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

INDEPENDENTLY VERIFIED JORC COMPLIANT INDICATED RESOURCE REPORTING ON TULU KAPI GOLD DEPOSIT IN ETHIOPIA

KEFI Minerals plc (AIM: KEFI), the gold exploration and development company with projects in the Kingdom of Saudi Arabia and the Democratic Republic of Ethiopia, is pleased to announce an independently verified updated Indicated Resource of 18.8 Mt at 2.67 g/t Au for 1.62 Moz Au, reported in accordance with the JORC Code (2012), at its Tulu Kapi project in Ethiopia. This compares with the previous Indicated Resource estimate in August 2014 of 18.4 Mt at 2.57 g/t for 1.52 Moz Au.

The updated Indicated Resource is part of the refined Definitive Feasibility Study ("DFS") for financing, which is undergoing completion. The updated resource was derived from "wireframing" the mineralised structures to create orebody solids as a cross-check against the previous "indicator model", and will now be used as a base for further refined pit design, mine scheduling and Ore Reserve estimation. The project remains on schedule for construction to commence in Q4 2015.

KEFI is the manager and operator of the project under the Company's wholly-owned KEFI Minerals (Ethiopia) Limited ("KME"). The Competent Persons for the Resources are Simon Cleghorn, Resource Manager of KEFI, and Lynn Olssen, General Manager Geosciences and Senior Principal Consultant of Snowden Mining Industry Consultants Pty Ltd ("Snowden"). The estimate of Inferred Resource will also be updated (expected to occur within the next couple of months), but it does not form part of mine planning.

HIGHLIGHTS

- The new Indicated Mineral Resource of **1.62 Moz Au (18.8 Mt at 2.67 g/t Au),** is reported in accordance with the JORC Code (2012) and provides an update to previous estimates reflecting further interpretation, refinement and validation procedures conducted by KEFI management and its independent advisers. This compares closely with KEFI's previous estimate in August 2014 reporting 18.4 Mt at 2.57 g/t Au for 1.52 Moz Au and compares favourably with that of the project vendor's most recent reporting in October 2012 of 14.6 Mt at 2.36 g/t Au for 1.11 Moz Au.

- The new wireframed resource will provide the basis for a new reserve estimate and re-affirms the integrity of KEFI's interpretations and resource estimation models published since the acquisition of Tulu Kapi in December 2013.

- Total Indicated Resource above 1,400m relative level ("RL") and in the potential open pit area is 17.7 Mt at 2.49 g/t Au for 1.42 Moz Au (August 2014 estimate was 17.3 Mt at 2.37 g/t Au for 1.31 Moz Au) and high grade mineralisation of 1.08 Mt at 5.63 g/t Au for 0.20 Moz Au (August 2014 estimate was 1.07 Mt at 5.88 g/t Au for 0.20 Moz Au) in underground potential, immediately below the planned open pit.

- KEFI will now further optimise and update mine design, mining plans and consequential updated Independent Ore Reserves. Studies being updated as part of this process include geotechnical, mine dilution, mine planning and the verification of local input costs.

- KEFI has adopted a reiterative approach to reporting of Mineral Resources and Ore Reserves as a part of its systematic overhaul of the Tulu Kapi project. The Company is driving hard to ensure robust and financeable economics in the context of current gold prices and capital markets. As part of this, KEFI has recently opened discussions with selected candidates for contract mining and with the vendors of process plants that are suitable for relocation and refurbishment.

Resource Category	Reporting elevation	Tonnes (Mt)	Au (g/t)	Ounces (Moz)
Open Pittable				
at Cut-Off Grade 0.45 g/t				
Indicated	above 1,400m RL	17.7	2.49	1.42
Underground Mining				
at Cut-Off Grade 2.5 g/t				
Indicated	below 1,400m RL	1.08	5.63	0.20
Total Indicated	Total Indicated Resources	18.8	2.67	1.62

Notes:

- All figures are reported to three significant figures. This may result in discrepancies in the table due to rounding.
- KEFI currently owns 100% of KEFI Minerals (Ethiopia) Ltd, which owns 100% of the Tulu Kapi gold project, and is planning to reduce to 95% by granting a 5% free-carried interest to the Government of Ethiopia.

Harry Anagnostaras-Adams, Executive Chairman of KEFI Minerals, commented:

"We are pleased to report an improved Indicated Resource at our Tulu Kapi project in Ethiopia, which has been independently reviewed and is in accordance with the JORC Code (2012). It further validates the opportunity that the KEFI team, led by Exploration Director Jeff Rayner, identified and our belief that we have an attractive open pit project and underground mining potential.

"Over the next few months we will finalise our development plans, taking into consideration contract mining submissions and existing process plants for sale. We are also on track for obtaining the requisite licencing, community resettlement, team building and financing. All this gives the Board confidence that development will commence in 2015 leading to commissioning at the end of 2016 for production in 2017."

Enquiries

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COMPETENT PERSONS' STATEMENTS

The information in this report that relates to input data used for the Mineral Resources is based on, and fairly represents, information and supporting documentation – the compilation of which was overseen by Simon Cleghorn, Resource Manager and a full-time employee of KEFI and a Member of The Australasian Institute of Mining and Metallurgy. Simon Cleghorn has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Simon Cleghorn consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the interpretation, estimation, classification and reporting of the Mineral Resources is based on, and fairly represents, information and supporting documentation – the compilation of which was reviewed by Lynn Olssen who is a Member of The Australasian Institute of Mining and Metallurgy and a full-time employee of Snowden Mining Industry Consultants Pty Ltd. Lynn Olssen has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Lynn Olssen consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Further information on KEFI Minerals is available at www.kefi-minerals.com

BACKGROUND TO THE RESOURCE ESTIMATE

- A number of resource estimates have been carried out at Tulu Kapi since 2009 by various consultants with an expanding database. There has been over 120 kilometres of drilling at Tulu Kapi and over $50 million spent on drilling, project due diligence and planning by previous owners.

- The 2012 Definitive Feasibility Study resource estimate was published by the previous owner of KME (the owner of Tulu Kapi) in October 2012. It was carried out using a semi-constrained block model in Datamine using the dynamic anisotropy methodology. The Indicated Resource estimate was reported above a cut-off grade of 0.3 g/t Au and totalled 14.6 Mt at 2.36 g/t Au for 1.11 Moz Au in the Indicated Resource.

- After acquiring 75% of KME in late December 2013, KEFI updated the existing database in January 2014 to incorporate 71 drillholes, totalling over 16,000m of drilling that were drilled by the previous controller, post the cut-off date of the October 2012 resource estimate.

- KEFI published its first resource update on 12 March 2014. KEFI used the same October 2012 resource estimation methodology after including more structural data, a corrected database and mining block estimates with the following dimensions: 5.0m(X) by 5.0m(Y) by 1.0m(Z), with 1.0m composited samples in drillholes. KEFI's March 2014 Mineral Resource was reported in accordance with JORC Code (2012) above a 0.3 g/t Au cut-off with an upgrade to 21.2 Mt Au at 2.73 g/t Au for 1.86 Moz in Indicated Resource. The March Mineral Resource was independently reviewed by AMC Consultants Pty Ltd, Australia and all aspects were taken into account in the subsequent August 2014 and February 2015 Mineral Resources.

- KEFI continually refined the resource estimate using additional structural data based on surface mapping and trenching plus a small programme of additional Reverse Circulation (RC) targeted at infill drilling and maximising structural interpretation. This work was performed during March to June 2014.

- KEFI's resources update published today incorporates geostatistical parameters agreed with Snowden, after rigorous peer review of various aspects including variography, top-cuts and block sizing.

- The block model was created within the interpreted wireframes with block sizes: 10.0m(X) by 10.0m(Y) by 1.0m(Z), and grade estimation was carried out using 1.0m composited samples in drillholes.

TECHNICAL NOTES ON THE RESOURCE ESTIMATE

- The Tulu Kapi gold deposit is an orogenic gold deposit located in an area consisting of rocks ranging from Pre-Cambrian to Tertiary in age. The gold mineralisation at Tulu Kapi is hosted by an Upper Proterozoic age intrusive, which comprises a coarse grained syenite pluton. These rocks have been intruded into a volcano-sedimentary sequence that was subsequently metamorphosed to mafic and sericitic schists. Primary mineralisation is hosted in mafic syenite.

- The input data for the estimate comprised 722 drillholes totalling 118,738.3m including 298 diamond drillholes (NQ, HQ and PQ diameter) for 72,032.9m, 342 RC drillholes for 45,611m and 82 trenches for 1,094.4m. All drilling and sampling was carried out using industry standard methods. Diamond drilling was sampled using half core while RC samples were riffle split prior to crushing and grinding. Analysis was by fire assay using a 50 g charge and AAS finish.

- Industry standard QAQC sampling and analysis was carried out which indicates that there are acceptable levels of precision and accuracy.

- Mineralisation domains were interpreted and wireframed as a series of lodes following a general gold grade indicator of 0.3 g/t with appropriate adjustments to maintain continuity of grade and structure. The lodes typically strike to the north, dipping around 30 degrees to the west.

- 1m composites were coded within the mineralised domain and by major fault block ("Central Zone" and "UNDP Zone"). Given the shallow oxidation profile, no separation was carried out by oxidation domain.

- The data distributions are highly skewed and typically have a high (>1.5) coefficient of variation (CV – ratio of standard deviation to the mean). As a result, top cuts were applied to prevent overestimation and smearing of the comparatively high values into surrounding blocks. Top cuts were 70 g/t Au for the Central and UNDP domains and impact on less than 1% of the grade population.

- Grade estimation was carried out in CAE Studio 3 (Datamine) using ordinary kriging (OK) with dynamic anisotropy to align the estimation with the local dip and strike of the mineralisation trends, into 10mE by 10mN by 1.0mRL parent cells. Block discretisation was set to 4 by 4 by 2.

- A kriging neighbourhood analysis (KNA) was carried out to determine optimal block size and estimation parameters. The estimation was performed on the mineralised and non-mineralised material defined within each domain (Central and UNDP).

- Estimation was run in a three pass kriging plan, the second and third passes using progressively larger search radii to enable the estimation of blocks un-estimated on the previous pass. The search parameters were derived from the variogram analysis, with the first search distances corresponding to the distance at half of the variogram sill value and the second search distance approximating up to the variogram range.

- Blocks were estimated using a minimum of 8 with a maximum of 24 samples (6 minimum and 24 maximum for pass 2) and a maximum of 4 composites allowed per drillhole.

- The maximum distance of extrapolation points within the method was 80m.

- A global (dry) density value of 1.5 t/m^3 was used for all saprolite material. A global (dry) density value of 2.74 t/m^3 was used for all fresh material.

- For the Central Zone, search radii used during grade estimation were used together with a wireframe encompassing high confidence mineralisation to define classification. Consistent areas of blocks estimated in the first and second searches (within the variogram range) were classified as Indicated Resources and blocks consistently estimated in the third search pass with less confidence in the geological continuity were classified as Inferred Resources. The areas of Indicated Resources are typically drilled out on a 40m by 40m grid with areas of 20m by 20m.

- The majority of Mineral Resources contained within the north fault block (UNDP) are classified as Inferred Resources, except for a portion representing more closely spaced drilling (approximately 40m by 40m), which was mainly estimated in the first and second search passes.

- The Mineral Resource has been reported as mineable by open pit methods above 1,400mRL, which is the bottom out elevation for the pit optimisation shells generated as part of the definitive feasibility study. Below 1,400mRL the Mineral Resource is reported as

potentially mineable by underground methods.

- The updated Indicated Resources have been reported at a cut-off grade of 0.45 g/t Au above the 1,400mRL to represent open pittable resources and at a cut-off grade of 2.50 g/t Au below the 1,400mRL to represent potential underground mineable resources (tabulated above). Average surface RL in the planned pit is 1,750mRL. These cut-off grades were based on appropriate computerised optimisation techniques after taking into account the final determination of internal dilution of the Mineral Resources, which were completed as part of the Definitive Feasibility Study carried out during 2012.

- Snowden has independently validated the estimate and checked each stage of the estimation process including review of all parameters, macros and classification criteria. Snowden considers that there are no material issues with the estimate.

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 1.6 Moz (95% of Tulu Kapi's 1.9 Moz and 40% of Jibal Qutman's 0.5 Moz) Au Mineral Resources (JORC 2012) plus significant resource growth potential. KEFI is targeting for production at these projects to generate cash flows for further exploration and expansion as warranted, recoupment of development costs and, when appropriate, dividends to shareholders.

Expected milestones for the remainder of 2015 at Tulu Kapi include:

- Independent verification of refined mine plan
- Independent verification of refined estimates for capex, opex and closure
- Independent verification of updated Ore Reserves
- Assembly of bank syndicate and agreement of indicative terms sheet for project finance
- Receipt of Mining Licence in Q1 2015 (application suspended mid-2013 by previous owner of the asset)

In addition, during 2015 KEFI anticipates submitting a Mining Licence Application for Jibal Qutman in Saudi Arabia through its joint venture company, Gold & Minerals Ltd ("G&M").

KEFI in Ethiopia

KEFI has 100% ownership of the Tulu Kapi licence in western Ethiopia and is at an advanced stage in refining the development plan for the project, aimed at reducing the previously planned capital and operating expenditure. Detailed research has yielded encouraging results and has been summarised in recent Company announcements.

At the end of 2013, the Ethiopian Government improved the fiscal regime applying to the gold sector, and Tulu Kapi in particular. This included lowering the income tax rate for mining (to 25% from 35%); settling of repayment schedule for inherited VAT liability (over three years rather than up-front); the removal of VAT on future exploration drilling expenditure; lowering royalty on gold mining (to 7% from 8%); accelerating the depreciation of historical and future capital expenditure (over four years); and clarifying the workings of the Government's 5% free-carried interest so that it does not impede conventional project financing terms.

KEFI 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 Shield. KEFI has a 40% interest in the G&M and is the operating partner. To date, the G&M has conducted preliminary regional reconnaissance and has had five Exploration Licences ("EL") granted, including Jibal Qutman and the recently granted "Hawiah EL" that contains over 5km of outcropping gossans developed on VMS altered and mineralised rocks.

G&M holds 23 Exploration Licence Applications that cover an area of approximately 1,484km^2. 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 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.

DEFINITIONS OF EXPLORATION RESULTS, RESOURCES & RESERVES

EXTRACTED FROM THE JORC CODE: (December 2012) (www.jorc.org)

A 'Mineral Resource' is a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve.

A 'Measured Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are

gathered. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve.

An ‘Ore Reserve’ is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported.

-Ends-

JORC 2012 Table 1

Section 1 Sampling Techniques and Data

(Criteria in this Section apply to all succeeding Sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• For diamond drill core, after delivery to a dedicated core yard, core was photographed and sample intervals were marked by a geologist and the core was split using Clipper diamond core saws. Core recovery and RQD were measured at the diamond drill site right out of the inner tube using trained technicians. Half core samples were submitted to the on site preparation facility for drying, crushing and pulverising. The samples were typically taken at 1 m intervals in expected mineralisation and 2 m intervals in expected waste except where the samples crossed lithological boundaries. In this instance, the samples were terminated at the lithological contact. All samples taken were greater than 30 cm in length. Sampling of diamond core followed industry standard procedures. • RC drill samples were sampled every metre and were bagged and riffle split at the drillhole if they were dry and a sample of approximately 3 kg was kept for sample preparation. RC samples were submitted to the on site preparation facility for drying, crushing and pulverising. Sampling of dry RC chips followed industry standard procedures. • Wet RC samples were taken in their entirety to the sample storage facility and riffle split with a clean water wash between splits. Wet RC samples were submitted to the on site preparation facility for drying, crushing and pulverising. Splitting of wet RC samples is not ideal however care was taken to ensure riffle splitters were kept clean and sample quality was considered to be acceptable. • Trench samples were collected from trenches that were dug by hand and up to 3 m deep. Samples were collected under the supervision of the senior geologist from the base of the trench using either a geologist's pick or a jack-hammer in the harder rock. Samples were taken at 1 m intervals except where lithological boundaries were crossed and the minimum sample length is 0.3 m. • Appropriate care was taken by supervising geologists at the drillhole and at the sample storage facility to process both diamond core and RC chip samples. Lithologies were respected as boundaries for sampling where a mineralised lithological unit was greater than 0.3 m drilled thickness. • Both diamond drill core and RC chips samples were sample prepped and assayed via an industry standard procedure. Sample prep was carried out onsite and the resulting 100 g pulp assayed by fire assay using a 50 g charge and AAS finish.

Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond drilling was carried out with typically 3 core diameters, PQ (8 5 mm) in saprolite and through the saprolite to the fresh/transitional boundary, HQ (63 mm) to a depth of 100 m and NQ (47 mm) to depths beyond 100 m. All diamond core was orientated. Downhole survey was carried out via an EZ Track survey system by Reflex with an initial survey carried out at 25 m and then a survey carried out at every 50 m from then on. Non vertical diamond drillholes following TKBH_080 were oriented using Reflex ACT II and ACT III orientation instruments. Three consecutive runs which lined up within 10 degrees of one another were considered to be of high confidence orientation. • RC drilling was carried out with a face sampling hammer and 8 inch bit in the saprolite layer reducing to a 3 ½ inch bit in the fresh material. RC holes were surveyed using the Reflex EZ Track inside 6 m of stainless steel rods which immediately followed the hammer. Survey frequency was every 50 m; • 722 drillholes and trenches totaling 118,738.3 m were used in the preparation of the resource estimate including: – 298 diamond drillholes (NQ, HQ and PQ diameter) for 72,032.9 m. – 342 reverse circulation drillholes for 45,611 m. – 82 trenches for 1,094.4 m.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Diamond drill core sample lengths were measured and lengths recoded after logging in order to be able to determine core recovery. Core recovery averaged 95 % through all rock types and types of ground. Due to good recoveries, triple tubing was not used. • Kefi's RC drill chip samples of 1 m were weighed and weight recorded to determine if weight was within a satisfactory range compared to the expected 25 kg. Previous operators also recorded sample recovery by percentage or weight for 58 % of RC holes. • Recording of core sample lengths against drill meters and RC drill chip samples against expected weight was well documented and records available in a verified database. • Sample recovery is good at Tulu Kapi due to the competent granitoid ground and relatively thin overburden and completely oxidized horizon. For diamond drilling, PQ diameter was used for collaring holes to maximise recovery in the clay rich ground. Also, water feed was turned down and down force increased to prevent material from washing out of the inner tube. • Drilling of RC samples below the water table showed a variability in sample weights for wet samples. Previous statistical studies during the definitive feasibility study suggested wet RC samples tended to underestimate gold grade compared to diamond drill samples below the water table.

Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• For diamond drill core and RC drill chips, logging was carried out to determine mineralisation intervals based on alteration type, presence of quartz veining and sulphide occurrence. • Diamond drill core was logged for lithology, structure, texture, mineralisation, alteration type, color and weathering intensity and sulphide occurrence. Core was photographed in the trays at the sample storage facility. RMR and Q systems were logged for the geotechnical programs for all diamond drilling from TKBH_080, excluding the 20 m by 20 m infill program. The half core not sampled is stored in a locked secure shed for future reference. • RC drill chips were logged for lithology, alteration and mineralisation type and a small sample kept from each meter in plastic chip trays as a logging record in a locked secure shed • Trenches were logged for lithology, alteration and mineralisation type and were all photographed before being filled back in. • Up to 2012, primary data gathered in the field were recorded on paper logging sheets which is then transferred to an electronic Access master database via a trained database manager. Following 2012, electronic logging was carried out for geological and geotechnical logging. • All sample intervals returned from drilling activities were logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core was sawn with Clipper core saws and half taken for sample preparation and assay. • RC chips were riffle sampled at the drill site if dry and riffle sampled at the sample storage facility if wet. • Sample sizes are industry standard for the type of rock and mineralisation being sampled. • Sample preparation was carried out onsite by trained staff following industry standard procedure with the assistance of a professional laboratory manager to train and monitor performance. • A total of four QAQC samples were inserted into the sample stream for every 20 samples processed and included a blank (local Ambo sandstone), standard, crush duplicate and pulp duplicate. A blank sample was also processed after every sample through the jaw crusher and pulveriser in order to prevent contamination. • The database is constructed so that automatic checks on the input data are carried out with both crushed and pulp duplicates plotted against the primary sample value. • Snowden reviewed the QAQC results for standards, duplicates and blanks and considers the precision and accuracy acceptable for this style of deposit. • All diamond half core has been kept stored in a secure sample storage facility as has a 200 g to 250 g pulp duplicate (from the on-site sample preparation lab) from RC drill metres. Duplicate samples have not been processed but are available for processing.

Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Assaying and laboratory procedures are industry standard. • Analysis of assays was carried out at a certified laboratory, ALS Laboratory Group, Johannesburg, South Africa using a certified method (Au-AA26) with certified instruments. • ALS Laboratories Group internal checks as per their standard operating procedure were used for laboratory testwork. This results in the equivalent of 10 % of the total samples received being independently re-assayed as QAQC samples. • In 2012, 5 % of mineralised samples were re assayed by SGS Perth and no material difference was found between the original ALS assays and the SGS umpire results. • Grind size testing is carried out and the results recorded in a laboratory log book. Digitisation of this data is in progress. • More recent exploration by Kefi has followed the same procedures using ALS Romania and Al Amri in Saudi Arabia.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Significant intercepts were reviewed and verified visually by an independent consultancy, Wardell Armstrong, as part of preparing the resource statement for a definitive feasibility study carried out in November 2012. • Kefi Minerals Plc senior geological staff have also carried out in intensive 6 month review of significant intersections and associated data. • Twinned holes have not been used on significant intercepts. • Up to 2012, primary data gathered in the field were recorded on paper logging sheets which is then transferred to an electronic database via a trained database manager. Following 2012, electronic logging was carried out for geological and geotechnical logging. • Assay results returned to the project from ALS were received in Excel format and copied in an in-house designed Access database. • The database is constructed so that automatic checks on the input data are carried out with both crushed and pulp duplicates plotted against the primary sample value. • No adjustment to assay data has been carried out.
Location of data points	• *Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drillhole and trench collar coordinates are initially located using GPS. When drilling has been completed, the collar location is re-surveyed using a Total Station by a geological survey team from Addis Ababa. • WGS84–Zone 36N grid was used. • In 2012, Light Detecting and Ranging ("LiDAR") survey of the Tulu Kapi area was commissioned and new color orthographic photos, covering some 52 km^2 (5,200 ha), as this provides complete and coverage of the project, given the remote and rugged terrain in the area. This survey was completed by Fugro MAPS of United Arab Emirates (Fugro). • From observations it is apparent that the LIDAR has some discrepancies with the drillhole collars not matching the LIDAR generated digital terrain model. The average difference between the LIDAR survey and the collars is 2.7 m. For this resource estimate the digital terrain model that was generated by the LIDAR survey has subsequently been lowered by 2.7 m to better fit the drillhole collars. There are still small discrepancies between the LIDAR generated digital terrain model and the drillhole collars and it is recommended that a topographic survey is completed before the next resource estimate.

Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• 40 m by 40 m to 40 m by 20 m through the central part of the deposit to 40 m by 80 m at the peripheries. • From surface mapping, on strike continuity is on the 100 m scale. • Snowden and Kefi consider the drill spacing appropriate for the current classification of the Mineral Resource. • A 1 m sample composite length downhole has been applied after histogram analysis of sample length indicates the predominant sample length to be 1 m.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drilling has generally been carried out on a 40 m grid orientated at an azimuth of 050° or vertically. The mineralisation is interpreted to strike north-northeast to south-southwest and dip 30° to the northwest, the drilling orientation is not ideal for sampling the principal mineralisation orientation however sufficient data density exists and sufficient work has been carried out via drillhole logging, detailed mapping and statistical analysis that the sampling is considered to be unbiased. • Sampling is not considered to be biased.
Sample security	• *The measures taken to ensure sample security.*	• Previous quality assurance protocol documentation and independent QAQC audits undertaken by Venmyn Consultants (2009/2010) indicate that all chain of custody procedures have been in place and followed from early on in the exploration process. Custody procedures included and cover the signing-off of sheets for the transfer of core from rig to core shed, core sampling to sample preparation and prepared samples from sample preparation facilities to Addis Abba and then by air freight to ALS in Johannesburg and receipt of samples at the analytical laboratory. • More recent exploration by Kefi has followed the same procedures with ALS Romania and Al Amri in Saudi Arabia.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• A significant amount of independent auditing and review of sampling techniques and data have been carried out by a variety of consultants since 2009, including Wardell Armstrong for the 2012 definitive feasibility study who considered no significant issues regarding the integrity of the database and that it was fit for purpose. • As part of the August 2014 Mineral Resource, Snowden has independently validated the database and found no material issues. Snowden considers the database appropriate for use in resource estimation.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding Section also apply to this Section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The Tulu Kapi license was originally granted to Golden Prospect Mining Company Limited ("GPMC") in May 2005 as the Tulu Kapi and Ankore Exploration License, number 127-128/97, covering an area of 20.32 km^2. GPMC was acquired by Nyota and became a wholly owned subsidiary in October 2009 and subsequently changed its name to Nyota Minerals (Ethiopia) Limited ("Nyota (Ethiopia)"). Since its grant in 2005 portions of the license area have been progressively relinquished as required under Ethiopian mining law, such that it now consists of an irregular polygonal shape having a total area of 8.44 km^2. • In addition to the Tulu Kapi license, the Tulu Kapi project and the conversion application include the adjacent Ankore license areas, for a total area covered, of 11.33 km^2. • The Tulu Kapi license is currently an exploration license (EL). An application to convert it to a Large Scale Mining License (MLA) was made on 11 May 2011. Under Ethiopian law an exploration license gives the holder the exclusive right to explore for minerals within the area specified in the license for an initial period of three years. The license may be renewed twice for additional terms of one year each. The licensing authority may further allow extension or renewal to be made on each anniversary where the licensee proves the necessity to undertake exploration activity beyond the initial work programme, provided such period does not exceed a further five years in total. The Tulu Kapi licence was in its third renewal period (issued 25 May 2010 for a period of one year) when Nyota applied for a mining license on 11 May 2011. Nyota received assurances from the Ministry of Mines that title to the Tulu Kapi license endures while the mining license application is processed. • Nyota withdrew the MLA in 2013 and in 2013; the Tulu Kapi EL was renewed to May 2015. • KEFI Minerals Plc (KEFI) acquired 75 % of the share capital of Nyota Minerals (Ethiopia) Ltd (NME), the owner of the Tulu Kapi Project and surrounding Exploration Licenses, in December 2013. • KME underwent a name change in 2014 to KEFI Minerals (Ethiopia) Ltd (KME). • KEFI announced the acquisition of the remaining 25 % of KME in June 2014. The sale was approved by Nyota Minerals Ltd shareholders in September 2014 this gives KEFI 100% ownership of the Tulu Kapi project.

Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• An Italian company, SAPIE, discovered the Tulu Kapi project in the 1930's and mined 947,000 m^3 at 1.22 g/m^3 for 1,154 kg of gold. • The earliest formal exploration of the Tulu Kapi area took place in the 1970s under the guidance of the UNDP, which undertook reconnaissance exploration over a wide area of western Ethiopia between 1969 and 1972. The work was largely reconnaissance level and regionally biased and included stream sediment and soil geochemical sampling, programmes, geophysical surveys, detailed geological mapping, and diamond drilling. • Tan Range Exploration Company (TREC), a Canadian registered company, acquired an exploration license over an area that incorporated the current Tulu Kapi license and undertook further exploration between 1996 and 1998, including detailed geochemical soil sampling, mobile metal ion (MMI) soil geochemistry, and an induced polarisation (IP) survey. Five diamond drillholes totaling 366 m were drilled in a 200 m by 200 m area immediately north of the old SAPIE mining area which targeted coincident geochemical soil and IP anomalies. • The Tulu Kapi - Ankore Exploration License (Tulu Kapi or Tulu Kapi License) was granted to Minerva Resources through its wholly owned subsidiary Golden Prospect Mining Company (GPMC) on 27 May 2005. GPMC undertook further detailed geological mapping, trenching, geophysics and diamond drilling within the license area and the data generated by TREC was adopted subsequently by GPMC who geo-referenced it to UTM coordinates from local grids. In 2006 GPMC excavated two new trenches and undertook geological mapping and sampling. It subsequently conducted IP-resistivity surveys (two profiles aligned along a northeast-southwest direction) covering an area of 400 m by 400 m in May 2009 and additional gradient resistivity work covering an area of 800 m by 400 m and a ground magnetic survey covering 2.5 km by 1.2 km. Diamond drilling was carried out on an 80 m by 80 m grid and included 34 inclined holes, centered on gold soil anomalies, to a maximum depth of 200 m. • Minerva Resources (GPMC's parent company) was acquired by Dwyka Resources Limited (now Nyota Minerals Limited) in July 2009, making GPMC a wholly owned subsidiary. Following this acquisition an aggressive exploration programme commenced, comprising some early trenches (14), exploration/resource definition drilling and infill resource drilling using both diamond drilling and reverse circulation (RC) drilling. • Up to December 2012 296 diamond drillholes (DD) for a total of 72,000 m, including the 34 diamond drillholes completed by GPMC and 38 diamond tails for 10,541 m; and 332 RC drillholes for a total of 45,000 m, have been completed at Tulu Kapi. • Since acquisition of the Project by Nyota, Mineral Resource estimates reported in compliance with the JORC Code and a NI43-101 PEA have been completed by independent geological and mining consultants, Hellman and Schofield ("H&S") of Australia, Venmyn Rand (Pty) Ltd ("Venmyn") of South Africa, SRK Consulting ("SRK") of the UK and Wardell Armstrong ("WAI") of the UK.

Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Tulu Kapi gold deposit is an orogenic gold deposit located in an area consisting of rocks ranging from Pre-Cambrian to Tertiary in age. The gold mineralisation at Tulu Kapi is hosted by an Upper Proterozoic age intrusive, which comprises a coarse grained syentite pluton. These rocks have been intruded into a volcano-sedimentary sequence that was subsequently transformed to mafic and sericitic schists. • The Tulu Kapi primary mineralisation is hosted in mafic syenite. The unaltered syenite is predominantly a medium to coarse grained rock composed of 60 % to 70 % pink to white alkali feldspar, 20 % to 25 % plagioclase, and 10 % to 15 % ferromagnesian minerals and minor interstitial quartz. The ferromagnesian minerals appear to consist mainly of biotite with minor amphibole and magnetite. The mineralisation is associated with shallow (approximately 30°) southwest dipping zones of dense quartz-veining, enveloped by an auriferous, highly albitised, metasomatic alteration centred on the Bedele Shear zone. • The albitised zones are of a lensoid nature comprising discrete stacked bodies that pinch and swell both along strike and down dip. A gradational contact of only a few centimetres with the unaltered mafic syenite is exhibited and the thickness of the individual albitised zones is highly variable. Mafic rocks (dolerite) representing dykes and/or sills are present within the syenite and are up to 10 m in thickness.
Drillhole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:* – *easting and northing of the drillhole collar* – *elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar* – *dip and azimuth of the hole* – *downhole length and interception depth* – *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• No exploration conducted during the period covered by the Resource statement.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No exploration conducted during the period covered by the Resource statement.

Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.* • *If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').*	• No exploration conducted during the period covered by the Resource statement.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.*	• No exploration conducted during the period covered by the Resource statement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• No exploration conducted during the period covered by the Resource statement.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No exploration conducted during the period covered by the Resource statement.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Currently 3,000 m of resource infill drilling is planned in 40 reverse circulation holes.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this Section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Exploration work was conducted under a quality management system involving all stages of exploration, from the drilling and sample collection to resource estimation. All field data were either captured by hard copy and subsequently uploaded to a spreadsheet system or captured electronically, checked for consistency and added to the database with all original entered spreadsheets stored. The database was checked for input errors at different stages, from the field office to the head office in Addis Ababa. The master database is managed by a Geological Database/GIS Manager based at Tulu Kapi, with quality control and sampling protocol coordinated by a quality control manager. • Snowden carried out basic validation checks on the data supplied by the Company prior to resource estimation. No significant errors were identified by the validation.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Extensive site visits carried out by Kefi personnel over a period of 6 months for data verification and review including working with local staff on-site who have a long history with the project and qualified expatriate staff also familiar with the project. All relevant data, physical and digital were reviewed as well as technical procedures for cataloguing, recording, storing and using the results of data. No significant issues or problems were observed. • A site visit was completed by Snowden between 17 July and 23 July 2014. The site visit included review of general geology, drilling, sampling and assaying procedures, on-site laboratory, bulk density measurement procedure, logging procedures and QAQC. No material issues or problems were observed.

Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• Geological and structural interpretation of the Tulu Kapi area has been based on surface mapping and drillhole interpretation and logging by a variety of consultants and qualified national staff working for the project since 2009. All data available has been used and is also available for review in digital or analogue format • An alternative interpretation is only likely to be regarding subtle controls on mineralisation, particularly local variations in strike, dip and thickness of mineralised zones and is unlikely to materially affect the estimate. • Mineralisation domains were interpreted using a 0.3 g/t Au cut-off as a guide. The 0.3 g/t Au cut-off was determined from a log-probability plot that showed a change in distribution at this grade. The wireframes were produced using 10 m cross sections and orientated based on the structural interpretation which dips around 30° to the west-northwest. • Mineralised domains are defined within the Central and UNDP (Northern) areas of the deposit which are separated by faulting. • A complex structural environment and genesis exists with narrow shallowly dipping stacked veins which pinch and swell along strike and down dip. • The relationship with grade, alteration, quartz veining and structure are not yet fully understood however structural geology interpretation and investigation is beginning to improve the understanding of the factors controlling grade continuity.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• Mineralisation as modeled extends for some 980 m along strike, 520 m in width near surface and extending to a depth of some 560 m. Mineralisation narrows to the south and narrows to the north at depth within the currently interpreted mineralisation boundaries.

Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• The 1 m composites were coded within the mineralised domain and by major fault block (Central and UNDP). Given the shallow oxidation profile, no separation was carried out by oxidation domain. • The data distributions are highly skewed and typically have a high (>1.5) coefficient of variation (CV – ratio of standard deviation to the mean). As a result, top cuts were applied to prevent overestimation and smearing of the comparatively high values into surrounding blocks. A top cut of 70 g/t Au was used for the Central domain and impacted approximately 0.1 % of the grade population. No top cut was applied to the UNDP domain as not outliers occur in this area. • Grade estimation was carried out in CAE Studio 3 (Datamine) using ordinary kriging (OK) with dynamic anisotropy to align the estimation with the local dip and strike of the mineralisation trends, into 10 mE by 10 mN by 1 mRL parent cells. Block discretisation was set to 4 by 4 by 2. • A kriging neighbourhood analysis (KNA) was carried out to determine optimal block size and estimation parameters. The estimation was performed on the mineralised and non-mineralised material defined within each domain (Central and North). • Estimation was run in a three pass kriging plan, the second and third passes using progressively larger search radii to enable the estimation of blocks unestimated on the previous pass. The search parameters were derived from the variogram analysis, with the first search distances corresponding to the distance at approximately half of the variogram sill value and the second search distance approximating up to the variogram range. • Blocks were estimated using a minimum of 8 with a maximum of 24 samples (6 minimum and 24 maximum for pass 2) and a maximum of 4 composites allowed per drillhole. • The maximum distance of extrapolation points within the method was 80 m. • The previous resource estimate was carried out by Snowden in August 2014. Comparison between the January 2015 and August 2014 estimates for Indicated material shows the most recent estimate has reported 2 % more tonnes, 4 % more grade and 6 % more ounces than the August 2014 estimate. This is based on the potential for both open pit and underground mining using cut-offs of 0.45 g/t Au and 2.5 g/t Au, respectively. • Tulu Kapi is essentially a gold deposit and due to the low unit value of silver all exploration work and resource estimates have focused on gold and no emphasis has been placed on the presence of, and estimate of a silver Mineral Resource. Kefi did not carry out an estimate of silver resources in this resource update. • Following grade estimation a statistical and visual assessment of the block model was undertaken for validation purposes. Visual comparison of composite sample grade and block grade was conducted in cross section and in plan. Visually the model was considered to spatially reflect the composite grades. Statistical analysis of the block model was carried out for comparison against the composited drillhole data. The mean block model grade for each domain and its corresponding mean composite grade compared well as did global averages. Sectional trend plots were generated which indicate that there is a good local reproduction of the input grades in both the horizontal and vertical directions. No obvious interpolation issues were identified and there is no evidence of significant over or under-estimation apparent in the model.

Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages were estimated on a dry basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Previous mineralised zone interpretations from the November 2012 resource estimate by Wardell Armstrong were based on contiguous length analyses to define the mineralisation and identify a suitable grade boundary to separate mineralised from non-mineralised syenite. A cut-off grade of 0.3 g/t Au had been used in the 2012 resource estimate to define the mineralisation for both the saprolite and fresh material. Kefi and Snowden have kept the same cut-off grade after reviewing the grade distributions and agreeing that there is a change in population at around 0.3 g/t Au. • The reporting cut-off for the Mineral Resource is 0.45 g/t Au for open pit material (above 1400 mRL) and 2.5 g/t Au for underground potential (below 1400 mRL) which is based on open pit optimisation studies carried out as part of the previous definitive feasibility study.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• The Mineral Resource has been reported as mineable by open pit methods above 1400 mRL which is the bottom out elevation for the pit optimisation shells generated as part of the definitive feasibility study. • Below 1400 mRL the Mineral Resource is reported as potentially mineable by underground methods.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Metallurgical testwork was carried out to definitive feasibility study level during the November 2012 resource period and demonstrated feasible metallurgical recovery for the Tulu Kapi project. This information was reviewed by Kefi technical staff and confirmed to be technically and economically sound.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• A detailed Environment Impact Statement and plant and infrastructure design was carried out to definitive feasibility study level during the November 2012 resource period and demonstrated the project to be environmentally sound and sustainable. This information was reviewed by Kefi technical staff and confirmed to be technically and in compliance with relevant environmental laws and legislation.

Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• A global (dry) density value of 1.50 t/m^3 was used for all saprolite material. A global (dry) density value of 2.74 t/m^3 was used for all fresh material. From field measurements (approximately 14,000 samples) the average density of the mafic syenite (mineralisation) is 2.741 t/m^3. • Density values for the fresh material have been derived from density measurements carried out by ROCKLAB supplemented by additional density testing on site by Nyota and KEFI. The measurements represent a dry density. • In 2012 Nyota submitted 56 samples of saprolite material for analysis at Water Works and Supervision Enterprise Laboratory Service Sub Process, Addis Ababa, Ethiopia. The results of this testwork recorded an average bulk density of 1.86 gm/cc and dry density of 1.47 gm/cc. In 2014 KEFI submitted 27 saprolite samples to ALS laboratory in Romania for analysis which had an average dry density of 1.57 gm/cc. This gives an overall average for the 83 samples of 1.50 gm/cc. • Kefi has planned to implement an ongoing assessment of saprolite density checks.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Criteria for defining resource categories were derived from a combination of the geostatistical studies (grade continuity), interpreted structural continuity and drillhole spacing. • The main central area of the deposit coincides with the greatest ore body thicknesses and also the greatest continuity of mineralisation. The drillhole spacing in this area is generally on a 40 m by 40 m grid, down to 20 m by 20 m in some areas and is therefore relatively well drilled for the mineralisation style. The nature of the geological and grade continuity encountered within the deposit means this area is considered to be suitable for reporting of Indicated Mineral Resources • In areas outside the central zone the orebody thickness and continuity of mineralisation appear to reduce and drillhole spacing in these areas ranges from 40 m by 80 m up to 80 m by 80 m. The drillhole spacing and nature of mineralisation in these areas are suitable for reporting of Inferred Mineral Resources. • For the central zone, search radii used during grade estimation were also used to define classification. Consistent areas of blocks estimated in the first and second searches (within the variogram range) were classified as Indicated Resources and blocks consistently estimated in the third search pass were classified as Inferred Resources. • The majority of Mineral Resources contained within the north fault block, (UNDP) are classified as Inferred Resources, except for a portion representing more closely spaced drilling (approximately 40 m by 40 m) which was estimated in first and second search passes.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Snowden has internally peer reviewed the estimate. Snowden considers that there are no material issues with the estimate. •
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or*	• Statistical and visual validation and checking of the block model confirm it performs as expected globally and locally in plan and section within the 2014 drill database and structural comparison with surface and trench mapping confirm mineralised zones to outcrop where expected and be the approximate thickness as indicated by the block model.

	geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Model validation, the drilling grid and observation of the grade and mineralisation continuity lead Kefi to consider the central part of the deposit suitable for an Indicated Resource category and peripheral areas suitable for an Inferred Resource category. • The nature of the mineralisation and the relatively high nugget content may result in local grade estimates being of a relatively low confidence. It is likely that closely spaced channel sampling/bulk sampling or grade control drilling will be required for the classification of Measured Resources.