

8 December 2014**KEFI Minerals Plc**
("KEFI" or the "Company")**SECOND MAJOR EXPLORATION LICENCE AWARDED IN SAUDI ARABIA***EXPLORATION PROGRAM AT HAWIAH, SAUDI ARABIA TO COMMENCE IMMEDIATELY*

KEFI Minerals (AIM: KEFI), an emerging gold miner with projects in the Kingdom of Saudi Arabia and Democratic Republic of Ethiopia, is pleased to announce a significant step in Saudi Arabia with the award of its second major licence in the country. On 5 December 2014, KEFI received confirmation that the 95km² Hawiah Exploration Licence ("Hawiah EL") had been granted to KEFI's partner, Abdul Rahman Saad Al-Rashid & Sons Company Limited ("ARTAR"), on behalf of the KEFI-operated Gold and Minerals Joint Venture Company ("G&M").

Exploration work has now commenced and initial focus will be on a large Volcanogenic Hosted Massive Sulphide ("VHMS") target. VHMS deposits are closely associated with submarine volcanic rocks and are major sources of Gold, Copper, Zinc, Lead and Silver. Testing will begin on a 4km-long gold mineralised gossan (surface-exposed iron-rich oxidized portion of the VHMS mineralisation).

HIGHLIGHTS

- The Hawiah EL was one of the higher priority Exploration Licence Applications ("ELAs") being processed for ARTAR on behalf of G&M. KEFI is operator and 40% owner, with ARTAR owning the remaining 60%;
- The unusually large structure exposed at surface at Hawiah is considered by KEFI as analogous to large copper-gold-zinc VHMS deposits in the Arabian-Nubian Shield ("ANS"), which also have well-preserved, mature oxidised zones enriched in gold at surface. Other examples of large VHMS deposits in the ANS includes Bisha (Nevsun) and Asmara (Sunridge) in Eritrea, Hassaiin NE Sudan (Ariab), and in Saudi Arabia at Jabal Sayid (Barrick and Ma'aden) and Al Masane (Arabian American);
- G&M's exploration program is included within the budget for 2015 and commences with arranging geophysical surveys and trenching, to facilitate planning of the drilling program; and
- Rock chip and channel sampling, undertaken during field reconnaissance, returned results of up to 22.45g/t gold and 38.7g/t silver from outcropping silicified gossanous bodies located within the Hawiah EL.

KEFI Minerals' Exploration Director, Jeff Rayner, commented:

"We are pleased that our joint venture in Saudi Arabia has been awarded a second licence and thank our partner, ARTAR, for their efforts. The Arabian-Nubian Shield is largely under explored and we are pleased that we have been awarded this high priority second licence to go along with the one we have already at Jibal Qutman. The potential at Hawiah is huge as it is considered to be comparable to some large copper

and copper-zinc deposits in the Arabian-Nubian Shield, with ancient gold workings in the oxidized zones at surface. This program is a great complement to the Tulu Kapi development project within the ANS in Ethiopia. We look forward to reporting progress on all our projects shortly.”

BACKGROUND ON HAWIAH

The newly granted Hawiah EL is located in the southern part of the Arabian-Nubian Shield and lies on the prospective Wadi Bidah Mineral District (“WBMD”), a 120km-long north-south trending belt. Ancient workings and mineral occurrences for base metals and gold have been found in over 20 places in the WBMD.

The Hawiah Prospect was initially explored by the French Bureau de Recherches Géologiques et Minières (“BRGM”) in 1986. Reconnaissance rock-chip sampling and channel sampling along the 4km-long strike of silica gossan outcrops showed strong gold enrichment at surface. Gold grades occur with good continuity along strike. The following table summarizes BRGM’s results of the reconnaissance channel sampling campaign:

Channel	From m	To m	Interval m		g/t
HWTR-001	11.2	14.2	3.0	@	2.42
HWTR-003	4.0	7.0	3.0	@	3.77
HWTR-005	7.0	9.0	2.0	@	1.05
HWTR-006	7.0	8.0	1.0	@	5.63
HWTR-008	0.0	5.5	5.5	@	2.47
HWTR-009	2.0	3.0	1.0	@	4.83
HWTR-011	1.0	2.3	1.3	@	3.19
HWTR-012	0.0	1.8	1.8	@	2.07
HWTR-014	0.0	2.1	2.1	@	2.27
HWTR-015	0.0	2.4	2.4	@	13.23
HWTR-016	0.0	1.0	1.0	@	1.38
HWTR-017	1.0	4.0	3.0	@	1.23

A geophysical survey (“SP and IP”) identified strong low resistivity and high conductivity anomalies, potentially related to a massive sulphide body. This was also identified by BRGM, extending the prospective zone at depth below the mineralisation exposed at surface, however, the SP and IP anomalies were never drill tested.

The BRGM explored the WBMD in the 1980’s and identified gold-gossan resources at numerous prospects with gold grades averaging up to 7g/t. Gold gossans were the focus of the BRGM’s programmes and only limited deeper diamond drilling was performed on some of these VHMS deposits in the WBMD. Diamond drilling results confirmed the potential with Cu grades averaging up to 2.6% and Zn grades averaging up to 5.5% being identified at depth.

EXPLORATION AND CORPORATE STRATEGY

In Saudi Arabia, KEFI has, from the outset, worked in partnership with its local partner ARTAR, which obtained the Hawiah EL on behalf of G&M, along with granted Exploration Licences other than Hawiah and 23 ELAs. As stated previously, the Saudi authorities are reviewing their regulatory policy with regards to

mineral exploration. The Directors of KEFI are increasingly confident that, given the Company's approach of strong local ownership from the outset, it is well-positioned to avoid any potentially negative impact resulting from a change in policy.

Further information can be viewed on KEFI's website at www.kefi-minerals.com

KEFI Minerals Plc

Harry Anagnostaras-Adams (Executive Chairman)	+357 99457843
Jeffrey Rayner (Exploration Director)	+90 533 928 1913

SP Angel Corporate Finance LLP (Nominated Adviser)

Ewan Leggat, Katy Birkin	+44 20 3470 0470
--------------------------	------------------

Fox-Davies Capital Ltd (Joint Broker)

Oliver Stansfield, Alex Walker	+44 207 936 5200
--------------------------------	------------------

finnCap Ltd (Joint Broker)

Joanna Weaving, Christopher Raggett	+44 207 220 0500
-------------------------------------	------------------

Luther Pendragon (Financial PR)

Harry Chathli, Claire Norbury, Ivana Petkova	+44 207 618 9100
--	------------------

References in this announcement to exploration results, interpretations and prospects have been approved for release by Mr. Jeffrey Rayner. Mr Rayner is a geologist and has more than 25 years' relevant experience in the field of activity concerned. He is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has reviewed and consented to the inclusion of the material in the form and context in which it appears.

NOTES TO EDITOR

KEFI Minerals Plc

KEFI is the operator of two advanced gold development projects within the highly prospective Arabian-Nubian Shield, with an attributable 2.0Moz (100% of Tulu Kapi's 1.9Moz and 40% of Jibal Qutman's 0.5Moz) Au Mineral Resources (JORC 2012) plus significant resource growth potential. KEFI targets that production at these projects generate cash flows for further exploration and expansion as warranted, recoupment of development costs and, when appropriate, dividends to shareholders.

KEFI in Ethiopia

The Tulu Kapi gold project in Western Ethiopia is being rapidly progressed towards development. In October 2014, KEFI Minerals reactivated the Mining Licence Application and assembled indicative project finance terms.

A Definitive Feasibility Study is evaluating construction of a 1.2Mtpa processing plant with estimated annual gold production 86,000 oz at total operating costs of \$626/ounce. The planning parameters for the DFS have already been independently confirmed. The Company's milestones for 2015 include licencing, resettlement of affected households, arranging project finance in mid-2015 for major works to commence in the final quarter of 2015 and production commissioning at the end of 2016.

The Company has received strong support from the Ethiopian authorities, who have confirmed their intention to expedite the processing of the MLA and issue approvals in early 2015.

KEFI Minerals in the Kingdom of Saudi Arabia

KEFI Minerals has a 40% interest in the G&M and is the operating partner. G&M holds two Exploration Licences (“ELs”) other than Hawiah and 23 ELAs that cover an area of approximately 1,484km². EL’s 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.

In 2009, KEFI formed G&M, with Saudi partner ARTAR, to explore for gold and associated metals in the Arabian Shield. To date, G&M has conducted preliminary regional reconnaissance and had five EL’s granted. Three have been relinquished after initial testing.

The Kingdom of Saudi Arabia has instituted 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.