

There will be a renewed focus on our gold assets. Given Dr Cowden's gold experience and that there is no need for a full time Managing Director, Mr Evans has agreed to step down and Dr Cowden will act as Executive Chairman on a part time basis

The Company has had significant gold tenure in Mali for many years. The principal Project is the 90% owned Massigui Project comprising some 674 km² surrounding the 6 million ounce Barrick/Anglogold Morila gold camp in southwestern Mali. The Company also holds a royalty interest over the Viper and N'tolia deposits mined by Morila last year. High grade drill intercepts were reported from the Company's Koting prospect near the Morila Gold Mine last year. The Company also has a 100% interest in the 199 km² Dankassa Project elsewhere in Southern Mali. The Company is now actively investigating opportunities that arise from its strategic position in the Malian gold industry.

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Lithium

The Goulamina Lithium Project Definitive Feasibility Study ('DFS') is almost complete and technical activity on the project will be minimal for the balance of 2020. Receipt of assay results has been slow in the current environment and a Resource upgrade will be published when available and prior to the release of the DFS.

The Company notes that China has extended subsidies and tax incentives for electric vehicles for an additional two years, until the end of 2022. The increase in lithium demand is still expected to grow strongly on recovery of world markets.

On completion of the DFS the Company will pursue various avenues to generate value for shareholders from this fully permitted world class asset.

Cost savings and fees

Board fees have been reduced by 20% and the Company will consider the possibility of paying a portion of Board fees in shares subject to shareholder approval.

The Company has also instituted a number of cost savings measures across its business in Mali and Australian head office, including staff redundancies and a reduction of hours for the remaining senior management equivalent to a 20% cut in remuneration.

Mr Evans will leave the company on 30 April when he will receive his statutory entitlements and final termination payment of four months' salary. Mr O'Brien will be retained as a mineral processing consultant for 3 months at a rate of \$4800 per month.

Dr Cowden will be remunerated at the rate of \$1000 per day for time in addition to the normal duties of Chairman. Dr Cowden has agreed to defer the payment of such additional fees for at least 3 months. His position as Executive Chairman can be terminated by the Board at one month's notice and there are no other material terms associated with his employment.

-ENDS-

By order of the Board
Dr Alistair Cowden
Executive Chairman
Mali Lithium
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