

2 September 2025

## **KEFI Gold and Copper plc**

("KEFI" or the "Company", or together with its subsidiaries the "Group")

### **Tulu Kapi Gold Project Update**

KEFI (AIM: KEFI), a gold and copper exploration and development company focused on the Arabian-Nubian Shield with a pipeline of projects in the Federal Democratic Republic of Ethiopia, and the Kingdom of Saudi Arabia, is pleased to provide an update on the Tulu Kapi Gold Project (the "Project" or "TKGM") preparations for full Project development.

#### **Highlights**

- US\$340 million Project capital budget updated from 2023, being certified.
- US\$240 million expanded debt facility now formally offered by both co-lenders.
- US\$100 million equity-risk capital assembled at subsidiary level for finalisation.
- Approvals and signing of full Project finance package scheduled for completion in September 2025.
- Field activities on schedule and full development expected to begin in October 2025.

#### **Recent Project Developments**

- *Debt capital approval:* The Co-lenders have now formally offered an expanded US\$240 million loan facility. Facility documentation is in circulation for signing.
- *Approval of the Project finance package:*
  - KEFI, its main Project contractors and relevant Ethiopian Government agencies have signed or approved definitive Project contracts that are now subject only to lender approval. These contracts cover plant and infrastructure construction, provision of power, new roads and long-term mining capability.
  - Establishment of a new Ethiopian holding company, KME Ethiopia Holdings being completed.
  - Meetings with co-lenders and respective legal teams have started with a view to signing facility documentation by the end of September 2025.
- *Finalising capital requirements:* The net increase in capital requirements since the last estimate in 2023 has been kept to 6%, i.e. from c.US\$320 million to c.US\$340 million. This remains subject to certifications by various parties which are currently underway. On this basis, the equity-risk capital needed is c.US\$100 million (being total capital of c.US\$340 million less confirmed US\$240 million debt package).
- *Project economics:* the life-of-mine projected operating metrics remain consistent with recent guidance, including all-in sustaining costs (AISC) of c.US\$1-1,100/oz and first full year production of 160koz from the open pit. Annual production is planned to then increase with the introduction of initial underground production. Year 1 net operating cash flow is projected at c.US\$200 million at a US\$2,500/oz gold price and c.US\$300 million at a US\$3,500/oz gold price, from the open pit with processing at nameplate capacity.

- *Approvals of equity-risk capital for Project development:* All KEFI Group boards have directed that equity arrangements be completed this month in accordance with the following guidelines:
  - sources of the c.US\$100 million equity capital to be primarily at the Ethiopian subsidiary level, directed particularly to long term investors experienced in African mining generally or Ethiopia specifically and, in particular, from the Ethiopian public and private sectors
  - The following equity has already been invested or committed in the ordinary share capital of TKGM:
    - US\$20 million by the Government of Ethiopia and being spent by the Government.
    - c.US\$10 million already spent by KEFI as part of the major development works program in addition to the pre-development historical spending of c.US\$100 million.
    - c.US\$10 million of KEFI share participation post-closing in respect of closing fees and costs.
    - Relative TKGM ownership for KEFI and for the Ethiopian Government is based on the 2017 agreements and the consequential entry-valuation of c.US\$200 million (c.£150 million). Three agencies of the Ethiopian Government are shareholders: the Federal Ministry of Finance and the Sovereign Funds of both Ethiopia and the Region of Oromia.
  - The composition of the remaining c.US\$60 million is being finalised and KEFI has received conditional proposals which, in aggregate, exceed the required amount. This will be finalised along the following lines:
    - An equity risk note structured as “KEFI Ethio Prefs” – a private placement to Ethiopian qualified investors of cumulative preference shares to be issued by the newly-incorporated KME Ethiopia Holdings – to be non-convertible, redeemable after 8 years, US\$-linked and with upside to the gold price prevailing at the time of subscription.
    - An equity risk note structured as a “Gold Prepayment” or “Stream” from a mining specialist fund to TKGM – in respect of c.2% of the 1 million oz Tulu Kapi gold reserves.
    - Ordinary Shares in either of these Ethiopian subsidiaries with issue-pricing based on TKGM valuation post-financial close of the Project finance package in September 2025.
    - The breakdown and details of the finalised equity-risk capital instruments will be published upon commitment, i.e. at completion of the signing of definitive documentation planned for September 2025.
  - Equity drawdowns and Project procurement will commence as soon as possible after signing.
- *Site preparations progress on schedule:*
  - For the community:
    - The local Government agencies are implementing the ‘Resettlement Action Plan’ with the support of TKGM.

- As previously reported the community compensation programme was started ahead of the Project development schedule.
- For road and electricity connections:
  - The new roads from site to the bitumen highway:
    - One road is nearly complete, to provide a quicker all-weather alternative to the existing traffic routes.
    - Start of construction within the next two months for the other new access road, which is designed to cater for all-weather delivery of heavy loads such as plant and mine equipment.
- For electricity connection:
  - Procurement of major components is complete.
  - Start of construction is planned within the next two months, so that its completion is in time for plant commissioning
- For plant and site infrastructure:
  - Immediately after signing we will:
    - procure plant components.
    - mobilise civil works to follow resettlement.
  - all construction across the Project site is phased to follow community resettlement which is phased accordingly and in compliance with the requisite standards.
- For mining:
  - Procuring the mining fleet in early 2026 for delivery in early 2027.
  - Pre-production mining from mid-2027 (there is negligible overburden to remove in order to access the orebody).
- *Policies, procedures and recruitment progress on schedule:*
  - Governance oversight has been in place for years via the various boards and committees, which also draw on the Project's panel of internationally rated independent advisers. The co-lenders have access to all these industry specialists and have installed their own independent monitoring specialist advisers.
  - Policies and procedures are being sequentially installed in accordance with the relevant international governance standards.
  - The senior construction and production leadership team is in place and the teams under them will keep expanding as the programme progresses to:
    - Implement the imminent full development stage, including installation of the c. 94%-recovery processing infrastructure, establishment of the eight-year c.2 g/t gold open pit and the associated operational readiness and start-up programmes.
    - Triggering plans for the +5g/t underground development and resource/reserve expansion, aimed initially at doubling the current one million ounce Ore Reserve, increasing production during the first eight to ten years to a targeted c.200,000 oz per annum and providing a sustained high-grade underground mining contribution thereafter.

- Mobilising to complete the previously suspended Tulu Kapi district exploration programmes, to target extensions of the Project's production life beyond the first eight years. Third party interference in the Group's rights to certain exploration properties may require legal proceedings, the outcome of which would be uncertain and the proceedings of which may forestall access to the relevant land.
- Assembly of the Ethiopian exploration portfolio outside the Tulu Kapi district

**KEFI Executive Chairman, Harry Anagnostaras-Adams, commented:** "All work streams are progressing well, with the immediate priority being completion this month of the already in-train approval and signing process for the whole Project finance package, enabling full development at Tulu Kapi – a high-grade and high-recovery gold mine supported by its local community and without any legacy issues environmentally or socially.

"This first international project finance closing for Ethiopia results from a notably collaborative effort, which has brought together hundreds of people in many public and private organisations at Tulu Kapi, in nearby regional centres, in Addis Ababa, and across multiple locations worldwide.

"We extend our sincere appreciation to everyone involved in the current finance-closing activities and also to the Government agencies which over recent years introduced the financial reforms and regulatory waivers we requested to make this possible.

"Tulu Kapi has been specially designed not just for compliance from an ESG viewpoint, but for alignment between international project finance practices and local stakeholders, including the community, all levels of Government and with leading private sector organisations. Local shareholders will include both the public and private sectors.

"Coincident with Tulu Kapi's full launch, Ethiopia is experiencing somewhat of a gold rush - gold exports this year so far jumped from under 10 tonnes of gold to over 30 tonnes. Tulu Kapi stands as a showcase gold project at the heart of Ethiopia's highly prospective Nubian Shield in the Oromia Region. Every aspect of the Project, social, environmental, technical, operational, financial and legal, has been designed in line with the highest international standards.

"What a great accomplishment after so many years of tireless persistence by our hard-working team, to now be fortunate enough to trigger Tulu Kapi's full development at what is perhaps the early stages of a major gold market boom."

## Enquiries

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Further information can be viewed at <https://www.kefi-goldandcopper.com>

## **Governance Structure and Background of Leadership Team for Tulu Kapi Project Implementation**

(more details in KEFI Annual Report)

- **KEFI:**
  - Board of Directors:
    - Executive Directors:
      - Chairman: Harry Anagnostaras-Adams, Australian:
        - Supported many successful start-ups in gold, other critical materials and natural gas. In 2005 founded KEFI, Atalaya in Spain and Venus Cyprus. In 1980's was in the leadership team at Australia's pioneer gold-investment group, Clayton Robard. Honorary Consul for Economic Affairs for Ethiopia, to Cyprus.
      - Finance Director: John Leach, Canadian:
        - Finance Director in many successful start-ups in gold, other critical materials and natural gas with Executive Chairman.
    - Non-Executive Directors, all of whom are independent:
      - Richard Robinson, South African
        - Over 20 years at Gold Fields of South Africa with executive responsibility for gold operations & exploration, base metals and coal operations. Also Managing Director Normandy LaSource
      - Alastair Clark, British:
        - Former long-standing Managing Director, Environment and Sustainability Department at the European Bank for Reconstruction and Development and now international adviser
      - Addis Alemayehou, Ethiopian:
        - Chairman of Kazana Group, an investment firm dedicated to early-stage, high-impact , aiming to generate mass employment in Africa. Renowned for transformative ventures in Ethiopia
  - KEFI Executive Committee:
    - CEO: Harry Anagnostaras-Adams, see above
    - Finance: John Leach, see above
    - Chief Operating Officer: Eddy Solbrandt, German:
      - Founded GPR Dehler, successful international mine management consultancy in productivity improvement, especially in the areas of human resources development and performance improvement.
    - Technical Due Diligence: Rob Williams and Simon Cleghorn, both Australian:
      - Rob Williams: Leadership roles in mining engineering, project design and management on a variety of start-ups from Bougainville Copper to Henty Gold and with the Executive Chairman's projects over some 30 years.
      - Simon Cleghorn, see below.
    - Construction: Norman Green, Namibian:

- Founder Green Team International a successful project engineering firm providing construction implementation and engineering support to African mines. Major projects include Hillside Aluminium smelter, Skorpion Zinc project.
- Mining: Geoff Davidson, Australian
  - Principal Consultant for a variety of major and junior mining companies for surface and underground mining, overseeing mining engineering and planning for many gold developments similar to Tulu Kapi.

*KME Ethiopia Holdings* (being incorporated and will be ESX-listed post-production):

- Board of Directors will comprise
  - KEFI appoints the majority which includes its Executive Chair, its COO and Ethiopia-focused NED
  - NED's to be nominated by local investors
- Exploration strategy and reconnaissance:
  - Dr Kebede Belete, Ethiopian:
    - Senior Geologist at Ethiopian Ministry of Mines. Also, Exploration Manager and / or Country Manager Golden Prospect Mining Company, Minerva Resources and Nyota Minerals

*Specialist Advisers:*

- Snowdens; Mineral Resources and Ore Reserves, Perth team
- Mining; Mining & Cost Engineering, Perth team
- Processing: Lycopodium, Perth, Toronto and Cape Town team
- SLR: Social and Environmental, Africa team
- Constellis: Security, East Africa team
- Marsh McLennan: Insurance, Global team
- Endeavour Financial: Project Finance, London Team
- Legal advisers: Herbert Smith Freehills, London and Perth teams

*Tulu Kapi Gold Mine S.C. (TKGM):*

- Board of Directors:
  - KEFI appoints the majority which includes its Executive Chair, its COO and its Operations-focused NED.
  - Government appoints NED's representing the Ethiopian Sovereign Fund, Ethiopian Ministry of Finance and Oromia Sovereign Fund.
- TKGM Operational Leadership Team:
  - Managing Director: Simon Cleghorn, Australian:
    - COO of multi-mine Kazakh group Altinalmas, Group Resource Geologist Eurasian Resource Group and other operational management roles in mining companies in Central Asia and for Western Mining in Australia.
  - Head of Finance: Theron Brand, Namibian:
    - Financial head for various gold, tin and diamond project start-ups, development and productions sites for De Beers and Anglo Gold Ashanti in Namibia.
  - Head of Government Relations: Abera Mamo, Ethiopian:

- Formerly CEO of Ethiopian furniture manufacturer, Deputy CEO Ethiopian Sugar Corporation and Vice-Head of Office for President Oromia Regional Government.
- Project Manager, overseeing Principal contractors: Jacques Kruger, South African:
  - Management of early works contractors South Africa, detail design & engineering for De Beers, construction management Cameroon, resettlement management Anglo American.
- Social and Environment: Peter Illgner, South African:
  - Operational, consulting and / or research experience in Botswana, Democratic Republic of the Congo, Malawi, Mozambique, Namibia, Rwanda, South Africa, Tanzania, Zambia, Zimbabwe.
- Security Manager: Christo Potgeiter, South African:
  - Managed all Anglo-American Exploration's security and health functions for operations in the DRC, Liberia, Tanzania, Zambia, and South Africa. Also served as specialist consultant in Iraq and elsewhere.

Construction projects will be conducted under this team by African-experienced contractors.