28 September 2022

KEFI Gold and Copper plc

("KEFI", or the "Company", or the "Group")

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2022

KEFI Gold and Copper plc (AIM: KEFI), the gold exploration and development company with projects in the Democratic Republic of Ethiopia and the Kingdom of Saudi Arabia, is pleased to announce its unaudited interim results for the six months ended 30 June 2022.

The interim results for the Group encompass the activities of KEFI Minerals (Ethiopia) Ltd ("KME") and Tulu Kapi Gold Mines Share Company ("TKGM") in Ethiopia, and Gold & Minerals Ltd ("G&M") in Saudi Arabia.

The Tulu Kapi Gold Project ("Tulu Kapi") is under TKGM (planned to be c.70% owned by KEFI). The Hawiah Copper-Gold Project ("Hawiah"), the Jibal Qutman Gold Project ("Jibal Qutman") and other Saudi projects are under G&M (planned to be c.30% owned by KEFI). Both TKGM and G&M are technically and financially supported by KEFI so that each operating company can build a local organisation that is suitable to manage long term production activities, further exploration activities and exploit future development opportunities.

Executive Chairman's Statement

Overview

The improvement in the local working environment in both Ethiopia (security) and Saudi Arabia (regulatory) since late 2021 has allowed KEFI to make rapid progress during the period in both jurisdictions. KEFI now has a much-improved position as an early-mover in both countries and with a more balanced portfolio of advancing projects.

The Company now has three advanced projects in two countries which places it in a lower risk position than in prior years. KEFI has also de-risked its balance sheet by raising £8 million of equity in April 2022 to repay all outstanding liabilities and reinforce the momentum of its projects.

Tulu Kapi Gold Project, Ethiopia

No other mining project of this scale in Ethiopia has been brought to Tulu Kapi's stage of advancement in recent years and it will be the first industrial scale mine development in the country in over 30 years. It has taken some years to complete an extensive technical re-design of the project, overhaul financial policies by the Ethiopian authorities which hindered mining project finance and the patient and cautious traversing by the Company of recent well-publicised events within the country. The project has imposed many demands on a regulatory system which the Ethiopian Government continues to upgrade, determined to build a modern minerals sector.

During the first half of 2022 TKGM continued its project launch preparations and has regularly formally advised the Ethiopian Ministry of Mines of its progress and of the tasks outstanding to ensure joint collaborative focus. The focus has been maintained on full project launch later this year, preconditioned on the security situation being independently assessed as project-ready and the few remaining regulatory administrative tasks being completed.

In collaboration with the regulatory agencies at all four levels of the Ethiopian Government, notable progress during the period included:

- triggered detailed engineering – minimising procurement and construction time;
- undertaking regular security monitoring;
- initial community youth employment programmes being established which support the project, such as those covering road maintenance and expansion of revegetation nurseries;
- the Ministry of Mines has now audited and endorsed the historical project costs incurred up to 2020 of c.US$80 million and can now report this to the Ethiopian central bank; and
- the central bank has now permitted that both development banks be allowed to lend on the same terms and formal ratification is awaited from the Government of remaining detail.

On the 30 June 2022 the TKGM project finance syndicate signed a funding 'Umbrella Agreement'. The Umbrella Agreement sets out the role and contribution of each finance syndicate member in relation to the Tulu Kapi Gold Project and, whilst reflecting the conditionality of the plan and intended flexibility within the syndicate, it sets out a full funding package, covering historical and budgeted future expenditure.

Tulu Kapi District Exploration

KEFI remains keen to re-commence its exploration of the additional prospects it has successfully identified within the Tulu Kapi district exploration area from within which the mining licence was duly excised because of the successful discovery of the Tulu Kapi deposit. Whilst most historical drilling was naturally of the Tulu Kapi deposit, there was significant work done on many further prospects which await follow-up.

Whilst awaiting regulatory permission to re-activate the Company's Ethiopian exploration, which is critical for long term planning for all stakeholders in the community as well as the Company, the exploration focus has been successfully switched to Saudi Arabia.

G&M, Saudi Arabia

G&M, rapidly becoming a leading explorer/developer/producer in the fast-emerging Saudi minerals sector, has built the largest exploration team in the country and has two major projects advancing towards development, one in Preliminary Feasibility Study stage and one in Definitive Feasibility Study stage. This has coincided with the Saudi Government's widely publicised recent initiatives to welcome international expertise and fast-track the development of its mining sector. G&M is focused on the development of the Hawiah Copper-Gold Project, with an existing JORC resource of 24.9Mt at 0.9% copper, 0.85% zinc, 0.62 g/t gold and 9.81 g/t silver, and Jibal Qutman, where the initially contemplated development project has been enlarged and is now seen as a + 500,000 oz production plan for extraction over 10 years based on a conventional open pit/CIL (Carbon-in-Leach process).

Exploration teams are also mobilising to the recently awarded exploration projects, namely the Jabal Hillit and Qunnah 'Al Qassim' exploration licences (straddling the prospective Ad Dawadimi and Afif terranes in the eastern portion of the Arabian Shield in Saudi Arabia), and the Jadib Al Qahtanah exploration licence, 45km east of the Mahad Ad Dahab mine, the principal historic Saudi gold and silver mine.

Going forward the Company's Saudi assets are expected to have shorter approval, financing and development schedules given there is no need to resettle communities, less restrictive security protocols and established capital markets and funding options.

Hawiah

Hawiah was discovered in September 2019 and now ranks in the:

- top three base metal projects in Saudi Arabia; and
- top 15% VMS projects worldwide.

A three-year 42,000m drilling programme has delineated a Mineral Resource of 24.9 million tonnes at 0.90% copper, 0.85% zinc, 0.62g/t gold and 9.8g/t silver.

Work at the Hawiah Project (including its adjacent recently granted Al Godeyer exploration licences) continued during the first half of 2022, focusing on providing inputs across all required fronts for the updated Mineral Resource Estimate and Hawiah Preliminary Feasibility Study ("PFS"), also scheduled for completion by end of 2022.

The ongoing drilling at Hawiah is expected to yield increased resources and its mineral resources, in gold-equivalent terms, are already approximately those of Tulu Kapi and Jibal Qutman combined before any further resource uplift.

Jibal Qutman

G&M has received formal notification from the Saudi Arabian Ministry of Industry and Mineral Resources ("MIM") that land access issues which halted the mine development application in 2016 are now resolved, clearing the way for the re-issuance of exploration licences ("ELs") as a precursor to the granting of the Jibal Qutman mining licence. Two of the three ELs have already been received post period end. The DFS is being prepared on production of c. 500,000 oz over 10 years as compared with the original Preliminary Economic Assessmen based on c. 200,000 oz.

Additional Licences

G&M's exploration areas are being expanded in Saudi Arabia where the newly overhauled regulatory regime is speeding up progress. Two further exploration licences have now been awarded to G&M on an initial five-year term, bringing the total number of exploration licence issued to nine covering a total area of 634km^2.

Summary

The first half of 2022 was one of considerable progress for the Company and its projects, progress that has continued post period end. We are on track to achieve the following milestones in Q4 2022: in Ethiopia for financial close and the launch of construction of our Tulu Kapi Gold Project and in Saudi Arabia our larger Hawiah Copper-Gold Project to deliver its PFS. We are also expecting progress to continue at Jibal Qutman in Saudi Arabia, where the DFS, mining licence and financing work is being fast-tracked ahead of planned launch in 2023. Finally, we have been granted two new promising gold exploration licenses to add to our portfolio.

KEFI is now better positioned than it has ever been with the improvement in the local working environment in both Ethiopia and Saudi Arabia allowing us to focus on our goals. The successful launch of Tulu Kapi and then Jibal Qutman within the following six months or so, should see first gold pour for both at the end of 2024. These two projects, plus the Hawiah project lined up for sequential construction schedules is intended to lead to combined production of c.400,000 oz gold or gold-equivalent per annum by 2026. This ignores upside from exploration results adding to the resource position at the end of 2021. In addition, we have exciting earlier-stage exploration projects which can be addressed concurrently.

We are at the beginning of an exciting chapter for both our joint-venture partnerships.

Executive Chairman

Harry Anagnostaras-Adams

28 September 2022

Finance Director's Review

During the period under review KEFI has de-risked its balance sheet by raising £8 million in equity funding to repay all outstanding liabilities as at the end of the last financial year and provide additional working capital for its projects.

In June 2022, an umbrella financing agreement and its associated documentation for the Tulu Kapi project was signed by all project participants. This agreement has successfully guided activities since and is now leading to the syndicate commitment of the full project finance package at the end of October 2022, with planned escalation of activities and unconditional financial commitments as the remaining conditions precedent are satisfied over subsequent weeks – which is normal practice for a transaction of this nature. In parallel, the recent grant of two of the three exploration licences for the Jibal Qutman in Saudi Arabia has led us to upscale the DFS-completion and financing sequence in Saudi. We want these two gold projects in production by the end of 2024.

KEFI has funded all its past activities with approximately £72 million equity capital raised at then prevailing share market prices. This avoided the superimposing of debt-repayment risk onto the risks of exploration, permitting and other challenges that always exist during the early phases of project exploration and development in frontier markets. We do, however, avail ourselves of unsecured advances from time to time as arranged by our Corporate Broker to provide working capital pending the achievement of a short-term business milestone.

We also continue our conservative accounting policy of writing off most expenditure - 100% of expenditure in Saudi Arabia and much of Ethiopia. KEFI's carrying value of the investment in KME, which holds the Company's share of Tulu Kapi, is only £14.3 million as at 31 December 2021.

Measuring the Company's underlying assets on an NPV basis, has resulted in the indicative NPV of its three main assets of £306 Million[1]. The basis for these estimates is consensus long-term price forecasts and other explanations provided in the footnotes below. KEFI's planned beneficial interest in the underlying valuation of our Saudi Arabia projects (carried at Nil in our accounts) is now approaching that of the Ethiopian Tulu Kapi Gold Project ($140 million being 73% of $193 million).

[1]The NPV calculations are based on Long term analysts' consensus forecasts is sourced from CIBC Global Mining Group Analyst Consensus Long Term Commodity Price Forecasts 6 September 2022 as applied to our inhouse modelling: The Metal prices are US$1,650/ounce for gold, $7,898/tonne for copper, $2,508/tonne for zinc and $21.4/ounce for silver; and 8% discount rate applied against net cash flow to equity, after debt service and after tax. KEFI NPV is based on a c.70% planned

interest in Tulu Kapi open pit and underground and 30% interest in Hawiah and Jibal Qutman open pit and underground where applicable. Significant updates are expected for all projects as resources and feasibility studies are updated.

The balance sheet at full closing of all project funding for the different projects will start to scale-up as we will then capitalise the development expenditures

John Leach

Finance Director

28 September 2022

Quarterly Webinar

The Company will host its next quarterly investor webinar in London in late October 2022, the details of which will be announced in due course.

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.

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Condensed interim consolidated statements of comprehensive income

(unaudited) (All amounts in GBP thousands unless otherwise stated)

	Notes	**Six months ended 30 June 2022 Unaudited**	Six months ended 30 June 2021 Unaudited
Revenue		-	-
Exploration expenses		-	(21)
Gross loss		-	(21)
Administration expenses		(1,282)	(1,191)
Share-based payments		(182)	(484)
Share of loss from jointly controlled entity	11	(898)	(618)
Impairment/(Reversal) in jointly controlled entity	11	(332)	567
Gain from dilution of equity interest in joint venture	11	286	-
Operating loss		(2,408)	(1,747)
Foreign exchange (loss)/gain		(16)	(57)
Finance expense		(470)	(419)
Loss before tax		(2,894)	(2,223)
Tax		-	-
Loss for the period		(2,894)	(2,223)
Loss for the period		(2,894)	(2,223)
Other comprehensive loss:			
Exchange differences on translating foreign operations		-	-
Total comprehensive loss for the period		(2,894)	(2,223)
Basic loss per share (pence)	4	(0.09)	(0.10)

The notes are an integral part of these unaudited condensed interim consolidated financial statements.

Condensed interim consolidated statements of financial position

(unaudited) (All amounts in GBP thousands unless otherwise stated)

	Notes	**Unaudited 30 June 2022**	Audited 31 Dec 2021
ASSETS			
Non-current assets			
Property, plant and equipment		58	63
Intangible assets	6	29,679	28,361
Investments in JV		-	-
		29,737	28,424
Current assets			
Financial assets at fair value through OCI		-	-
Trade and other receivables	5	361	291
Cash and cash equivalents		2,313	394
		2,674	685
Total assets		32,411	29,109
EQUITY AND LIABILITIES			
Issued capital and reserves attributable to owners of the parent			
Share capital	7	3,939	2,567
Deferred Shares	7	23,328	23,328
Share premium	7	43,187	35,884
Share options reserve	8	3,772	1,891
Accumulated losses		(45,415)	(42,731)
		28,811	20,939
Non-controlling interest		1,450	1,379
Total equity		30,261	22,318
Current liabilities			
Trade and other payables	9	2,150	5,556
Loans and borrowings	10	-	1,235
		2,150	6,791
Total liabilities		2,150	6,791
Total equity and liabilities		32,411	29,109

The notes are an integral part of these unaudited condensed interim consolidated financial statements.

On 28 September 2022, the Board of Directors of KEFI Gold and Copper Plc authorised these unaudited condensed interim financial statements for issue.

John Leach

Finance Director

Condensed interim consolidated statement of changes in equity

(unaudited) (All amounts in GBP thousands unless otherwise stated)

Attributable to the equity holders of parent

	Share capital	Deferred shares	Share premium	Share options and warrants reserve	Accumulated losses	Total	NCI	Total equity
At 1 January 2021 Audited	2,138	23,328	33,118	1,273	(37,824)	22,033	1,204	23,237
Loss for the period	-	-	-	-	(2,223)	(2,223)	-	(2,223)
Other comprehensive income	-	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	(2,223)	(2,223)	-	(2,223)
Recognition of share-based payments	-	-	-	484	-	484	-	484
Cancellation & Expiry of options/warrants	-	-	-	(192)	192	-	-	-
Issue of share capital and warrants	15	-	83	-	-	98	-	98
Share issue costs	-	-	-	-	-	-	-	-
Non-controlling interest	-	-	-	-	(112)	(112)	112	-
At 30 June 2021 Unaudited	2,153	23,328	33,201	1,565	(39,967)	20,280	1,316	21,596
Loss for the year	-	-	-	-	(2,701)	(2,701)	-	(2,701)
Other comprehensive income	-	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	(2,701)	(2,701)	-	(2,701)
Recognition of share-based payments	-	-	-	326	-	326	-	326
Expired warrants	-	-	-	-	-	-	-	-
Issue of share capital and warrants	414		2,902	-	-	3,316	-	3,316
Share issue costs	-	-	(219)	-	-	(219)	-	(219)
Non-controlling interest	-	-	-	-	(63)	(63)	63	-
At 1 January 2022 Audited	2,567	23,328	35,884	1,891	(42,731)	20,939	1,379	22,318
Loss for the period	-	-	-	-	(2,894)	(2,894)	-	(2,894)
Other comprehensive income	-	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	(2,894)	(2,894)	-	(2,894)
Recognition of share based payments	-	-	-	184	-	184	-	184
Cancellation & Expiry of options/warrants	-	-	-	(281)	281	-	-	-
Issue of share capital and warrants	1,372	-	7,747	1978	-	11,097		11,097
Share issue costs	-	-	(444)	-	-	(444)	-	(444)
Non-controlling interest	-	-	-	-	(71)	(71)	71	-
At 30 June 2022 Unaudited	3,939	23,328	43,187	3,772	(45,415)	28,811	1,450	30,261

The following describes the nature and purpose of each reserve within owner's equity:

Reserve	Description and purpose
Share capital	amount subscribed for share capital at nominal value.
Deferred shares	under the restructuring of share capital, ordinary shares of in the capital of the Company were sub-divided into deferred share.
Share premium	amount subscribed for share capital in excess of nominal value, net of issue costs.
Share options and warrants reserve	reserve for share options and warrants granted but not exercised or lapsed.
Foreign exchange reserve	cumulative foreign exchange net gains and losses recognized on consolidation.
Accumulated losses	cumulative net gains and losses recognized in the statement of comprehensive income, excluding foreign exchange gains within other comprehensive income.
NCI (Non-controlling interest)	the portion of equity ownership in a subsidiary not attributable to the parent company.

The notes are an integral part of these unaudited condensed interim consolidated financial statements.

Condensed interim consolidated statements of cash flows

(unaudited) (All amounts in GBP thousands unless otherwise stated)

	Notes	**Six months ended 30 June 2022**	Six months ended 30 June 2021
Cash flows from operating activities			
Loss before tax		(2,894)	(2,223)
Adjustments for:			
Share-based benefits		183	484
Fair value loss to derivative financial asset		-	-
Gain from dilution of equity interest in joint venture	11	286	-
Share of loss in joint venture		898	618
Impairment/(Reversal of impairment) loss in joint venture		332	(567)
Depreciation		9	7
Finance expense		470	390
Foreign exchange gains/(losses) on financing activities		(66)	200
Foreign exchange (losses)/gains on operating activities		(16)	11
Cash outflows from operating activities before working capital changes		(798)	(1,080)
Interest paid		-	-
Changes in working capital:			
Trade and other receivables		(70)	50
Trade and other payables		(1,141)	135
Net cash used in operating activities		(2,009)	(895)
Cash flows from investing activities			
Purchases of plant and equipment		(4)	(74)
Proceeds from repayment of financial asset		-	54
Project evaluation costs	6	(2,041)	(1,408)
Advances to joint venture		(1,167)	(251)
Net cash used in investing activities		(3,212)	(1,679)
Cash flows from financing activities			
Proceeds from issue of share capital	7	8,000	345
Listing and issue costs	7	(444)	-
Financing transaction costs paid		(193)	-
Repayment short-term working capital bridging finance	10.2	(1,140)	-
Proceeds short-term working capital bridging finance		900	1,873
Net cash from financing activities		7,123	2,218
Net increase in cash and cash equivalents		1,902	(356)
Cash and cash equivalents:			
At beginning of period		394	1,315
Exchange differences		17	(11)
At end of period		2,313	948

The notes are an integral part of these unaudited condensed interim consolidated financial statements.

Notes to the condensed interim consolidated financial statements

For the six months to 30 June 2022 (unaudited) and 2021

(All amounts in GBP thousands unless otherwise stated)

1. Incorporation and principal activities

Country of incorporation

The Company was incorporated in United Kingdom as a public limited company on 24 October 2006. Its registered office is at 27/28 Eastcastle Street, London W1W 8DH.

Principal activities

The principal activities of the Group for the period are:

- To explore for mineral deposits of precious and base metals and other minerals that appear capable of commercial exploitation, including topographical, geological, geochemical and geophysical studies and exploratory drilling.

- To evaluate mineral deposits determining the technical feasibility and commercial viability of development, including the determination of the volume and grade of the deposit, examination of extraction methods, infrastructure requirements and market and finance studies.

- To develop, operate mineral deposits and market the metals produced.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these condensed interim consolidated financial statements are set out below. These policies have been applied consistently throughout the period presented in these condensed interim consolidated financial statements unless otherwise stated.

Basis of preparation and consolidation

On 31 December 2020, IFRS as adopted by the European Union at that date was brought into UK law and became International Financial Reporting Standards ("IFRS") as adopted by the United Kingdom ("UK-adopted IFRS"), with future changes being subject to endorsement by the UK Endorsement Board. The Group transitioned to UK-adopted IFRS in its consolidated financial statements from 1 January 2021. There was no impact on the Group from this transition, nor any changes in accounting policy. These condensed consolidated financial statements have been prepared in accordance with UK-adopted IFRS.

These condensed interim consolidated financial statements ('the statements") are unaudited and include the financial statements of the Company and its subsidiary undertakings. They have been prepared using accounting bases and policies consistent with those used in the preparation of the financial statements of the Company and the Group for the year ended 31 December 2021. These statements do not include all of the disclosures required for annual financial statements, and accordingly, should be read in conjunction with the financial statements and other information set out in the Company's 31 December 2021 Annual Report. The accounting policies are unchanged from those disclosed in the annual consolidated financial statements.

Going concern

The financial report has been prepared on the going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The annual financial statements of Kefi Gold and Copper Plc for the year ended 31 December 2021 were prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The Independent Auditors' Report on the Group's 2021 Annual Report was unqualified and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006. The Independent Auditors' Report contained a material uncertainty related to going concern.

2. Summary of significant accounting policies (continued)

Going concern continued

We draw attention to the financial statements, which indicate that the Group incurred a net loss of £2,894,000 (2021: loss of £2,223,000) during the period ended 30 June 2022 and, as of that date, the Group's current assets exceeded its current liabilities. As stated in this note events or conditions, along with other matters as set forth in this note, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

The assessment of the Group's ability to continue as a going concern involves judgment regarding future funding available for the development of the Tulu Kapi Gold project, exploration of the Saudi Arabia exploration properties and for working capital requirements. In considering the Group's ability to continue as a Going Concern, management have considered funds on hand at the date of approval of the financial statements, planned expenditures covering a period of at least 12 months from the date of approving these financial statements and the Group's strategic objectives as part of this assessment.

As at the date of approval of the financial statements, the Group expects to be able to obtain bridging short-term financing to fund activities until financial close of the Tulu Kapi project. The Group has previously been successful in arranging such funding when required and. expects to be able to continue to do so. Financing will also be required to continue the development of the Tulu Kapi Gold Project through to production.

The Group's ability to continue as a going concern is contingent on raising additional capital and/or the successful exploration and subsequent exploitation of its areas of interest through sale or development. If sufficient additional capital is not raised, the going concern basis of accounting may not be appropriate, and the Group may have to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial report. No allowance for such circumstances has been made in the financial report.

Notwithstanding this because of historical and ongoing proactive discussions with stakeholders, the Board has a reasonable expectation that the Group will be able to raise further funds in order to meet its obligations. Subject to the above, the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

3. Operating segments

The Group has only one distinct operating segment, being that of mineral exploration. The Group's exploration activities are located in Ethiopia, Saudi Arabia through the jointly controlled entity and its administration and management is based in Cyprus.

Unaudited Six months ended 30 June 2022	Cyprus	Ethiopia	Saudi Arabia	Total
	£'000	£'000	£'000	£'000
Operating loss (Excluding loss from jointly controlled entity)	(1,129)	(48)	-	(1,177)
Other finance costs	(470)	-	-	(470)
Foreign exchange profit	365	(382)	-	(17)
Share of loss from jointly controlled entity	-	-	(898)	(898)
Reversal of impairment loss in joint venture	-	-	(332)	(332)
Loss before tax	(1,234)	(430)	(1,230)	(2,894)
Tax				-
Loss for the period				(2,894)
Total assets	1,949	30,462	-	32,411
Total liabilities	(957)	(1,193)	-	(2,150)
Depreciation of property, plant and equipment	-	(9)	-	(9)

3. Operating segments

Unaudited Six months ended 30 June 2021	Cyprus	Ethiopia	Saudi Arabia	Total
	£'000	£'000	£'000	£'000
Operating loss (Excluding loss from jointly controlled entity)	(1,660)	(36)	-	(1,696)
Other finance costs	(419)	-	-	(419)
Foreign exchange profit	(204)	147	-	(57)
Share of loss from jointly controlled entity	-	-	(618)	(618)
Reversal of impairment loss in joint venture	-	-	567	567
Loss before tax	(2,283)	111	(51)	(2,223)
Tax				-
Loss for the period				(2,223)
Total assets	828	26,801	-	27,629
Total liabilities	(5,372)	(578)	(80)	(6,030)
Depreciation of property, plant and equipment	-	(7)	-	(7)

4. Loss per share

The calculation of the basic and fully diluted loss per share attributable to the ordinary equity holders of the parent is based on the following data:

	Six months ended 30 June 2022	Six months ended 30 June 2021
	Unaudited	Unaudited
	£'000	£'000
Net loss attributable to equity shareholders	(2,894)	(2,223)
Net loss for basic and diluted loss attributable to equity shareholders	(2,894)	(2,223)
Weighted average number of ordinary shares for basic loss per share (000's)	3,206,359	2,145,425
Weighted average number of ordinary shares for diluted loss per share (000's)	3,851,590	2,283,973
Loss per share:		
Basic loss per share (pence)	(0.09)	(0.10)

The effect of share options and warrants on the loss per share is anti-dilutive.

5. Trade and other receivables

	30 June 2022 Unaudited £'000	31 Dec 2021 Audited £'000
Other receivables	74	36
VAT	287	255
	361	291

6. Intangible assets

	Total exploration and project evaluation costs £ '000
Cost	
At 1 January 2021 (Audited)	28,627
Additions	1,318
At 30 June 2022 (Unaudited)	29,945
Accumulated Impairment	
At 1 January 2022 (Audited)	(266)
At 30 June 2022 (Unaudited)	(266)
Net Book Value at 30 June 2022 (Unaudited)	29,679
Net Book Value at 31 December 2021 (Audited)	28,361

7. Share capital

	Number of shares 000's	Share Capital £'000	Deferred shares £'000	Share premium £'000	Total £'000
Issued and fully paid					
At 1 January 2022 (Audited)	2,567,305	2,567	23,328	35,884	61,779
Share Equity Placement 17 January 2022	371,818	372	-	2,725	3,097
Share Equity Placement 25 April 2022	550,000	550	-	3,850	4,400
Share Equity Placement 18 May 2022	450,000	450	-	3,150	3,600
Share issue costs	-	-	-	(444)	(444)
Warrants: fair value split of warrants issued to shareholders.	-	-	-	(1,663)	(1,663)
Broker warrants: issue costs				(315)	(315)
At 30 June 2022 (Unaudited)	3,939,123	3,939	23,328	43,187	70,454

Issued capital

During April 2021, the Company issued 15,000,000 new ordinary shares of 0.1p each in the capital of the Company at a price of 0.65p per share. Company received notice from a warrant holder to exercise warrants over a total of 15,000,000 new Ordinary Shares.

On the 13 January 2022 the Company admitted 371,817,944 new ordinary shares of the Company at a placing price of 0.8 pence per Ordinary Share.

The Company raised £8.0 million through the issue of 1,000,000,000 new Ordinary Shares at a placing price of 0.8 pence per Ordinary Share. These new Ordinary Shares were admitted in two tranches, 550,000,000 on 25 April 2022 and 450,000,000 on 18 May 2022, following shareholder approval of the conditional placement at a General Meeting of the Company.

8. Share Based Payments

8.1. Warrants

8.1.1. Shareholder Warrants

The Company issued 393,096,865 short term warrants to subscribe for new ordinary shares of 0.1p each at 1.6p per share in accordance with the January 2022 share placement and as approved by shareholders. The Warrants will become exercisable if, during a two-year period following the date of Second Admission, the Warrant Trigger Event occurs. If the Warrant Trigger Event occurs then (i) the holders of the Warrants must exercise the Warrants within 30 days from the occurrence of the Warrant Trigger Event; and (ii) the Warrants will expire following the end of the 30 day period referenced above if not exercised. If the Warrant Trigger Event has not occurred within two years following the date of Second Admission, then the Warrants shall lapse and will no longer be capable of being exercised.

The Company issued 500,000,000 shareholders warrants to subscribe for new ordinary shares of 0.1p each at 1.6p per share in accordance with the April 2022 and May 2022 share placement and as approved by shareholders on 17 May 2022. the Company granted one warrant per two Placing Shares at an exercise price of 1.6 pence (the "Placing Warrants") exercisable for a period of two years from Admission of the Conditional Placing Shares. The Company has elected that the Placing Warrants will become exercisable if, during a two-year period following the date of Admission of the Conditional Placing Shares, the on-market share closing price of the Ordinary Shares for five consecutive days reaches or exceeds 2.4 pence (being a 50% premium on the Placing Warrant exercise price) (the "Warrant Trigger Event"). If the Warrant Trigger Event occurs then: (i) the holders of the Placing Warrants must exercise the Placing Warrants within 30 days from the occurrence of the Warrant Trigger Event; and (ii) the Placing Warrants will expire following the end of the 30-day period referenced above if not exercised. If the Warrant Trigger Event has not occurred within two years following the date of Admission of the Conditional Placing Shares, then the Placing Warrants shall lapse and will no longer be capable of being exercised.

The Company performed a fair value split by fair valuing the warrants using Black Scholes and assumed that this value is the residual share amount

8. Share Based Payments (continued)

8.1.2. Broker Warrants

During May 2022, the Company issued 75,000,000 broker warrants to subscribe for new ordinary shares of 0.1p each at 0.8p per share to Tavira Securities Limited pursuant to the Placing Agreement. The warrants expire within three years of the date of Second Admission.

Details of warrants outstanding as at 30 June 2022:

Grant date	Expiry date	Exercise price	Unaudited Number of warrants* 000's
19 Sep 2018	20 Sep 2023	2.5p	2,000
02 Aug 2019	02 Aug 2022	2.5p	19,500
06 Jan 2020	06 Jan 2023	1.25p	7,450
29 May 2020	29 May 2023	0.65p	5,000
20 Nov 2020	20 Nov 2023	1.60p	11,175
13 Jan 2022	13 Jan 2024	1.60p	393,097
18 May 2022	17 May 2024	1.60p	500,000
18 May 2022	17 May 2025	0.80p	75,000
			1,013,222

The estimated fair values of the warrants were calculated using the Black Scholes option pricing model. The inputs into the model and the results are as follows:

Date	Closing share price at issue date	Exercise price	Expected volatility	Expected life	Risk free rate	Expected dividend yield	Discount factor	Estimated fair value
13 Jan 2022	0.77p	1.60p	89.37%	2yrs	0.835%	Nil	0%	0.22p
18 May 2022	0.71p	1.60p	81.079%	2yrs	1.459%	Nil	0%	0.16p
18 May 2022	0.71p	0.80p	99.72%	3yrs	1.475%	Nil	0%	0.42p

	Weighted average ex. price	Unaudited Number of warrants* 000's
Outstanding warrants at 1 January 2022	1,87p	45,125
- granted	1,54p	968,097
- cancelled/expired/forfeited	-	-
- exercised		
Outstanding warrants at 30 June 2022	1.55p	1,013,222

These warrants were issued to advisers and shareholders of the Group.

8. Share Based Payments (continued)

8.2. Share options reserve

Details of share options outstanding as at 30 June 2022:

Grant date	Expiry date	Exercise price	Unaudited Number of shares* 000's
05-Aug-16	05-Aug-22	10.20p	883
22-Mar-17	21-Mar-23	7.50p	6,750
01-Feb-18	31-Jan-24	4.50p	9,600
17-Mar-21	16-Mar-25	2.55p	92,249
			109,482

	30 June 2022 Unaudited	31 Dec 2021 Audited
Opening amount	1,891	1,273
Warrants issued costs	1,978	-
Share options charges relating to employees	55	148
Share options issued to directors and key management (Note 12.1)	129	662
Forfeited options	(124)	-
Exercised warrants	-	-
Expired warrants	-	-
Expired options	(157)	(192)
Closing Amount	3,772	1,891

	Weighted average ex. price	Unaudited Number of shares* 000's
Outstanding options at 1 January 2022	3.21p	127,610
- granted	-	-
- forfeited	2.90p	(13,863)
- cancelled/expired	7.37p	(4,265)
Outstanding options at 30 June 2022	2.91p	109,482

The Company has not issued share options to directors, employees and advisers to the Group during the period.

The option agreements contain provisions adjusting the exercise price in certain circumstances including the allotment of fully paid Ordinary shares by way of a capitalisation of the Company's reserves, a subdivision or consolidation of the Ordinary shares, a reduction of share capital and offers or invitations (whether by way of rights issue or otherwise) to the holders of Ordinary shares.

The estimated fair values of the options were calculated using the Black Scholes option pricing model.

9. Trade and other payables

	30 June 2022 Unaudited	31 Dec 2021 Audited
	£'000	£'000
Accruals and other payables	964	2,499
Other loans	112	97
Payable to joint venture partner (Note 11 and Note 12.3)	-	285
Payable to Key Management and Shareholder (Note 12.3)	1,074	2,675
	2,150	5,556

10. Loans and Borrowings

10.1. Short-Term Working Capital Bridging Finance

	Currency	Interest	Maturity	Repayment
Unsecured working capital bridging finance	GBP	See Table below	On Demand	See Table below

The Group has the option to access working capital from certain existing stakeholders. This unsecured working capital bridging finance is short-term debt which is unsecured and ranked below other loans. Bridging Finance facilities bear a fixed interest rate and were set off in shares by the lenders participation in the Company placements. In the event the Group was unable to pay this finance it would be repaid after other debt securities have been paid, if any.

Unsecured working capital bridging finance	Balance 1 Jan 2022 Audited	Drawdown Amount Unaudited	Transaction Costs Unaudited	Interest Unaudited	Repayment Shares[1] Unaudited	Repayment[2] Cash Unaudited	Period Ended 30 June 2022 Unaudited
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Repayable in cash in less than a year	1,235	900	-	236	(1,231)	(1,140)	-

10.2. Reconciliation of liabilities arising from financing activities

	Balance 1 Jan 2022	Cash Flows: Inflow	Cash Flows: (Outflow)[2]	Finance Costs	Shares[1]	Balance 30 June 2022
	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
	£'000	£'000	£'000	£'000	£'000	£'000
Unsecured working capital bridging finance						
Short term loans	1,235	900	(1,140)	236	(1,231)	-
	1,235	900	(1,140)	236	(1,231)	-

[1]The lenders agreed to set off their short term loans owed by Company against amounts owed by the lenders as a result of their participation in the Company share placements during the year.

[2]The lenders and the Company entered into a net settlement agreement of £1,136,000 to offset amounts owed between the parties.

11. Joint venture agreements

KEFI is the operating partner with a 30% shareholding in G&M with ARTAR holding the other 70%. KEFI provides G&M with technical advice and assistance, including personnel to manage and supervise all exploration and technical studies. ARTAR provides administrative advice and assistance to ensure that G&M remains in compliance with all governmental and other procedures. G&M has five Directors, of whom two are nominated by KEFI However, decisions about the relevant activities of G&M require the unanimous consent of the five directors. G&M is treated as a jointly controlled entity and has been equity accounted and has reconciled its share in G&M's losses.

During 2022, the Company has diluted its interest in the Saudi joint-venture company Gold and Minerals from 31.21% to 30%% by not contributing its full pro rata share of expenses to G&M. Given that the carrying value of the G&M assets in the Company accounts at the date of dilution was nil because the Company's has a policy of expensing all the costs related to G&M to date. By diluting its interest to G&M to 30% the Company was released from this liability. This resulted in a gain of £285,897. In accordance with the group's accounting policy gain of £285,897 was reported in the profit or loss during the six-month period ended 30 June 2021.

A loss of £1,230,000 was recognized by the Group for the period ended 30 June 2022 (2021: £618,000) representing the Group's share of losses for the period. As at 30 June 2022, KEFI owed ARTAR an amount of £nil (2021: £80,000).

	Period Ended 30 June 2022 Unaudited
Opening Balance	**-**
Cash advanced during the period	1,167
FX Gain on advances made to G&M	63
Share of loss in joint venture	(898)
Additional impairment loss	(332)
Closing Balance	-

12. Related party transactions

The following transactions were carried out with related parties:

12.1. Compensation of key management personnel

The total remuneration of the Directors and other key management personnel was as follows:

	Six months ended 30 June 2022 Unaudited £'000	Six months ended 30 June 2021 Unaudited £'000
Directors' fees	265	240
Directors' other benefits	20	17
Share-based benefits to directors	96	211
Directors bonus	-	-
Key management fees	84	491
Key management other benefits	-	6
Share-based benefits to key management	33	137
Key management bonus paid in shares	-	-
	498	1,102

Share-based benefits

The Company has issued share options to directors and key management. On 27 March 2014, the Board approved a new share option scheme ("the Scheme") for directors, senior managers and employees. The Scheme formalised the existing policy that options may be granted over ordinary shares representing up to a maximum of 10 per cent of the Group's issued share capital.

12. Related party transactions (continued)

12.2. Transactions with shareholders and related parties

Name	Nature of transactions	Relationship	**Transaction to period end 30 June 2022 Unaudited £'000**	Transaction to period end 30 June 2021 Unaudited £'000
Winchombe Venture Limited	Receiving of management and other professional services	Key Management and Shareholder	-	377
GPR Dehler	Receiving of management and other professional services	Key Management and Shareholder	84	-
Nanancito Limited/Mr. Nicoletto	Receiving of management and other professional services	Shareholder	97	257
			181	634

12.3. Payable to related parties

The Group			**30 June 2022 Unaudited**	30 Dec 2021 Audited
Name	Nature of transactions	Relationship	**£'000**	£'000
Abdul Rahman Saad Al-Rashid & Sons Company Limited ("ARTAR")	Finance	Jointly controlled entity partner	-	285
Winchombe Ventures Limited	Fees for services	Key Management and Shareholder	-	834
GPR Dehler	Fees for services	Key Management and Shareholder	34	-
Nanancito Limited	Fees for services	Shareholder	941	1,350
Directors	Fees for services	Key Management and Shareholder	99	491
			1,074	2,960

13. Capital commitments

	30 June 2022 Unaudited [1]£'000	31 Dec 2021 Audited £'000
Tulu Kapi Project costs[1]	487	452
Saudi Arabia Exploration costs committed to field work that has been recommenced	1,551	732

[1]Once the Company and its partners in Tulu Kapi Gold Mine Share Company Limited start development at the Tulu Kapi Gold Project (the "Project") the Company will have project capital commitments.