

23 March 2015

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

GRANT OF SHARE OPTIONS

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 the Board has approved share options to subscribe for an aggregate of 27,000,000 ordinary shares for directors, senior managers and employees.

The Scheme options vest in equal annual instalments over a period of two years and expire after 6 years. The options granted today have an exercise price of 1.32 pence per ordinary share, representing a 10% premium to the closing market price on 20 March 2015 and a 20.70% premium above the volume-weighted-average-price over the past 5 days.

Name	Title	Number of options granted under Scheme	Options granted as a per cent of current issued share capital
Harry Anagnostaras-Adams	Executive Chairman	6,500,000	0.49%
Jeff Rayner	Exploration Director	6,500,000	0.49%
John Leach	Non-Executive Director	1,000,000	0.08%
Ian Plimer	Non-Executive Deputy Chairman	1,000,000	0.08%
Norman Ling	Non- Executive Director	2,000,000	0.16%

In addition to the 17,000,000 options issued to the Directors today, a further 10,000,000 options have today been granted to other non-board members of the senior management team.

There are now a total of 75,151,000 incentive options granted over unissued ordinary shares, representing 5.71% of the Company's current issued share capital of 1,315,336,880 ordinary shares of 1p and exercisable at prices ranging from 1.32 pence to 7.1 pence. There are also 41,617,301 broker warrants granted over unissued ordinary shares, representing 3.16% of the Company's current issued share capital and exercisable at prices ranging from 1 pence to 3 pence.

The Company incentive scheme provides that the Board may issue incentive options which represent up to 10% of current issued ordinary shares.

The Board approved that, subject to shareholder approval at the Annual General Meeting in June 2015, 6.5 million options also be granted, on the same terms as those granted today, to Wayne

Nicolleto, newly-appointed KEFI Head of Operations and Managing Director of KEFI Minerals (Ethiopia) Limited.

ENQUIRIES

KEFI Minerals plc

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Further information can be viewed on KEFI's website at 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 2.1Moz (100% of Tulu Kapi's 1.9Moz and 40% of Jibal Qutman's 0.6Moz) 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.

Expected milestones for the remainder of 2015 at Tulu Kapi include:

- Mining Licence for Tulu Kapi, comprising all major permits for construction and operation
- Independently refined and verified mine plan
- Independently verified capex, opex & closure costs
- Independently verified Ore Reserves
- Independently updated Definitive Feasibility Study for banking purposes
- Formalisation of bank syndicate, agreement of final terms for project finance
- Full development funding and commencement of construction

In addition, during 2015 KEFI anticipates submitting a Mining Licence Application for Jibal Qutman in Saudi Arabia through its joint venture company, Gold & Minerals Ltd ("G&M").

KEFI Minerals 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.

As announced on 16 March 2015, the Ethiopian Ministry of Mines has approved the MLA which is now before the Council of Ministers to execute the Mining Agreement and the consequential issue of the Mining Licence and which is expected shortly.

KEFI Minerals in the Kingdom of Saudi Arabia

KEFI Minerals has a 40% interest in G&M and is the operating partner. G&M holds, other than Hawiah and Jibal Qutman, 23 ELAs that cover an area of approximately 1,484km². ELs are renewable for up to five 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 ELs granted. Three have been relinquished after initial testing.

At Jibal Qutman Exploration Licence, G&M's flagship project, the total inferred category Mineral Resources, not yet JORC compliant, are now estimated at 22.0Mt at 0.90 g/t Au for 633,461 contained gold ounces compared with a JORC resource of 16.7 Mt at 0.92g/t Au for 495,194 contained gold ounces previously estimated in March 2014, both at a cut-off grade of 0.2g/t Au.

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.