

24 June 2019

**KEFI Minerals plc**  
**(“KEFI” or the “Company”)**  
**Tulu Kapi Project 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, notes recent media commentary relating to a localised foiled coup attempt in one of Ethiopia’s nine regions. The incident was in Bahir Dar, the capital of the Amhara Region, approximately 500 kilometres from the Company’s flagship Tulu Kapi Gold Project (the “Project”). As a precautionary measure the Company has imposed a heightened duty of care on its activities and has elevated security procedures. Otherwise this incident has no impact on KEFI’s current or planned activities and there were no such attempts in the remaining provinces, including Oromia, where the Project is located.

Operationally, following the recent receipt of the last outstanding Federal policy approval required to trigger development of the Project, as announced on 6 June, 2019, the KEFI-Ethiopian joint venture Project company Tulu Kapi Gold Mines Share Company (“TKGM”), has informed the authorities of the plan to proceed with the first stages of development upon the completion of agreed preparations with the local community and Government administration.

The overall Project timetable remains unchanged from the most recent guidance. We have re-sequenced site activities to provide more time for community consultations and other local preparations for the first resettlement phase of only sixty households, and the Ethiopian roads and power authorities are continuing their work in the district to deliver electricity and improve the roads to Tulu Kapi and its surrounding community.

**KEFI and TKGM Chairman, Mr Harry Anagnostaras-Adams, commented:** “After consultations with the community, the authorities and our Ethiopian partners, we have informed the authorities of our plan to proceed with the first stages of Project development when the community and local administration are ready. This weekend’s events took place a considerable distance from the Tulu Kapi site and we expect no impact on operations or the development timetable of the Tulu Kapi Project. Nonetheless, KEFI has immediately elevated security procedures and will continue to ensure all stakeholders proceed with the utmost vigilance with respect to safety and operations, as has always been the case.”

**Market Abuse Regulation (MAR) Disclosure**

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

**Enquiries**

**KEFI Minerals plc**

Harry Anagnostaras-Adams (Managing Director)

+357 99457843

John Leach (Finance Director)

+357 99208130

**SP Angel Corporate Finance LLP (Nominated Adviser and Joint Broker)** +44 (0) 20 3470 0470  
Jeff Keating, Soltan Tagiev

**Brandon Hill Capital Ltd (Joint Broker)** +44 (0) 20 7936 5200  
Oliver Stansfield, Jonathan Evans

**SVS Securities Plc (Joint Broker)** +44 (0) 203 700 0078  
Tom Curran / Ben Tadd

**IFC Advisory Ltd (Financial PR and IR)** +44 (0) 20 3934 6630  
Tim Metcalfe, Heather Armstrong

## **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 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 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 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.