

7 August 2023

KEFI Gold and Copper plc
(“KEFI” or the “Company”)

Tulu Kapi Update

KEFI (AIM: KEFI), the gold exploration and development company with projects in the Federal Democratic Republic of Ethiopia and the Kingdom of Saudi Arabia, notes the Ethiopian Government’s declaration of a state of emergency in the Amhara region of Ethiopia.

Unlike the previous nationwide State of Emergency, this is only applicable to the current conflict area in the Amhara region, specifically at Gondar, approximately 700km from the Company’s Tulu Kapi Gold project (“Tulu Kapi” or the “Project”). To maximise security and protect the timing of Project launch, TKGGM has for some time implemented security in accordance with ‘red zone’ (higher risk category) protocols, despite the Project area typically rating as ‘green’ (low risk).

All Project syndicate parties, who are experienced with Ethiopia and expect localised tensions from time to time, have been provided with detailed monthly reports by independent security assessors, Constellis, and are fully apprised of both the typical situation around Tulu Kapi, and the regional tensions to the north of the country. The recent Constellis reporting has been focused on launch preparations, and has reported that: “TKGM’s approach to security at the Project site and the transport routes in and out, are sensible, pragmatic and in line with security best management practice”.

The Company remains on track for Project launch, with the backing of its identified and conditionally assembled US\$320 million debt and equity development capital. As anticipated, the Company has completed its submissions for final formal approvals of the already established financing terms from the two lead banks within the funding syndicate, to allow the Company to trigger the community preparations for launch, finalise the already drafted detailed definitive documentation for the full syndicate of funders and satisfy any residual conditions precedent to funds drawdown as set out under the Final Umbrella Agreement signed in April 2023.

The Company’s schedule for Tulu Kapi remains for community preparations to commence this quarter (Q3 2023), ahead of procurement and construction commencement next quarter (Q4 2023), all synchronised with the Government’s continued upgrading of security, as already committed.

Enquiries

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