

## OSINO ANNOUNCES POSITIVE METALLURGICAL TESTWORK RESULTS FOR THE TWIN HILLS GOLD PROJECT, NAMIBIA

- **Leach testwork concludes that samples were amenable to standard cyanide leaching**
- **Indicated recoveries of up to 94.6% with average dissolution at 89.3% considered to be promising for unoptimized testwork of this nature**
- **Results suggest small gold grain size and no “nugget effect”, with no evidence of preg-robbing or other deleterious characteristics having been observed**
- **A weak inverse relationship between arsenopyrite content and gold dissolution was detected**
- **Lycopodium has been appointed to oversee the next phase of detailed metallurgical testing to be concluded before the end of 2020**

Vancouver, British Columbia, August 17, 2020 – **Osino Resources Corp. (TSXV: OSI) (FSE: RSR1) (“Osino” or “the Company”)**, is pleased to announce the completion of preliminary metallurgical testwork on samples from the Twin Hills Central portion of the Twin Hills Gold Project in the Karibib district of Namibia.

A total of 10 composite samples from various locations across the deposit were submitted to SGS in Johannesburg, South Africa for basic cyanide gold dissolution leach testwork as Phase 1 of a metallurgical testwork program. The objective was to evaluate how the material responded to a simple gold cyanide leach to gain a preliminary understanding of the ore response and to inform the design of subsequent testwork phases.

**Heye Daun, Osino’s Co-Founder & CEO** commented: *“We are very pleased with these positive preliminary leach test results which demonstrates that the Twin Hills Central mineralized material is amenable to standard leaching with encouraging leach recovery rates even at this early, pre-optimization stage. This is a very important initial milestones which indicates that the Twin Hills mineralized material should be easily recoverable using a standard process route with no expected fatal flaws. The next step will be to complete the other testwork phases, incl. comminution, cyanidation, grinding, gravity gold concentration etc. to enable us to optimize the gold recovery and come up with a processing route. We are excited to have appointed Lycopodium Minerals Africa to help us with this process which we expect to complete by the end of 2020.”*

### **Phase 1 Metallurgical Testwork Description**

Sample material (pulp reject) was sourced from 10 drill holes over approximately 20m intervals at depths ranging from 30m to 200m. The samples were combined to provide one composite per hole, were checked for size distribution (>80% passing 75µm) and triplicate sampled for head grade determination. After preparation, the samples were subjected to 24-hour bottle roll leaching at excess cyanide conditions with standard pH, density and dissolved oxygen levels being maintained. No attempt was made to optimize the leaching conditions at this stage.

The head grade of the material was obtained by assaying splits from the samples submitted and averaged 1.43 g/t with a range from 0.75g/t to 2.36g/t. The assayed head grade agreed closely with the weighted average Osino assay results for the selected material which was 1.55g/t. The sample material was found to be somewhat finer than expected.

## Testwork Results

The testwork results are shown in Table 1 below, indicating that the dissolution ranges from a high of 94.6% to a low of 82.6% with an average of 89.3%. The testwork concluded that the samples were amenable to standard cyanide leaching and the average dissolution achieved at just below 90% is considered promising for unoptimized testwork of this nature.

With a small sample population of only 10 samples, statistical evaluation is of limited accuracy however a weak inverse relationship between arsenopyrite content and gold dissolution was detected. No relationship could be established between head grade and dissolution.

Results also suggest that the gold grain size was small and no “nugget effect” was noted, which is in agreement with geological logging reports. No evidence of preg-robbing or other deleterious characteristics were observed.

Sample ID	Avg Head Au (g/t)	Residue Au (g/t)	Au Dissolution Based on Reside (%)
METC001-20	0,94	0,07	93,0
METC002-20	1,02	0,06	93,8
METC003-20	2,36	0,31	87,2
METC004-20	1,71	0,09	94,6
METC005-20	0,96	0,17	82,6
METC006-20	0,74	0,10	86,1
METC007-20	1,05	0,09	91,5
METC008-20	1,66	0,18	89,4
METC009-20	1,83	0,21	88,8
METC010-20	2,01	0,26	87,3

**Table 1: Dissolution Testwork Results**

The fine size distribution of the samples may have enhanced the dissolution to a small degree, and this will be investigated in follow-up testwork which is currently being arranged. Future testwork will also focus on investigating the magnitude of the refractory gold component, evaluating how the mineralized material responds to alternative treatment processes such as gravity gold recovery and establishing variability of recovery over a wider area of the orebody.

The Twin Hills Central mineralized material is therefore generally amenable to cyanide leaching although the lower dissolution of a few samples indicates the presence of a limited refractory component. This is not surprising considering the presence of arsenopyrite as part of the suite of mineralized sulphides present at Twin Hills.

## Phase 2 Metallurgical Testwork Program

Osino has appointed Lycopodium Minerals Africa (Lycopodium) to assist in defining and overseeing the next, detailed phase of the metallurgical testwork program to precede the compilation of a preliminary economic assessment (PEA) in respect of the Twin Hills Gold Project.

Lycopodium is an engineering and project management consultancy which provides a complete range of services for the evaluation, development, implementation and optimization of projects within the mining and minerals processing industries worldwide. Lycopodium has been active in the resources industry for over 25 years and has designed and/or built numerous mineral processing plants across Africa and the rest of the world. Lycopodium also has highly relevant local gold expertise having been involved in feasibility and EPCM work for both Otjikoto and Navachab gold mines in Namibia.

This detailed metallurgical testwork program will comprise the following key elements:

- Characterization of mineralized material
- Comminution testwork
- Cyanidation testwork
- Gravity gold concentration testing
- Grind vs recovery testwork
- Heap leach testing
- Thickening, rheology and filtration testwork
- Ore sorting and dense medium separation (DMS) testwork

In support of the PEA, one of the deliverables of the test work program will be a metallurgical process flow diagram and this metallurgical process route will be further developed during subsequent studies.

It is estimated that this detailed Phase 2 testwork program will require approximately four months to complete with final results expected at the end of 2020.

### **Qualified Person**

Heye Daun, BSc (Hons) is Chief Executive Officer of Osino Resources Corp. and is a Qualified Person as defined by National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") and has reviewed and approved the scientific and technical information related to metallurgy in this news release. Mr. Daun is a mining engineer registered with the South African Institute of Mining and Metallurgy and a Qualified Person for the purposes of NI 43-101.

David Underwood, BSc (Hons) is Vice President Exploration of Osino Resources Corp. and has reviewed and approved the scientific and technical information related to geology and exploration in this news release. Mr. Underwood is a registered Professional Natural Scientist with the South African Council for Natural Scientific Professions (Pr. Sci. Nat. No.400323/11) and a Qualified Person for the purposes of NI 43-101.

### **Share Issuance**

Osino also hereby announces that under the terms of the previously announced Alston and Logan agreements (refer to the Company's most recent Annual Information Form for the year ended December 31, 2019 and filed on June 26, 2020), Osino, through its' subsidiary, Osino Namibia Minerals Exploration (Pty) Ltd. ("Osino Minerals") previously agreed to issue to each of two vendors of the exclusive prospecting licenses in those agreements 31,250 common shares (the "**Payment Shares**") of the Company, which will be issued at the applicable market price of \$1.58 per share being the closing price on August 14, 2020.

The issuance of the Payment Shares are subject to approval of the TSX Venture Exchange and will have the customary four-month hold period from the date of issuance and will be subject to a voluntary escrow agreement to be entered into between Osino, Osino's transfer agent, Computershare Trust Company of Canada and the Vendors wherein one-third of the Payment Shares will not be subject to escrow, one-third of the Payment Shares will be released on January 31, 2021 and the remaining one-third of the Payment Shares will be released on January 31, 2022.

### **About Osino Resources**

Osino Resources Corp. (TSXV: OSI) is a well-financed Canadian gold exploration company with an active exploration program across our large Namibian ground position. Osino's focus in 2020 is on defining and expanding our exciting new Twin Hills gold discovery within the developing Karibib Gold District and making

new discoveries elsewhere. Twin Hills is a large, sediment-hosted, structurally controlled orogenic gold system, buried under approximately 20m of calcrete and windblown Kalahari sand and was discovered by Osino in 2019 following a systematic and innovative exploration campaign and the application of solid geological science.

Osino is also advancing a range of other gold prospects and targets across our approximately 7,000 km<sup>2</sup> ground position by utilizing a portfolio approach geared towards discovery.

Our core projects are favorably located north and north-west of Namibia's capital city Windhoek. By virtue of their location, the projects benefit significantly from Namibia's well-established infrastructure with paved highways, railway, power and water in close proximity. Namibia is mining-friendly and lauded as one of the continent's most politically and socially stable jurisdictions. Osino continues to evaluate new ground with a view to expanding its Namibian portfolio.

Further details are available on the Company's website at <https://osinoresources.com/>

#### **CONTACT INFORMATION**

Osino Resources Corp.

Heye Daun: CEO

Tel: +27 (21) 418 2525

[hdaun@osinoresources.com](mailto:hdaun@osinoresources.com)

Julia Becker: Investor Relations Manager

Tel: +1 (604) 785 0850

[jbecker@osinoresources.com](mailto:jbecker@osinoresources.com)

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.*