

17 July 2025

KEFI Gold and Copper plc

("KEFI" or the "Company")

AGM Statement

KEFI Gold and Copper plc (AIM: KEFI), the gold and copper exploration and development company with projects in the Federal Democratic Republic of Ethiopia and the Kingdom of Saudi Arabia, is hosting its 2025 Annual General Meeting ("AGM") today at 10.00 a.m. BST in the UK. At the AGM, Harry Anagnostaras-Adams, Executive Chairman of the Company, will make the following statement:

"It is with a great sense of pride that I can today report the excellent position we have now attained for our Company, particularly in Ethiopia, and also in Saudi Arabia.

Our longstanding shareholders will, with hindsight, recall that in Ethiopia we lost years of anticipated progress between 2016 and 2022 emanating from local political unrest and, in the Kingdom of Saudi Arabia, we lost an even longer period for progress due to local regulatory overhauls of the mining sector. Whilst we never diminished our efforts and positive drive forward, our "turnaround year" in both of our host countries proved to be 2022 and we have since relentlessly forged ahead to prepare full project launch shortly in Ethiopia.

In Ethiopia the national state of emergency was lifted early 2022 and by mid-2022 the Tulu Kapi Gold Project syndicate formally agreed to recommence preparations for launch of development subject to three principal conditions precedent along with the normal procedural requirements for mining project finance. At the time, we spelt out that we needed the installation of security protection of the highest standard, designation as strategic project in respect of exchange controls and Parliamentary Ratification of Country Membership for both (not just one) of our principal banks.

We achieved the third and last of these principal condition precedent in May 2025 and I am pleased to report that we have now already built the initial camps for security and construction and this week advised stakeholders that community compensation payments are being triggered this month, with payment of compensation for Phase 1 of the Resettlement Action Plan. This is being funded from KEFI's existing cash resources following the Company's recent capital raise and the Company will be reimbursed from the drawdown of the broader Project funding package. This is a very significant milestone for the community in particular and it reflects our confidence that the remaining normal procedural conditions precedent will be satisfied as a result of the well-advanced effort by the various counterparties.

On the Ethiopian Tulu Kapi project financing front, the full package of updated finance and other documentation is in circulation for the multi-party approvals, and we are well-advanced in updating and certifying development budgets and schedules, last done in 2023, to be incorporated into detailed definitive documentation for execution and full project launch. The tentatively updated running estimate is that we require c. \$420 million (2023 c. \$400 million) of development capital (including the mining fleet) to be met by contractor-funding as to c. \$110 million (2023 c. \$100 million), bank debt \$240 million (2023 \$190 million) and further equity risk capital c. \$70 million (2023 c. \$110 million). The further equity risk capital has been reduced from

\$110 million to \$70 million (primarily due to the increased bank debt figure of \$240 million) and its structuring adjusted around Ethiopian regulatory reforms and market conditions. The investor source now comprises local Ethiopian institutions subscribing to EthioPrefs to be issued by the new Ethiopian holding company and international private equity groups looking to invest in the Ethiopian subsidiary/ies and perhaps also the Saudi subsidiary/ies. These funding sources for the equity risk capital are at the project level and is expected to be repaid from the significant cashflow generated by Tulu Kapi. It should be noted that the EthioPrefs are not convertible into ordinary equity either in the subsidiary or the parent company. Their special features which make them attractive to Ethiopian sophisticated investors is the opportunity to invest Ethiopian BIRR in exchange for a USD denominated security for both principal and interest plus the gold price upside aligned with the upside realised by TKGM.

Another notable development is the recent entry into our share register of global public investment institutions via our share placings, including Ruffer Gold, Konwave/Gold 2000 and Phoenix Precious Metals. These institutions' participation strengthens our capital structure. We also have been granted permission to inform shareholders that Premier Miton and RAB Capital also participated in the recent capital raise.

These are very exciting times for our Company as we move towards the full development of Tulu Kapi, with increasing numbers of boots on the ground. Successful implementation of our plans will result in Tulu Kapi commissioning gold production in late 2027. At a gold price of \$3,000/ounce, Tulu Kapi's net operating cash flow after royalties and taxes for the first full year of production is estimated at c.\$300 million. Such a result from the first full year of production in 2028 would allow the Board to then consider prepaying much of the planned \$240 million Tulu Kapi Project debt, declaring a special dividend and also supporting our large project development pipeline.

With respect to growth scenarios, we see the development of the Tulu Kapi Underground Mine and the expansion of the plant as readily available opportunities to quickly lift KEFI's beneficial interest in gold production to over 150,000 oz pa.

Today, KEFI's other most advanced project opportunities are in Saudi Arabia. In late 2024, we announced a six-month strategic review of our joint venture company, Gold and Minerals Limited (GMCO), and KEFI's shareholding in it. Since then, GMCO has published a 20% expansion of mineral resources to the gold equivalent of 3.8 million ounces, and has more than doubled its exploration acreage to over 2,200 sq km. This includes a new 900+ sq km mineralised belt secured through a joint venture with Australian major Hancock Prospecting.

The pipeline of projects being prepared for development starts with Stage 1 of the Jibal Qutman Gold project, which is focused on oxide ore and comprising open pit mining and CIL processing. This initial GMCO development is targeted to transform GMCO into a self-funding Saudi explorer. Together with our partner ARTAR, we continue to nurture relationships with the mining finance specialists for optimising project development finance in due course, analogous to the approach successfully taken by KEFI in Ethiopia. Accordingly, Stage I at Jibal Qutman would likely require equity participation from KEFI of only £2-3 million, which at present is targeted to be funded from Tulu Kapi Project financing refunds due to KEFI.

Looking beyond GMCO's first project in Saudi Arabia, what follows is Stage 2 of Jibal Qutman Gold and Stages 1 and 2 of Hawiah copper and Gold.

At KEFI's current GMCO beneficial interest of 15% these existing Saudi advanced development projects would have the effect of lifting KEFI's aggregate production to over. 200,000 oz gold equivalent - spread over three projects in two countries. All three advanced projects, Tulu Kapi, Jibal Qutman and Hawiah have significant expansion potential and multitudes of lessons being learnt for potential application to the exploration pipeline.

During our Strategic Review of GMCO, we received expressions of interest in acquiring KEFI's GMCO shareholding. A number of these parties have also confirmed their interest in providing future development funding for KEFI projects generally, in both Saudi Arabia and Ethiopia. We will maintain these discussions as we continually optimise our cost of capital and seek out the best approach to take the fullest possible advantage of our early mover position in the Arabian Nubian Shield. Our focus is on maximising the long-term return to shareholders whilst serving our other stakeholders, including partners, banks, PE Groups, contractors, local investors and of course our host communities and Governments.

Regardless of the final details of the project funding packages, the vast majority of development finance can already be seen as having been structured at subsidiary levels. This is what we have always focused on. The prize for KEFI shareholders is the theoretical value of KEFI's development projects on a per share basis. This measure already stands at circa 8 pence per existing KEFI share on issue, based on existing Reserves and Resources, NPV 5% at \$3000/oz for Tulu Kapi Gold Mine and US\$100/oz Resource at Jibal Qutman and Hawah.

We are at an opportune moment with much reduced reliance on other parties' decisions and a far greater capacity to be masters of our own destiny within a less challenging working environment. Getting to this point and what is about to happen will have been made possible by our team's hard work and your support and patience as shareholders. This is the moment to push forward, seizing the opportunities presented by the positive turnarounds in our host countries and the strengthening of metal prices and I look forward to continue reporting on our further progress in the coming weeks and months."

Enquiries

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Further information can be viewed at <https://www.kefi-goldandcopper.com>