

11 March 2025

## **KEFI Gold and Copper plc**

("KEFI" or the "Company")

### **Status of Tulu Kapi Finance Closing Process**

KEFI (AIM: KEFI) the gold and copper exploration and development company focused on the Arabian-Nubian Shield, is pleased to report that approvals and other preparations are progressing well towards an all-parties signing of the Tulu Kapi Gold Project financing and the launch of Major Works.

#### **Highlights**

- **Credit committee approval now granted by both banks**
- **Ethiopian Country Membership approved for second bank and now being Ratified**
- **Definitive Agreements being assembled by 31 March 2025**
- **Remaining administrative and site procedures progressing well as regards certifications required for all parties Boards to approve signing**
- **Equity capital preparations on track at subsidiary company levels**

#### **Summary**

The key activity streams have been proceeding as anticipated (see announcement 4 February 2025) and are now considered to comprise procedural formalities given the decisions which have already been taken.

Credit committee approvals have now been granted by both banks with typical applicable conditions for signing and disbursement. Finalised terms and conditions have been set for the expanded project finance secured loan package of \$240 million (see announcement 10 January 2025). Requisite internal Board ratifications are in process, in sequence with the other formalities of signing, the payment of success and commitment fees and the issuance notices to proceed to the various contractors and service providers.

Ethiopian Country Membership for the second co-lending bank has been approved at the Ministerial level and is going through Parliamentary Ratification after top-level meetings in Addis Ababa in late February. This is the preferred procedure between countries and their most aligned multilateral development financial institutions. This form of protection places both co-lenders onto the same in-country footing.

Remaining administrative procedures are proceeding in parallel with detailed definitive agreements being assembled by 31 March 2025:

- Government field support and the administrative confirmations required were recently presented by the Company to the highest levels of Federal and Regional Government with the follow-through in process;
- Refreshed contractual confirmations for process plant and mining services are in train, so that signings can occur with up-to-date fixed-price and other relevant components;
- First community compensation has been paid, establishing important precedents and allowing construction of the initial construction camp;
- Local Government is carrying out the Community Property Survey so as to set the full community resettlement budget in order to avoid any misalignment after major works are launched;
- Activities taken recently to reduce construction schedule risk:
  - Alternative access road from highway to site, now over 50% complete, to improve efficiency and security;
  - Initial construction camp now being built;

- Increased water supply being installed for community and works.

Equity-capital preparations at subsidiary-company levels are advancing in parallel with the timetable. Government investment is proceeding as planned. Sophisticated African investors are assembling for the product offering of the KEFI Minerals Preference Share denominated as a local-currency investment offering USD-linked protection for both principal and yield along with a gold-upside kicker attaching to gold prices realised by TKGM above the gold-spot price prevailing at the time of issuance.

**KEFI Founder and Executive Chairman, Harry Anagnostaras-Adams, commented,** “The Tulu Kapi Gold Project is proceeding as anticipated, with the approvals received from banks and widespread Government support, and for detailed documentation to be ready 31 March 2025, to trigger full launch as soon as possible thereafter.

“We are accordingly now triggering launch steps with community, contractors and financiers.

“It is fortuitous that current timing coincides with gold being at record highs, the recent floating of the local Ethiopian currency and the consequential investor interest in protection against further devaluation with the sharp resurgence of economic growth in Ethiopia and the inception of major economic reforms including the recent launch of Ethiopian Securities Exchange.

“The development of Tulu Kapi’s regulatory framework and procedural detail have needed continual refinement for this first such transaction in Ethiopia. Be that as it may, we have succeeded in bringing Tulu Kapi to the starting block with a bespoke project syndicate of Government, leading African banks, contractors and sophisticated investors.

“This is a powerful syndicate for the Project’s long-term protection and optimisation. And we are now confident that all external factors support our plan to assemble all definitive documentation by 31 March 2025, and to then expedite drawdowns and Major Works.”

**KEFI Gold and Copper plc**

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**Notes to Editor**

**KEFI Gold and Copper plc**

KEFI is focused primarily on the development of the Tulu Kapi Gold Project in Ethiopia and its pipeline of highly prospective exploration projects in the Arabian-Nubian Shield. KEFI targets that production at Tulu Kapi will generate cash flows for capital repayments, further exploration and dividends to shareholders.