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KEFI Minerals plc
("KEFI" or the "Company")

Update on Exploration at Hawiah Prospect in Saudi Arabia

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, is pleased to provide details on the exploration underway at the Company's Hawiah Exploration Licence in Saudi Arabia.

Hawiah is located in Saudi Arabia's Wadi Bidah Mineral District which is a 120-kilometre-long copper-gold-zinc volcanogenic massive sulphide ("VMS") belt where over 24 VMS occurrences were defined by the US Geological Survey and French Geological Survey ("BRGM") over many years of research. Our joint venture holds a dominant position on this ground.

Field work has commenced with a modest cost but potentially high-impact induced polarisation and resistivity ("IP/Rho") geophysical survey aimed at better defining the large VMS target for drilling. This survey follows the previous self-potential ("SP") geophysical survey that identified two strong anomalies under the main six kilometre-long gossan.

Modelling of these geophysical survey results should provide a robust interpretation of the geometry of any possible sulphide mineralisation allowing for a more accurate drill design and targeting.

A follow-up trenching programme is planned to commence following completion of this geophysical survey. The trenching will enable targeted collection of samples from the area above the second untested eastern SP anomaly, allowing a geochemical signature to be defined to further refine drill targeting within the apparently large structure.

Based on refined drilling targets flowing from this work programme, an initial 2,500 metre diamond scout drilling programme is planned to commence during Q3 2019.

This exploration programme marks the resumption of exploration at Hawiah after two years, following the resolution of local access issues, regulatory overhauls and subsequent licence renewal.

KEFI is the operating partner of Gold & Minerals Limited, the joint venture company in which the Company's shareholding is 40%. The other 60% is owned by the Company's long-standing partner, Saudi conglomerate ARTAR. Each party funds its share of the work programme on a pro rata basis.

Commenting KEFI and TKGM Chairman, Mr Harry Anagnostaras-Adams, said, "We are pleased that exploration is progressing again at Hawiah in Saudi Arabia and is planned to culminate in drilling this exciting prospect in Q3 2019.

"Hawiah has all the hallmarks of a significant copper-gold-zinc VMS deposit, which are typically quite valuable.

"Our targeted exploration programme has been steadily working towards drilling Hawiah and our team is confident that the odds of making a significant discovery are relatively high. We look forward to providing further updates as this exploration programme progresses alongside our flagship Tulu Kapi Gold Project in Ethiopia."

Background on Hawiah

The Hawiah prospect is located in the southwest of the Arabian Shield and the planned exploration programme aims to:

- Define a near-surface, economic gold resource in the gossanous ridge; and
- Simultaneously search for a major copper-gold-zinc sulphide ore body at depth.

Hawiah remains one of KEFI's higher priority prospects as the geological setting is analogous to other large VMS deposits in the Arabian-Nubian Shield that have well-preserved, mature oxidised zones enriched in gold at surface.

Initial surface exploration has confirmed that the main gossanous ridgeline is enriched in gold and the mineralisation has good continuity along strike and has abundant secondary copper showings. Our initial SP geophysical survey indicates it is underlain by a large and continuous, conductive body.

Hawiah's silicified and gossanous horizon was mapped and trenched by the French Geological Survey in the 1980s, which identified its gold-bearing potential.

In February 2015, KEFI completed a first-pass, wide-spaced trenching programme over the 6km-long gossanous ferruginous chert ridge. KEFI's trenches repeated all of the BRGM's trenches, as well as extending the known (6km) exposure to the south and to the north. All of KEFI's trenches contained anomalous gold, including 6m at 2.2g/t gold, 2m at 8.7g/t gold, 6m at 1.9g/t gold, 3m at 5.8g/t gold, 2m at 7.5g/t gold and 8m at 3.0g/t gold.

The BRGM and KEFI results both confirm that gold grades occur with good continuity along the strike length of this 6km-long gossanous ridge.

In order to test the deeper VMS potential, KEFI is using geophysics and geochemistry to define drill targets. SP geophysical surveys were completed over the 6 km-long gossanous horizon during 2015 and 2016. Two strong anomalies were identified:

- An intense north-south trending SP anomaly with a continuous maxima of 350 millivolts, located between 125m and 300m below surface with an 800m strike length. The intensity of this anomaly is consistent with the presence of a massive sulphide source, or to a high and contiguous concentration of disseminated sulphides at depth; and
- A parallel SP anomaly with a similar but less continuous intensity located 600m to the east.

The targets generated by the SP survey are currently being followed-up with a more detailed IP and resistivity geophysical survey. The IP survey is designed to test for electrical

conductors down to vertical depth of 500m below surface that are planned to be tested by diamond drilling in Q3 2019.

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)

Tom Curran / Ben Tadd +44 (0) 203 700 0078

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 Gold & Minerals Limited ("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.