

OSINO PROVIDES UPDATE ON PROGRESS WITH DEVELOPMENT STUDIES TWIN HILLS GOLD PROJECT, NAMIBIA

Highlights

- **Fourth phase metallurgical test work underway to define the plant design for final optimisation tests in the new year**
- **Detailed tailings storage facility study underway to produce a design in line with global best practise**
- **Offer letter from Namibian parastatal power utility (NamPower) to supply mine with grid power accepted by Osino and power supply agreement discussions underway**
- **Substantial progress on diversified water supply strategy with high yielding boreholes indicating numerous strong marble aquifers close to the plant site**
- **Environmental and Social Impact Assessment (“ESIA”), Scoping Report and Environmental Management Plan (“EMP”) submitted for public review**
- **Final ESIA study planned to be submitted in the new year toward obtaining Environmental Clearance Certificate**

Vancouver, British Columbia, December 17, 2021 – **Osino Resources Corp. (TSXV:OSI) (FSE:RSR1) (OTCQX:OSIIF)** (“Osino” or “the Company”) is pleased to provide an update on the ongoing development studies and project de-risking activities aimed at fast-tracking Osino’s Twin Hills gold project in Namibia.

Twin Hills is a PEA-stage open pit gold development project with a mineral resource prepared in accordance with National Instrument 43-101 of 0.43Moz @ 1.00g/t in the Indicated category and 1.47Moz at 1.08g/t in the Inferred category at a cut-off grade of 0.5g/t. The Twin Hills maiden resource was released on April 12, 2021.

Heye Daun, Osino’s Co-founder and President & CEO commented: *“It is very pleasing to again be part of an exciting mine development project in Namibia. We have made significant progress in de-risking the project through the advancement of various technical studies in 2021. Much progress has been made with proving up or procuring the key utilities, namely power and water. Metallurgical variability testing has advanced to the point where we will soon be able to determine the optimal processing plant parameters, which will enable us to soon commence with feasibility studies. The ESIA and public participation process has also advanced substantially, thereby supporting a likely permitting decision that could set the project up for commencement of early works during the end of 2022.”*

Permitting Process and Environmental and Social Impact Assessment (ESIA)

Under Namibia’s Environmental Management Act, the permitting system requires several steps toward approval of the mining license which the Company applied for in August 2021. These steps are regulated by Namibia’s Environmental Management Act (2007) and the Minerals (Prospecting and Mining) Act (1992).

The most important of these steps are the completion and approval of the ESIA, including public consultation, and the compilation of an EMP. Once these are approved, the Namibian Ministry of Environment, Fisheries and Tourism (MEFT) issues an Environmental Clearance Certificate (ECC) which is generally the precursor to the granting of a mining license by the Ministry of Mines & Energy (MME).

There are a range of additional, secondary approvals, most of which are usually obtained subsequent to the granting of a mining license.

There are no prescribed timelines, but mining licenses are commonly granted after the completion of the ESIA process.

The following tasks have been completed to-date:

- Project registration and Environmental Scoping Study (ESS) report submission
- Baseline specialist study compilation
- Public participation meetings and feedback documentation
- EMP submission
- Public review of ESS and EMP

Stakeholder engagement meetings were completed in September 2021 drawing key figures and representatives from local communities. The general commentary in the meetings was one of support for the project based on an expectation that the proposed mine would provide employment and stimulate the economy on a local as well as national level.

The next step of the approval process is now underway to produce an ESIA which will be reviewed by the MME who make recommendations to the MEFT to issue an ECC. The certificate is normally issued if no significant risk has been identified, and approval is normally expected within two to three months of submission of the ESIA.

The following permits are expected to be applied for during 2022:

- Land clearing permit
- Accessory works permit
- Bulk fuel storage permit
- Explosives storage and usage permit
- Water extraction permit
- Tailings waste disposal permit
- Heritage permit

The process of applying for these secondary approvals will commence once the Mining License has been issued.

Mining and Optimisation

A phase one geotechnical program consisting of three preliminary holes was completed during 2021 which has guided the current pit design and slope angles. A follow up program consisting of four further holes in the Twin Hills Central pit and three holes in the previously untested Clouds pit will be drilled in Q1 2022 to provide a level of confidence to the pit design suitable for future work towards a Bankable Feasibility Study.

Plant Metallurgy Test Work

A fourth phase of metallurgical test work was started in the final quarter of 2021 designed to do variability testing suitable for future work towards a Bankable Feasibility Study. The test work is designed to target the optimal grind size and costs for a 4.5mtpa processing plant.

The program progressed according to schedule in Q4 2021 with the following items being completed:

- Comminution
- Thickening
- Filtration

- Gravity separation
- Heap leach test work

The remaining program and test work in progress are:

- Cyanide leaching targeting optimal grind size
- Flotation concentrate and grind size variability test work

The initial results are looking positive and indicate that the processing parameters used thus far will be confirmed and will enable optimization of the processing layout. This metallurgical testwork program is expected to be completed in January 2022 and the results thereof will be integrated into an updated processing plant design to be published during Q1 2022.

Tailings Storage Facility

Design work has begun to develop a suitable tailings disposal strategy according to the Global Industry Standards for Tailings Management (GISTM) of August 2020. Geochemical Acid Rock Drainage (ARD) test work has indicated that the tailings material is not expected to be problematic due to its low acid generating potential and the high acid neutralizing potential of the host rock and regolith. As a result, it is likely that co-disposal and engineered lining will be optimal for the dry-stacked tailings deposition strategy. Test work and modelling of the geochemical results are ongoing and the updated strategy will be reflected in the next form of technical report.

Power Supply

Initial estimates from completed comminution test work, including crushing and milling tests, indicate a minimum power requirement of 16MW with a potential for further power up to 20MW. NamPower has performed a network analysis on the local grid and recommended developing a new dedicated 66kV feeder bay from the planned NamPower Erongo Substation. The new substation is to be constructed near the town of Karibib, which is situated approximately 15km southwest of the proposed mine site. An offer from NamPower to supply 16MVA via a 66kV overhead line to a metering substation at the mine site has been accepted by Osino, with the option to update the requirement before signing the final agreement based on the confirmed power demand calculations.

Discussions are now underway with NamPower to finalise the power supply agreement and determine options to fast track the development of the substation and transmission infrastructure.

Power supply cost analysis has determined grid power to be the most cost-effective source at an estimated NAD2.07/kWh over the life of mine taking both capital and operating costs into account. A cost-benefit analysis has shown the potential of implementing a hybrid system including solar power generation to reduce the cost to NAD1.73/kWh, and to supplement energy demand in a sustainable manner.

Mine Water Balance and Water Supply Options

Osino's mine water supply strategy is designed to develop a diversified mine water supply which will rely on three alternative supply options. 1) own supply from groundwater 2) additional potential supply from Khan River sand aquifers augmented through the construction of ground weirs and 3) supply from Namibia's national water utility, NamWater, through the national water grid.

The 4.5mtpa processing plant is estimated to require 5.5Mm³pa and filtration test work results at 63micron grind size indicate a 23% moisture content in the filter cake, resulting in a plant make-up water requirement of 1.3Mm³pa.

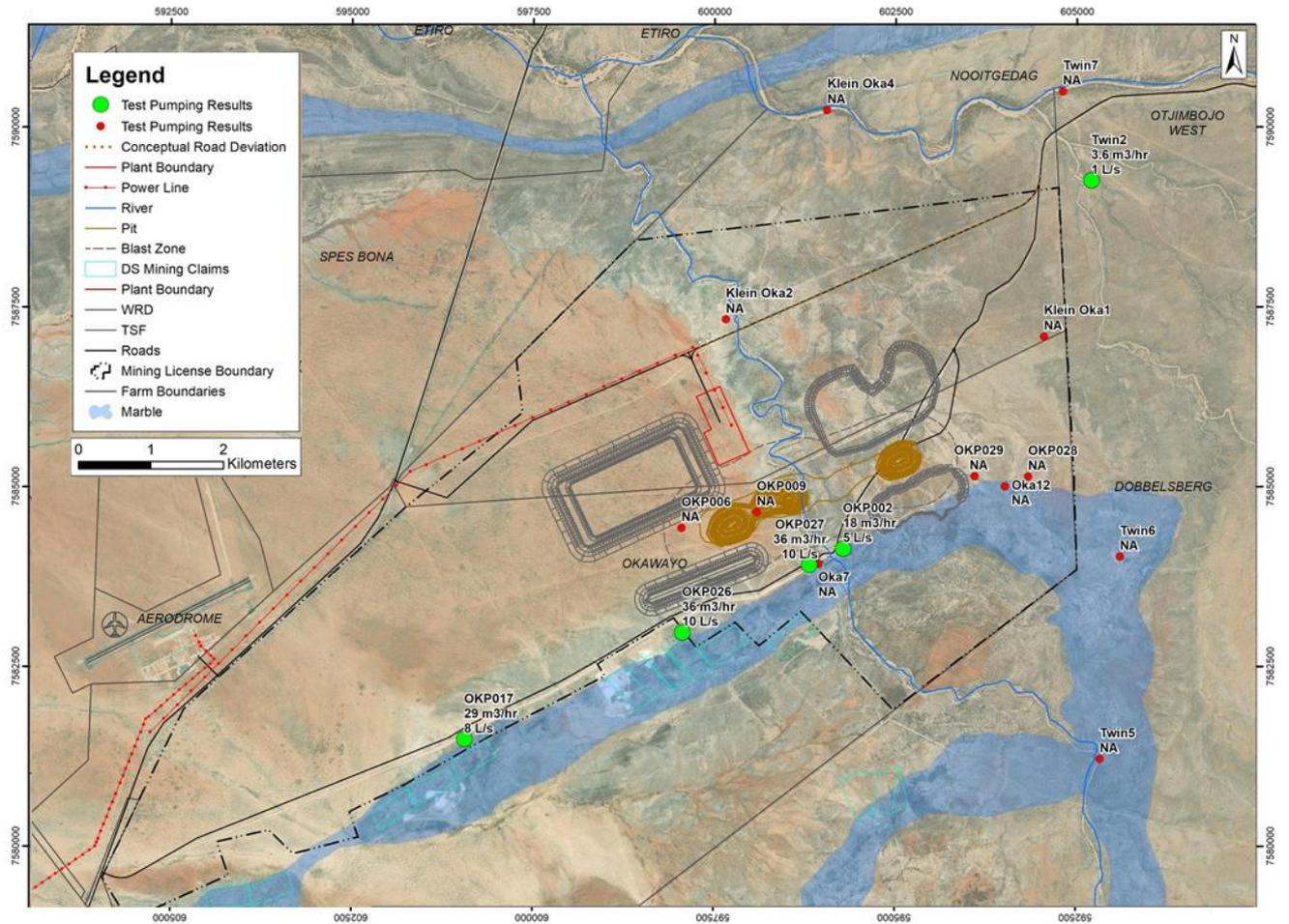


Figure 1: Plan view of site infrastructure indicating confirmed sustainable yield boreholes in green

Field work during the year has been focused on advancing each of the strategies:

- Water supply borehole drilling has successfully identified two different areas of groundwater along a marble syncline. The southern area has been drilled and pump tested with a proven sustainable yield of $\sim 1\text{Mm}^3\text{pa}$. Drilling is currently targeting the northern limb and drill rig blow yields have already shown the potential for a further $0.5\text{Mm}^3\text{pa}$.
- The Khan River ground weir study was progressed with a geophysical study confirming the potential for between 0.5Mm^3 and 1Mm^3 of water storage, and drilling will now confirm the aquifer dimensions.
- As further de-risking, an application has been made to Namwater to secure a backup source of up to $1\text{Mm}^3\text{pa}$ via a pipeline connection to Karibib. Under this scheme raw water would be sourced from the Swakoppoort dam supply.

Planned Project Schedule

Following a successful year of project development studies, Osino will continue to fast-track the development of the Twin Hills Gold Project. The company is working towards publishing a new technical report with an updated mineral resource estimate in Q2 2022 intended as a pre-feasibility study which is aiming to reflect improved project economics resulting from 1) project optimization 2) a larger mineral resource and 3) a substantial increase in processing plant capacity.

The next intended pre-feasibility study technical report is then also intended to be followed by a definitive, or bankable feasibility study and advancement of the constituent specialist studies to bankable level of detail by the end of Q3 of 2022. Based on that timeline, and subject to a positive bankable feasibility study, and project financing and permitting being in place by the end of Q3 2022, early works could commence towards the end of 2022. The Company presently only has a preliminary economic assessment technical report (the "PEA") entitled, "Amended and Restated Twin Hills Gold Project, Namibia, Preliminary Economic Assessment, National Instrument 43-101 Technical Report" dated effective July 14, 2021. The PEA is preliminary in nature, it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Conceptual Development Schedule: Twin Hills Gold Project/Namibia

Item	2021			2022									2023	2024			
	Q4			Q1			Q2			Q3			Q4			FY	FY
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Full Year	Full Year
Resource Conversion Drilling							Ongoing exploration & growth drilling										
Phase 4 Metallurgy Test Work																	
Hydrology & Water Supply Studies																	
ESIA & MET review																	
PFS compilation																	
Detailed FS Plant Design																	
BFS: Estimation, Compilation & Reporting																	
Mining Licence Application Approval Process																	
Front-end Engineering & Design (FEED)																	
Preparatory Earthworks																	
Project Financing																	
Commencement Early Works & Construction																	First Gold

The conceptual development schedule indicated above outlines a potential development timeline for operations at Twin Hills.

Qualified Person's Statement

David Underwood, BSc. (Hons) is Vice President Exploration of Osino Resources Corp. and has reviewed and approved the scientific and technical information in this news release and 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 National Instrument 43-101.

About Osino Resources

Osino is a Canadian gold exploration and development company focused on the development of our Twin Hills gold discovery in central Namibia. The Twin Hills Gold Project is at an advanced stage of exploration with various advanced development studies underway with the aim of fast-tracking the project.

Osino has a large ground position of approximately 6,700km² located within Namibia's prospective Damara sedimentary mineral belt, mostly in proximity to and along strike of the producing Navachab and Otjikoto Gold Mines. The Company is actively advancing a range of gold prospects and targets along the belt by utilizing a portfolio approach geared towards discovery, targeting gold mineralization that fits the broad orogenic gold model.

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 our Namibian portfolio.

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

CONTACT INFORMATION

Osino Resources Corp.

Julia Becker: Investor Relations Manager

Tel: +1 (604) 785 0850

jbecker@osinoresources.com

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This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, without limitation, statements regarding the use of proceeds from the Company's recently completed financings, and the future plans or prospects of the Company, including prospects for economic recoverability of mineral resources. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are necessarily based upon a number of assumptions that, while considered reasonable by management, are inherently subject to business, market and economic risks, uncertainties and contingencies that may cause actual results, performance or achievements to be materially different from those expressed or implied by forward-looking statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. Other factors which could materially affect such forward-looking information are described in the risk factors in the Company's most recent annual management's discussion and analysis which is available on SEDAR at www.sedar.com. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

The reader is cautioned that any reference to mineral resources or geological technical information about Osino's mineral properties is based on, excerpted from and expressly qualified by Osino's current technical report (the "Technical Report") which was prepared in accordance with NI 43-101 entitled, "Amended and Restated Twin Hills Gold Project, Namibia, Preliminary Economic Assessment, National Instrument 43-101 Technical Report" dated effective July 14, 2021 prepared for Osino Resources Corp. Accordingly, Osino recommends that the reader refer to and read the Technical Report in its entirety, a copy of which is available on SEDAR at www.sedar.com under Osino's issuer profile.

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