





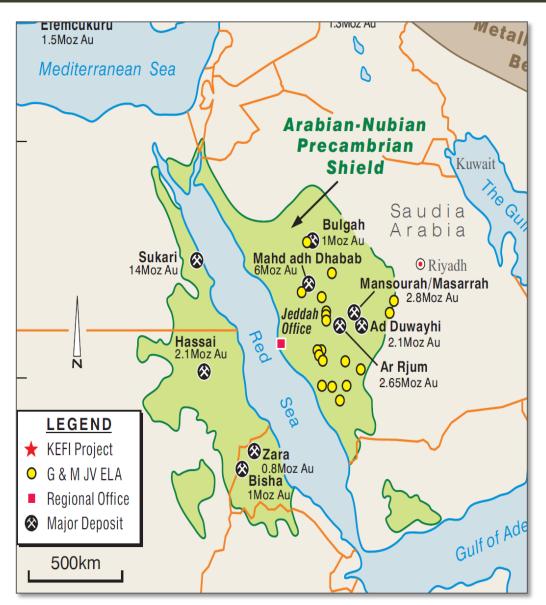
Saudi Arabia G&M Joint Venture

KEFI has formed a (40:60) joint venture with a major Saudi construction company ARTAR to jointly explore the Arabian Shield for gold and base metals.

KEFI and ARTAR have been awarded 3 EL's and lodged applications for a further 19 ELAs.

All of the ELA areas contain ancient workings, some have visible gold in quartz veins. Two ELAs are within 50kms of two operating gold mines. The ELAs are targeting both gold and copper-gold mineralisation.





Major mining epochs date back 1000-3000 years ago;

BRGM (French Geological Survey) and the US Geological Survey, explored from the 1970s to the 1990s and documented over five thousand historic gold and base metal mines, and workings;

The Arabian Nubian Shield represents a very large area of underexplored and highly prospective Precambriam terrane.



G&M Exploration Portfolio

3	Exploration Licence Application	Initial DMMR Review	Modify ELA as Required	Technical Report Submitted	DMMR Imara Committee Meeting	Arrange Date of Imara Meeting	Imara Committe Meeting	Emir Approval/ Disapproval	Province Approval/ Disapproval	DMMR Finalisation	Riyadh Approval
EL 1							1			65 65	
EL 2											
EL 3											
ELA 1										Pending	
ELA 2											
ELA 3											
ELA 4										23	6 6
ELA 5											
ELA 6								3		2). Ye	6 0 6 3
ELA 7											
ELA 8										2). Ye	
ELA 9											
ELA 10										20. 20.	
ELA 11											
ELA 12										2) 20	6 6
ELA 13											
ELA 14							-			2). Ye	6 6
ELA 15											
ELA 16										93 X4	
ELA 17											
ELA 18										30 Ve	
ELA 19											

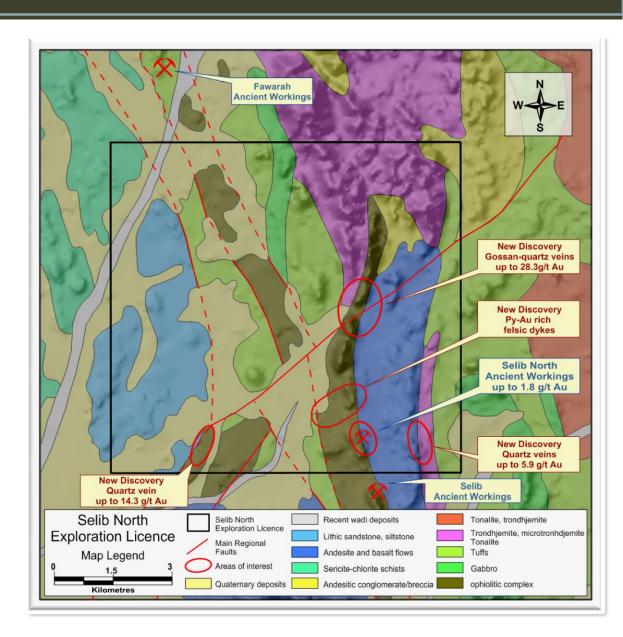


Selib North EL

New gold discoveries made within months of commencement of fieldwork.

High grade gold mineralisation in narrow quartz veins widespread in the eastern half of the licence.

New style of gold mineralisation recently recognized in dykes; intrusiion related gold mineralisation has potential for bulk tonnage gold deposits.





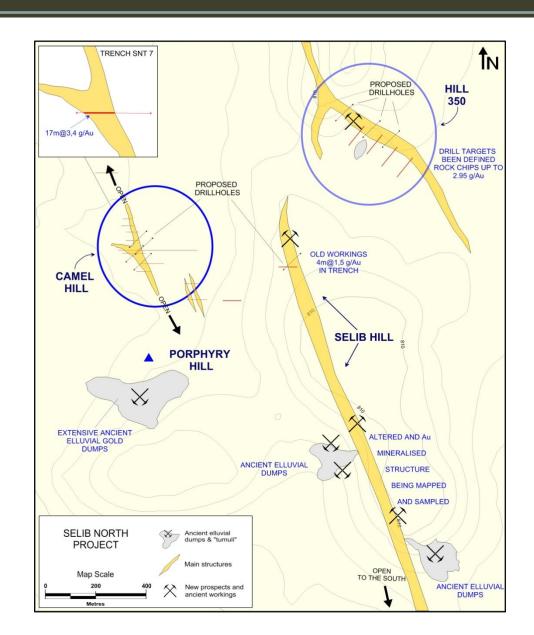
Selib North EL

First trenching campaign, in the Camel Hill area on a new type of disseminated Au mineralisation;

Mineralisation is related to Pyrite-rich dykes, hosted in shear zones;

Trench results up to 17m @ 3.4 g/t;

The same style of mineralisation crops out in newly identified prospects at "Hill 350", "Porphyry Hill" and "Selib Hill". Trenching is currently in progress.





Selib North EL, looking south over the new discoveries





Selib North EL, ancient eluvial dumps with no "apparent source"





Selib BRGM 1982 Open file report

- 2. Whether this structure, which appears to be vertical in plan, does not in fact dip steeply (70-80°) eastward and so would have been missed by the earlier drill holes.
 - 2.3 CONCLUSIONS AND RECOMMENDATIONS ON THE SELIB PROSPECT

The gold mineralization at Selib is linked with the fault and quartz-carbonate-iron oxide alteration zones with more or less pyrite, more or less tale. The exact nature of the mineralization, or the "ore", is still to be identified.



Selib North EL, surveying at the "Camel Prospect"







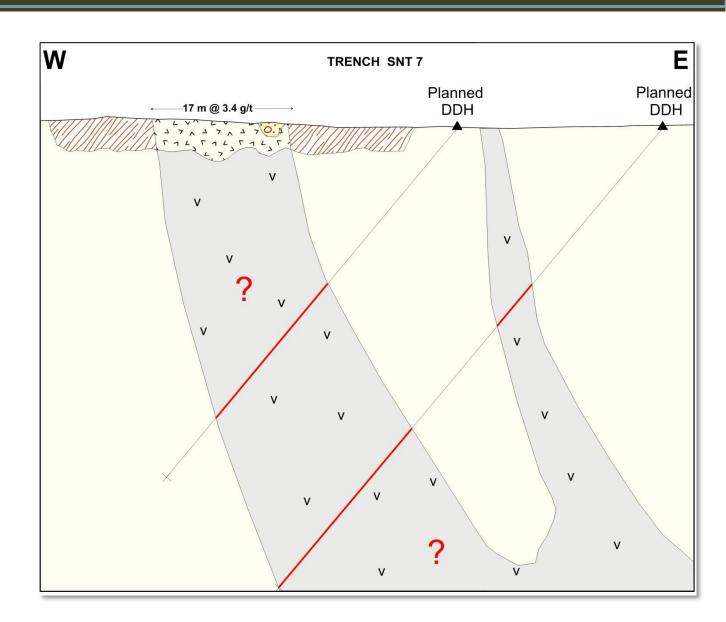


Selib North EL: Drilling campaign

Diamond drilling programme scheduled to start first week in July.

A first phase of 2,000 m of diamond drilling is planned;

Drillholes will test 50-100m below surface for open cut potential. Gold is associated with dykes and there is a possibility these dykes are smaller protrusions from a larger stock at depth.





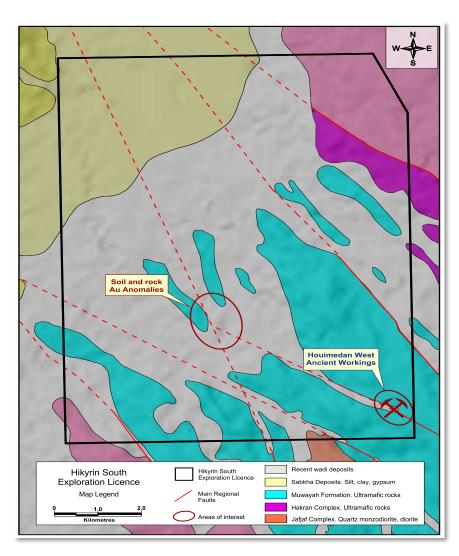
Hikyrin South Licence

Hikyrin and Hikyrin South EL's granted in January 2012;

Area includes the Houimedan West old workings, which extend for about 1km. Numerous BRGM dump samples returned up to 76 g/t Au;

Mapping, surface sampling -soil, rock chip, trenches completed.

Drilling programme scheduled in H2 2012

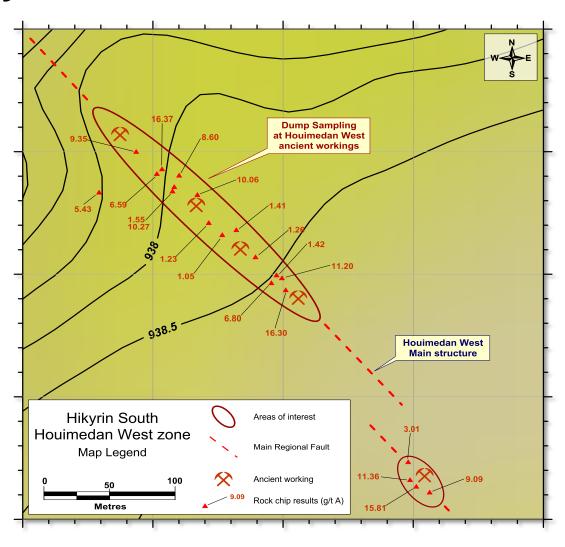




Hikyrin Licences









Other EL Application Areas

Previous USGS drilling in 1983 (only 3 drill holes) intersected mineralisation at depth;

USGS best results include 5 m @ 5.2 g/t Au and 90 g/t Ag (including 0.5 m @ 13.0 g/t Au and 180 g/t Ag, 0.4 m @ 12.5 g/t Au and 173 g/t Ag); and 1.6 m @ 6.8 g/t Au and 66 g/t Ag. Numerous veins were intersected but not sampled. In addition core loss up to 80% was recorded in quartz vein intervals;

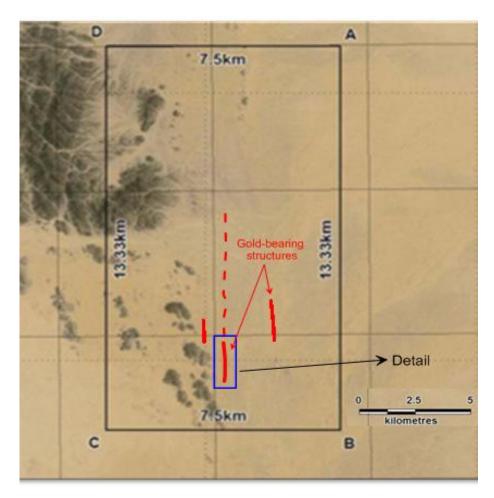
Old workings and quartz outcrops extends for over 800m at surface and vein outcrops continues over 4 km to the north;

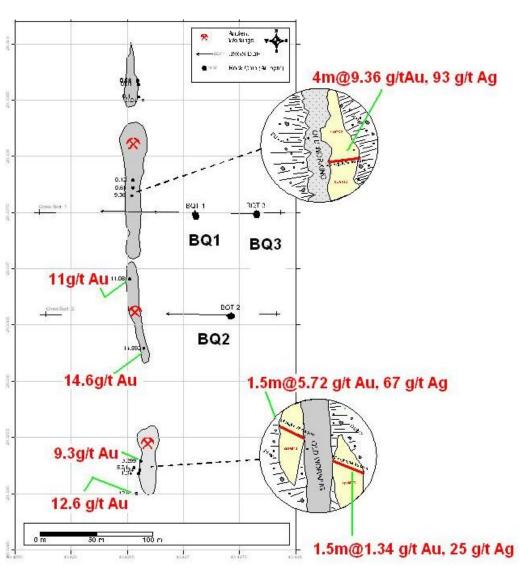
In addition G&M has discovered new gold bearing veins in the ELA area;





Other EL Application Areas







Other G&M EL Application Areas



- Ancient workings. BRGM collected 32 dump samples average 7.98 ppm Au;
- BRGM drilled 16 drill holes to 50-60m depth (1981). Some holes drilled in an exclusion zone (archaelogical site). Best results include:

Hole 29

37 - 40m: 3m at 3.54 Au

55 - 61m: 6m at 13.1 Au

Hole 28

10 - 31m: 21m at 3.87Au

Hole 24

0 - 4m: 4m at 4.93 Au

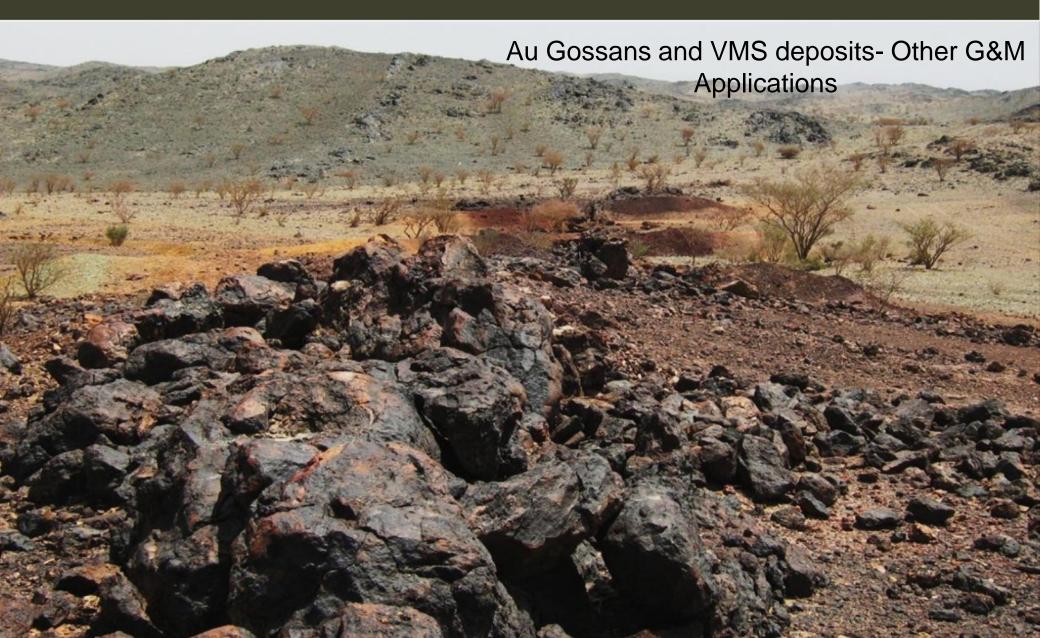
7 - 10m: 3m at 23.5 Au

Hole 22

0 - 4m: 4m at 4.15 Au

- No further work since then;
- 40km along strike from Ar Rjum, 2.65M oz Au deposit;
- Reconnaissance and prospect-style exploration has demonstrated the presence of highly anomalous gold values within major vein systems in the area.

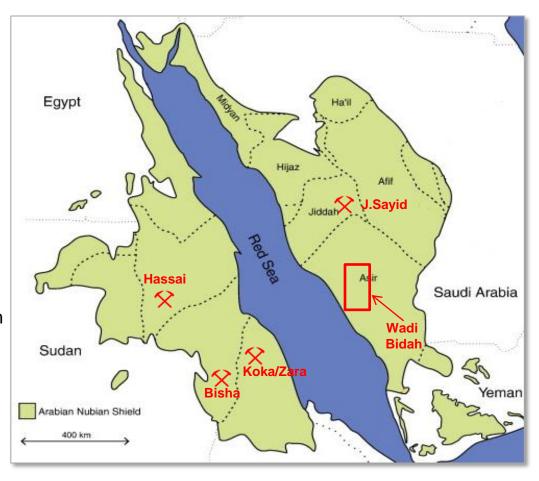






Examples of VMS (Cu-Zn-Au) deposits in Arabian-Nubian Shield

- Barrick Gold Corp.
 - Jabal Sayid, Saudi Arabia
 - 99M t 1.2% Cu; 118,000t Cu.
- Nevsun Resources (TSX) Bisha Mine
 - WADI BIDAH VMS BELT in Eritrea
 - High-grade Au(7.99 g/t), Cu 4.4% and Zn 7.21%)
 - 1.06 Million Oz Au, 9.4 Million Oz Ag
 - 330,000 t Cu,488,000t Zn
 - Net Cash flow \$180M per yr, Capex \$250m
- Chalice Gold (ASX)
 - Koka deposit Eritrea, 5.04Mt at 5.8 g/t Au
 - (0.94 Moz)





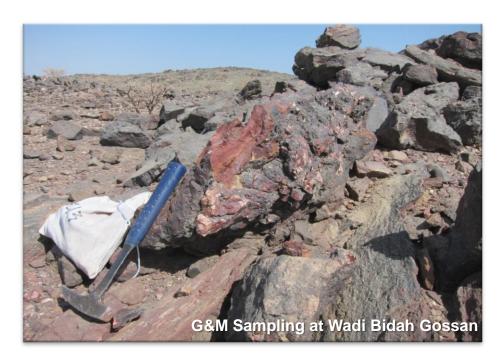
The Wadi Bidah VMS Belt in Saudi Arabia



- Ancient Workings and mineral occurrences for base metals and gold have been found in a number of places in Wadi Bidah Mineral District (WBMD) a north-trending belt, about 100km long and 20 km width;
- Gold is hosted in mesothermal quartz veins, as well as in supergene Gossans formed over VMS deposits. Very few drill holes tested VMS potential below 40-60m;
- ELA's contain large Gossan Structures developed as a product of weathering over polymetallic VMS deposits;
- We have over 8km strike length of gold bearing Gossans on seven separate ELA's in the belt. G&M expects some EL's to be granted in 2012
- Potential for shallow open cut gold mines at surface, and potentially large VMS Cu/Zn deposits below the Gossans.



Au Gossans and VMS deposits



- Potential for large VMS style
 - deposit in sulphide zone below 50m depths.
- Requires geophysics
 - EM & IP Surveys
- Requires deeper drilling

- Individual Gossans can be traced in surface for up to 4km, and 2- 30m wide;
- Previous sampling by BRGM on Gossans returned up to 18 ppm Au.
 - Only one gossan/VMS has been drilled on G&M's 7 ELA's.





G&M exploration team

G&M exploration crew consist of 7 geologists and 5 field assitants.

Strong international experience in exploration, resource definition and underground and open pit mining.

Shift rotation: 3 week on 1 week off;





Budget & Planned Work Programme

- Diamond drilling to commence at Selib North in first week of July.
- Additional targets at Selib North are being defined by on-going mapping, trenching. Geophysics: Induced Polarisation (IP) Survey planned.
- Diamond drilling to continue at Hikyrin South.
- Next EL expected shortly- has already been approved by SCC in Riyadh.
- 8000m of DD and RC drilling planned for 2012
- Total Budget 2012 (KEFI cost) £1.7M GBP.