

AIM: KEFI

27 March 2014

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

**SHARE OPTION SCHEME APPROVED**

KEFI Minerals, the AIM-quoted gold and copper exploration and development company with projects in the Kingdom of Saudi Arabia and the Democratic Republic of Ethiopia, announces that the Board has approved a new share option scheme ("the Scheme") for directors, senior managers and employees. The Scheme formalises the existing policy that options may be granted over ordinary shares representing up to a maximum of 10 per cent. of the Group's issued share capital.

The Scheme is designed to align the interest of senior employees with those of shareholders and promote the retention of the Company's senior executive team. Previously granted options over 22,100,000 ordinary shares which were due to expire during 2014 have all been cancelled and the new grants of options have been made, in accordance with the terms of the Scheme.

The Scheme options vest in equal annual instalments over a period of 2 years and expire after 6 years. The options granted today have an exercise price of 2.3 pence per ordinary share, representing a twenty three per cent. premium to the closing market price on 25 March 2014 and twenty four per cent. premium above the volume-weighted-average-price over the past 5 days.

Whilst there has been no notifiable change in the beneficial interests of any of the Directors as a result of this announcement the details of the new options held by the Directors are as follows:

Name	Title	Number of options granted under Scheme	Options granted as a per cent of current issued share capital
Harry Anagnostaras-Adams	Non-Executive Chairman	6,500,000	0.8%
Jeff Rayner	Managing Director	8,833,000	1.0%
John Leach	Finance Director (Non-Executive)	2,250,000	0.3%
Ian Plimer	Non-Executive Deputy Chairman	4,417,000	0.5%

In addition to the 22,000,000 options issued to the Directors a further 4,975,000 options have today been granted to other non-board members of the senior management team.

There is now a total of 46,010,000 options granted over ordinary shares, representing 5.40% per cent. of the Group's issued share capital which it is considered will provide the Remuneration Committee and Board the appropriate flexibility for the future.

There are also 19,197,301 broker warrants on issue, resulting from past financings.

## **Enquiries**

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*References in this announcement to exploration results and potential 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 consented to the inclusion of the material in the form and context in which it appears.*

Further information on KEFI Minerals is available at [www.kefi-minerals.com](http://www.kefi-minerals.com)

## **KEFI Minerals in the Kingdom of Saudi Arabia**

In 2009, KEFI formed the Gold and Minerals Joint Venture ("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 Shield. To date, the G&M has conducted preliminary regional reconnaissance and lodged 23 Exploration Licence Applications (ELAs), of which four have been granted.

The ELAs were initially applied for and granted to ARTAR. Incorporation of G&M has been completed and any granted Licences will be transferred into G&M in due course.

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.

## **KEFI in Ethiopia**

KEFI Minerals has acquired 75% of Tulu Kapi licence in western Ethiopia and intends to refine the development plan for the project, aimed at reducing the previously planned capital and operating expenditure. Early research has yielded encouraging results and was summarised in recent announcements in respect of the Tulu Kapi acquisition transaction.

The Company is now positioned as an operator of two advanced gold development projects within the highly prospective Arabian-Nubian Shield, with an attributable 1.7Moz of JORC-compliant mineral resource plus significant resource growth potential. By 2017, the aggregate estimated production at these projects attributable to KEFI Minerals could exceed 80koz pa Au, generating cash flows for further exploration and expansion as warranted, recoupment of development costs and, when appropriate, dividends to shareholders.

**-Ends-**