

6 January 2020

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

General Meeting Statement

KEFI Minerals (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, announces that at today's General Meeting of the Company Harry Anagnostaras-Adams, Executive Chairman, will make the following statement:

“We have welcomed 2020 with some good news on a number of fronts. We have just announced that the subscription agreement into the Project company, Tulu Kapi Gold Mines Share Company (“TKGM”) was duly executed by ANS Mining Share Company ("ANS Mining") on Sunday 5 January 2019 after it had completed its own internal processes in accordance with local procedures. The existing TKGM shareholders, KEFI and the Ethiopian Government, have also approved the issue of TKGM shares to ANS Mining.

We greatly appreciate the confidence and commitment demonstrated by ANS Mining, its board of Ethiopian business leaders and its underlying shareholders, which comprise a broad syndicate of strong organisations in the local banking, insurance and investment sectors. Combined with the commitments of the community and Government at all levels, this is truly an inclusive and broad-based public-private partnership with majority Ethiopian ownership. This is proving invaluable in traversing the political and security landscape of such a high-growth and fast-changing country.

KEFI has committed to installing into TKGM all the systems and expertise required to develop and operate this first modern mine development in Ethiopia to the highest international standards environmentally, socially and in all other respects. We will maximise local participation in all aspects of the Project and have already built a school, provided local water supply and launched a project to initiate industry-wide training in parallel with the Project start-up.

KEFI was until recently a grass roots explorer, but is now an explorer, developer and operator of mining joint ventures for influential and financially strong local partners in the Arabian Nubian Shield, in both Ethiopia and in Saudi Arabia, along with leading African project contractors, and development and operating management.

Upon receiving shareholder approval for the resolutions put to today’s meeting there will be a number of important next steps to enable the start of phase one of the community resettlement, project finance implementation and completion of the final procurement and contractual arrangements with the principal Project contractors.

I am very pleased that I fly this evening to Saudi Arabia and then to Ethiopia for partner meetings to review with our colleagues the up-to-date status and to launch a number of initiatives. Tulu Kapi is planned to be the largest single export generator for Ethiopia and the largest development project in that rural part of the country. Our Hawiah prospect in Saudi Arabia is one large polymetallic (copper-zinc-gold-silver) target in the Wadi Bidah Mineral

District in which our Saudi joint venture has registered licences and applications for a dominant position for exploration of Volcanogenic Massive Sulphides.

The proposed Project and financing timetable, as previously announced, is for the first six months of development to be funded by way of equity investment at the TKGM level by the Project partners, beginning in January 2020, with full finance close and bank loan drawdown planned for mid-2020. The amount of Project equity (US\$68 million) and subordinated capital facility requirements remain essentially unchanged.

Using the proposed bank loan infrastructure financing, at last Friday's gold price of US\$1,540/oz, KEFI estimates that the net cash flow over the life of the open pit will be US\$443 million after all debt and other obligations. At this current gold price of US\$1,540/oz, the Definitive Feasibility Study or DFS-based NPV of the open pit (US\$236 million) added to that of the PEA-based NPV of the underground mine (US\$87 million), totals to the aggregate Project NPV of US\$323 million. On this basis and after taking into account that KEFI has already invested nearly all of its expected contribution to the Project equity, the NPV of KEFI's 45% beneficial interest is US\$164 million (approximately £125 million), about eight times the current £16 million market capitalisation of the Company based on today's proposed expanded issued capital.

This does not include further potential upside offered by exploration underground at the Project, where extensions of the 5.6 g/t Indicated Resource remain untested, in the adjacent Tulu Kapi district, where several areas of drill-intercepted pre-resource mineralisation require follow-up and in Saudi Arabia where drilling is currently intercepting massive sulphides in a large Volcanogenic Massive Sulphide occurrence.

We have much to do to reward our shareholders for their confidence, support and patience for which we are deeply grateful and respectful. It gives me more than a little pleasure to be able to hold this Meeting in Sydney my home town and also to pay tribute to the large number of Australian shareholders we inherited from the previous owner of the Tulu Kapi Gold Project, which finally is coming to life after a fifteen year gestation period which cost in the order of US\$60 million since its discovery; and doing so at a very exciting time for the gold industry, the country of Ethiopia and for KEFI.

Finally, may I wish everyone a Happy New Year and a Merry Ethiopian Christmas for tomorrow."

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 ("MAR") until the release of this announcement.

Enquiries

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Further information can be viewed at www.kefi-minerals.com

Notes to Editor

KEFI Minerals 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 Minerals 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. Estimates include open pit gold production of c. 140,000oz pa for a seven-year period. All-in Sustaining Costs (including operating, sustaining capital and closure but not including leasing and other financing charges) remain c. US\$800/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 Minerals in the Kingdom of Saudi Arabia

In 2009, KEFI formed 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 40% interest in G&M and is the operating partner.

ARTAR, on behalf of G&M, holds over 20 EL applications. 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 announced 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.