

4 June 2020

TECTONIC GOLD PLC
("Tectonic Gold" or the "Company")

**SALE OF MAJORITY INTEREST IN TECTONC SOUTH AFRICA, AUDIT UPDATE AND
PLANNED REQUEST FOR RESUMPTION OF TRADING**

Tectonic Gold plc (TDIM: TTAU) is pleased to announce that it has sold a majority interest in the Company's South African projects to AIM listed Kazera Global Plc ("Kazera"). As announced on 18 December 2019, Tectonic will retain a non-diluting 10% interest in Tectonic SA (rebranded Deep Blue Minerals Pty Ltd, "DBM") alongside the 26% holding of incoming Black Economic Empowerment ("BEE") partners. Kazera will hold a 64% interest and has raised £750,000 to fund the diamond mining project into production.

In addition, Tectonic has incorporated a 100% owned South African subsidiary, Whale Head Minerals Pty Ltd, and submitted an application for a Mining Permit to mine Heavy Mineral Sands ("HMS") within the Alexkor/PSJV diamond mining area to mine ores with DBM for the dual commercialisation of diamonds and HMS from diamondiferous and mineralised alluvial beach sands. Kazera has committed to buying a majority interest in WHM also, with Tectonic retaining a non-diluting 10% interest, subject to the approval of the Mining Permit under application.

Tectonic has received a £100,000 payment in fulfilment of the option terms.

The project will continue to be managed by the existing Board and Management of DBM, with on-going oversight from Tectonic director Dennis Edmonds, who has also been appointed to the Board of Kazera to lead the development of these projects.

Kazera operates a tantalite mining project at Tantalite Valley, approximately 250km east of Alexander Bay on the Namibian side of the Orange River. With an established regional base of operations and local management the two projects can be efficiently operated.

With the transaction now completed, the remaining items in the Tectonic Gold Audit for the 2019 year end will be finished as a priority and after the filing of accounts a request will be made for lifting the suspension from trading on the AQSE Growth Market as soon as practicable.

Signature Gold Pty Ltd, the Company's 100% owned Australian subsidiary has this week submitted an application to the Queensland Government for a grant to fund drilling expenses of up to A\$200,000 at the Company's Mt Cassidy project.

Mr. Brett Boynton, Managing Director – Tectonic Gold plc

We are very pleased to get this transaction closed, despite the delays due to COVID, and to see the South African projects funded for production. We remain a significant shareholder of Deep Blue and expect the remainder of the transaction with the sale of Whale Head to follow in due course. This will leave Tectonic with a sizeable economic interest in a funded diamond and heavy mineral sands project which will in turn be able to provide additional funding for our core gold exploration activities in Australia. We have recently put in an application for additional government funding and hope to be able to get back into the field and drill targets at our Mt Cassidy project in the second half of the year.

The Directors of the Company accept responsibility for the contents of this announcement.

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Ends

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.