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

INTERIM RESULTS FOR THE HALF-YEAR ENDED 30 JUNE 2010

KEFI Minerals, the AIM-quoted gold and copper exploration company, with projects in Turkey and in the Kingdom of Saudi Arabia, is pleased to announce its unaudited interim results for the half-year ended 30 June 2010.

Highlights of the Half-Year Period

- In Turkey, KEFI Minerals successfully progressed exploration of several projects.
- In Saudi Arabia, the Gold and Minerals ("G&M") Joint Venture has lodged a total of 21 Exploration Licence Applications ("ELAs") covering an area of approximately 2,100km^2.
- Saudi Arabia's Deputy Ministry for Mineral Resources ("DMMR") has completed site visits at six of the 21 ELAs to date. Some of the applications lodged by the G&M Joint Venture are at an advanced stage of the process and are expected to be granted soon.
- In addition to progressing existing applications, on-going reconnaissance and generative studies to identify other areas of interest within Saudi Arabia.
- The Yatik Project in Turkey was sold for a net cash consideration of US$150,000 and a 2.5% Net Smelter Return royalty.
- Full ownership of the Artvin Project in Turkey will revert to KEFI Minerals following the withdrawal of Centerra Gold Inc. ("Centerra") from the Artvin Joint Venture.
- Placings in January 2010 raised a total of £665,000 via the issuance of 41.6 million shares.
- The loss for the half-year period totalled £369,000 and reflects the Company's conservative accounting policy of writing off all expenditure until a commitment to develop a project is made by the Board.

KEFI Minerals' Managing Director, Jeff Rayner, commented:

"KEFI Minerals continues to progress effective exploration programmes that aim to fast-track gold and copper discoveries and the eventual development of new mines.

"These prospects, combined with strengthening gold and copper prices, , provide an exciting opportunity to create exceptional value for shareholders. The Company will continue to maintain its tight focus and risk management.

"KEFI Minerals is now established in two countries within a great metallogenic region. We will continue to explore in a cost-effective manner with the intention of making significant discoveries."

Enquiries

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Managing Director’s Report

KEFI Minerals’ aim is to add value to its projects and create wealth for its stakeholders through the cost-effective acquisition or discovery, and subsequent development, of mineral resources.

KEFI Minerals has been recognised within the industry for its technical abilities and the quality of its projects. This has lead to the formation of joint ventures in Turkey with Centerra and in Saudi Arabia with the Abdul Rahman Saad Al-Rashid & Sons Company Limited (“ARTAR group”). These partnerships have allowed the Company to:

- expand its exploration activities in both countries, whilst reducing its financial exposure during the recent upheavals in the global economy; and
- retain the flexibility to be able to rapidly assess other opportunities in the region.

The Company’s current projects and licence applications are located in:

- Turkey, a country in which a number of world-class gold and base metals deposits have been discovered during the past two decades; and
- Saudi Arabia, a country with a long history of mining that dates back over 5,000 years and set for a resurgence under modernised mining laws that encourage investment.

Recent gold discoveries in Turkey include Eldorado Gold’s Kisladag Mine (>10 million ounces), Anatolia Minerals’ Copler Mine ((>6 million ounces) and Koza Altin’s Ovacik Mine (>1 million ounces).

Major gold deposits in the Arabian Shield of Saudi Arabia include Saudi Arabian Mining Company’s (“Ma’aden”) Mahd adh Dhahab Mine (>6 million ounces) and Al Amar Mine (>1 million ounces), and Ma’aden’s recent greenfields discoveries, which total more than eight million ounces.

Turkey

In Turkey, KEFI Minerals has licences covering 454km^2 in area and the three most advanced projects are:

- Artvin in northeast Turkey, which is prospective for both volcanic-hosted massive sulphide and porphyry copper style deposits;
- Bakir Tepe in southwestern Turkey (a joint venture with Centerra), which is prospective for Cyprus-style volcanic-hosted massive sulphide (“VHMS”) copper-gold deposits;
- Derinin Tepe in western Turkey, which is prospective for low-sulphidation, vein-style, epithermal gold-silver mineralisation.

The Company’s Gumushane, Muratdag and Hasancelebi Projects in Turkey are at an earlier stage of evaluation.

In July 2010, Centerra advised KEFI Minerals of its intention to withdraw from the Artvin Joint Venture. The Artvin Joint Venture was formed in 2008 and Centerra was earning into the joint venture by funding drilling programmes and other exploration expenditure since that time. Full ownership of the Artvin Project will revert to KEFI Minerals.

The relationship with Centerra is currently focused on the Bakir Tepe joint venture and KEFI Minerals is currently seeking other joint-venture exploration opportunities in Turkey.

In April 2010, the Yatik Project in Turkey was sold for a net cash consideration of US$150,000 and a 2.5% Net Smelter Return royalty. The purchaser owns the operating gold mine and plant at Ovacik, and has demonstrated that it can successfully develop new gold mines in the Western Anatolia region of Turkey. It also owns the majority of the Yatik vein and is the logical company to continue the exploration and potentially develop a mine at Yatik.

Saudi Arabia

All exploration-related activities in the Kingdom of Saudi Arabia are undertaken by KEFI Minerals personnel on behalf of the G&M Joint Venture. G&M is the JV Operating Company, formerly named GEMCO, which has now been incorporated in Riyadh, Saudi Arabia. KEFI Minerals is the operating partner with a 40% interest. ARTAR holds the remaining 60%.

The G&M Joint Venture has received approval from the DMMR to conduct country-wide field reconnaissance through the issue of a Reconnaissance Licence.

KEFI Minerals' geologists have continued to spend significant time researching and evaluating numerous prospects in the Saudi Arabian desert. The Company's geologists have compiled a large database of mineral occurrences and historic workings, geological maps, aeromagnetic surveys and remote sensing data for this region.

Once field reconnaissance has confirmed the potential of a target area, the G&M Joint Venture lodges an Exploration Licence Application ("ELA") with the DMMR.

To date, 21 ELAs have been lodged and each ELA covers approximately 100km^2. These ELAs are prospective for VHMS copper-gold deposits, shear related quartz–gold veins and porphyry copper-gold deposits.

Some of the applications lodged by the G&M Joint Venture are at an advanced stage in the approval process and are expected to be granted in the near future..

Many of the 21 ELAs contain historical workings but negligible levels of modern exploration. There is an excellent chance of rapid success once the selected licences are issued and field activities can proceed.

KEFI Minerals has defined four specific geological profiles to both increase the chances of an economic discovery as well as minimising exploration expenditure. The Company focuses on exploring for VHMS copper-gold deposits, as well as epithermal, mesothermal/orogenic and intrusive-related styles of gold mineralisation.

The Arabian Shield is vast and many prospective areas are open for pegging. Reconnaissance fieldwork is being undertaken progressively to assess these opportunities and further applications for Exploration Licences will be made where warranted.

Finance

The Company has been supported by its major shareholder EMED Mining and by capital markets generally.

In January 2010, KEFI Minerals raised a total of £665,000 via the placements of 41.6 million shares at 1.6p per share.

The loss for the half-year period totalled £369,000 and reflects the Company's conservative accounting policy. All expenditure is written off until the Board decides to commence development of a project, from which point costs associated with the project would be capitalised.

At 30 June 2010, KEFI Minerals had £638,000 in cash and equivalents.

Technical, commercial and administrative systems and personnel are provided to KEFI Minerals by EMED Mining on a cost-recovery basis, enabling KEFI Minerals to minimise overheads and focus its efforts on discovering economic mineral deposits.

Outlook

Turkey and the Kingdom of Saudi Arabia are both increasingly recognised as under-explored countries that are very prospective for discoveries of large gold and copper deposits.

KEFI Minerals will continue exploring its current projects in a very cost-effective manner while evaluating further opportunities in the region.

The primary objectives for 2010 are:

- to rapidly assess the Company's current projects in Turkey and to advance them as warranted by results;
- to expedite the granting of our Saudi Arabian ELAs and to commence exploration activities as soon as practicable after their grant; and
- to review acquisition opportunities in Turkey and Saudi Arabia, with an emphasis on advanced gold projects with the potential to move quickly to the definition of a mineable resource.

We will continue to progress effective exploration programmes that aim to fast-track gold and copper discoveries and the eventual development of new mines.

Our team continues to strive towards these objectives with an appropriate focus on the trade-off between costs and the potential returns generated if our efforts are successful.

Jeffrey Rayner

Managing Director

KEFI MINERALS PLC

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2010 TO 30 JUNE 2010

Contents

KEFI MINERALS PLC

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY 2010 TO 30 JUNE 2010

	Notes	**Six months ended 30 June 2010 GBP'000**	Six months ended 30 June 2009 GBP'000
Revenue		**-**	-
Exploration costs		**(103)**	(201)
Gross loss		**(103)**	(201)
Administration expenses		**(268)**	(350)
Share-based benefits		**(17)**	(133)
Share of loss from jointly controlled entities		**(145)**	-
Other income		**155**	-
Operating loss		**(378)**	(684)
Foreign exchange loss		**(92)**	(80)
Finance costs		**(2)**	(3)
Loss before tax	4	**(472)**	(767)
Taxation		**(16)**	-
LOSS FOR THE PERIOD		**(488)**	(767)
Other comprehensive income:			
Exchange differences on translating foreign operations		**119**	75
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		**(369)**	(692)
Earnings per Share Information			
Basic and fully diluted loss per share (pence)	7	**(0.18)**	(0.42)

The Group has not any income or expense that is not included in the condensed consolidated statement of comprehensive income.

KEFI MINERALS PLC

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 JUNE 2010

	Notes	**30 June 2010 GBP'000**	31 Dec 2009 GBP'000	30 June 2009 GBP'000
ASSETS				
Non current assets				
Property, plant and equipment	15	**34**	42	27
Fixed asset investments		**2**	2	-
		36	44	27
Current assets				
Trade and other receivables	10	**147**	64	479
Cash and cash equivalents	11	**638**	322	266
		785	386	745
Total assets		**821**	430	772
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	12	**2,797**	2,382	2,248
Share premium		**1,611**	1,413	1,385
Share options reserve		**399**	382	389
Other reserves		**(132)**	(251)	(217)
Accumulated Loss		**(4,261)**	(3,773)	(3,591)
		414	153	214
Non-current liabilities				
Advances received	17	**-**	-	400
Share of loss in jointly controlled entity		**172**	150	-
		172	150	400
Current liabilities				
Trade and other payables	13	**235**	127	158
Total liabilities		**407**	277	558
Total equity and liabilities		**821**	430	772

KEFI MINERALS PLC

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 1 JANUARY 2010 TO 30 JUNE 2010

	Share capital GBP'000	Share premium GBP'000	Share options reserve GBP'000	Accumulated losses GBP'000	Exchange difference reserve GBP'000	Total GBP'000
At 1 January 2009	1,296	1,347	256	(2,824)	(292)	(217)
Total comprehensive income for the period	-	-	-	(767)	75	(692)
Issue of share capital	952	93	-	-	-	1,045
Share issue costs	-	(55)	-	-	-	(55)
Recognition of share-based payments	-	-	133	-	-	133
At 30 June 2009	2,248	1,385	389	(3,591)	(217)	214
Total comprehensive income for the period	-	-	-	(182)	(34)	(216)
Issue of share capital	134	28	-	-	-	162
Recognition of share-based payments	-	-	(7)	-	-	(7)
At 31 December 2009	2,382	1,413	382	(3,773)	(251)	153
Total comprehensive income for the period	-	-	-	(488)	119	(369)
Issue of share capital	415	249	-	-	-	664
Share issue costs	-	(51)	-	-	-	(51)
Recognition of share-based payments	-	-	17	-	-	17
At 30 June 2010	**2,797**	**1,611**	**399**	**(4,261)**	**(132)**	**414**

KEFI MINERALS PLC

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1 JANUARY 2010 TO 30 JUNE 2010

	Notes	**Six months to 30 June 2010 GBP'000**	Six months to 30 June 2009 GBP'000
Cash flows from operating activities			
Loss before tax		**(472)**	(767)
Share-based benefits		**17**	133
Share of loss in jointly controlled entities		**145**	
Depreciation	15	**8**	7
Exchange difference on translation of subsidiaries		**(42)**	77
Operating loss before working capital changes		**(344)**	(550)
Changes in working capital:			
Trade and other receivables		**(83)**	(370)
Trade and other payables		**108**	(231)
Net cash from operations		**(319)**	(1,151)
Cash flows from investing activities:			
Share of loss in jointly controlled entities		**22**	-
Advances from Centerra Gold (KB) Inc.		**-**	134
Net cash used in investing activities		**22**	134
Cash flows from financing activities:			
Proceeds from issue of share capital	12	**664**	1,045
Share issue and listing costs	12	**(51)**	(55)
Net cash from financing activities		**613**	990
Net increase in cash		**316**	(27)
Cash at beginning of period		**322**	293
Cash at end of period	11	**638**	266

1. Incorporation and principal activities

Country of incorporation
KEFI Minerals PLC ("KEFI Minerals" or "the Company was incorporated in United Kingdom as a public limited company on 24 October 2006. Its registered office is at 27/28 Eastcastle Street, London W1W 8DH.

Principal activities
The principal activities of the Group for the period are:

- To explore for mineral deposits of precious and base metals and other minerals that appear capable of commercial exploitation, including topographical, geological, geochemical and geophysical studies and exploratory drilling.
- To evaluate mineral deposits determining the technical feasibility and commercial viability of development, including the determination of the volume and grade of the deposit, examination of extraction methods, infrastructure requirements and market and finance studies.
- To develop, operate mineral deposits and market the metals produced.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these condensed interim consolidated financial statements are set out below. These policies have been applied consistently throughout the period presented in these financial statements unless otherwise stated.

Basis of preparation
The interim consolidated financial statements have been prepared in accordance with International Accounting Standards (IFRS) including International Accounting Standard 34 "Interim Financial Reporting" and using the historical cost convention.

These interim consolidated financial statements ('the statements") are unaudited and include the financial statements of the Company and its subsidiary undertakings. They have been prepared using accounting bases and policies consistent with those used in the preparation of the financial statements of the Company and the Group for the year ended 31 December 2009. These statements do not include all of the disclosures required for annual financial statements, and accordingly, should be read in conjunction with the financial statements and other information set out in the Company's 31 December 2009 Annual Report.

Use and revision of accounting estimates
The preparation of the financial report requires the making of estimations and assumptions that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2. Summary of significant accounting policies-(continued)

Use and revision of accounting estimates-(continued)
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Adoption of new and revised International Financial Reporting Standards (IFRSs)
During the current period the Group adopted all the new and revised IFRSs and International Accounting Standards (IAS), which are relevant to its operations and are effective for accounting periods commencing on 1 January 2010.

The adoption of these Standards did not have a material effect on the consolidated financial statements.

At the date of authorisation of these financial statements some Standards were in issue but not yet effective. The Board of Directors expects that the adoption of these Standards in future periods will not have a material effect on the consolidated financial statements of the Group.

Accounting policies
The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial of the Group.

Consolidation
The consolidated financial statements incorporate the assets and liabilities of all entities controlled by the Company as at 30 June 2010 and the results of all the controlled entities for the period then ended. The Company and its controlled entities together are referred to in this financial report as the Group.

Control is achieved where the Company has power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The financial statements of all the Group companies are prepared using uniform accounting policies.

Transactions eliminated on consolidation
Intercompany transactions, balances and unrealised gains on transactions between consolidated entities are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

Business combinations
The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree’s identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-Current Assets held for sale and discontinued operations, which are recognised and measured at fair value less costs to sell.

2. Summary of significant accounting policies-(continued)

Business combinations (continued)
Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired undertaking at the date of acquisition. Goodwill on acquisition of subsidiaries is included in "intangible assets". Goodwill on acquisitions of associates is included in "investments in associates".

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an undertaking include the carrying amount of goodwill relating to the undertaking sold. Goodwill is allocated to cash generating units for the purpose of impairment testing.

Any excess of the interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost is recognised immediately in the profit and loss.

Property plant and equipment
Property plant and equipment are stated at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition less depreciation.

Depreciation is calculated on the straight-line method to write off the cost of each asset to their residual values over their estimated useful life. The annual depreciation rates used are as follows:

Furniture, fixtures and office equipment	10%
Motor Vehicles	20%

Interest in joint ventures
Joint venture arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities. The results and assets and liabilities of joint ventures are included in these financial statements for the period from 1st January 2009 (or subsequent dates of incorporation) to 31 December 2009, using the equity method of accounting.

Investments
Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognized as an expense in the period in which the impairment is identified.

2. Summary of significant accounting policies-(continued)

Share-based compensation benefits
Equity-settled share-based payments are recognized at fair value at the date of grant and the recognition of liabilities for cash-settled share-based payments at the current fair value at each statement of financial position date. The total amount expensed is recognized over the vesting period, which is the period over which performance conditions are to be satisfied.

The fair value is measured using the Black Scholes pricing model. The inputs used in the model are based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Revenue recognition
The Group had no sales/revenue during the period under review.

Interest income
Interest income is recognized on a time-proportion basis using the effective interest method.

Exploration costs
The Group adopted the provisions of IFRS6 "Exploration for and Evaluation of Mineral Resources". The Group's stage of operations as at the period end and as at the date of approval of these financial statements have not yet met the criteria for capitalisation of exploration costs.

Foreign currency translation
(1) Measurement currency
The financial statements are prepared in British Pounds (measurement currency) which is the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company.

(2) Transactions and balances
Foreign currency transactions are translated into the measurement currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Tax
Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax liabilities and assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or subsequently enacted, by the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred tax.

2. Summary of significant accounting policies-(continued)

Tax -(continued)
Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Share capital
Ordinary shares are classified as equity.

Cash and cash equivalents
For the purposes of the cash flow statement, cash and cash equivalents comprise of cash in hand and balances with banks.

Comparatives
Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current period.

3. Financial risk management

Financial risk factors
The Company's activities expose it to currency risk arising from the financial instruments it holds. The risk management policies employed by the Company to manage the risk are discussed below:

Interest rate risk
Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Group is exposed to interest rate risk in relation to its bank deposits. The Group's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

Liquidity risk
Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Group has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

Currency risk
Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the Euro, Bulgarian Lev and New Turkish Lira.

The Group's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

Fair values
The fair values of the Groups financial assets and liabilities approximate their carrying amounts at the balance sheet date.

4. Operating profit/(loss)

The following items have been included in arriving at operating (loss):

	Six months to 30 June 2010	**Six months to 30 June 2009**
	GBP'000	GBP'000
Recognition of share-based benefits	**17**	133
On-going listing costs	**48**	26

5. Tax

Due to tax losses sustained in the period, no tax liability arises on the Group. Under current legislation, tax losses may be carried forward and be set off against taxable income of the following years.

The Company is resident in Cyprus for tax purposes.

Cyprus

The corporation tax rate is 10%. Under certain conditions interest may be subject to defence contribution at the rate of 10%. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 15%.

Bulgaria

Mediterranean Minerals (Bulgaria) EOOD, the 100% subsidiary of the Company, is resident in Bulgaria for tax purposes.

The corporation tax rate is 10%. Due to tax losses sustained in the period, no tax liability arises on the Mediterranean Minerals (Bulgaria) EOOD. Under current legislation, tax losses may be carried forward and be set off against taxable income of the following five years.

Turkey

Dogu Akdeniz Mineralleri Ltd, the 100% subsidiary of Mediterranean Minerals (Bulgaria) EOOD, and ultimately 100% subsidiary of the Company, is resident in Turkey for tax purposes.

The corporation tax rate is 20%. Due to tax losses sustained in the period, no tax liability arises on the Dogu Akdeniz Mineralleri Ltd. Under current legislation, tax losses may be carried forward and be set off against taxable income of the following five years. Exploration costs are capitalised for tax purposes and will be amortaised once production starts.

6. Deferred tax

No provision for deferred taxation has been made as there are no differences between the amounts attributed to assets and liabilities for tax purposes and their corresponding carrying amounts in the balance sheet.

7. Loss per share

The calculation of the basic and diluted earnings per share attributable to the ordinary holders of the parent based on the following data:

	Six months to 30 June 2010 GBP'000	Six months to 30 June 2009 GBP'000
Net loss attributable to equity shareholders	**(488)**	(767)
Number of ordinary share for the purposes of basic earnings per share	**276,266**	180,836
Basic and fully diluted loss per share (pence)	**(0.18)**	(0.42)

The diluted loss per share has been kept the same as the basic loss per share as the conversion of the share option decreases the basic loss per share, thus being anti-dilutive.

8. Business and geographical segments

Business segments
The Group has only one distinct business segment, being that of mineral exploration.

Geographical segments
The Group's exploration activities are located in Turkey and Bulgaria and its administration and management is based in Cyprus.

	Six months ended 30 June 2010					
	Cyprus GBP'000	Turkey GBP'000	Bulgaria GBP'000	Saudi Arabia GBP'000	Consolidation GBP'000	Total GBP'000
Operating loss	(167)	(63)	(3)	-	-	(233)
Foreign Exchange loss	(14)	(63)	(15)	-	-	(92)
Financial costs	(1)	(1)	-	-	-	(2)
	(182)	(127)	(18)			(327)
Share of loss from jointly controlled entities						(145)
Loss before tax						(472)
Taxation						(16)
Net loss for the period						(488)
Total assets	1,007	189	6	21	(402)	821
Total liabilities	124	1,731	178	-	(1,626)	407
Depreciation of fixed assets	-	8	-	-	-	8

8. Business and geographical segments-(continued)

	Six months ended 30 June 2009				
	Cyprus GBP'000	Turkey GBP'000	Bulgaria GBP'000	Consolidation GBP'000	Total GBP'000
Operating loss	(444)	(240)	-	-	(684)
Foreign Exchange gain/(loss)	30	(92)	(18)	-	(80)
Financial costs	(2)	(1)	-	-	(3)
Net loss for the period	(416)	(333)	(18)	-	(767)
Total assets	2,278	248	6	(1,760)	772
Total liabilities	130	2,025	161	(1,758)	558
Depreciation of fixed assets	-	7	-	-	7

9. Controlled entities

The Group has the following controlled entities which have been consolidated in these financial statements.

	Date of acquisition	Country of incorporation	% of shareholding
Company name			
Subsidiary companies			
Mediterranean Minerals (Bulgaria) EOOD	8/11/06	Bulgaria	100%-Direct
Dogu Akdeniz Mineralleri Ltd	8/11/06	Turkey	100%-Indirect
Jointly controlled company			
Kackar Madencilik Sanayi ve Ticaret Limited Sirkedi	15/01/09	Turkey	30%-Indirect

10. Trade and other receivables

	30 June 2010 GBP'000	31 Dec 2009 GBP'000	30 June 2009 GBP'000
Amount receivable from Saudi Arabia Joint Venture	**96**	6	-
Other receivables	**34**	43	460
Deposits and other prepayments	**17**	15	19
	147	64	479

11. Cash and cash equivalents

Cash included in the cash flow statement comprise the following balance sheet amounts:

	30 June 2010 GBP'000	31 Dec 2009 GBP'000	30 June 2009 GBP'000
Cash at bank and in hand	**638**	322	266

12. Share capital	**Number of shares ’000**	**Share capital GBP’000**	**Share premium GBP’000**	**Total GBP’000**
Authorised				
Ordinary shares of GBP0.01 each	400,000	4,000	-	4,000
Issued and fully paid				
At 1 January 2009	129,646	1,296	1,347	2,643
Issued 10 March 2009 at GBP0.01	58,434	585	-	585
Issued 12 June 2009 at GBP0.013	36,000	360	90	450
Issued 18 June 2009 at GBP0.014	703	7	3	10
Issued 15 July 2009 at GBP0.0125	11,200	112	28	140
Warrants exercised 15 December 2009	2,184	22	-	22
Share issue costs	-	-	(55)	(55)
At 31 December 2009/1 January 2010	238,167	2,382	1,413	3,795
Issued 13 January 2010 at GBP0.016	32,188	322	193	515
Issued 22 January 2010 at GBP0.016	9,375	93	56	149
Share issue costs	-	-	(51)	(51)
At 30 June 2010	**279,730**	**2,797**	**1,611**	**4,408**

On 13 January 2010 the Company issued 32,187,500 new ordinary shares of 1p each at 1.6p per share.

On 22 January 2010 the Company issued 9,375,000 new ordinary shares of 1p each at 1.6p per share.

On 10 March 2009 the Company issued 58,434,004 new ordinary shares of 1p each at 1p per share.

On 12 June 2009 the Company issued 36,000,000 new ordinary shares of 1p each at 1.3p per share.

On 18 June 2009 the Company issued 702,839 new ordinary shares of 1p each at 1.4p per share.

On 8 May 2008 the Company issued 20,812,242 new ordinary shares of 1p each at 3p per share together with 10,406,121 warrants to subscribe for new ordinary shares of 1p each at 5 pence per share on the basis of one warrant for every two new ordinary shares.

Warrants

On 8 October 2007 the Company issued 300,000 warrants to subscribe for new ordinary shares of GBP 0.01 each at GBP 0.04 per share.

In conjunction with the issue of shares on 8 May 2008 the Company issued 10,406,121 warrants to subscribe for new ordinary shares of GBP 0.01 each at GBP 0.05 per share.

On 9 March 2009 the Company issued 2,184,340 warrants to subscribe for new ordinary shares of GBP 0.01 each at GBP 0.01 per share that were exercised on 15 December 2009.

On 9 March 2009 the Company issued 1,296,456 warrants to subscribe for new ordinary shares of GBP 0.01 each at GBP 0.0288 per share.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2010 TO 30 JUNE 2010

12. Share capital (continued)

Warrants (continued)

On 19 June 2009, the Company issued 1,800,000 warrants to subscribe for new ordinary shares of GBP 0.01 each at GBP 0.0125 per share.

On 8 January 2010, the Company issued 965,625 warrants to subscribe for new ordinary shares of GBP 0.01 each at GBP 0.016 per share.

On 21 January 2010, the Company issued 281,250 warrants to subscribe for new ordinary shares of GBP 0.01 each at GBP 0.016 per share.

Details of warrants outstanding as at 30 June 2010:

Grant date	Expiry date	Exercise price GBP	Number of warrants 000's
08 October 2007	07 October 2010	0.0400	300
9 March 2009	8 March 2014	0.0100	1,296
19 June 2009	18 June 2014	0.0125	1,800
8 January 2010	7 January 2015	0.0160	966
21 January 2010	20 January 2015	0.0160	281
			4,643

The Company has issued warrants to advisers to the Group. All warrants, except those noted below expire five years after grant date and are exercisable at the exercise price.

	Number of warrants 000's
Outstanding warrants at 1 January 2010	3,396
- granted	1,247
- exercised	-
Outstanding warrants at 30 June 2010	4,643

The estimated fair values of the warrants were calculated using the Black Scholes option pricing model.

The inputs into the model and the results are as follows:

	21 Jan 10	8 Jan 10	19 Jun 09	9 Mar 09	9 Mar 09	8 Oct 07
Closing share price at issue date	2.05p	2.00p	2.45p	1.7p	1.7p	3.00p
Weighted average exercise price	1.6p	1.6p	1.25p	2.88p	1.0p	4.00p
Expected volatility	227%	227%	238.5%	210.2%	210.2%	85.58%
Expected life	5yrs	5yrs	5 yrs	5 yrs	5 yrs	3 yrs
Risk free rate	2.75%	2.75%	5%	3.5%	3.5%	4.75%
Expected dividend yield	Nil	Nil	Nil	Nil	Nil	Nil
Discount factor	50%	50%	Nil	55%	Nil	30%
Estimated fair value	1.02p	0.99p	2.44p	0.75p	1.68p	1.06p

Expected volatility was estimated based on the likely range of volatility of the share price.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2010 TO 30 JUNE 2010

13. **Trade and other payables**	**30 June 2010**	31 Dec 2009	30 June 2009
	GBP'000	GBP'000	GBP'000
Trade payables	**110**	78	77
Accruals	**8**	11	26
Amount due to jointly controlled entity	**82**	22	-
Amounts due to EMED Mining Public Ltd	**35**	16	55
	235	127	158

14. Share option plan

Details of share options outstanding as at 30 June 2010:

Grant date	**Expiry date**	**Exercise price GBP**	**Number of shares '000**
12 December 2006	12 December 2012	0.0300	16,000
12 March 2007	11 March 2013	0.0350	250
18 April 2007	17 April 2013	0.0350	1,200
04 June 2007	03 June 2013	0.0350	500
24 June 2008	23 June 2014	0.0325	250
12 June 2009	11 June 2014	0.0240	9,000
03 May 2010	02 May 2014	0.0122	1,000
			28,200

	Number of shares '000
Outstanding options at 1 January 2010	27,200
-granted	1,000
-cancelled	-
-exercised	-
Outstanding options at 30 June 2010	28,200

The Company has a share option scheme for employees and other parties of the Group. All options, except those noted below, expire six years after grant date and are exercisable at the exercise price in whole or in part no more than one third form at grant date, two thirds after one year from the grant date and the balance after two years from the grant date. The option agreement contain provisions adjusting the exercise price in certain circumstances including the allotment of fully paid ordinary shares by way of a capitalisation of the Company's reserves, a sub division or consolidation of the ordinary shares, a reduction of share capital and offers or invitations (whether by way of rights issue or otherwise) to the holders of ordinary shares.

On 12 June 2009, 9 million options were issued which expire five years after the grant date, and are exercisable at any time within that period.

On 3 May 2010, 1 million options were issued which expire four years after the grant date, and are exercisable at any time within that period.

14. Share option plan - (continued)

The estimated fair values of the options were calculated using the Black Scholes option pricing model. The inputs into the model and the results are as follows:

	03 May 2010	12 Jun. 2009	24 Jun. 2008	8 Oct. 2007	4 Jun. 2007	18 Apr. 2007	12 Mar .2007	12 Dec. 2006
Closing share price at issue date	1.39p	2.00p	3.25p	3.00p	3.62p	3.88p	3.30p	3.88p
Weighted average exercise price	1.22p	2.40p	3.25p	4.00p	3.50p	3.50p	3.50p	3.00p
Average expected volatility	195%	238.50%	147.60%	85.58%	68.06%	68.06%	68.06%	50%
Expected life	4yrs	5yrs	6yrs	3yrs	6 yrs	6 yrs	6 yrs	6 yrs
Risk free rate	2.25%	5.00%	5.00%	4.75%	6.08%	5.95%	5.73%	5.97%
Expected dividend yield	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Discount factor	50%	55%	30%	30%	30%	30%	30%	30%
Estimated fair value	0.59p	0.89p	2.13p	1.06p	1.71p	1.85p	1.50p	1.427p

Expected volatility was estimated based on the likely range of volatility of the share price.

15. Property Plant and Equipment

The Group	**Motor vehicles GBP'000**	**Furniture, fixtures and office equipment GBP'000**	**Total GBP'000**
Cost			
1 January 2009	45	19	64
Additions	13	8	21
Exchange difference on translation of subsidiaries	1	1	2
At 31 December 2009	59	28	87
Additions	-	-	-
At 30 June 2010	59	28	87
Accumulated Depreciation			
At 1 January 2009	22	6	28
Charge for the period	14	3	17
At 31 December 2009	36	9	45
Charge for the period	2	6	8
At 30 June 2010	38	15	53
Net Book Value at 30 June 2010	21	13	34
Net Book Value at 31 December 2009	23	19	42

16. Intangible assets

	30 June 2010 GBP'000	31 Dec 2009 GBP'000	30 June 2009 GBP'000
Goodwill			
Cost			
Balance at 1 January	**364**	364	364
Balance at 30 June/31 December	**364**	364	364
Provision for impairment			
Balance at 1 January	**364**	364	364
Provision for the period/year	**-**	-	-
Balance at 30 June/31 December	**364**	364	364
Net Book Value			
Balance at 30 June/31 December	**-**	-	-

17. Joint Venture Agreements

17.1 Joint Venture with Centerra Gold (KB) Inc.

On 22 October 2008, the Company entered into a Joint Venture Agreement ("Joint Venture Agreement") in respect of its 100%-owned Artvin Project ("the Project") with Centerra Gold (KB) Inc ("Centerra"), a wholly-owned subsidiary of Centerra Gold Inc., a Canadian-based gold mining and exploration company which is listed on the Toronto Stock Exchange.

The Artvin Project is located in the Artvin Province of north eastern Turkey and comprises 15 tenements, which cover approximately 254km^2 within the eastern portion of the Pontide Belt. The Pontide Belt is a major metallogenic province in the eastern Black Sea coastal region and is prospective for volcanic-hosted massive sulphide (VHMS) deposits, porphyry copper-gold deposits and epithermal gold-silver mineralization (The 'Project Area").

Under the terms of the Joint Venture Agreement, the licences relating to the Project area are to be transferred to the new KEFI Minerals group subsidiary Kackar Madencilik Sanayi ve Ticaret Limited Sirketi ("Kackar"), incorporated in Turkey on 15 January 2009 and Centerra has the exclusive right to acquire up to a 70% shareholding in this subsidiary. In order to acquire the initial 50% shareholding in Kackar Centerra must spend US$3.0 million over three years with a minimum expenditure of US$0.5 million in the first year. Centerra may then elect to acquire an additional 20% shareholding through the expenditure of a further US$3.0 million over the next two years. The joint venture is in respect of a one-kilometre area of interest which extends from the outer boundary of the Project area.

KEFI Minerals is the manager of the Project and Centerra has the right to become manager at any time. Once Centerra has earned its 50% or 70% shareholding in Kackar, KEFI Minerals and Centerra will fund their respective percentage interests of future expenditure subject to dilution for non-participation in such expenditure. If either party's interest is diluted to less than 10%, that party's interest will automatically be converted to a 3% net smelter return royalty, in which case the other party has the right to purchase half of the royalty (1.5%) for US$1.5 million.

17.1 Joint Venture with Centerra Gold (KB) Inc. - (continued)

The Joint Venture Agreement contains certain warranties given by KEFI Minerals and its group companies in respect of the Project and while KEFI Minerals is the Manager of the Project and majority shareholder in the Kackar any advances made by Centerra which are not expended on the Project are repayable in certain circumstances. The Joint Venture Agreement also contains a number of matters concerning the business of Kackar for which Centerra's consent must be obtained.

The cumulative advances made by Centerra Gold (KB) Inc. until the 30 June 2010 amounted to £0.7 million (2009: £0.6 million). During 2009 the advances of £0.3 million received by KEFI from Centerra Gold (KB) Inc. were transferred to Kackar.

Kackar is treated as a jointly controlled entity using the equity accounting method. For 2010 a share of loss amounting to £22,757 (2009: £149,682) has been recognized.

On 15 July 2010, Centerra Gold Inc. has advised the Company of its intention to withdraw from the Artvin Joint Venture.

17.2 Joint Venture with Gold and Minerals

In May 2009, KEFI Minerals announced the formation of a new minerals exploration joint venture, Gold & Minerals ("G&M") Joint Venture, with leading Saudi construction and investment group Abdul Rahman Saad Al-Rashid & Sons Company Limited ("ARTAR"). KEFI Minerals is the operating partner with a 40% shareholding of the G&M Joint Venture with ARTAR holding the other 60%.

KEFI Minerals will provide the G&M Joint Venture with technical advice and assistance, including personnel to manage and supervise all exploration and technical studies. ARTAR will provide administrative advice and assistance to ensure that the G&M Joint Venture remains in compliance with all governmental and other procedures.

The cumulative expenditure incurred by KEFI Minerals amounted to £419,310 (2009: £205,622). However, this expenditure has not been transferred to Gold And Minerals Co. Limited because the company was not incorporated until 30 June 2010. The G&M Joint Venture is treated as a joint venture and has been equity accounted. A loss of £122,383 (2009: £178,867) has been recognized. As at 30 June 2010 the G&M Joint Venture owed KEFI Minerals an amount of £96,967 (2009: £5,662).

17.3 Joint Venture with listed Centerra Gold Inc.

In November 2009, KEFI Minerals announced that it has entered into a Letter of Intent ("LOI") with TSX listed Centerra Gold Inc. ("Centerra") for a joint venture in the 100%-owned Bakir Tepe Project in southwestern Turkey. Bakir Tepe is prospective for volcanic-hosted massive sulphide ("VHMS") polymetallic deposits and a drilling programme is planned to commence soon.

17. Joint Venture Agreements (continued)

17.3 Joint Venture with listed Centerra Gold Inc. (continued)

Under the terms of the LOI, Centerra earns a 51% interest in the Bakir Tepe Project upon contributing US$750,000 to the joint venture over 2 years with a minimum expenditure of US$350,000 in the first year. There is a 45 day exclusivity period in which to execute a final agreement.

Once Centerra has earned its 51% interest, each party shall fund their respective percentage interests subject to dilution for non-participation in such expenditure. If either party's interest is diluted to less than 10%, that party's interest will automatically be converted to a 2.0% net smelter return royalty.

KEFI Minerals will be the manager of the Project and Centerra has the right to become manager if they so elect and have met certain milestones. The Bakir Tepe Licences cover a 78 km2 area and were granted to KEFI Minerals in June 2008.

The cumulative advances made by Centerra Gold (KB) Inc. until the 30 June 2010 amounted to US$270,984.

18. Contingent liabilities

In 2006, EMED Mining Public Ltd acquired a proprietary geological database that covers extensive parts of Turkey and Greece and also EMED transferred to the Company that part of the geological database that relates to areas in Turkey.

Under the agreement, the Company has undertaken to make a payment of approximately GBP59,700 for each tenement it is subsequently awarded in Turkey and which was identified from the database. The maximum number of such payments required under the agreement is four, resulting in a contingent liability of up to GBP238, 800. These payments are to be settled by issuing shares in the Company. To date, only one tranche of shares have been issued under this agreement in June 2007 for GBP43,750.

Under the joint venture agreement with Centerra Gold (KB) Inc (see Note 17) there are certain warranties given by KEFI and its group companies whereby KEFI, while manager and majority shareholder in the project, must in certain circumstances repay any advances made by Centerra not expended on the Project. As at 30 June 2010 such unexpended balances stood at nil.

19. Capital commitments

The Group has no capital or other commitments as at 30 June 2010.

20. Relationship deed

A Relationship Deed between EMED and the Company dated 7 November 2006, by which EMED agrees not to operate in Bulgaria and Turkey, and the Company agrees not to operate in Albania, Armenia, Azerbaijan, Cyprus, Greece, Hungary, Iran, Oman, Romania, Saudi Arabia, Serbia or Slovakia the "EMED Area".

20. Relationship deed (continued)

The Relationship Deed provides that EMED has the right to appoint one non-executive director of the Company. It also provides EMED with a right of first refusal in respect of funding any proposed mining or exploration project of the Company. The Relationship Deed provides that the Company shall refer any opportunity to conduct mining or exploration activity in the EMED Area to EMED, and EMED shall refer any such opportunity in Bulgaria or Turkey to the Company.

EMED has since granted the Company the right to explore in Saudi Arabia in return for which it will receive, to the extent possible under legislation in Saudi Arabia, first right of refusal over participation in any projects developed (or not taken up) by the joint venture established on 28 May 2009 in that country with Abdul Rahman Saad Al-Rashid & Sons Company Limited.

21. Post balance sheet events

On 15 July 2010, Centerra Gold Inc. has advised the Company of its intention to withdraw from the Artvin Joint Venture (Note 17.1). The Artvin Joint Venture was formed in 2008 and Centerra was earning into the joint venture by funding drilling programmes and other exploration expenditure since that time. Full ownership of the Artvin Project will revert to KEFI Minerals.

On 23 July 2010, the Company appointed a new metallurgist consultant, Mr. Sergio Di Giovanni, as part of the terms of his employment contract, Mr. Di Giovanni has been issued 400,000 Ordinary Shares at a price of 1.25p.

On 30 July 2010, the Company issued 1,187,099 ordinary shares of 1p, at a price of 1p each, to Fox Davies Capital in lieu of £10,000, being the retainer income due to Fox Davies Capital, as broker to the Company, for the period 1 July to 30 September 2010.

There were no other material post balance sheet events which have a bearing on the understanding of the financial statements.

REVIEW REPORT TO KEFI MINERALS PLC

We have reviewed the accompanying statement of financial position of KEFI Minerals Plc at June 30, 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the International Standard on Review Engagements 2400. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements do not give a true and fair view in accordance with International Accounting Standards.

Nicosia, Cyprus, 27 September 2010

MOORE STEPHENS STYLIANOU & CO
CERTIFIED PUBLIC ACCOUNTANTS – CY