

12 July 2022

KEFI Gold and Copper plc

("KEFI" or the "Company")

Two new exploration licences granted in Saudi Arabia

Positive progress on Jibal Qutman licence applications

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 award of two additional exploration licenses through the Company's Gold and Minerals Limited ("G&M") joint venture in Saudi Arabia. G&M is owned 30% by KEFI and 70% by its partner Abdul Rahman Saad Al Rashid and Sons Ltd ("ARTAR").

Highlights

- Two additional exploration licences Jibal Hillit and Qunnah (collectively the "Exploration Licences") have been awarded on an initial five-year term
- The Exploration Licences have historically yielded grades of up to 15.3g/t at Jabal Hillit and 46 g/t Au at Qunnah, hosted in quartz-veins
- Positive progress has been made in discussions with the Deputy Minister for Mineral Resources relating to the Jibal Qutman Project - anticipated resolution in the current quarter

Jabal Hillit and Qunnah Exploration Licences

The granting of the Exploration Licences represents the start of a new and exciting phase of exploration and discovery for the Company. These licences are situated approximately 30km apart, straddling the Ad Dawadimi and Afif terranes in the eastern portion of the Arabian Shield (see map in the appendix). Both represent attractive gold exploration targets, and the granting of the Exploration Licences represents a new frontier for the G&M exploration team.

- The Exploration Licences are situated within the eastern area of the Arabian Shield, located 30km apart and cover a combined area of 184.29 km² of prospective ground
- 23 known gold occurrences have been historically documented, with significant ancient workings located within the tenements
- The Exploration Licences have identified gold within shear-hosted quartz veins, with grades of up to 15.3g/t at Jabal Hillit and 46 g/t Au at Qunnah as noted by the BRGM and USGS
- The Exploration Licences present an excellent opportunity to make discoveries within a highly prospective and under explored area of the Arabian shield

Mineralisation within the Exploration Licences presents as north-west trending gold-bearing, structurally controlled quartz veins. Work conducted during the Bureau de Recherches Géologiques et Minières ("BRGM") and United States Geological Survey ("USGS") reconnaissance programmes of the 1970s and 1980s, remains the only modern exploration to have taken place over the sites, with basic mapping and rock chip sampling confirming the presence of high-grade gold mineralisation and outlining the key areas of interest.

Jabal Hillit represents the more advanced licence with 20 mapped gold occurrences across five main vein packages cutting across the licence. Veins have been shown to strike discontinuously for 1,500m

with widths of up to 2.5m, hosted within meta-volcanic units. USGS mapping also rediscovered the ancient ruins of the Umm Adher gold mine, which now sits inside a fenced archaeological site within the licence area. BRGM sampling of dump piles associated with this ancient mining showed gold grades of up to 15.3 g/t.

Located 30km west of Jabal Hillit, the Qunnah exploration licence area also presents with gold-bearing, structurally controlled quartz veins within three main areas. As with Jabal Hillit, large crush and dump piles can be found across the tenement with ancient miners clearly targeting the quartz-vein gold mineralisation. USGS sampling of vein material from these crush dumps reached up to 46 g/t of gold.

The G&M regional exploration team are gearing up for a busy summer of mapping and sampling within these new licences to ground truth historical data, extend the known limits of mineralisation and define the structural framework controlling mineralisation, ahead of more advanced exploration works this year.

Jibal Qutman Project Developments

As previously reported, ARTAR (on behalf of G&M) has been actively engaged in discussions with the Saudi Arabian Ministry for Industry and Mineral Resources (“MIM”) regarding its mining licence application. These discussions have now reached an advanced stage and it is the view of G&M’s management that a positive outcome to these discussions is now imminent.

In line with these discussions, G&M will need to submit an updated Development Plan and Environmental and Social Impact Assessment to enable the resubmission of the mining licence application under the new Saudi Arabian Mining Investment law, ahead of the award of the expected Jibal Qutman Mining Licence (“ML”).

In advance of this, it is anticipated that G&M will be granted three exploration licences covering the Jibal Qutman area to enable the above studies to be completed.

As announced on 16 June 2022, G&M has engaged Lycopodium to complete a Detailed Feasibility Study (“DFS”) for Jibal Qutman by December 2022. In addition to this, the Company has initiated steps to re-establish its operational base in the nearby city of Bisha.

Harry Anagnostaras-Adams, Executive Chairman of KEFI, commented:

“Work in Saudi Arabia is gathering pace on many fronts; our Hawiah Project is firmly on track for the delivery of the Preliminary Feasibility Study by year end, we have exciting developments on the Jibal Qutman Gold project and now the granting of these two additional exploration licenses. The award of the exploration licences, which contain known high-grade gold occurrences provides an exciting opportunity to make further discoveries at a time where the country is focused on developing its mineral resources.”

“This expansion of our regional exploration portfolio highlights our commitment to organic growth and our desire to discover and develop additional assets in the highly prospective Arabian shield. At Jibal Qutman, developments are particularly encouraging and should allow for a fast-track development schedule, targeting near term gold production. This marks the beginning of an exciting chapter for the G&M joint-venture partnership and continues to demonstrate our ability to operate as a leading explorer and developer within Saudi Arabia.”

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

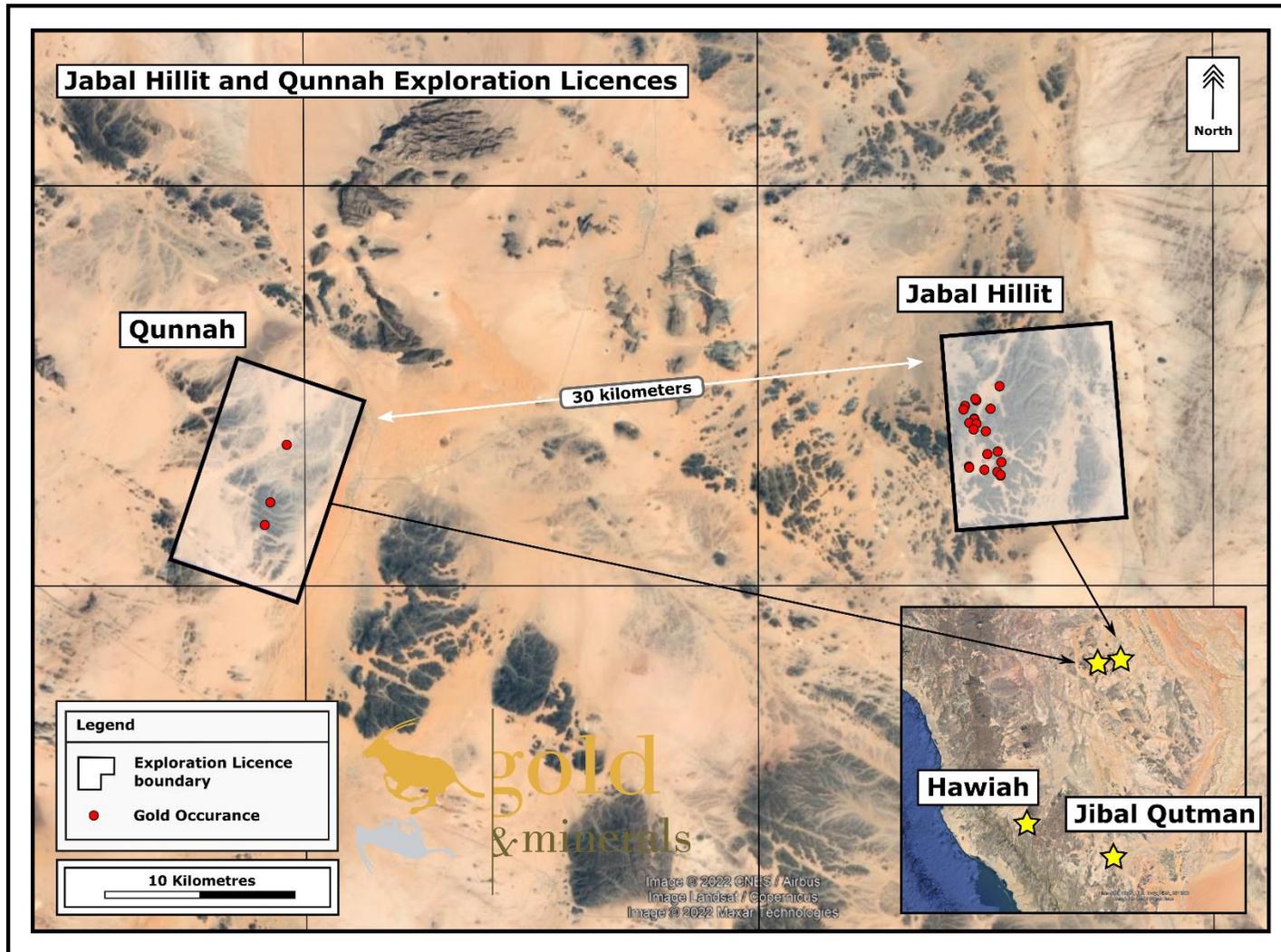


Figure 1 – Licence overview of the recently granted Jibal Hillit and Qunnah Exploration licences