

2 November 2020

**KEFI Gold and Copper plc
("KEFI" or the "Company")**

Hawiah Project Update

Commencement of Q4 Drilling Campaign

First Drill Hole Extends Camp Lode from 300 metres to 440 metres vertical depth

KEFI (AIM: KEFI), the gold exploration and development company with projects in the Federal Democratic Republic of Ethiopia and the Kingdom of Saudi Arabia, is pleased to confirm the recommencement of drilling at the Company's Hawiah Project in Saudi Arabia ("Hawiah" or the "Project"), as anticipated following the recent positive Preliminary Economic Assessment ("PEA").

The drilling programme of 13,000 metres is aiming to expand and upgrade the maiden Hawiah Mineral Resource Estimate ("MRE") from the current 19.3 million tonnes at 0.9% copper, 0.8% zinc, 0.6g/t gold and 10.3g/t silver.

Based on the results of the initial Hawiah PEA and assuming similar characteristics to the current MRE, additional resources further improve the economic case for the Project. For further background, see the Company's announcement of 22 September 2020 titled "Preliminary Economic Assessment Confirms Hawiah as a High Priority Project" which reported, inter alia, that a doubling of the resource would increase the Project's estimated after-tax NPV from US\$96 million to US\$362 million.

The first hole drilled in Q4 2020 targeted the down-dip extension of the Camp Lode. KEFI is pleased to report hole HWD-070 intercepted 4.2 metres (estimated true width) of Volcanic Massive Sulphide ("VMS") style of mineralisation at a downhole depth of 557 metres (vertical depth 440 metres). The previous deepest hole into the Camp Lode intercepted copper-zinc-gold-silver mineralisation at vertical depth of 300 metres. Visual inspection of the drill core identified chalcopyrite mineralisation presenting with pyrite in a sheared and massive form, in a similar style to earlier drill hole HWD-059 which intercepted 8.7 metres (estimated true width) at 1.55% copper, 1.0% zinc, 0.4g/t gold and 11.8g/t silver). Assays have not yet been received for hole HWD-070.

The first phase of the current drilling programme is focused on step-out resource expansion. The later stages of the programme will focus on infill drilling and targeted holes to improve definition within the higher-grade transition zone.

A comprehensive update, including details of all drill holes, will be provided as soon as practical after the programme is completed and all assays are received, however, the Company will also report any further material results during this drilling programme.

KEFI's operations in Saudi Arabia are conducted through its 34% owned joint-venture company, G&M, where KEFI is the operating partner.

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

"I am pleased to report that the next stage of the Hawiah exploration programme has commenced as planned.

“The Hawiah deposit remains open at depth and beyond the existing 4km strike. Increasing copper grades intersected in the previous deepest drill hole at the Camp Lode indicate an excellent opportunity to add additional high-grade copper-gold resources during this phase of drilling. It is very encouraging that the first hole drilled since the maiden resource estimate has intercepted four metres of sulphide mineralisation c.140 metres below the previous deepest drill hole of 300 metres into the Camp Lode.

“In addition to the deeper drilling being undertaken with the goal of substantially increasing the maiden Hawiah resource, this programme will also include infill drilling with a view of upgrading the key areas of the resource to the indicated category so as to warrant mine planning and the estimation of an initial Ore Reserve.

“We are also focussed on the studies and survey required for the completion of a Preliminary Feasibility Study during 2021, and 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 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, 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 Minerals 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 (EL) 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 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.