



**KEFI Minerals Plc**

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**15 December 2014**

**KEFI Minerals plc.  
("KEFI" or the "Company")**

### **Chairman's General Meeting Statement**

KEFI Minerals (AIM: KEFI), an emerging gold miner with projects in the Kingdom of Saudi Arabia and Democratic Republic of Ethiopia, announces that at today's General Meeting, His Excellency Mr Norman Ling, Chairman for the Meeting, will make the following statement:

#### **Chairman's Statement:**

"I am delighted to be representing the Board of Directors and deputising for our Chairman, Harry Anagnostaras-Adams, who is away on business matters and apologises for not being here. First, let me give you the significant developments over the past six months and then I will touch upon the Board's expectations over the next six months.

"KEFI has continued to make tremendous progress since the Annual General Meeting (the "AGM") on 23 June 2014 and is on target to start producing gold in 2017.

"Over the past six months, we have had independent affirmation of our development plans at Tulu Kapi in Ethiopia and re-triggered the Mining Licence Application. You will have read about our updated community resettlement plan and our assembly of the appropriate set of specialist banks with whom we agreed indicative project finance terms. The team has to be congratulated, as this was no mean feat in today's tough capital market, as was our arrangement of an equity placing which introduced a third cornerstone institutional investor to our Company. We now have a line-up of carefully selected and arranged high-quality equity and debt institutions, all of whom have joined with the explicit intention of supporting the business plan, as laid out over the past year. This gives the Board the confidence that development activities at Tulu Kapi will commence in 2015.

"Now, let me say a few words about our Jibal Qutman project in Saudi Arabia. Whilst the focus has rightly been on Tulu Kapi in Ethiopia, we have not ignored Jibal Qutman and continue to make solid progress there too. Just this morning, we announced a significant step forward there. As a result of continued exploration, we reported a 30% increase in total mineral resources and commencement of detailed testing for a potential heap leach style operational development. The benefits of heap leach style developments are that they are cheaper and quicker. If it were proven to be feasible to do heap leach style development in Jibal Qutman, it would reduce the capital expenditure required, speed up the timetable to production and facilitate modular expansion, should more shallow open pit deposits continue to be discovered by our very successful exploration team working closely together with our JV partner, ARTAR.

"Looking forward at the next six months, we are expecting to continue to make good progress across a number of important fronts.

- In Ethiopia, we are expecting the granting of a mining licence for Tulu Kapi, the completion of the first phase of community resettlement, the conclusion of value engineering initiatives aimed to further reduce capital requirements, the completion of the definitive feasible study in consultation with the project financiers and the assembly of final plans for formal finance commitments around mid-2015.
- In Saudi Arabia, we expect to advance the mineral resources and heap leach testing to the point where technical studies could be updated for a refocused mining licence application to be submitted. We will then launch the plans for development of a cash flow to underpin the exploration programs in the Kingdom. Additionally, we announced recently that we were granted a licence by the regulatory authorities to explore the Hawiah Licence, which has been one of our top priority targets for some years. We are excited about this second major licence in Saudi Arabia and hope to update you all when we next meet at the Annual General Meeting towards the middle of the year.

“In conclusion, the Board of Directors considers that the Company has made significant progress on the ground, in both of its selected jurisdictions within the under-explored and highly prospective Arabian-Nubian Shield. We greatly appreciate the support of our shareholders in, what is undeniably, a very challenging capital market and we look forward to updating you on progress made.

“Lastly, on behalf of all at KEFI Minerals, I would like to take this opportunity to wish all our shareholders and other stakeholders a Merry Christmas and Happy New Year.”

**Enquiries:**

**KEFI Minerals plc**

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Further information can be viewed on KEFI’s website at [www.kefi-minerals.com](http://www.kefi-minerals.com)

## **NOTES TO EDITOR**

### **KEFI Minerals Plc**

KEFI is the operator of two advanced gold development projects within the highly prospective Arabian-Nubian Shield, with an attributable 2.0Moz (100% of Tulu Kapi's 1.9Moz and 40% of Jibal Qutman's 0.5Moz) Au Mineral Resources (JORC 2012) plus significant resource growth potential. KEFI targets that production at these projects generate cash flows for further exploration and expansion as warranted, recoupment of development costs and, when appropriate, dividends to shareholders.

### **KEFI in Ethiopia**

The Tulu Kapi gold project in Western Ethiopia is being rapidly progressed towards development. In October 2014, KEFI Minerals reactivated the Mining Licence Application and assembled indicative project finance terms.

A Definitive Feasibility Study is evaluating construction of a 1.2Mtpa processing plant with estimated annual gold production 86,000 oz at total operating costs of \$626/ounce. The planning parameters for the DFS have already been independently confirmed. The Company's milestones for 2015 include licencing, resettlement of affected households, arranging project finance in mid-2015 for major works to commence in the final quarter of 2015 and production commissioning at the end of 2016.

The Company has received strong support from the Ethiopian authorities, who have confirmed their intention to expedite the processing of the MLA and issue approvals in early 2015.

### **KEFI Minerals in the Kingdom of Saudi Arabia**

KEFI Minerals has a 40% interest in the G&M and is the operating partner. G&M holds 2 ELs other than Hawiah and 23 ELAs that cover an area of approximately 1,484km<sup>2</sup>. ELs are renewable for up to three years and bestow the exclusive right to explore and to obtain a 30-year exploitation (mining) lease within the area.

In 2009, KEFI formed G&M, with Saudi partner ARTAR, to explore for gold and associated metals in the Arabian Shield. To date, G&M has conducted preliminary regional reconnaissance and had five EL's granted. Three have been relinquished after initial testing.

The Kingdom of Saudi Arabia has instituted policies to encourage minerals exploration and development and KEFI Minerals supports this priority by serving as the technical partner within G&M. ARTAR also serves this government policy as the major partner in G&M, which is one of the early movers in the modern resurgence of the Kingdom's minerals sector.