

10 August 2017

KEFI Minerals plc

("KEFI" or the "Company")

Reduced Funding Requirement

KEFI Minerals (AIM: KEFI), the gold exploration and development company with projects in the Kingdom of Saudi Arabia and the Federal Democratic Republic of Ethiopia, is pleased to report that the residual funding requirement for the Company's Tulu Kapi gold project (the "Project"), having been reduced from US\$289 million in January 2014 to US\$32 million following the Oryx Management Limited ("Oryx") agreement announced on 17 July 2017, has now been further reduced to US\$24 million, based on refinements to planned capital expenditure and contingency provisions.

KEFI is now focusing on sourcing part of this residual requirement from a separate finance facility against ore stockpiles which are estimated to include US\$15 million of contained gold at start-up of production and part of the remaining requirement from project-level equity, negotiations for which have commenced. It remains KEFI's preference to retain majority ownership and control of the Project.

KEFI intends to optimise the finance mix in consultation with the Project syndicate, in particular the Government of Ethiopia and principal financier Oryx, as we approach closing targeted for Q4 2017.

ENQUIRIES

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NOTES TO EDITORS

KEFI Minerals plc

KEFI is the operator of two advanced gold development projects within the highly prospective Arabian-Nubian Shield, with an attributable 1.93Moz (100% of Tulu Kapi's 1.72Moz and 40% of Jibal Qutman's 0.73Moz) gold Mineral Resources (JORC 2012) plus significant resource growth potential. KEFI targets

that production at these projects generates cash flows for further exploration and expansion as warranted, recoupment of development costs and, when appropriate, dividends to shareholders.

KEFI Minerals in Ethiopia

The Tulu Kapi gold project in western Ethiopia is being progressed towards development, following a grant of a Mining Licence in April 2015.

Following completion of KEFI's Definitive Feasibility Study for Tulu Kapi, the Company is now progressing contractual terms for project construction and operation. Latest estimates for annual gold production are c. 120,000oz pa and All-in Sustaining Costs (including operating, sustaining capital and closure but not including financing charges) of <US\$800/oz. Tulu Kapi's Ore Reserve estimate totals 15.4Mt at 2.12g/t gold, containing 1.05Moz.

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. These plans now also reflect the agreed construction and operating terms with project contractors, and have been independently reviewed by experts appointed for the project finance syndicate.

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.

The projected cash flows indicate that the net cash build-up (after servicing financing) in the first three production years is US\$61 million to US\$251 million for the gold price range of US\$1,100/oz to US\$1,900/oz which prevailed during the past seven years.

KEFI Minerals in the Kingdom of Saudi Arabia

In 2009, KEFI formed G&M in Saudi Arabia with local Saudi partner, Abdul Rahman Saad Al-Rashid & Sons Company Limited ("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. To date, G&M has conducted preliminary regional reconnaissance and has had five exploration licences ("ELs") granted, including Jibal Qutman and the more recently granted Hawiah EL that contains over 6km strike length of outcropping gossans developed on altered and mineralised rocks with all the hallmarks of a copper-gold-zinc VHMS deposit.

At Jibal Qutman, G&M's flagship project, Mineral Resources are estimated to total 28.4Mt at 0.80g/t gold for 733,045 contained ounces. The shallow oxide portion of this resource is being evaluated as a low capital expenditure heap-leach mine development.

ARTAR, on behalf of G&M, holds a large portfolio of 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 instituted, and is further overhauling, 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.

Further information on KEFI can be found at www.kefi-minerals.com