

13 March 2019

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

Project Financing Update

KEFI Minerals (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 announce that, following the Ethiopian Government's commitments to allow the Company's Tulu Kapi Gold Project (the "Project") infrastructure financing and overall development plan to proceed as previously outlined, the Company has triggered the next stages of its engagement with its bond arranger and exclusive placing agent, ACT Capital GmbH ("ACT Capital").

In light of the overall progress with Government clearances, Project due diligence and indicative structuring and pricing, the next stages include the formation of KEFI's Luxembourg-based company which would issue the planned listed bond. The bond issue will be subject to the satisfaction of compliance procedures, including those of the various institutions/banks and listing authorities, and then the successful private placement of the planned listed bond. All these processes are being co-ordinated with other Project matters by KEFI within the Project consortium which includes the principal contractors, Lycopodium (process plant), Ausdrill/AMS (mining) and MKS/PAMP (gold refining) and the Ethiopian Project equity partners in the Government and private sectors. All consortium members have responded enthusiastically to the Ethiopian Government's "green light" to trigger the Project after KEFI's Managing Director, Mr. Harry Anagnostaras-Adams, met the Ethiopian Prime Minister, Dr. Abiy Ahmed, as detailed in the Company's announcement of 5 March 2019.

ACT Capital is a Switzerland-based boutique financing arranger with complete capital sourcing capability and a focus on the infrastructure markets. It specialises in advising small and mid-size companies that require private debt and alternative financing by providing solutions that are adapted to the challenging environments of Emerging and Frontier Markets. ACT Capital manages assignments from inception stage through to final private placement and disbursement.

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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 7-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 Gold and Minerals Ltd ("G&M") in Saudi Arabia with local Saudi partner, Abdul Rahman Saad Al Rashid & Sons Company Limited ("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 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.