



KEFI Minerals Plc

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10 December 2015

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

**Result of Meeting
and
Chairman's General Meeting Statement**

KEFI Minerals (AIM: KEFI), the gold exploration and development company with projects in the Kingdom of Saudi Arabia and the Democratic Republic of Ethiopia, announces that at the General Meeting of the Company held today at 3pm in Sydney, Australia (4am London, England) all resolutions were duly passed and Harry Anagnostaras-Adams, Executive Chairman, made the following statement.

"It is a pleasure to host this General Meeting in Sydney where we have many long-standing shareholders and industry friends.

KEFI progresses in accordance with its business plan of transforming from a pure exploration company to one which is expected, in 2017, to be a gold producer as well as proven discoverer in one of the world's great under-developed minerals provinces – the Arabian-Nubian Shield.

At our fully-permitted Tulu Kapi Gold Project ("Tulu Kapi") in Ethiopia, the construction project management team has been appointed under Managing Director, Ethiopia, Wayne Nicoletto, to oversee the recently-appointed mining contractor, Ausdrill Limited (via subsidiary African Mining Services), and processing contractor Sedgman Limited – both stalwarts of the mining industry with a strong presence in Africa. The FEED stage ("Front End Engineering Design") of the development program is now approximately 40% complete and should be finalised in February 2016, whilst twelve of fifteen equipment tender packages have been issued to suppliers for procurement and then installation in 2016 and 2017.

Tulu Kapi's robust economics place it in the bottom quartile for All-in Sustaining Costs of approximately US\$724-750/oz as measured against existing gold producers. Initial open pit gold production is projected at 115,000 ounces per annum, based on independently-verified estimates and contracted terms. Ore reserves of circa 1 million ounces and mineral resources of 1.7 million ounces have significant upside potential.

In respect of project development funding, the Definitive Feasibility Study published in August 2015 ("2015 DFS") set out an estimate of the gross capital requirements at US\$176 million on an owner-operated basis. Subsequent refinements and the appointment of the project contractors in October 2015 reduced this to an initial funding requirement of US\$129 million. Following this, on 11 November 2015, the Government of Ethiopia confirmed that it intends to invest US\$15-20 million for equity capital at the project level. The next step is KEFI's appointment of the banks, which will mean that we will have agreed the terms for funding an aggregate amount of circa US\$140 million of the US\$176 million capital estimate as per the 2015 DFS. We will then be able to finalise the gold stream facility, for which we already have headline terms, as the last key participant in the funding syndicate. Thereafter, KEFI will seek approval from the National Bank of

Ethiopia of formal legal documentation, including inter-creditor arrangements. In the meantime, project works are to be financed by interim drawdowns and arrangements with contractors and suppliers.

At our Jibal Qutman Gold Project in Saudi Arabia, we are preparing to submit the Mining Licence Application this month for the planned heap-leach operation, which is intended to start shortly after Tulu Kapi in Ethiopia. We intend that it generates, within our Gold & Minerals Joint Venture with leading Saudi construction conglomerate ARTAR, the cash flows to fund an aggressive exploration program over some 24 Exploration Licence Applications covering circa 1,500 sq km. We are one of few parties being licenced in Saudi Arabia and believe that we are helping to establish a new minerals province. We will report, this month, the results of the completed infill drilling of Jibal Qutman's set of planned shallow open pits. At our other key project in Saudi Arabia, Hawiah, our exploration team, under Exploration Director Jeff Rayner, is now preparing site arrangements for the first drilling of the large Volcanic Hosted Massive Sulphide ("VHMS") copper-gold-zinc mineralised system as soon as local community protocols are complied with.

In summing up, I would like to record the Board's appreciation for the support of shareholders, notably Odey Investment Management, which, as a result of today's shareholder resolutions, will move to an ownership position of 26% of the issued share capital of KEFI. We also thank other shareholders who have been patient and supportive, notwithstanding declining share prices in what can only be described as a challenging capital market for the junior resources sector. KEFI has seized the opportunity presented by such difficult market conditions to assemble an excellent portfolio of assets and is being backed to maintain progress by a first-class syndicate of stakeholders. It is, indeed, pleasing that we continue on track to target profitable gold production from late 2017 and to establish a powerful platform for further discovery in a most-promising region of the world."

ENQUIRIES

KEFI Minerals plc

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Further information can be viewed on KEFI's website at www.kefi-minerals.com

COMPETENT PERSON STATEMENT

References in this announcement to exploration results, resources, interpretations and prospects have been approved for release by Mr. Jeffrey Rayner. Mr. Rayner is a geologist and has more than 25 years' relevant experience in the field

of activity concerned. He is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has reviewed and consented to the inclusion of the material in the form and context in which it appears.

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 1.93Moz (100% of Tulu Kapi's 1.72Moz and 40% of Jibal Qutman's 0.73Moz) gold 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.

Expected milestones for the remainder of 2015 include:

- Appointment of remainder of financing syndicate for Tulu Kapi (having already appointed preferred project contractors and confirmed Government intent to invest project equity)
- Joint venture company in Saudi Arabia, Gold & Minerals Ltd ("G&M"), to submit a Mining Licence Application for its discovery at Jibal Qutman

KEFI Minerals in Ethiopia

The Tulu Kapi Gold Project in Western Ethiopia is being rapidly progressed towards development with the Mining Licence being granted in April 2015.

KEFI's Definitive Feasibility Study was then completed and the Company is now refining contractual terms for project construction and operation. Latest estimates for annual gold production are c. 115,000 oz pa for a 8-year period and for All-in Sustaining Costs (including operating, sustaining capital and closure) at approximately US\$724/oz to US\$752/oz at a gold price range of US\$1,000/oz to US\$1,400/oz respectively. Tulu Kapi's Ore Reserve estimate totals 15.4Mt at 2.12g/t gold, containing 1.05Moz.

KEFI Minerals in the Kingdom of Saudi Arabia

In 2009, KEFI formed G&M in Saudi Arabia with local Saudi partner Abdul Rahman Saad Al-Rashid & Sons Company Limited ("ARTAR"), to explore for gold and associated metals in the Arabian-Nubian Shield. KEFI has a 40% interest in G&M and is the operating partner. To date, G&M has conducted preliminary regional reconnaissance and has had five exploration licences ("ELs") granted, including Jibal Qutman and the more recently granted Hawiah EL that contains over 6km strike length of outcropping gossans developed on altered and mineralised rocks with all the hallmarks of a copper-gold-zinc VHMS deposit.

At Jibal Qutman, G&M's flagship project, Mineral Resources are estimated to total 28.4Mt at 0.80g/t gold for 733,045 contained ounces. The shallow oxide portion of this resource is being evaluated as a low capital expenditure heap-leach mine development.

ARTAR, on behalf of G&M, holds 24 EL applications that cover an area of approximately 1,484km². 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.

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.