

AIM: KEFI**8th August 2013****KEFI Minerals Plc****("KEFI" or the "Company")****EXPLORATION UPDATE****CONTINUED EXPANSION OF MINERALISATION AT JIBAL QUTMAN**

KEFI Minerals, the AIM-quoted gold and copper exploration company with projects in the Kingdom of Saudi Arabia, is pleased to announce additional trench channel sampling and drilling results from the second drilling programme, and results from metallurgical testwork at the Jibal Qutman Licence. KEFI is the operator for the project under the Company's 40%-owned Gold & Minerals Joint Venture ("G&M").

HIGHLIGHTS

- Third drill rig now in operation at Jibal Qutman
- On-going drill and trench results continue to expand the mineralisation on all four drilled deposits at Jibal Qutman with best RC drill results of 16m at 4.3 g/t Au, 10m at 3.51g/t Au, 12m at 2.9g/t Au, 25m at 1.27g/t Au and 47m at 0.94g/t Au.
- On-going metallurgical testwork indicates encouraging gold recoveries of 92% to 96% from oxides, 81% from transitional and 68% from sulphide mineralisation at Jibal Qutman.

Jeff Rayner, Managing Director of KEFI Minerals, commented:

"We are delighted that our ongoing programme continues to highlight the scope of the Jibal Qutman project. We are building on a strong set of drill results achieved to date and with the third rig up and running we look forward to an accelerated programme. The rapid progress at Jibal Qutman is pleasing and serves to highlight our belief in the region as whole."

JIBAL QUTMAN PROJECT**Drilling & Trenching**

A third RC drill rig mobilised from the UK has commenced drilling at the Jibal Qutman project boosting the drilling productivity which had slowed due to the combined heat of the summer and the Holy Ramadan period.

Encouraging results have been returned from the ongoing RC and trench sampling, which is supporting the current interpretation and expanding the mineralisation in the four drilled zones; Main, South, West and 3K Hill, at Jibal Qutman. Furthermore, a backlog of assay data from 20 drilled RC holes from the assay laboratory is yet to be received and compiled.

Drilling has commenced at 3K Hill to test beneath the trench results previously announced in June 2013 which included 80m at 1.88g/t Au, 40m at 4.40g/t Au and 41m at 1.56g/t Au. To date 97 RC

holes have been completed on a 50m x 40m grid. Results have been received from 77 drill holes with best intercepts being 16m at 4.3g/t Au and 25m at 1.27g/t Au.

At the West Zone, RC drilling continues on the 50m x 40m grid, new mineralisation has been discovered at depth along the western edge of the Zone and the deposit is still open to the north and south. Best intercepts include 10m at 3.51 g/t Au, 12m at 2.90 g/t Au. 9m at 2.90g/t Au and 47m at 0.94g/t Au (see Table below).

Hole No	From (m)	To (m)	Interval (m)	Au g/t	Zone
JQRC043	65	75	10	0.74	west
	79	85	6	0.42	west
JQRC045	0	47	47	0.94	west
	58	63	5	0.44	west
	68	80	12	2.9	west
	86	93	7	0.61	west
	95	104	9	0.41	west
JQRC047	62	71	9	2.05	west
JQRC053	48	58	10	3.51	west
JQRC054	62	66	4	0.57	west
	69	73	4	0.74	west
JQRC055	0	16	16	4.3	3KHill
JQRC056	28	32	4	1.41	3KHill
	35	38	3	0.6	3KHill
JQRC057	0	10	10	0.68	3KHill
	12	20	8	0.95	3KHill
JQRC059	0	16	16	0.81	3KHill
JQRC060	26	34	8	1.03	3K Hill
JQRC079*	20	45	25	1.27	3K Hill

*Preliminary results only.

Trenching has also continued on the prospect, to date 207 trenches have been excavated, with best results not released previously tabled below, including results from two new prospects; the East Veins, which are located immediately east of the South Zone, and the 5K Hill prospect, which is 2km north of the 3K Hill. Best results are shown below, which include high grade intercepts of 6m at 4.14g/t Au, 1m at 6.19g/t Au and 4m at 6.38g/t Au at the East Veins.

Trench No	From (m)	To (m)	Interval (m)	Au g/t	Zone
JQT001	53	60	7	1.94	Main
JQT004	0	5	5	0.76	3KHill
	19	32	13	1.03	3KHill
JQT005	26	29	3	0.93	3KHill
	32	36	4	0.5	3KHill
	41	59	18	0.51	3KHill

	74	81	7	0.62	3KHill
JQT141	53	59	6	4.14	East
	70	71	1	6.19	East
JQT144	18	19	1	2.59	East
JQT150	36	40	4	0.69	East
JQT151	13	18	5	0.55	East
JQT152	64	66	2	0.98	East
JQT155	37	40	3	1.1	East
JQT156	6	7	1	2.24	East
JQT157	7	9	2	3.95	East
JQT167	16	20	4	6.38	East
JQT173	12	15	3	0.83	5KHill
	46	48	2	0.53	
JQT175	20	24	4	0.93	5KHill

Metallurgical Testwork:

Standard CIL bottle roll tests (Carbon in Leach) are designed to provide an initial indication of gold recoveries by standard CIP & CIL treatment of ore from the Jibal Qutman prospect in Saudi Arabia.

Preliminary testwork has returned excellent results with high gold recoveries of;

- 94.9% and 96.4% by cyanidation of ground ore from two composite drill samples representing the West Zone oxide mineralisation;
- 92.5% from one composite drill sample representing the South Zone oxide mineralisation;
- 80.5% and 81.5% from two composite drill samples representing the West Zone transitional mineralisation; and
- 68.1% from one composite drill sample representing the deeper West Zone fresh mineralisation.

While not definitive, this metallurgical test work suggests that the oxide, transitional and primary mineralisation from the Jibal Qutman prospect can be treated successfully with standard CIP processing methods. In addition, further assessment of the potential for recovering gold by heap leach from oxidised ore is warranted.

These results were achieved by standard CIL bottle roll tests on ore ground to 75 microns. Further metallurgical testwork to optimise recovery on the transitional and primary mineralisation is underway. Additional metallurgical testwork to test amenability to Heap Leach will be carried out as and when updated JORC resources are calculated on these Prospects.

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References in this announcement to exploration results and mineral resources 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 consented to the inclusion of the material in the form and context in which it appears.

KEFI' Strategic Plan in the Kingdom of Saudi Arabia

In 2009, KEFI formed the Gold and Minerals Joint Venture ("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 Shield. To date, the G&M has conducted preliminary regional reconnaissance and lodged 23 Exploration Licence Applications (ELAs), of which 4 have been granted.

The ELAs were initially applied for and granted to ARTAR. Incorporation of G&M has been completed and any granted Licences will be transferred into G&M in due course.

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.

Further information on KEFI is available at www.kefi-minerals.com