

7 June 2021

KEFI Gold and Copper plc

("KEFI" or the "Company")

Related Party Transaction

KEFI (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, reports a Related Party Transaction.

As part of the launch of its overall senior executive remuneration and incentivisation plan for the Company's next chapter of organisational development, the Company has entered into arrangements with executive directors Harry Anagnostaras-Adams and John Leach whereby certain cash bonuses will be paid on the achievement of defined and specific milestones in relation to the Tulu Kapi project as follows:

Milestones for cash bonus	Harry Anagnostaras-Adams	John Leach
Tranche 1: Arranging a long term project finance facility for the Tulu Kapi Project and, not later than 31 December 2021, receipt by the Company of at least the first US\$20 million of project funding.	US\$500,000	US\$500,000
Tranche 2: Completion of the Project within the Project budget approved by the senior lenders	US\$500,000	-
Tranche 3: Upon the sale and physical delivery of 35,000 ounces of gold equivalent	US\$500,000	-

The cash bonus payable to Mr. Anagnostaras-Adams and Mr. Leach is considered a related-party transaction for the purposes of Rule 13 of the AIM Rules for Companies. The Directors independent of the cash bonus consider, having consulted with SP Angel Corporate Finance LLP, the Company's nominated adviser, that the cash bonus is fair and reasonable in so far as KEFI's shareholders are concerned.

Enquiries

KEFI Gold and Copper plc

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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.