

30 May 2023

**KEFI Gold and Copper plc**

**(“KEFI” or the “Company”)**

**Institutional Placing to Raise £5.5 million**

**Conditional Subscription to raise £0.7 million**

**Primary Bid Offering to raise up to £1 million**

**Notice of Annual General Meeting**

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 a fundraising to raise gross cash proceeds of up to £7.2 million through:

- 1) a firm placing of 785,714,285 new ordinary shares of 0.1 pence each in the capital of the Company (“Ordinary Shares”) at a price of 0.7 pence per Ordinary Share (the “Placing Price”) to raise £5.5 million (the “Firm Placing”), arranged by Tavira Financial Limited (“Tavira” or the “Broker”);
- 2) a conditional subscription for 98,325,128 Ordinary Shares at the Placing Price (the “Conditional Subscription Shares”), subject to approval by shareholders at the Company’s Annual General Meeting (“AGM”), arranged by KEFI to raise approximately £0.7 million (the “Conditional Subscription”); and
- 3) an offer via the PrimaryBid platform of up to 142,857,142 new Ordinary Shares at the Placing Price (the “Retail Shares”) to be issued subject to approval by shareholders at the AGM to raise up to £1.0 million (the “Retail Offer”)

(together, the “Capital Raise”).

**Firm Placing**

The Company will raise £5.5 million through the issue of 785,714,285 new Ordinary Shares (the “Firm Placing Shares”) at a placing price of 0.7 pence per Ordinary Share.

Application has been made to the London Stock Exchange for admission of the new Ordinary Shares to trade on AIM (“Admission”) and it is expected that Admission will become effective and that dealings in the Firm Placing Shares will commence at 8.00 a.m. on or around 5 June 2023 (“First Admission”).

**Conditional Subscription**

The Conditional Subscription requires shareholder approval at the Annual General Meeting of the Company, to be held on 30 June 2023. The Conditional Subscription consists of 98,325,128 Conditional Subscription Shares to be subscribed. A circular containing the notice of AGM will be posted to shareholders in the next week. The Conditional Subscription is conditional, inter alia, on First Admission becoming effective, the passing of the resolutions to be proposed at the Annual General Meeting and the admission of the Conditional Subscription Shares to trading on AIM becoming effective at 8.00 a.m. on or around 3 July 2023 (“Second Admission”).

Shareholders are reminded that because the Conditional Subscription is conditional, among other things, on the passing of the share allotment and disapplication of pre-exemption rights resolutions to be proposed at the AGM, should the resolutions not be passed, the Conditional Subscription will not proceed.

### **Retail Offer**

The Directors recognise the importance of giving retail shareholders and investors an opportunity to participate in the Company's ongoing funding, should they be unable to participate in the Firm Placing or Conditional Subscription. Consequently, the Company intends to make an offer on the PrimaryBid platform of new Ordinary Shares at the Placing Price (the "Retail Offer"). In total, the Company expects to issue up to 142,857,142 Retail Shares subject to approval of shareholders at the AGM. To the extent it is able, the Company will prioritise existing KEFI shareholders in the Retail Offer. Further details of the Retail Offer will be announced shortly. The Retail Offer is conditional upon the approval of shareholders at the AGM.

The Retail Offer will be made on terms outlined in a separate announcement by the Company to be made shortly regarding the Retail Offer and its terms.

### **Participation by Management**

Once KEFI has released its Annual Report for the year ending 31 December 2022 and is no longer in a closed period, the Company intends to offer the opportunity for certain Directors and PDMRs of the Company to accept ordinary shares at the Placing Price in lieu of cash remuneration fees.

### **Use of Proceeds**

The expected gross Capital Raise proceeds of up to £7.2 million (the "Gross Proceeds") will mainly be used to fund:

- Completion of project financing and launch of the Company's Tulu Kapi Gold Project. As previously reported, a US\$390 million project finance package has been assembled. The Final Umbrella Agreement was signed in April 2023 (see RNS 27 April 2023 for further information). The Company expects binding terms to be entered into within the next month or so subject to ongoing successful satisfaction of outstanding conditions precedent which are normal for a transaction of this nature;
- Funding for the Company's share of costs for a £10 million exploration and study programme in Saudi Arabia. This programme include the completion of a Definitive Feasibility Study ("DFS") at Jibal Qutman ("Jibal Qutman") and a Pre-Feasibility Study ("PFS") at Hawiah Gold and Copper ("Hawiah"), as well as additional exploration drilling and studies across the project portfolio, which includes 15 exploration licences. The potential combined identified gold-equivalent resources at Jibal Qutman and Hawiah already exceed those at Tulu Kapi;
- The extinguishing of certain current liabilities and advances to strengthen the Company's balance sheet ahead of proposed project development; and
- General working capital.

### **Placing Agreement**

Tavira acted as broker to the Firm Placing. The Company has appointed the Broker as its agent pursuant to the terms of a placing agreement executed on or about today's date (the "Placing Agreement").

The Company has agreed to pay the Broker certain commissions and fees, some of which will be satisfied through the grant of 39,285,714 warrants over KEFI ordinary shares (the "Broker Warrants") subject to shareholder approval at the Annual General Meeting. Each Broker Warrant will entitle the Broker to subscribe for one new KEFI ordinary share at a price of 0.7 pence per share, exercisable for a period of three years from the date of Second Admission.

### **Notice of Annual General Meeting**

A circular convening the Annual General Meeting (AGM) to be held 30 June 2023 will be circulated shortly. The Annual General Meeting is to be held at 11:00 a.m. (EEST) (9:00 a.m. (BST)) on 30 June 2023 at 1 Achaion Street, Engomi, Nicosia, 2413, Cyprus to consider and, if thought appropriate, pass the resolutions that are required to issue and allot the Conditional Subscription Shares, the Retail Shares and the Broker Warrants, and also to deal with other usual business at the AGM.

Once published, the circular will be available to download from the Company's website at [www.kefi-goldandcopper.com](http://www.kefi-goldandcopper.com). It is important that shareholders lodge their votes in advance of the General Meeting through submission of their proxy votes.

**If the resolutions required to approve the Conditional Subscription are not approved at the Annual General Meeting, the Company will need to seek an increased amount of additional funding from alternative sources to support its operations. However, there is no guarantee that such increased amount of additional funding could be obtained in the requisite time frame or at all. If the Resolutions are not approved at the Annual General Meeting, and no alternative funding can be raised, the Company's ability to operate as a going concern may be put at risk.**

### **Investor Webinar**

The Company will host an investor webinar at 12:00 p.m. (EEST) (10:00 a.m. (BST)) on Friday 30 June 2022 which will be accessed via: <https://www.kefi-goldandcopper.com/>

Shareholders are encouraged to submit questions by emailing: [questions@brrmedia.co.uk](mailto:questions@brrmedia.co.uk). The webinar will subsequently be available on the Company's website at: <http://www.kefi-goldandcopper.com/news/webcasts>.

### **Admission to AIM**

Application has been made for admission of 785,714,285 new ordinary shares of the Company and it is expected that First Admission will take place and that trading will commence on AIM at 8.00 a.m. on or around 5 June 2023.

Conditional on shareholder approval, application will be made for admission of the Conditional Subscription Shares and the Retail Shares to trading on AIM after the Annual General Meeting and it is expected that Second Admission will become effective and dealings will commence in the Conditional Subscription Shares and Retail Shares at 8:00 a.m. on or around 3 July 2023.

The Firm Placing Shares, the Conditional Subscription Shares and the Retail Shares will rank pari passu in all respects with the existing ordinary shares of the Company.

### **Harry Anagnostaras Adams, Chairman of KEFI Gold and Copper commented:**

"We are pleased that, despite weak and turbulent financial markets, KEFI is able to reduce its balance sheet risk in preparation for the Tulu Kapi project financing at the same time as elevating its rate of progress in Saudi Arabia.

“Tulu Kapi Gold in Ethiopia is planned to start production in 2025 and at gold price of c. US\$2,000/oz, KEFI’s beneficial interest in the estimated Net Operating Cash Flow from Tulu Kapi alone is estimated to be c. £100 million average per annum and in the NPV is estimated at £178 million, or respectively 2.6 pence and 4.55 pence per current KEFI share in issue.

“The targeted next cab off the rank for development and then cash flow generation is Jibal Qutman Gold in Saudi Arabia which is being driven to start production in 2025 alongside Tulu Kapi. We wish to then develop and start-up Hawiah Copper and Gold, also in Saudi Arabia. A gross £10 million budget is being applied to the Saudi operations via operating JV company Gold & Minerals. Drilling is underway and the Company expects to release its PFS on Hawiah and other progress reports as from the coming month.

“The combination of these three advanced projects is expected to have a transformative effect on KEFI as will the pipeline of less advanced projects being tackled in both countries.”

### **Total Voting Rights**

Application has been made to the London Stock Exchange for Admission of the Firm Placing Shares to trade on AIM and it is expected that First Admission will become effective and that dealings in the Firm Placing Shares will commence at 8.00 a.m. on or around 5 June 2023. Following First Admission of the Firm Placing Shares, the total issued share capital of the Company will consist of 4,724,833,335 Ordinary Shares each with voting rights. The Company does not hold any Ordinary Shares in treasury. Therefore, the total number of voting rights in the Company will be 4,724,833,335 and this figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA’s Disclosure Guidance and Transparency Rules.

### **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**

#### **KEFI Gold and Copper plc**

Harry Anagnostaras-Adams (Executive Chairman) +357 994 57843

John Leach (Finance Director) +357 992 08130

#### **SP Angel Corporate Finance LLP (Nominated Adviser and Joint Broker)**

Jeff Keating, Adam Cowl +44 (0) 20 3470 0470

#### **Tavira Financial Limited (Joint Broker)**

Oliver Stansfield, Jonathan Evans +44 (0) 20 7100 5100

#### **IFC Advisory Ltd (Financial PR and IR)**

Tim Metcalfe, Florence Chandler +44 (0) 20 3934 6630

Further information can be viewed at [www.kefi-minerals.com](http://www.kefi-minerals.com)

## IMPORTANT NOTICES

**THIS ANNOUNCEMENT, INCLUDING THE APPENDICES AND THE INFORMATION CONTAINED IN THEM, IS RESTRICTED AND IS NOT FOR PUBLICATION, RELEASE, FORWARDING OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES OF AMERICA (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA (COLLECTIVELY THE "UNITED STATES")), AUSTRALIA, CANADA, THE REPUBLIC OF SOUTH AFRICA, JAPAN OR ANY OTHER JURISDICTION IN WHICH SUCH PUBLICATION, RELEASE OR DISTRIBUTION WOULD BE UNLAWFUL.**

No public offering of the securities referred to herein is being made in any such jurisdiction or elsewhere.

The Firm Placing Shares and the Conditional Subscription Shares (together, the "Firm Placing and Subscription Shares") have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "US Securities Act"), or with any securities regulatory authority or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, pledged, transferred or delivered, directly or indirectly, in or into the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. No public offering of securities is being made in the United States. The Firm Placing and Subscription Shares have not been approved, disapproved or recommended by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Firm Placing and Subscription Shares. Subject to certain exceptions, the securities referred to herein may not be offered or sold in the United States, Australia, Canada, Japan, New Zealand, the Republic of South Africa or to, or for the account or benefit of, any national, resident or citizen of the United States, Australia, Canada, Japan, New Zealand, the Republic of South Africa.

No public offering of the Firm Placing and Subscription Shares is being made in the United States, United Kingdom or elsewhere. All offers of the Firm Placing and Subscription Shares will be made pursuant to an exemption from the requirement to produce a prospectus under the Prospectus Regulation (EU) 2017/1129 (as supplemented by Commission Delegated Regulation (EU) 2019/980 and Commission Delegated Regulation (EU) 2019/979) as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "UK Prospectus Regulation").

No action has been taken by the Company, the Broker or any of their respective affiliates, or any of its or their respective directors, officers, partners, employees, advisers or agents (collectively, "Representatives") that would, or is intended to, permit an offer of the Firm Placing and Subscription Shares or possession or distribution of this Announcement or any other publicity material relating to such Firm Placing and Subscription Shares in any jurisdiction where action for that purpose is required. Persons receiving this Announcement are required to inform themselves about and to observe any restrictions contained in this Announcement. The distribution of this Announcement, and the Placing and/or the offer or sale of the Firm Placing and Subscription Shares, may be restricted by law in certain jurisdictions. Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Announcement should seek appropriate advice before taking any action. Persons distributing any part of this Announcement must satisfy themselves that it is lawful to do so.

Members of the public are not eligible to take part in the Firm Placing and the Conditional Subscription. This Announcement is for information purposes only and is directed only at: (a) persons in Member States of the European Economic Area ("EEA") who are qualified investors within the meaning of article 2(e) of the Prospectus Regulation (EU) 2017/1129; (b) in the United Kingdom, qualified investors within the meaning of Article 2(e) of the UK Prospectus Regulation who are persons who (i) have professional experience in matters relating to investments falling within the definition of "investment professionals" in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"); or (ii) are persons falling within article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc") of the Order; and (c) otherwise, persons to whom it may otherwise lawfully be communicated, (all such persons in (a), (b) and (c) together being referred to as "Relevant Persons"). This Announcement must not be acted on or relied on by persons who are not Relevant Persons. Persons distributing this Announcement must satisfy themselves that it is lawful to do so.

This Announcement may contain, and the Company may make, verbal statements containing "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the control of the Company. As a result, the actual future financial condition, performance and results of the Company may differ materially from the plans, goals and expectations set forth in any forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. These forward-looking statements reflect the Company's judgment at the date of this Announcement and are not intended to give any assurance as to future results and cautions that its actual results of operations and financial condition, and the development of the industry in which it operates, may differ materially from those made in or suggested by the forward looking statements contained in this Announcement and/or information incorporated by reference into this Announcement. The information contained in this Announcement is subject to change without notice and except as required by applicable law or regulation, the Company expressly disclaims any obligation or undertaking to publish any updates, supplements or revisions to any forward-looking statements contained in this Announcement to reflect any changes in the Company's expectations with regard thereto, or any changes in events, conditions or circumstances on which any such statements are based, except where required to do so under applicable law.

The Firm Placing and Subscription Shares and the Retail Shares to be issued or sold pursuant to the Placing will not be admitted to trading on any stock exchange other than AIM.