

## FIRST LIGHT

### **KEFI Gold & Copper (KEFI) – Corporate – Operational update. Significant progress already in H2**

Market Cap £23m Share Price 0.6p

KEFI today updates us on progress made over the summer so far; a busy couple of months across several projects and two jurisdictions. KEFI is developing the Tulu Kapi Gold mine project in Ethiopia, the Jibal Qutman gold project in Saudi Arabia, along with several rapidly-advancing base-metal projects at Hawiah and Al Godyer and precious metal targets.

**Ethiopia.** In July, the Ministry of Mines endorsed historical investment of c. US\$80m and confirm the TKGM capital structure for our co-investors into Tulu Kapi Gold Mines Share Company (TKGM). Then in August the Ethiopian Prime Ministry endorsed that both proposed TKGM project finance banks (East Africa Trade and Development Bank and Africa Finance Corporation), are permitted to proceed with the proposed combined c. US\$200M funding package. The ministry of Mines the Ministry of Mines, has reaffirmed plans, along with KEFI, for Project launch in October 2022.

**Saudi Arabia.** The Saudi Ministry of Industry and Mines confirmed in August 2022 that the Jibal Qutman Gold Project should be fast-tracked to development. Blockages to development since 2015 have now been cleared, with first gold production from Jibal Qutman targeted for 2024. Several new base-, and precious-metal projects were awarded in July and August – testament to the standing that Gold & Minerals (G&M - KEFI 30%) is held in Saudi Arabia as well as the changes made to speed up bureaucracy in the kingdom.

**WHI View:** KEFI is on the cusp of change. Tulu Kapi is key to this change with equity funding through KEFI's cash resources after its £8m raise in April and its funding partners who have all committed to bring Tulu Kapi into production. KEFI's Saudi projects are well supported by their partner in G&M who are looking at building a sustainable mining business in Saudi Arabia. While Jibal Qutman has centre-stage as KEFI's first project for development, we should not forget Hawiah which is growing into a sizeable and important copper-zinc (gold) deposit in its own right. This Greenfield discovery by KEFI shows the technical capability of the group and the quality of its licences in country. We still see fair value at 5.4p/sh but do not yet include any value for the new projects in Saudi (until KEFI has boots on the ground) and have yet to update our input for Jibal Qutman or derisk its

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new development status (pending an update from KEFI). KEFI is a multi-mine, multi-jurisdiction company in the making.

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Speculative Buy	0	0.0	0	0.0
Outperform	0	0.0	0	0.0
Market Perform	0	0.0	0	0.0
Underperform	0	0.0	0	0.0
Sell	0	0.0	0	0.0
<b>Total</b>	<b>66.0</b>	<b>100.0</b>	<b>64.0</b>	<b>100.0</b>

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Company Name	Table of interest number	12-month recommendation history	Date
KEFI Gold & Copper (KEFI)	2,4,3,5,7	Corporate	04.01.22

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