

29 January 2021

KEFI Gold and Copper plc

("KEFI" or the "Company")

Hawiah Project Update

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 provide an update on the current 13,000m drilling programme at the Company's 34%-owned and operated Hawiah Project in Saudi Arabia ("Hawiah" or the "Project").

Highlights:

- 16 holes totalling 7,836m from 13,000m drilling programme completed as at 22 January 2021
- Focus is to extend the known mineralisation down-dip and down-plunge of the Camp Lode
- Recent assay results consistently return copper intervals in excess of 1.3% copper, with significant intersections of copper mineralisation greater than 2.2% copper noted in drill holes HWD-74 and HWD-82
- Recent drilling has demonstrated that mineralisation extends down-plunge by 470m to the south of Camp Lode and remains open down-dip, down-plunge and along-strike
- Updated Mineral Resource targeted for Q3 2021

The focus of the current drilling programme, which is approximately 60% complete, is on wide-spaced drilling to extend the known mineralisation down-dip and down-plunge of the Camp Lode. The assay results received to date show that this objective is being successfully accomplished and also that copper grades have increased as predicted. We are now confident that we will in due course significantly expand the current Hawiah Mineral Resource Estimate ("MRE") of 19.3 million tonnes at 0.9% copper ("Cu"), 0.8% zinc ("Zn"), 0.6g/t gold ("Au") and 10.3g/t silver ("Ag").

Current Drill Programme

A total of 16 drill holes, for 7,836m of the planned 13,000m drilling programme have been completed as of 22 January 2021. This drilling extended the down-plunge limit of known mineralisation to 470m south of the previous Camp Lode resource area (The drilling is illustrated in the appended Figure 1). This drilling increases the vertical depth of known copper-zinc-gold-silver mineralisation to 570m.

The Camp Lode remains open with the southernmost drillhole (HWD-084) which intercepted 9.05m (6.0m estimated true width ("ETW")) of massive sulphide. Assay results are pending for this hole.

The recently received assay results confirm that higher-grade copper mineralisation continues down-dip and down-plunge in the Camp Lode. Highlights from the returned assays include hole HWD-082 which intersected a 9.7m interval (5.2m ETW) grading at 1.8% Cu, 1.6% Zn, 0.5 g/t Au and 11.8 g/t Ag, including a 6.5m interval at 2.4% Cu; and HWD-074 which intersected 10.37m (7.35m ETW) at 1.6% Cu, 1.4% Zn, 0.5g/t Au and 6.3 g/t Ag, including 6.74m at 2.2% Cu.

Mineralisation continues to present as fine to coarse-grained massive sulphide with zones of clastic and breccia material. Sulphides present dominantly as pyrite with significant chalcopyrite, sphalerite and pyrrhotite observed. Chalcopyrite remains the major copper sulphide and continues to present as a secondary/re-mobilised phase with copper grades appearing to increase with depth and associated with zones of greater permeability.

Table 1 – Summary of recent assays and intercepts from the Camp Lode

Hole ID	Total Depth	From (m)	To (m)	Downhole Interval (m)	Estimated true width (m)	Cu %	Zn %	Au g/t	Ag g/t	Mineralisation style
HWD_070	583.50	557.40	563.22	5.82	4.3	0.74	0.33	0.27	8.41	Massive sulphide
HWD_071	779.50	-	-	-	-	-	-	-	-	No Mineralisation
HWD_072	335.50	306.05	316.02	9.97	6.0	0.79	1.53	0.47	8.28	Massive sulphide
HWD_074	533.50	504.26	514.63	10.37	7.35	1.61	1.41	0.47	6.29	Massive sulphide
HWD_075	598.70	-	-	-	-	-	-	-	-	No Mineralisation
HWD_079	460.00	409.00	418.66	9.66	6.25	1.49	1.29	0.54	8.26	Massive sulphide
HWD_080	377.50	351.14	356.14	5.69	4.85	1.34	0.58	0.53	7.13	Massive sulphide
HWD_081	626.50	599.50	606.00	6.5	4.6	1.24	0.28	0.26	8.83	Massive sulphide
HWD_082	437.50	407.84	417.82	9.98	5.7	1.80	1.56	0.50	11.78	Massive sulphide
HWD_076	74.50	50.20	52.30	2.1	1.7	1.20	0.48	0.72	17.97	Transition
HWD_077	68.00	46.30	51.20	4.9	4.3	2.17	0.05	0.33	2.91	Transition

Detailed Assay and collar information for the Phase 3 drilling to date is contained in the appended Table 2.

By the end of Q1 2021, approximately 11,000m of drilling is expected to be completed in this southern Camp Lode area. It is intended that this will immediately be followed by infill drilling on a spacing that should allow for an updated Mineral Resource to be estimated in early Q3 2021.

Central Area Geophysics

The Central Area, which separates the Camp Lode from the Crossroads Lodes is currently being re-evaluated following the intersection of massive sulphides at a depth of 732.8m in drill hole HWD-073.

The geological team, in conjunction with geophysical consultants are currently re-modelling the 2019 IP/Rho geophysical survey using the now known mineralisation to better understand the geophysical response. This should allow for a predictive model for the Central Area to be built, acting as a guide for further drilling within the area to target the zones of thickest sulphide mineralisation.

Additional Exploration licences

As previously announced, KEFI is pleased to note the recent developments of the Saudi Arabian mining laws and regulations, in-line with the Kingdom's Vision 2030 strategy. The Company remains actively engaged with the Ministry of Industry and Mineral Resources ("DMMR") to ensure that both the previously submitted exploration applications ("ELAs") and new ELAs are processed within the new framework. The Company is looking forward to making advancements in this area by securing additional high-quality ground that will support the Company's objectives in the Kingdom.

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

"The drilling results to date show that the Hawiah deposit remains open at depth and to the south. The work programme has sought to quickly 'stretch' some of the extremities of the deposit and as such we are greatly encouraged to see returns of significant intercepts as drilling continues to demonstrate the size and scale of the Hawiah deposit.

"I'm especially encouraged by the most southern hole extending the Camp Lode, which has intercepted massive sulphide with an estimated true width of 6 metres, which indicates strong potential for the deposit to continue further to the south.

“As previously reported, in addition to the deeper drilling being undertaken, targeting a substantial increase in the maiden Hawiah resource, later this year, this programme will also include infill drilling with a view to upgrading key areas of the resource to the indicated category so as to warrant mine planning and the estimation of an initial Ore Reserve.

“We remain focussed on the work required for the completion of a Preliminary Feasibility Study during 2021, together with further exploration of the surrounding area for a large stockwork zone or ‘feeder zone’ to the massive sulphides, which represents a separate and potentially even larger-scale target.

“We look forward to reporting further progress at Hawiah and outcomes of this major drilling programme in due course.”

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 until the release of this announcement.

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. 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\$221 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 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 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 34% interest in G&M and is the operating partner.

ARTAR, on behalf of G&M, holds over 16 Exploration Licence (ELA) applications pending the introduction of the new Mining Law. 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 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: Table 2 - Assay and collar information – Phase 3 drilling.

Hole ID	Easting	Northing	RL	Total Depth	From (m)	To (m)	Downhole Interval (m)	Estimated true width (m)	Cu %	Zn %	Au g/t	Ag g/t	Lode / area	Mineralisation style
HWD_070	740779	2338175	1301	583.5	557.4	563.22	5.82	4.3	0.74	0.33	0.27	8.41	Camp Lode	Massive sulphide
HWD_071	740707	2338390	1303	779.5	-	-	-	-	-	-	-	-	Camp Lode	No Mineralisation
HWD_072	740905	2337978	1303	335.5	306.05	316.02	9.97	6	0.79	1.53	0.47	8.28	Camp Lode	Massive sulphide
HWD_073	740796	2340419	1295	755.6	732.77	733.6	0.83	-	0.96	0.75	0.65	10.22	Central Zone	Massive sulphide
HWD_074	740752	2337901	1300	533.5	504.26	514.63	10.37	7.35	1.61	1.41	0.47	6.29	Camp Lode	Massive sulphide
HWD_075	740859	2338526	1291	598.7	-	-	-	-	-	-	-	-	Camp Lode	No Mineralisation
HWD_076	741102	2338156	1303	74.5	50.2	52.3	2.1	1.5	1.2	0.48	0.72	17.97	Camp Lode	Transition
HWD_077	741178	2338510	1297	68	46.3	51.2	4.9	4.3	2.17	0.05	0.33	2.91	Camp Lode	Transition
HWD_078	740946	2339154	1290	551.5	-	-	-	-	-	-	-	-	Central Zone	No Mineralisation
HWD_079	740848	2338072	1305	460	409	418.66	9.66	6.25	1.49	1.29	0.54	8.26	Camp Lode	Massive sulphide
HWD_080	740921	2338627	1290	377.5	351.14	356.14	5.69	4.85	1.34	0.58	0.53	7.13	Camp Lode	Massive sulphide
HWD_081	740745	2338046	1306	626.5	599.5	606	6.5	4.6	1.24	0.28	0.26	8.83	Camp Lode	Massive sulphide
HWD_082	740826	2337785	1295	437.5	407.84	417.82	9.98	5.7	1.8	1.56	0.5	11.78	Camp Lode	Massive sulphide
HWD_083	740637	2337881	1301	731.5	709	714.75	5.75	4.1	pending	pending	pending	pending	Camp Lode	Massive sulphide
HWD_084	740726	2337675	1297	518.5	489.68	498.39	8.71	5.8	pending	pending	pending	pending	Camp Lode	Massive sulphide
HWD_085	740825	2337682	1293	404.5	-	-	-	-	-	-	-	-	Camp Lode	No Mineralisation

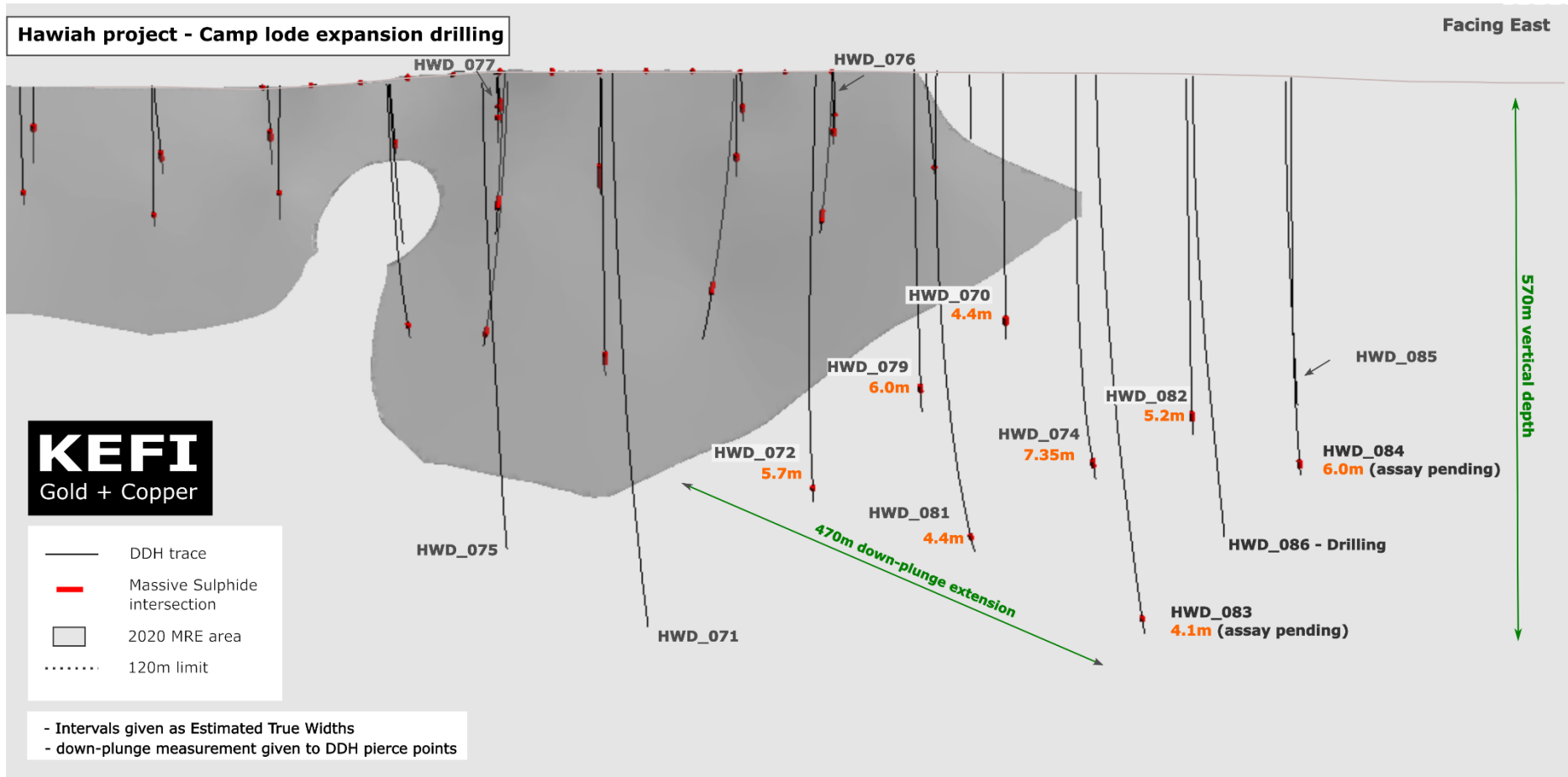


Figure 1 – Hawiah Camp Lode southern extension drilling with intercepted massive sulphide thickness shown (Estimated True Widths).