

Tulu Kapi Gold Project – KEFI Development Initiatives 2014 - 2024

1 This Document

1.1 Context

KEFI Gold and Copper plc (KEFI) acquired the Tulu Kapi Gold Project from Nyota Minerals Limited (Nyota) in 2014. The project is owned by Tulu Kapi Gold Mines Share Company Limited (TKGM). KEFI Owns 95% of TKGM and the Government of Ethiopia has a 5% free carry and the right/obligation to earn an additional \$20M of shares by installing power and a new all-weather access road.

KEFI also owns 25% of Gold and Minerals Company Limited (GMCO). The balance is owned by Abdul Rahman Saad Al Rashid and Sons Company Limited (ARTAR) which is a Fortune 100 family office.¹

KEFI has spent approximately \$50M on Tulu Kapi and \$30M on GMCO projects.

1.2 Purpose

The purpose of this document is to show potential investors the evolution of the Tulu Kapi Gold Project since it was acquired by KEFI Gold and Copper plc (KEFI) in 2014. The document will summarise the initiatives implemented by KEFI. This document is not intended to be a comprehensive survey of all the changes made in KEFI's tenure.

1.3 Contents

The document is divided into three sections:

- (1) Technical initiatives at the core of the project definition
 - (a) Mineral Resource Estimate
 - (b) Ore Reserve
 - (c) Production Rate
- (2) Survey of developmental milestones over the period of ownership
- (3) Engagement with independent technical reviewers
 - (a) Technical
 - (b) Project
 - (c) Environmental & Social

¹ The GMCO investment is not discussed in the balance of this document but is well covered in the Orion Capital Report (March 2024) available on KEFI's website.

2 Executive Summary

2.1 Technical Initiatives

2.1.3 Mineral Resource

The 2012 Nyota DFS resource estimate was updated post-acquisition by KEFI in March 2014 in the first update as a means of verifying the WAI methodology and resource estimate. It was also used as a starting point for a small resource definition infill drill program to confirm significant intercepts predicted by the model and for first pass mine planning of an optimised pit design, mining method and pit staging.

The KEFI March 2014 estimate incorporated significantly more structural control than all previous estimates in the form of closely spaced strike and dip strings on section and in plan defining continuity of mineralisation. The 2014 estimate also used all available data, including 16,000m drilled by Nyota late in 2012 which missed the cut-off date of their data base (September 2012) used in the 2012 WAI resource estimate. KME also corrected errors in the Nyota/WAI drill database which (along with the missing 16,000m) had resulted in the underestimation of the Indicated Resource via a lack of downhole survey data being applied to selected drillhole azimuth and dip.

The additional data input by KME (under KEFI) in March 2014 allowed for a 69% increase of the Indicated Resource from 1.1Moz to 1.86Moz Au

KEFI further refined the resource estimate using additional structural data based on surface mapping and 82 trenches plus a small programme of additional reverse circulation targeted at infill drilling and maximising structural interpretation. This work was performed between March and June 2014.

The August 2014, resource update of 1.9M oz Au (23.7 Mt at 2.51g/t Au) took into account all drilling and trenching conducted to date along with improved understanding of geological and structural controls and was signed-off by Snowden.

In February 2015, KEFI announced the latest JORC 2012 compliant independently verified Indicated Resource of 18.8Mt at 2.67g/t Au for 1.62 Moz Au completed to finalise the basis for the 2015 DFS.

2.1.4 Mining Method and Ore Reserve

2.1.4.1 Mining Method

The quality and quantity of ore delivered to the processing plant and the minimisation of ore dilution and ore loss were the main criteria for the mining method selection. The method used involves a combination of bulk and selective mining approaches. Approximately twenty percent of the total material movement is categorized as selective ore and waste mining.

- Blasts will be designed by TKGM's technical group and implemented by the mining contractor to achieve the desired fragmentation and digability whilst minimising the disturbance to ore blocks and damage to final pit walls.
- Following bench establishment, mining will continue to limits predetermined by the technical group. Ore, including both high grade and low grade ore, and waste, including selective waste and bulk waste, will be identified by the technical group. Excavation levels will be controlled by the use of the mining contractor's laser levelling or precision guidance system.

- High grade ore, low grade ore and selective waste blocks will be marked out by the technical group on each bench with colour coded markers.
- Pit walls will be formed and excavated at angles designated by the technical group. Mining will generally be carried out by excavating high grade ore, low grade ore, selective waste and bulk waste separately. However, concurrent mining may be required from time to time. The contractor will implement methods and practices approved by the owner that will ensure correct identification, excavation and delivery of each material to its design tipping point.

Within the mining cycle there is a specific requirement for excavator cleaning and re-handling of waste material that is necessary to ensure mining selectivity. It is envisaged that mining will progress across the bench from hanging wall to footwall (approximately west to east) when possible to avoid collapsing the ore material into the waste, as would occur if mined from the opposite direction.

2.1.4.2 Ore Reserve

In the lead up to finalisation of the 2015 DFS (SENET, 2015), KEFI:

- conducted extensive QA/QC on the resources, complemented by 81 trenches, for 1,100 meters sampled exposing ore contacts and 23 reverse circulation drill holes, for 4,100 metres sampled to test the structural model, mineralisation continuity as modelled and updated resource database.
- wireframed individual ore lodes to enable the mine planning of a selective mining strategy.
- commissioned fragmentation and blast movement prediction modelling by blasting specialists at Itasca.
- completed owner operator mining cost estimates derived from detailed first principles estimates, using site specific data.

The mining study for the 2015 DFS was prepared by Snowden for KEFI and was based on mining a Probable Reserve of 15 Mt at 2.1 g/t for 1M oz from a 1.6M oz Indicated Resource. The applied cut-off grade of 0.5 g/t² was derived assuming a gold price of US\$1,250/oz. Given the visual nature of the mineralisation due to the albite alteration, selective mining techniques were contemplated at the ore boundaries to reduce dilution and increase recovery.

This Ore Reserve and mining method are the basis of all subsequent plans developed by KEFI.

2.1.5 Production Rate

In the 2015 DFS, SENET designed a 1.2Mtpa CIL processing plant using 2 stage grinding circuit (SAG and Ball Mill in closed circuit) for secondary comminution.

Since the SENET (2015) DFS and following the tendering of the EPC(M) contract resulting in the appointment of Lycopodium as the preferred tenderer, refinements to the process design have been incorporated in the flowsheet to allow for:

- Processing of 1.9-2.1 million tonnes per annum, depending on hardness of feed;
- Replacement of the two stage grinding circuit consisting of a SAG mill and ball with a single stage grinding circuit using a larger SAG mill;

2 An elevated cut-off of 0.90 g/t was used and applied to all domains (i.e. saprolite, fresh and hard ore) to identify high grade

- Other minor circuit rationalisations were available for the purpose of capital reduction.

These modifications, particularly around the crushing, handling and grinding area, resulted in a simplified site layout with a reduced footprint. This will yield a saving in the earthworks costs, given the variable topography around the plant site, (see Lyco 2017 and Lyco 2018).

Subsequent to these changes in design, plant site field geotechnical evaluation has been undertaken by Knight Piésold. This has resulted in determination by Lycopodium of founding approaches for the plant. Sufficient engineering has been completed to enable revision of capital and operating expenditure estimates. The latest update was completed in 2022 and final re-pricing will be undertaken immediately prior to signing of the Project Finance Facility Agreement.

2.2 Developmental Milestones

KEFI has established and mobilised a team of seasoned professionals to prepare a revised DFS based on a different interpretation of the structural geology of the deposit and approach to the appropriate method to mine it. They have developed close relationships with consultants and contractors and instituted a program of independent peer review to bring rigour to the process of design and development.

At the same time they have developed a capable Country team in Ethiopia which is a naïve mining jurisdiction. That team has managed to develop positive relationships with all levels of government to achieve change in some of the regulatory hurdles which affected the development of the industry in Ethiopia. They have also started to develop the business networks critical to success in Ethiopia.

A list of the milestones appears in Section 4 below.

2.3 Independent Review

During the initial phases of development, all technical and project planning work was initially and periodically reviewed by Micon (Toronto). Micon's brief was to act on behalf of "potential lenders", who were consulted by Endeavour Financial on the selection and appointment for their "Due Diligence" reviewers. The interaction between KEFI, Endeavour Financial, consultants, contractors and Micon resulted in robust debate and issues raised were either addressed by additional study (with subsequent changes to plans); or by Micon accepting arguments made by KEFI staff or contractors based on evidence.

Environmental & Social work was not included in Micon's scope & was addressed initially by Ramboll Environ (Vancouver) and later by SLR Consulting(RSA). Given that it was assumed at the outset that funding of the project would be contingent on compliance with the Equator Principles and IFC Performance Standards, these reviewers adopted a "gap analysis" approach to assessing the various Environmental and Social studies and proposed management plans undertaken. The interaction with these reviewers was similar to that of Micon in terms of strengthening the planning work.

Once the Banking Syndicate was engaged they appointed Behre Dolbear International (London)(BDI) to undertake due diligence on both the Micon scope and the SLR scope. The previous interactions stood the project in good stead to address issues raised by the BDI reviewers.

3 Core Project Initiatives

3.1 Geology and Mineral Resource

3.1.3 Nyota Period

There has been over 120 km of drilling at Tulu Kapi and over US\$50 million spent on drilling, project due diligence and planning by previous owners including Nyota. This has resulted in a series of resource estimates carried out for the Tulu Kapi deposit since 2009 by various consultants with an expanding database including:

- Hellman & Schofield in September 2009 recognized a possibly economic deposit from diamond drilling (34 holes), shallow dip, structural control importance not realized, albite bleaching importance, visual control, realized.
- Venmyn in December 2010, using the original 34 diamond holes, focused on confirmation of a possibly economic model and a more detailed geostatistical review with comparison of MIK and OK estimation methods which indicated significant internal waste as total contained gold were diminished in the OK model above respective cut-offs. Focused attention on need for additional structural and geotechnical data.
- SRK in 2011 early and lower confidence geological and structural wireframe models created and used to limit mineralisation and extrapolation of boundaries. Created an early phase hypothesis of vertically stacked lenses within fault blocks with limited continuity, between sections, along strike. Summarised that there were far more complicated controls on mineralisation than previously envisaged. Database had been expanded to 76 diamond holes, 123 reverse circulation holes and 14 diamond tails from previous reverse circulation holes.
- Hellman & Schofield in January 2011, a summary report, possibly independent of the SRK 2011 report stated more reverse circulation (123 holes) than diamond drilling (76 holes and 14 diamond tails), still not recognizing shallow dip, variogram continuity demonstrated but challenging to estimate as not enough structural continuity modelled.
- Wardell Armstrong International (“WAI”) in 2012, two drill grids now completed, diamond drilling 264 holes, reverse circulation drilling 309 holes, shallow dip realised, neither drill grid at 90-degree intercept to dip, makes database gold intercepts appear complicated, resource modelling via semi-constrained, dynamic indicator to create a predictive block model without full structural control.

Summary points:

- Multiple consulting houses over the 2009 to 2012 resource estimation period struggled with the structural interpretation and grade trends created via the multiple drill grids.
- SRK 2011 was the most detailed, “traditional” resource estimation methodology but resulted in bulk wireframes with limited strike continuity.
- WAI 2012 solution was focus on geostatistics, without manual wireframing and a resultant bulk mining style block model but more strike continuity than SRK 2011, albeit with complicated internal waste prediction.

- Review and consideration of all the above lead the KEFI team to focus on structural continuity and a guide for both dynamic indicator, early verification estimates and manual wireframing, final resource estimate methodology, using strike and dip strings.

3.1.4 KEFI Period

The 2012 Nyota DFS resource estimate was carried out by WAI using a semi-constrained, dynamic indicator based (no wireframing) block model in Datamine using the dynamic anisotropy methodology. This was updated post-acquisition by KEFI in March 2014 in the first update as a means of verifying the WAI methodology and resource estimate. It was also used as a starting point for a small resource definition infill drill program to confirm significant intercepts predicted by the model and for first pass mine planning of an optimised pit design, mining method and pit staging.

The KEFI March 2014 estimate incorporated significantly more structural control than all previous estimates in the form of closely spaced strike and dip strings on section and in plan defining continuity of mineralisation. These were based on structural measurements and from observations as known and agreed by the geologists experienced with the deposit. The 2014 estimate also used all available data, including 16,000m drilled by Nyota late in 2012 which missed the cut-off date of their data base (September 2012) used in the 2012 WAI resource estimate. KME also corrected errors in the Nyota/WAI drill database which (along with the missing 16,000m) had resulted in the underestimation of the Indicated Resource via a lack of downhole survey data being applied to selected drillhole azimuth and dip. The March 2014 estimate was carried out on a 5 x 5 x 1m block model.

The additional data input by KME (under KEFI) in March 2014 allowed for a 69% increase of the Indicated Resource from 1.1Moz to 1.86Moz Au.

KEFI further refined the resource estimate using additional structural data based on surface mapping and 82 trenches plus a small programme of additional reverse circulation targeted at infill drilling and maximising structural interpretation. This work was performed between March and June 2014.

The August 2014, resource update of 1.9M oz Au (23.7 Mt at 2.51g/t Au) took into account all drilling and trenching conducted to date along with improved understanding of geological and structural controls and was signed-off by Snowden. The estimate was carried out on a 10 x 10 x 1.5m block model.

In February 2015, KEFI announced the latest JORC 2012 compliant independently verified Indicated Resource of 18.8Mt at 2.67g/t Au for 1.62 Moz Au completed to finalise the basis for the 2015 DFS. As part of the 2015 DFS, the updated Indicated Resource was derived from “wireframing” all the mineralised structures, as a result of the understanding of the structural controls and has now been used as a base for further refined pit design, mine scheduling and Ore Reserve estimation. The February 2015 estimate used a 5 x 5 x 1m block model within the wireframes.

Total Indicated Resource above 1,400m relative level 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). High grade mineralisation immediately below the planned open pit and below the 1,400m relative level (in underground potential) is 1.08 Mt at 5.63 g/t Au

for 0.20 Moz Au (August 2014 Indicated Resource estimate was 1.07 Mt at 5.88 g/t Au for 0.20 Moz Au).

Table 3-1 Tulu Kapi Mineral Resources Reported February 2015

JORC (2012) Resource Category	Reporting Elevation	COG ³ (g/t Au)	Tonnes (Mt)	Au (g/t)	Ounces (million)
Indicated	Above 1 400 mRL	0.45	17.7	2.49	1.42
Inferred			1.28	2.05	0.08
Indicated and Inferred			19.0	2.46	1.50
Indicated	Below 1 400 mRL	2.50	1.08	5.63	0.20
Inferred			0.12	6.25	0.02
Indicated and Inferred			1.20	5.69	0.22
Total Indicated			18.8	2.67	1.62
Total Inferred			1.40	2.40	0.10
Total Indicated and Inferred			20.2	2.65	1.72

Notes:

- (1) Mineral resources were declared in a media announcement dated 4th February 2015.
- (2) The Competent Persons for the 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.
- (3) All numbers are reported to three significant figures. Small discrepancies may occur due to rounding.
- (4) Mineral resources are reported in compliance with the guidelines of the JORC Code (2012).

In addition to the deeper zones at Tulu Kapi there are proximal targets identified that could add to the current mineral reserves and provide additional plant feed in the future.

3.2 Mine Plan and Ore Reserve

3.2.3 Nyota 2012 DFS

The 2012 DFS by WAI for Nyota was based on mining a Probable Reserve of 17 Mt at 1.8 g/t for 1M oz from a 1.1M oz Indicated Resource. The applied cut-off grade of 0.4 g/t⁴ was derived assuming a gold price of US\$1,500/oz. Mining was to be by conventional open pit drill, blast, load and haul by truck and shovel. Selective mining was not considered.

3.2.4 KEFI 2015 DFS Ore Reserve

In the lead up to finalisation of the 2015 DFS (SENET, 2015), KEFI:

- conducted extensive QA/QC on the resources, complemented by 81 trenches, for 1,100 meters sampled exposing ore contacts and 23 reverse circulation drill holes, for 4,100 metres sampled to test the structural model, mineralisation continuity as modelled and updated resource database.
- wireframed individual ore lodes to enable the mine planning of a selective mining strategy.

³ Cut Off Grade

⁴ Cut off used was Saprolite, Fresh and Hard Ore was 0.44 g/t, 0.39 g/t and 0.41 g/t respectively.

- commissioned fragmentation and blast movement prediction modelling by blasting specialists at Itasca.
- completed owner operator mining cost estimates derived from detailed first principles estimates, using site specific data.

The mining study for the 2015 DFS was prepared by Snowden for KEFI and was based on mining a Probable Reserve of 15 Mt at 2.1 g/t for 1M oz from a 1.6M oz Indicated Resource. The applied cut-off grade of 0.5 g/t⁵ was derived assuming a gold price of US\$1,250/oz. Given the visual nature of the mineralisation due to the albite alteration, selective mining techniques were contemplated at the ore boundaries to reduce dilution and increase recovery.

Table 3-2 Ore Reserves by Classification based on February 2015 MRE

Classification	Cut-off Grade (g/t Au)	Ore (Mt)	Au Grade (g/t)	Au Metal (Moz)	Waste (Mt)	Stripping Ratio (W:O)
Probable – High Grade	0.90	12.0	2.52	0.98		
Probable – Low Grade	0.50-0.90	3.3	0.73	0.08		
Total		15.4	2.12	1.05	114.2	7.4

This Ore Reserve and mining method are the basis of all subsequent plans developed by KEFI.

3.2.5 KEFI 2015 DFS and Current Mining Method

The operations will be carried out using conventional open pit mining methods, consisting of drilling, blasting, loading, hauling and crushing. The mining activities will be carried out by a mining contractor under the control of the owner’s technical team.

The quality and quantity of ore delivered to the processing plant and the minimisation of ore dilution and ore loss were the main criteria for the mining method selection. The method used involves a combination of bulk and selective mining approaches. Approximately twenty percent of the total material movement is categorized as selective ore and waste mining.

- Blasts will be designed by TKGM’s technical group and implemented by the mining contractor to achieve the desired fragmentation and digability whilst minimising the disturbance to ore blocks and damage to final pit walls.
- Following bench establishment, mining will continue to limits predetermined by the technical group. Ore, including both high grade and low grade ore, and waste, including selective waste and bulk waste, will be identified by the technical group. Excavation levels will be controlled by the use of the mining contractor’s laser levelling or precision guidance system.
- High grade ore, low grade ore and selective waste blocks will be marked out by the technical department on each bench with colour coded markers.

⁵ An elevated cut-off of 0.90 g/t was used and applied to all domains (i.e. saprolite, fresh and hard ore) to identify high grade

- Under the supervision of TKGM's geologists, the contractor will excavate high grade ore, low grade ore, selective waste and bulk waste as directed by the technical group using appropriate equipment.
- Pit walls will be formed and excavated at angles designated by the technical group. Mining will generally be carried out by excavating high grade ore, low grade ore, selective waste and bulk waste separately. However, concurrent mining may be required from time to time. The contractor will implement methods and practices approved by the owner that will ensure correct identification, excavation and delivery of each material to its design tipping point.

Within the mining cycle there is a specific requirement for excavator cleaning and re-handling of waste material that is necessary to ensure mining selectivity. It is envisaged that mining will progress across the bench from hanging wall to footwall (approximately west to east) when possible to avoid collapsing the ore material into the waste, as would occur if mined from the opposite direction. The selective mining process is shown in **Error! Reference source not found.** (overleaf) and contains seven steps:

- 1) Bulk waste removal
- 2) Cleaning waste from the hanging wall contact
- 3) Re-handling of selective waste
- 4) Removal of bulk ore
- 5) Cleaning of selective ore to the footwall contact
- 6) Re-handling of select ore
- 7) Continue mining the waste material.

The cycle utilises more productive top loading of trucks 3 m above the bench where trucks traverse, however the excavator will be on the same level as the trucks when:

- Removing waste immediately adjacent to the ore on the hanging wall contact
- Moving final ore from waste on the footwall contact when the ore is immediately adjacent to the contact
- When bottom loading of trucks that may be necessary when handling the windrows created from the above two activities.

- Tight digging conditions where it is impractical for the trucks to access the lower bench.

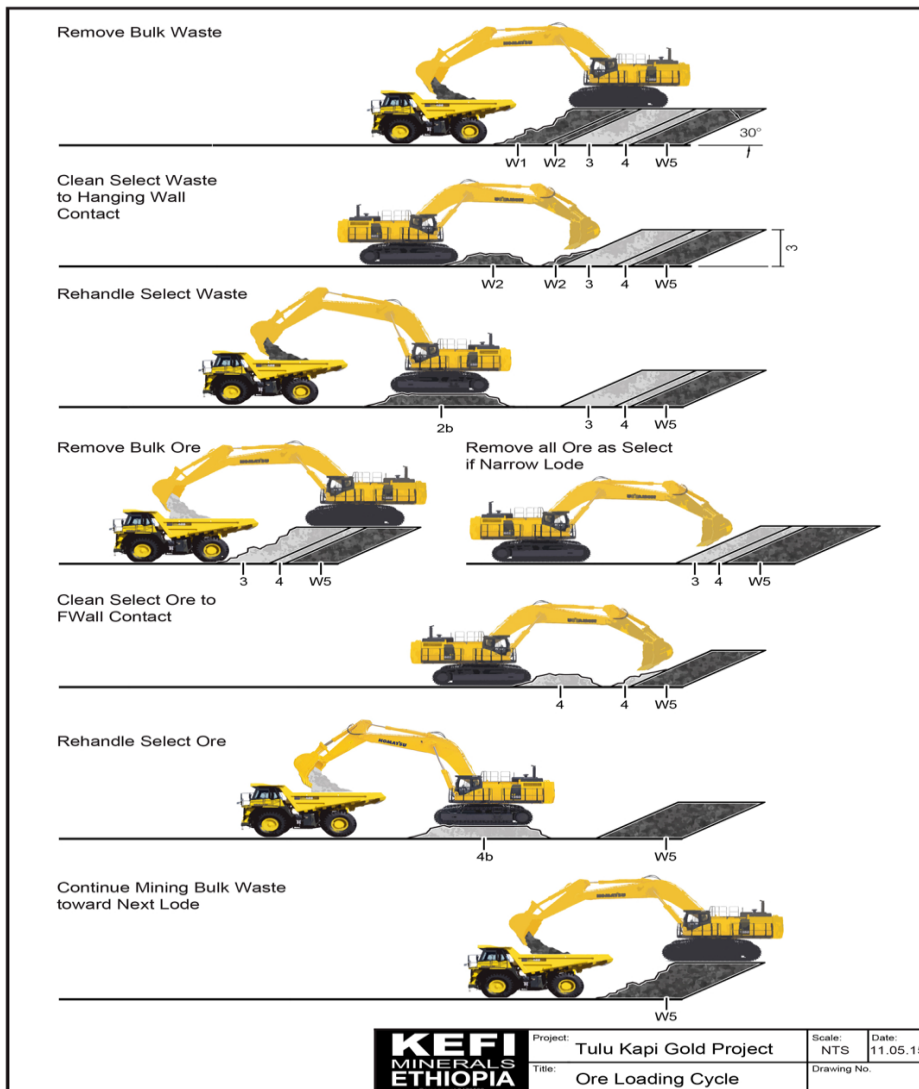


Figure 3-1 Selective Ore Loading Cycle

For wider ore lodes the excavator will be able to resume top loading activities during the excavation process.

3.2.6 Mining Tender Process

The mining tender process has been carried out in two stages:

1. An initial tender as part of the 2015 DFS finalisation and with an invitation to tender to appropriately experienced contract mining companies, following site visits and negotiations with 3 experienced contractors AMS was nominated as the preferred tenderer in October 2015. In mid-2020 after a management change out it was agreed to part with AMS in September 2020.
2. Re-tender was initiated in November 2020 to 3 three experienced contractors with site knowledge and PW Mining was nominated as the preferred tenderer in 2022.

Rigorous review during the multi-stage tender process and costing updates for inflation have allowed best option analysis for financial modelling and confirmation of suitability of the preferred tenderer for the project.

3.2.7 Mine Production Schedule

The 2015 DFS adopted a mine schedule which included:

- Total material moved over LOM was 130 million tonnes comprising 114 million tonnes of waste and 15.4 million tonnes of ore resulting in an average strip ratio is 7.5:1.
- Peak mining volumes occurred in Years 3 to 6 with 18.5Mtpa, declining thereafter. Peak ore mining occurred in Year 2 with approximately 2.6 million tonnes and declining thereafter.
- The processing plant capacity was planned at 1.2Mtpa and lower grade ore was planned to be stockpiled and treated at the end of the mine life.

KEFI and its consultants have since optimised the 2015 DFS mine schedule as a result of planned increases in processing plant capacity. PWM contract proposal is on the basis of these revised schedules. Total waste and ore moved over LOM are broadly similar to the 2015 DFS given the pit excavation remains largely unchanged; however, the main difference is that the peak mining rate is elevated to achieve the higher plant through put rate and allowing the mining of higher-grade ore to be scheduled earlier. These changes result in significantly smaller stockpiles.

During the project optimisation phase after completion of the 2015 DFS there were two iterations of the mine schedule:

- 1.5 - 1.7 Mtpa plant capacity reported in the 2017 DFS Update
- 1.9 - 2.1 Mtpa KEFI Plan ("SOG21") - Current Schedule used in financial models.

3.3 Processing Plant Production Rate

In the 2015 DFS, SENET designed a 1.2Mtpa processing plant based on utilising proven CIL process technology for the treatment of oxide, softer fresh and hard fresh ore as per the 2012 DFS. The processing plant was designed to consist of:

- Primary Crushing
- Grinding (SAG and Ball Milling in closed circuit)
- CIL
- Acid Wash
- Elution
- Electrowinning & Smelting
- Carbon Regeneration
- Cyanide Detoxification
- Tailings Disposal
- Reagent Storage (Lime, Cyanide, Caustic, Detox Reagents)
- Water Services & Air Services

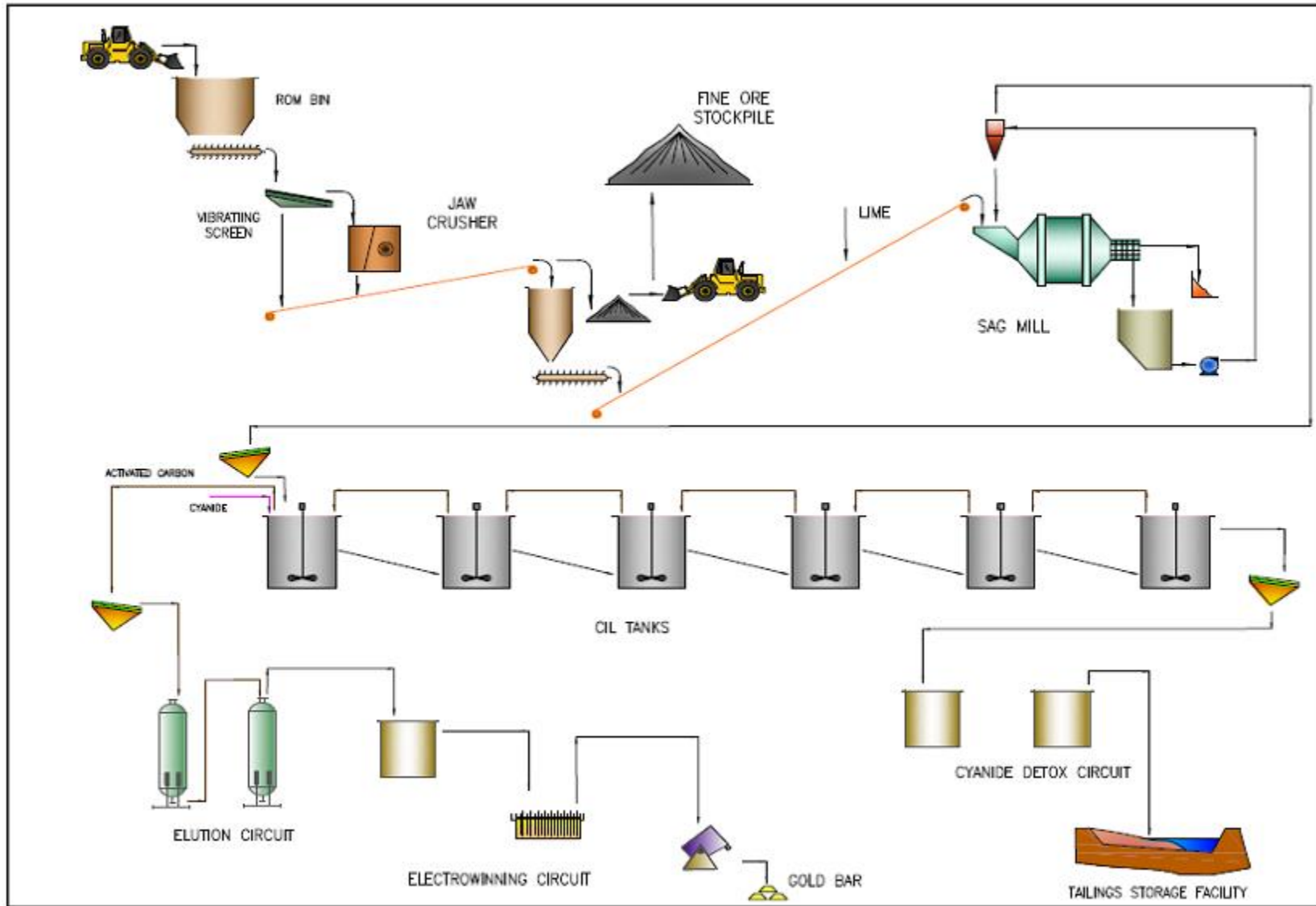
Since the SENET (2015) DFS and following the tendering of the EPC(M) contract to Lycopodium and its initial FEED in 2017, refinements to the process design have been incorporated in the flowsheet (see Figure 3-2 below) to allow for:

- Processing of 1.5-1.7 million tonnes per annum, depending on hardness of feed;
- Replacement of the two stage grinding circuit consisting of a SAG mill and ball with a single stage grinding circuit using a larger SAG mill;
- Other minor circuit rationalisations were available for the purpose of capital reduction.

These modifications, particularly around the crushing, handling and grinding area, resulted in a simplified site layout with a reduced footprint. This will yield a saving in the earthworks costs, given the variable topography around the plant site, (see Lyco 2017 and Lyco 2018).

Following further refinements to the mining schedule in the second half of 2017, plant capacity has been revised and the processing rate has been increased to 1.9-2.1 Mtpa, depending on hardness of the ore (Lyco 2018). Circuit flowsheet remains unchanged. Mill Power and size has been increased along with other scale ups in capacity throughout the plant in response to the increased throughput policy and input from independent reviewers. Subsequent to these changes in design, plant site field geotechnical evaluation has been undertaken by Knight Piésold. This has resulted in determination by Lycopodium of founding approaches for the plant. Sufficient Engineering has been completed to enable revision of capital and operating expenditure estimates the latest update was completed in 2022. The project launch plan includes that the EPCM pricing will be reconfirmed just before signing of final project finance facility documents.

Figure 3-2 Simplified Process Flow (Source: Lycopodium 2017 DFS Update)



4 Developmental Milestones 2014 – 2024

4.1 2014 – 2015

- Completed acquisition of Tulu Kapi from Nyota Limited.
- Established a project planning and development team experienced with this style of deposit and processing plant. Key members of the team are still on board at present.
- Produced an updated Definitive Feasibility Study based on:
 - new Mineral Resource Estimate using revised structural interpretation validated by field work (drilling and trenching) and modelling;
 - adoption of more selective mine method to achieve a New Ore Reserve Estimate;
 - smaller, lower capital cost processing plant;
 - Revised ESIA.
- Obtained Mining Licence transfer (with commencement date of 2015 for an initial period of 20 years with ten years renewal available).
- Nyota had spent approximately \$50 million before its shareholders became KEFI shareholders in 2014 and the historical pre-development spending increased to \$100 million in aggregate by 2024.

4.2 2016 – 2019

- Established TKGM and negotiated the Investment and Shareholders Agreement (ISHA) to increase the Government's ownership in the project by \$20M in return for provision of external infrastructure (power transmission and road access).
- Other Government administrative confirmations and reforms were also implemented including registration of historical costs and their recognition in various compliance matters such as permissible debt to equity ratios which were also increased, exemption from exchange controls and establishment of bespoke security forces for mining.
- Tendered EPC(M) contract resulting in appointment of Lycopodium as preferred tenderer
- Lycopodium started FEED and completed DFS revision reports to increase Processing Plant throughput.
- Tendered Mining Services contract resulting in appointment of AMS as preferred tenderer.
- Constellis appointed as Security Advisor (relationship continues to present).
- Mining & EP(CM) contracts negotiation substantially completed.
- Periodic repricing of EP(CM) undertaken as elements of FEED deliverables are completed (e.g. Geotechnical fieldwork Foundation design)
- Mining Contract retendered and PWM appointed preferred tenderer.
- Banking syndicate formed to provide Project Finance issues Term Sheet September 2019.
- ESIA updated on revised Project Description, some outstanding baseline studies.
- Resettlement Plan Survey undertaken.

4.3 2020 – 2024

- Covid 19 Pandemic combined with Ethiopian Civil War eliminated ability to move freely around the country until 2024 in West Wellega
- Lycopodium Perth updates FEED to enable updated pricing. (Deliverables are mostly still current in 2024)
- Bank appoints Behre Dolbear International (BDI) as Lenders' Technical Advisor (LTA).
- BDI Completes Red Flag Report 11 August 2020
- BDI Completes Due Diligence Report 26 Feb 2021, Updated 20 Sep 2023 & 4 Nov 2023
- Government regulatory reforms were finalised for our go-ahead plus the Government approved Ethiopia's Country Membership of the AFC Bank, a condition precedent for AFC's participation.

5 Independent Review

All technical and project planning work was initially and periodically reviewed by Micon (Toronto). Their brief from Endeavour Financial was to act on behalf of "potential" lenders as their "Due Diligence" reviewers. The interaction between KEFI, contractors and Micon resulted in robust debate and issues raised were either addressed by additional study (with subsequent changes to plans; or by Micon accepting arguments made by KEFI staff or contractors based on evidence.

Environmental & Social work was not included in Micon's scope & was addressed initially by Ramboll Environ (Vancouver) and later by SLR (Africa). Given that it was assumed at the outset that funding of the project would be contingent on compliance with the Equator Principles and IFC Performance Standards, these reviewers adopted a "gap analysis" approach to assessing the various Environmental and Social studies and proposed management plans undertaken. The interaction with these reviewers was similar to that of Micon in terms of strengthening the planning work.

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