

17 October 2022

KEFI Gold and Copper plc

("KEFI" or the "Company")

Renewal of the Jibal Qutman Exploration Licence K/144

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 is pleased to announce the renewal of the Jibal Qutman Exploration Licence (K/144) in Saudi Arabia. This licence includes the previously announced mineral resource of 733,000 oz which forms the basis of the ongoing Definitive Feasibility Study ("DFS") and development plan through Company's Gold and Minerals Limited ("G&M") joint venture in Saudi Arabia. This renewal opens the way for the commencement of field programmes and environmental studies, necessary for the award of the Jibal Qutman Mining Licence. G&M is owned 30% by KEFI and 70% by its partner Abdul Rahman Saad Al Rashid and Sons Ltd ("ARTAR").

Highlights

- 'Jibal Qutman' Exploration Licence (EL K/144) has been renewed on a 5-year term covering 99.68Km².
- Field programmes including the construction of the pioneer's camp, environmental baseline studies and geotechnical and metallurgical diamond drilling, will now commence.
- The 2Mtpa CIL (Carbon-In-Leach) DFS remains on target for completion at the end of Q4 2022/early Q1 2023, with environmental permits targeted for Q1 2023.
- This licence gives the company access to a 270Km² 'Jibal Qutman Exploration Area' which also consists of the recently issued 'Jibal Qutman North' and 'Jibal Qutman Southeast' exploration licences, covering a significant portion of the highly prospective 'Nabitah-Tathlith' gold belt (see Figure 1 in the appendix below).
- G&M has at the same time, initiated discussions with the Saudi Investment Development Fund (SIDF) surrounding project funding to be finalised once the mining licence has been awarded.

Executive Chairman, Mr Harry Anagnostaras-Adams, commented:

"The re-issuance of the Jibal Qutman exploration licence is a critical milestone on the Jibal Qutman road to gold production. As previously announced, this licence, which covers the main Jibal Qutman resource area, will allow the exploration and project teams to re-enter the site and complete the field work and testing required to close out the DFS by the start of next year which will then be used to support the mining licence application.

"The exploration teams are also excited to get back into the field and start the process of expanding the existing resource at Jibal Qutman and making new discoveries in this highly prospective 270Km² land package that has been created for KEFI's Gold and Minerals joint venture."

Jibal Qutman Project Background

Geology and Exploration

As announced on 3 August 2022, the land access issues which have delayed the start of the 733,045 oz Jibal Qutman Gold Project have been resolved. As part of this process, it has been agreed that an area of over 270Km² is to be granted, covering the original Jibal Qutman Exploration Licence, plus a significant land package along strike to the north and south (see Figure 1 in the appendix)

The maximum exploration licence (“EL”) size permitted under the 2020 updated Saudi mining law are typically 100Km², as such, three licences are required to cover the complete exploration area. All three of these licences have now been issued.

The Jibal Qutman North and Jibal Qutman Southeast ELs cover the north and south strike extension of the main Jibal Qutman gold system, which forms part of the highly prospective Nabitah-Tathlith Fault Zone that runs north-south across much of the Arabian Shield.

Ancient and more modern artisanal mining excavations are known to exist within the licence areas and the G&M exploration team is confident of its ability to significantly expand the existing Jibal Qutman resource base. Thirteen grab samples of mine dumps in the Jibal Qutman Southeast EL taken by G&M in 2014, returned grades of up to 66.5 g/t gold, averaging 10.5 g/t gold across all 13 samples. Ancient mining appears to have targeted quartz veins with dump material presenting as quartz with strongly banded sulphides— these veins have not yet been identified in outcrop, as the area is predominantly covered by alluvial/aeolian sands and gravels. However, the quantity of dump material and the extent of more recent artisanal mining are encouraging signs of significant, sub-cropping continuation of the Jibal Qutman gold system. Grab samples within the Jibal Qutman North EL area have returned gold grades of up to 4.1 g/t gold, also associated with quartz veining.

G&M exploration within the Jibal Qutman EL prior to 2016 focused on the ‘Main Zone’ trend, which presents as quartz veins hosted within deformed volcanics and sediments. Shortly before the end of this exploration phase, a second mineralised structure was identified hosted within ultramafics on the eastern part of the Jibal Qutman EL. This structure known as the ‘Red Hill’ trend is yet to be fully explored and is open both along strike and at depth within the Jibal Qutman resource area. Regional mapping has also identified this structure within the adjoining Jibal Qutman North and Southeast ELs, although at this stage it is untested.

Jibal Qutman DFS

Progress on the DFS continues, with Front End Engineering and Design (FEED), plant layout and reserve definition nearing completion. Metallurgical testing continues and preliminary geotechnical design parameters have been agreed.

Whilst much of the DFS is being completed remotely, access to the field is required to establish the baseline as part of the Environmental and Social Impact Assessment (ESIA) and to complete the final geotechnical evaluation of the proposed reserve pits as well as metallurgical and comminution testworks. The issuance of the Jibal Qutman licence will now enable these studies and drilling programmes to be completed and at this stage, G&M believes the project is still on track to proceed with financing and mining licence submission in early 2023.

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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Competent Person Statement

The information in this announcement that relates to geology, 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 non-financial matters based on this information in the form and context in which it appears.

Appendix

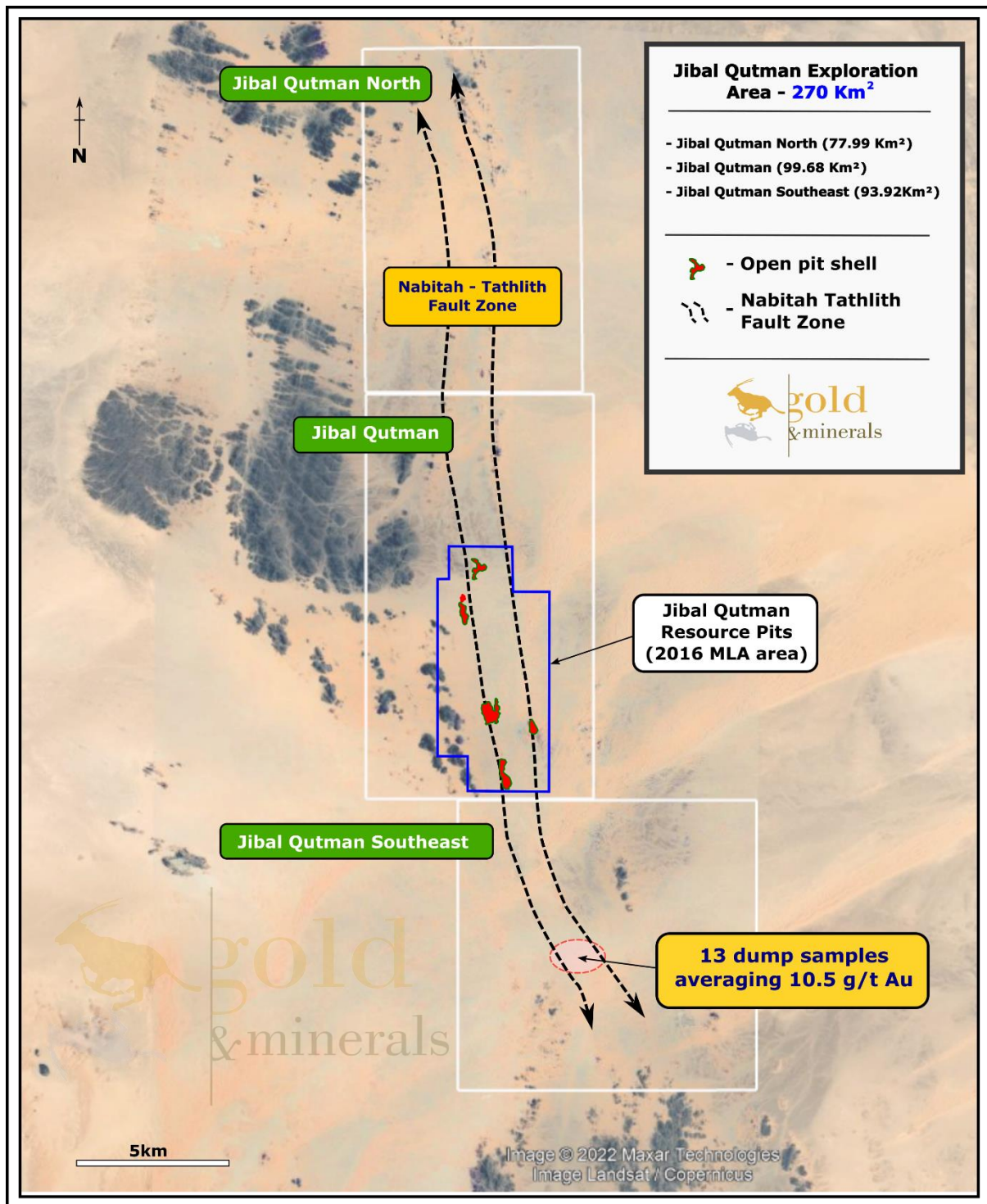


Figure 1 - The 270Km² Jibal Qutman exploration area – with the three exploration licences shown. All individual Exploration licences have now been issued.