

13 December 2021

KEFI Gold and Copper plc

("KEFI" or the "Company")

Award of Two Additional Exploration Licences in Saudi Arabia

KEFI Gold and Copper (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 pleased to announce the issuance of the Al Godeyer and Al Godeyer East Exploration Licences (the "AG Licences"), to the KEFI-operated Saudi Arabian joint-venture Gold and Minerals Limited ("G&M"). The licences are situated 12km south-west of the Company's Hawiah discovery (see Figure 1 in the attached appendix), which is expected to shortly upgrade the 2020 Mineral Resource Estimate ("MRE") of 19.3Mt at 1.9% copper equivalent.

Highlights

- Al Godeyer and Al Godeyer East licences granted on an initial 5-year term
- Exploration work suggests a strike length of more than 2km for the identified gossan horizon
- Accelerated Exploration programs targeting a Maiden resource within 2022
- Situated adjacent to the Company's significant Hawiah discovery

Background

The Company's Hawiah Copper-Gold VMS project ("Hawiah") is now advancing through the Preliminary Feasibility Study ("PFS") for potential development, having completed 42,000m of drilling across the project during the 2019-2021 initial exploration phase. An update to the MRE, in conjunction with SRK Consulting (UK) Ltd, is nearing completion and is expected to be announced later in December 2021. This will form the basis for much of the PFS works including mine and process design.

The granting of the AG Licences is a significant step in G&M's plans for the development of the wider Hawiah Project area, representing the first of the satellite targets to be explored. The proximity and shared mineralisation style should present an excellent opportunity to enhance the Hawiah project with additional grade and tonnage.

Al Godeyer VMS mineralisation

The Al Godeyer area, covered by the AG Licences, was first mapped and trenched by the French Government Geological Department ("BRGM") in the 1980's, with mineralisation occurring as outcropping, NW-SE striking gossans over 800m in length and widths of up to 6m. The gossans are hosted within a felsic-intermediate volcanic package, consistent with a back-arc paleo-environmental setting.

Whilst more structurally complex than the nearby Hawiah gossans, mineralisation presents in a very similar style with strike-continuous and consistent gold values noted within the core of the gossan and copper mineralisation as malachite on the flanks. As with Hawiah, the malachite on the flanks of the gossan is considered likely related to re-mobilisation/ground water interactions with the copper-rich portions of the underlying ore body.

In anticipation of the granting of these Exploration Licences, G&M geologists have already been actively mapping and grab sampling the ground using the G&M Reconnaissance Licence and have now extended the strike of the gossanous horizon by approximately 1.2 kilometres to the southeast (see Figure 2 in the attached appendix).

Early sampling has been very positive with results confirming the work performed by the BRGM with grades of up to 7.2 g/t Au recorded in the gossans. Grab samples have consistently returned gold grades akin to the main Hawiah gossans, and with high copper values related to the secondary malachite. Highlights of these grab samples are listed below:

Sample ID	Site	Rock Type	Au g/t	Ag g/t	Cu %	Zn %
GSR1021	Al Godeyer	Foliated gossan	7.2	0.8	0.1	0.1
GSR1001	Al Godeyer	Massive gossan	3.6	0.7	0.7	0.2
GSR1070	Al Godeyer	Massive gossan	3.2	2.7	0.5	0.0
GSR1015	Al Godeyer	Brecciated gossan	2.5	0.4	0.4	0.0
GSR999	Al Godeyer	Massive gossan	2.2	0.5	1.8	0.4
GSR259	Al Godeyer	Massive gossan	2.1	0.1	0.1	0.0
GSR1055	Al Godeyer	Massive gossan	2.0	0.3	0.1	0.0
GSR1054	Al Godeyer	Massive gossan	2.0	0.3	0.1	0.1
GSR1000	Al Godeyer	Massive gossan	2.0	0.0	0.7	0.3
GSR1056	Al Godeyer	Massive and Foliated gossan	1.9	3.3	0.6	0.1
GSR1019	Al Godeyer	Massive gossan	1.9	1.1	0.3	0.0
GSR257	Al Godeyer	Massive gossan	1.8	0.9	0.1	0.0
GSR1052	Al Godeyer	Massive gossan	1.8	1.8	0.2	0.0
GSR1072	Al Godeyer	Massive gossan	1.8	0.8	0.2	0.0
GSR1074	Al Godeyer	Massive gossan	1.7	1.5	0.1	0.0

Exploration strategy

Due to the proximity to Hawiah, G&M will proceed with an aggressive exploration strategy and if drilling is successful, aim to complete a maiden MRE by Q4 2022. This would allow any delineated material on the AG Licences to be incorporated into planning for the wider Hawiah project development.

The exploration approach and approximate anticipated timeline is outlined below:

- Complete first pass mapping and sampling of SE extension area (Q4 2021)
- Trenching to confirm surface continuity of main gossans and SE extension areas. (Q1 2022)
- Self-potential geophysics to define the sub-surface continuity of the SE extension (Q1 2022)

- Scout Drilling – 1,500m of diamond drill hole (DDH) drilling to confirm mineralisation style and grades – Q1/Q2 2022
- Infill drilling for Resource definition – Q2/Q3 2022
- Mineral Resource Estimation – Q4 2022

Harry Anagnostaras-Adams, Executive Chairman of KEFI, commented:

“The Hawiah project already appears to be a robust standalone development proposition. However, it has always been our opinion that Hawiah is greater than just one deposit, instead we believe it will prove to be a district of VMS deposits. G&M have already identified multiple VMS targets in the surrounding Hawiah area, and today’s announcement marks the first step in expanding a single project at Hawiah into a mining district of complementary deposits. Shared infrastructure between the projects will leverage the value of each one and reinforce the overall development strategy.

“These new licences, plus the imminent December Hawiah MRE, reinforce the established position of KEFI in Saudi Arabia as a leading explorer and developer. 2022 is set to be a very positive and busy year for the joint-venture with the expected delivery of the PFS and further resource growth at Hawiah, as well as the start of additional regional projects. Furthermore, based on discussions with the regulatory authorities in the current quarter, we also now anticipate progress of the Jibal Qutman Gold mining licence, our first discovery in Saudi Arabia with an existing resource in excess of 700,000 ounces of gold.

“I look forward to providing further updates on both our operations in Saudi Arabia and also Ethiopia, where the political situation continues to improve and good progress is being made with respect to finalising the funding for the launch of the Tulu Kapi project development.”

Market Abuse Regulation (MAR) Disclosure

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“MAR”), and is disclosed in accordance with the Company’s obligations under Article 17 of MAR.

Enquiries

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Competent Person Statement

The information in this announcement that relates to exploration results and Mineral Resources is based on information compiled by Mr Tomos Bryan, Exploration Manager for Gold & Minerals Limited. Mr Bryan is a member of the Australasian Institute of Mining and Metallurgy (“AusIMM”). Mr Bryan is a geologist with sufficient relevant experience for Company reporting to qualify as a Competent Person as defined in the JORC Code 2012. Mr Bryan consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The Hawiah Mineral Resource was announced on 19 August 2020 and G&M is in the process of updating the resource statement for 2021. KEFI confirms that it is not aware of any new information or data that materially affects the information in the above releases and that all material assumptions and technical parameters, underpinning the estimates continue to apply and have not materially changed. KEFI confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements.

Notes to Editor

KEFI Gold and Copper plc

KEFI is focused primarily on the advanced Tulu Kapi Gold Project development project in Ethiopia, along with its pipeline of other projects within the highly prospective Arabian-Nubian Shield. KEFI targets that production at Tulu Kapi generates cash flows for capital repayments, further exploration and expansion as warranted and, when appropriate, dividends to shareholders.

KEFI in Ethiopia

Ethiopia is currently undergoing a remarkable transformation both politically and economically.

The Tulu Kapi gold project in western Ethiopia is being progressed towards development, following a grant of a Mining Licence in April 2015.

The Company has now refined contractual terms for project construction and operation, together with assembling the full funding consortium and set the conditional terms for the development funding package of c.US\$356 million.

Estimates include gold production of c.190,000oz pa. All-in Sustaining Costs (including operating, sustaining capital and closure but not including leasing and other financing charges) remain US\$800-900/oz. Tulu Kapi’s Ore Reserve estimate totals 15.4Mt at 2.1g/t gold, containing 1.1Moz.

All aspects of the Tulu Kapi (open pit) gold project have been reported in compliance with the JORC Code (2012) and subjected to reviews by appropriate independent experts.

A Preliminary Economic Assessment has been published that indicates the economic attractiveness of mining the underground deposit adjacent to the Tulu Kapi open pit, after the start-up of the open pit and after positive cash flows have begun to repay project debts. An area of over 1,000 square kilometres adjacent to Tulu Kapi has been reserved for exploration by KEFI upon commencement of development, with a view to adding satellite deposits to development and production plans.

KEFI in the Kingdom of Saudi Arabia

In 2009, KEFI formed Gold & Minerals Limited (“G&M”) in Saudi Arabia with local Saudi partner, ARTAR, to explore for gold and associated metals in the Arabian-Nubian Shield. KEFI has a c. 31% interest in G&M.

ARTAR, on behalf of G&M, holds over 21 Exploration Licence (“EL”) applications currently subject to approval from the various ministries as required under the new Mining Law. Els are renewable for up

to fifteen 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 announced policies to encourage mineral 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.

Appendix 1: Glossary of Technical Terms

Ag	Silver
Arabian-Nubian Shield or ANS	The Arabian-Nubian Shield is a large area of Precambrian rocks in various countries surrounding the Red Sea
Au	Gold
Cu	Copper
g/t	Grams per tonne
Gossan	Gossan is intensely oxidised, weathered or decomposed rock, usually the upper and exposed part of an ore deposit or mineral vein
JORC	Joint Ore Reserves Committee
JORC Code 2012	Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
M	Metre
Massive sulphide	Rock comprised of more than 40% sulphide minerals
Mt	Million tonnes
MRE	Mineral Resource Estimate
oz	Troy ounce of gold
PEA	Preliminary Economic Assessment
PFS	Preliminary Feasibility Study
VMS	Volcanogenic Massive Sulphide
Zn	Zinc

Appendix 2: Illustrative Diagrams

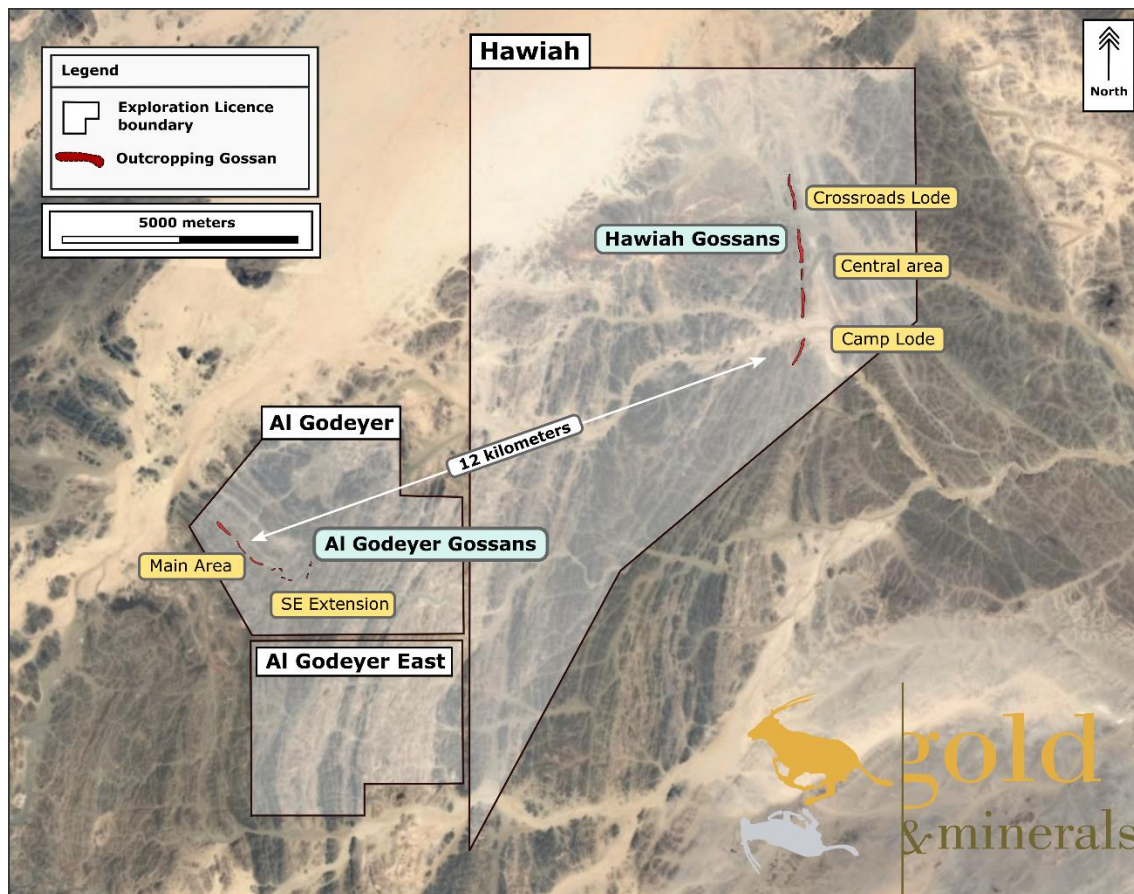


Figure 1 - Location map of the Al Godeyer and Hawiah Exploration Licences with known occurrences noted.

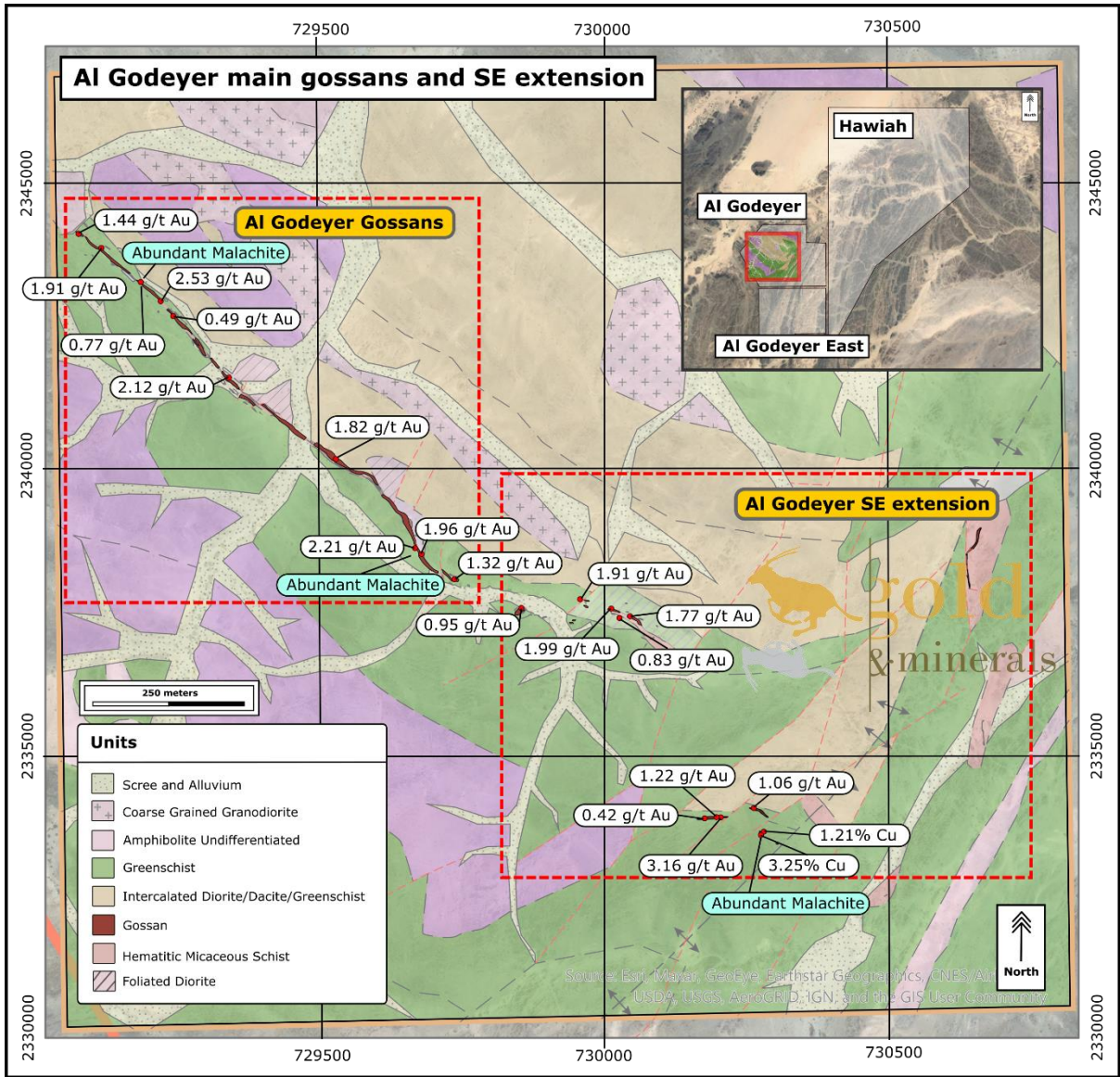


Figure 2 - Geological map of Al Godeyer gossans and SE extension area with representative rock chip samples