

KEFI MINERALS

Developing a 100,000+ oz pa gold operation within the Arabian-Nubian Shield

October 2016 Investor Presentation

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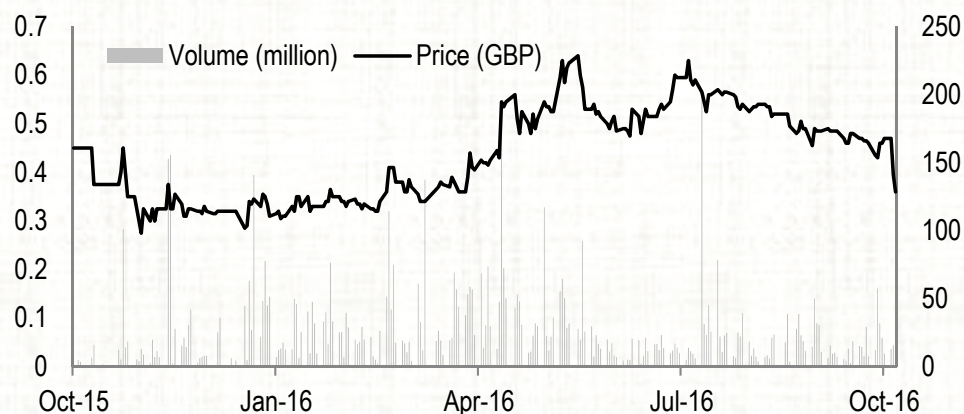
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Note: All references to \$ within this presentation refer to US\$

Summary

- KEFI Minerals is an exploration and development company focussed on gold and copper assets, within the highly prospective Arabian-Nubian Shield
- Progressing development of flagship Tulu Kapi gold project in Ethiopia following revised DFS. Planning to commence production in mid-2018
- Evaluating underground mine at Tulu Kapi and low-cost, heap-leach treatment of oxide ore at Jibal Qutman project in Saudi Arabia

KEFI share price performance YTD



Summary¹

AIM code	KEFI
Share price - 12 mth	0.26p (low)/0.66p (high)
Share price (19/10/2016)	0.36p
Shares in issue	3.88 billion
Market cap	£13.8m (c. \$17m)
Nomad	SP Angel
Brokers	Brandon Hill Capital RFC Ambrian

Key shareholders

Odey Asset Management	29.6%
Ausdrill	7.2%
Lycopodium (subject to EPC contract execution)	Intend to subscribe to \$2.5m equity upon signing EPC

¹) Data correct as of 19/10/2016

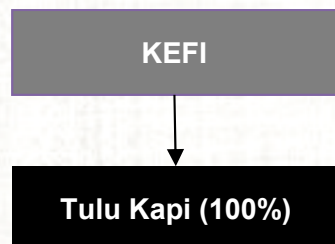
- **Exciting revitalised gold development story:** Since assuming control of the Tulu Kapi project in Ethiopia (2014), the team has overhauled the geological database and its interpretation, optimised the mine plan, consequently improving economics
- **Overhauled DFS and subsequently optimised with contractors:** Now a financially robust project, producing an average of 115Koz pa over the first 8yrs, with 20% of resources outside current mine plan
- **Project (100%) has an NPV₈ of \$190m (unleveraged, open pit + underground). Open pit alone has IRR of 33% at \$1,300/oz**
- **Development ready:** Mining licence is in place and KEFI has signed bilateral agreement with the Government of Ethiopia, selected mining and construction contractors and completed Independent Technical Reviews on behalf of potential lenders
- **Major works to commence H1-17:** With production expected from mid-18
- **Experienced management team:** KEFI team has collectively financed and constructed six mines across Africa and Asia-Pacific, including Perseus' Edikan in Ghana and Crew Gold's SMD in Guinea. Team has 10 years in-country experience
- **Undervalued:** Compared to peer group of African gold developers, KEFI is significantly under valued by the market, providing opportunity for a significant value uplift for investors
- **Upside potential:** Tulu Kapi deposit is open at depth and preliminary studies indicate the potential to extend mine life through an underground development
- **Local Support:** Ethiopian Government has a 5% free carry at project level and has committed to providing a \$20 million project contribution to increase the interest. The Development Bank of Ethiopia has confirmed intent to provide up to \$40m in debt

Location and infrastructure



- Tulu Kapi is in the world renowned Arabian-Nubian Shield within Ethiopia
- ~360km west of the capital city of Addis Ababa
- A main road to Addis Ababa is within 12km of site
- Mains power is within 50km

Ownership structure

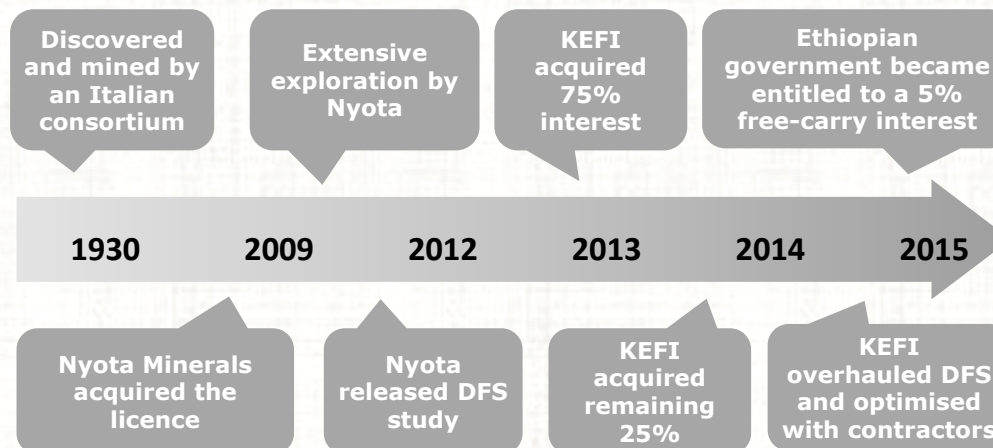


- KEFI currently holds 100% of the project, with the Ethiopian government entitled to 5% free carried interest
- Government confirmed equity investment of \$20m to increase total to up to 30% (with the interest reducing back towards 20% depending on KEFI contributions)

Resources and reserves

	Tonnes (Mt)	Grade (g/t Au)	Cont. Au (Koz)
Probable Ore Reserves	15.4	2.12	1,050
Indicated Resources	18.8	2.67	1,620
Inferred Resources	1.4	2.40	100


Timeline



Licencing

- Full mining licence until 12 April 2035, renewable for a 10-year period

Improved through pragmatic re-evaluation

	 DFS 2012	KEFI MINERALS DFS 2015	KEFI MINERALS Rev 2015	KEFI MINERALS Rev 2016
Projected capex and working capex ¹	\$289M	\$130M	\$110M	\$132M
Life of Mine gold production	924Koz	961Koz	980Koz	980Koz
Annual gold production (steady state)	105Koz	95Koz	115Koz	115Koz
Strip ratio	8.5	7.4	7.5	7.5
Average gold grade	1.8g/t	2.1g/t	2.1g/t	2.1g/t
Annual processing rate	2.0Mtpa	1.2Mtpa	1.5Mtpa	1.5Mtpa
All-in Sustaining Cost (AISC)	N.A.	\$779/oz	\$751/oz	\$773/oz
All-in Cost (includes initial capex)	\$1,044/oz	\$906/oz	\$869/oz	\$905/oz

KEFI has optimised the value of the asset by

- Mining Method:** Nyota assumed bulk mining, resulting in excessive dilution. KEFI tightened geological interpretation and optimised the pit design, introducing semi-selective mining
- Resource:** KEFI expanded Indicated Resource from 1.1Moz to 1.6Moz but kept Ore Reserve at 1Moz (2.1g/t ore compared with previous 1.8g/t ore)
- Capital Cost:** The 2015 DFS reduced the capex estimate by sizing infrastructure to match the reduced materials handling (down from 20Mtpa to 14Mtpa) and by introducing contract mining. Rev 2015 reflects then costs and exchange rates. Rev 2016 reflects October 2016 updated costs and exchange rates emerging from detailed project contractor documentation and the bringing forward of production-control drilling and systems build-up, as requested by potential lenders.

1. On a contract basis. Excludes cost overrun facilities, transaction costs and KEFI's non-Tulu Kapi costs

The operation is strong financially

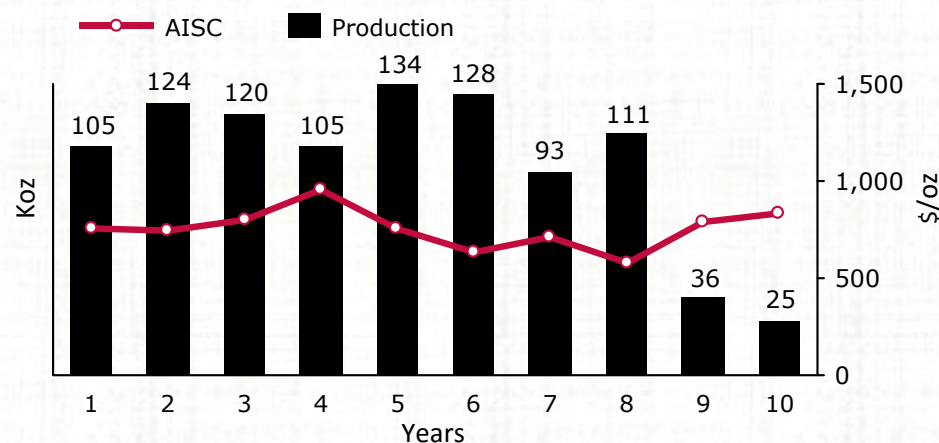
- At the 6 year gold price low of \$1,050/oz, open pit project still generates an IRR of 15%
- A LOM AISC² of \$773/oz and total unit cost of \$905/oz, including initial pre-production capital
- Underpinned by:
 - low strip ratio of 7.5:1; and
 - simple metallurgy (recovery 93%+)

...and is relatively low risk

- Straight forward open pit operation similar to others operated by selected contractor Ausdrill/AMS
- Simple process flow sheet similar to many built by selected EPC contractor Lycopodium
- Strong government and development bank interest in the project adding heightened security

1) 100% basis, unlevered
2) LOM AISC based on \$1,300 gold price

Production and AISC

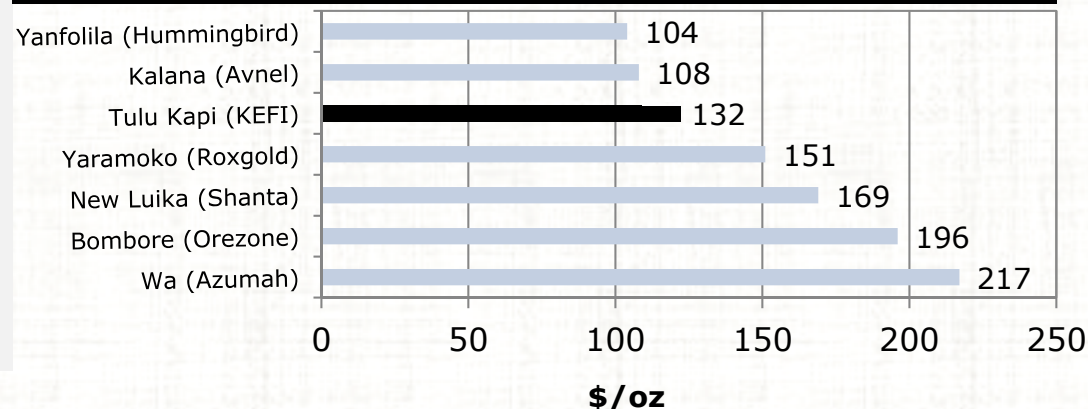


Project economics¹

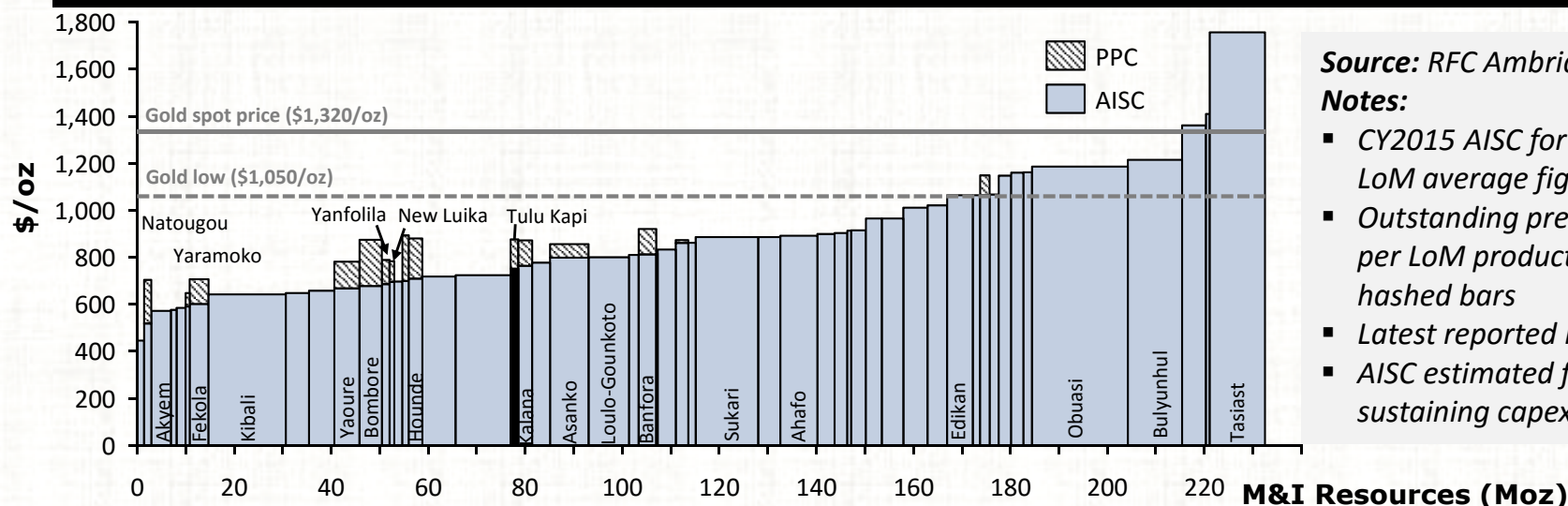
Gold Price	NPV@8% Open Pit+ Underground	NPV@8% Open Pit Only	IRR Open Pit Only
\$1,150/oz	\$122m	\$89m	23%
\$1,200/oz	\$145m	\$112m	26%
\$1,250/oz	\$167m	\$134m	30%
\$1,300/oz	\$190m	\$157m	33%
\$1,350/oz	\$212m	\$179m	37%

Cost competitive in terms of both **capital intensity** and **All-In Sustaining Costs**, when compared to African peers

Initial capex / LOM production (\$/oz)



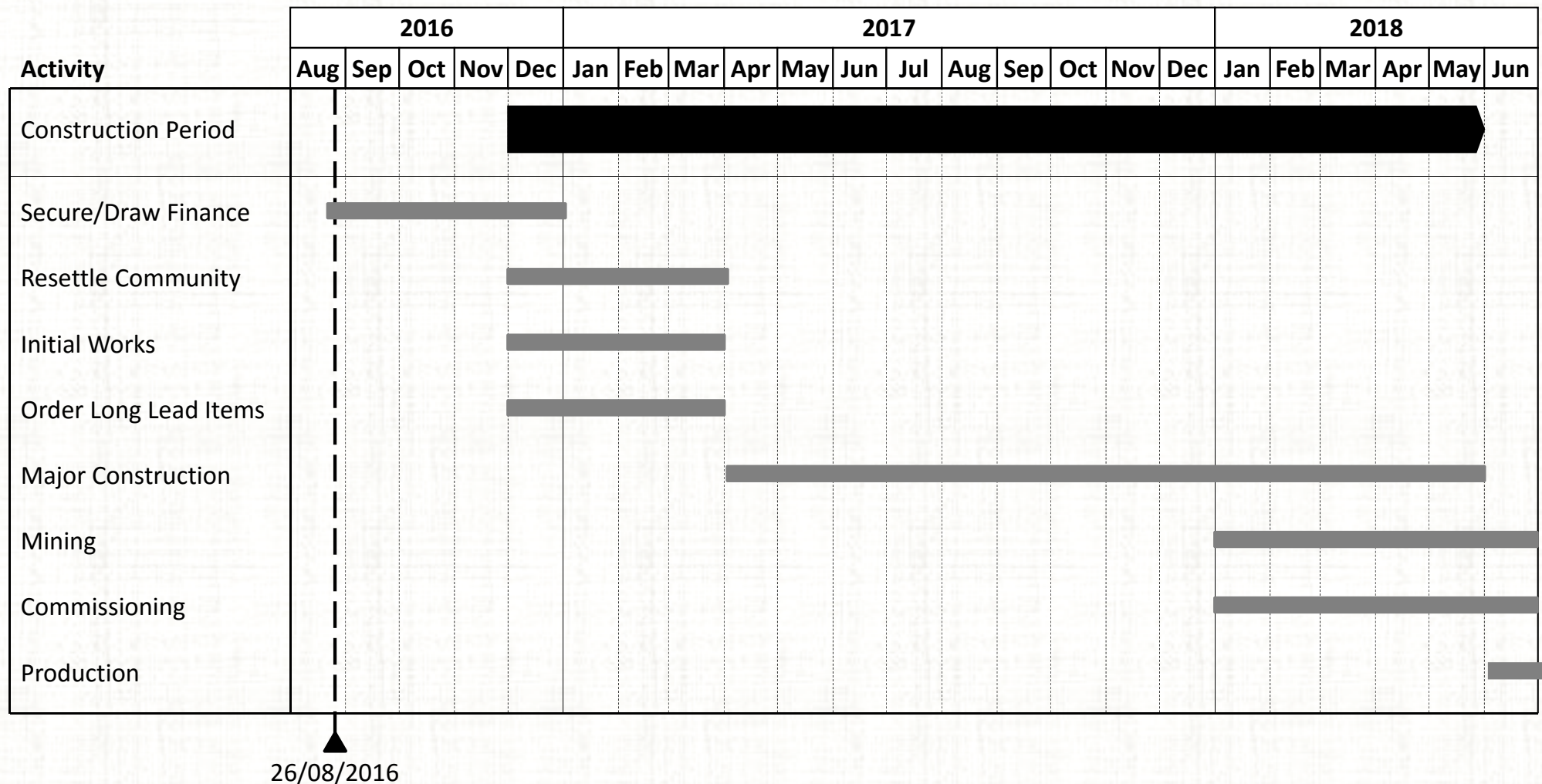
African AISC / resource curve ex South Africa (\$/oz)

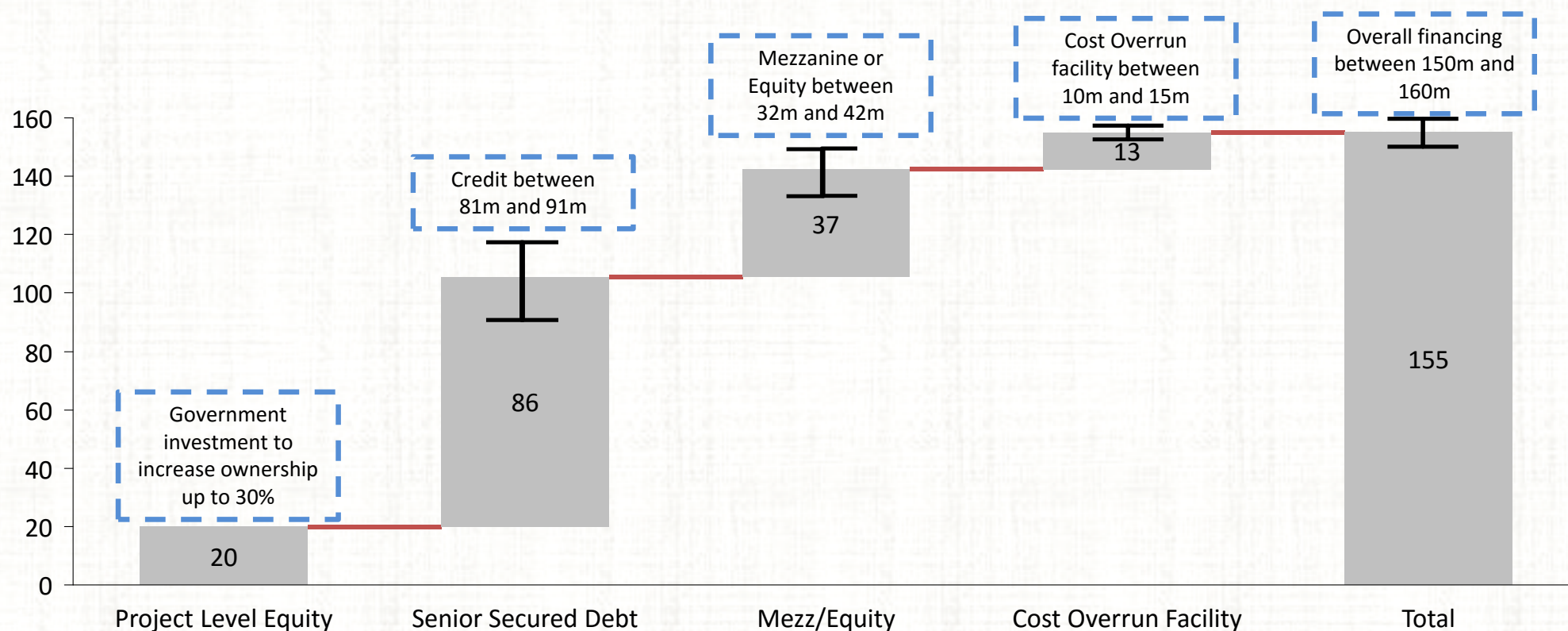


Source: RFC Ambrian

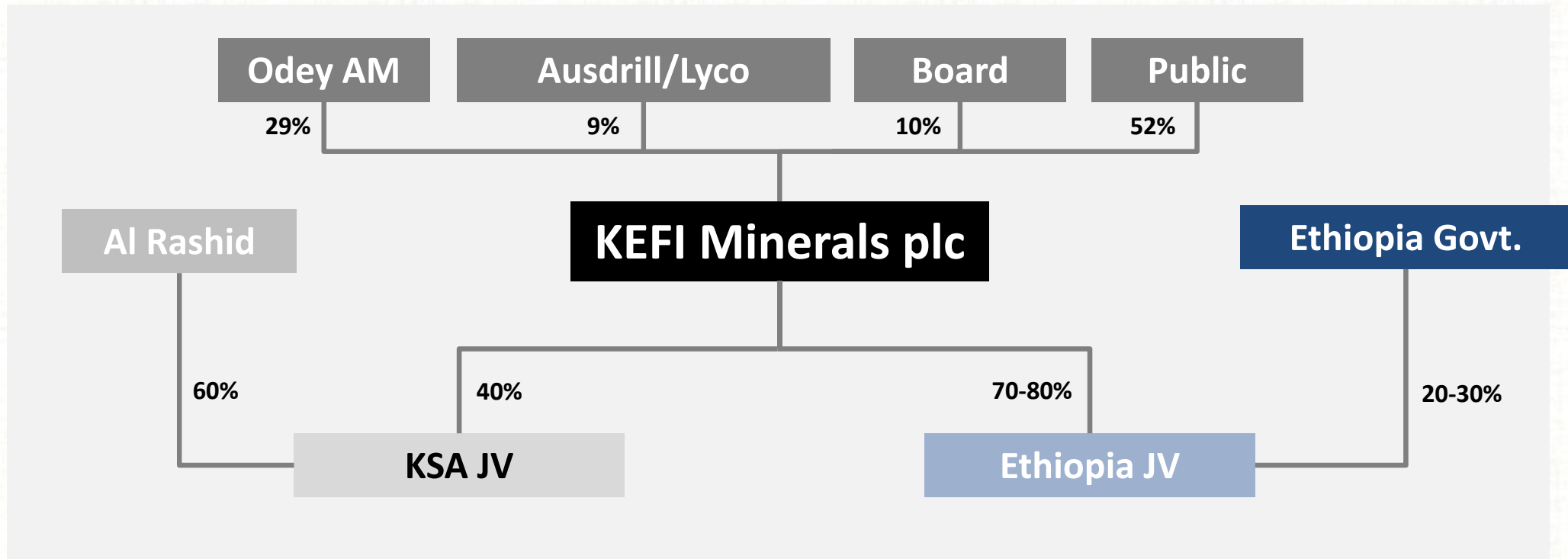
Notes:

- CY2015 AISC for producing mines; stated LoM average figures for projects
- Outstanding pre-production capex (PPC) per LoM production ounce shown by hashed bars
- Latest reported M&I Resources used
- AISC estimated from total cash costs plus sustaining capex where not given





- 1) Govt. of Ethiopia has provided **formal confirmation** that it will invest \$20m to achieve up to 30% equity at project level (which will dilute back depending on the extent of additional project equity from KEFI)
- 2) Debt providers have successfully completed **Independent Technical Reviews**
- 3) KEFI is evaluating **mezzanine/offtake finance and equity** at project or parent level



Proven management team with the experience to deliver



Harry Anagnostaras-Adams
Executive Chairman

Harry was founder or co-founder of Citicorp Capital Investors, investment company Pilatus Capital, Australian Gold Council, EMED Mining, KEFI Minerals and Cyprus-based Semarang Enterprises. He has overseen a number of start-ups in those and their related organisations. He qualified as a Chartered Accountant while working with the company Price Waterhouse Coopers.



John Leach
Finance Director

John has over 25 years' experience in senior executive positions in the mining industry internationally and was the Finance Director of EMED Mining during its start-up years. He has also worked with the Executive Chairman in a start-up in Australia of a gas field, industrial minerals projects and gold mines. He is based in Cyprus.



Kebede Belete
Manager Ethiopia

Dr. Kebede Belete is a geologist with more than 25 years of experience. He has worked on exploration projects for the Ethiopian Ministry of Mines, Golden Prospect Mining Company, Minerva Resources and Nyota Minerals in roles including being Exploration Manager and Country Manager. Kebede has been involved with the Tulu Kapi gold project for more than 10 years.



Wayne Nicoletto
Chief Operating Officer

Wayne has 30 years' experience in the mining industry as a Metallurgist and a General Manager, specialising in start-up and operation of gold mines in Africa, Central Asia and Australia. Wayne has been General Manager and Country Head of the Edikan Mine in Ghana and SMD in Guinea as well as Vice President of Operations of Boroo Gold Mine in Mongolia. Based in Ethiopia.

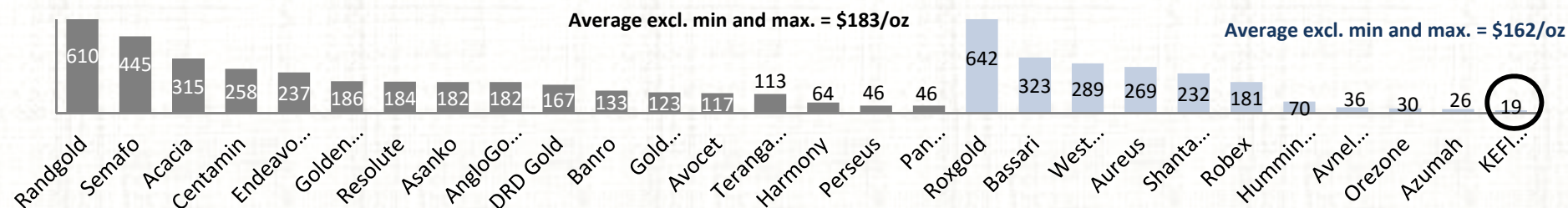


Geoff Davidson
Engineering & Contracting

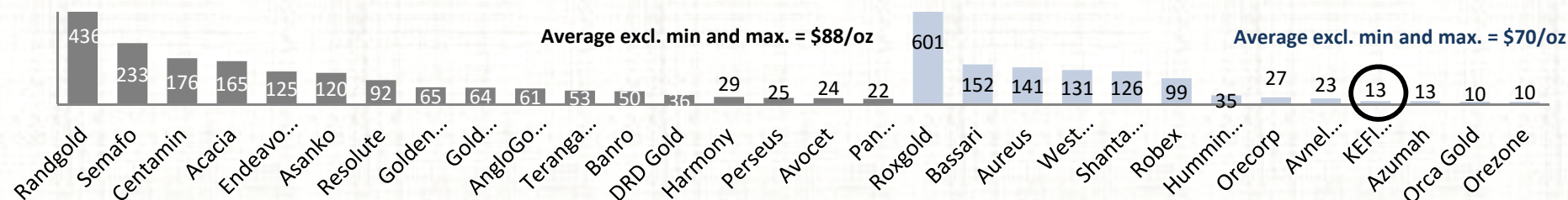
Geoff has over 25 years' experience in surface and underground mining with many years as Principal Consultant for a variety of major mining consultancies. Geoff has also had significant tenures with Snowden, Brandrill and Mining and Cost Engineering.



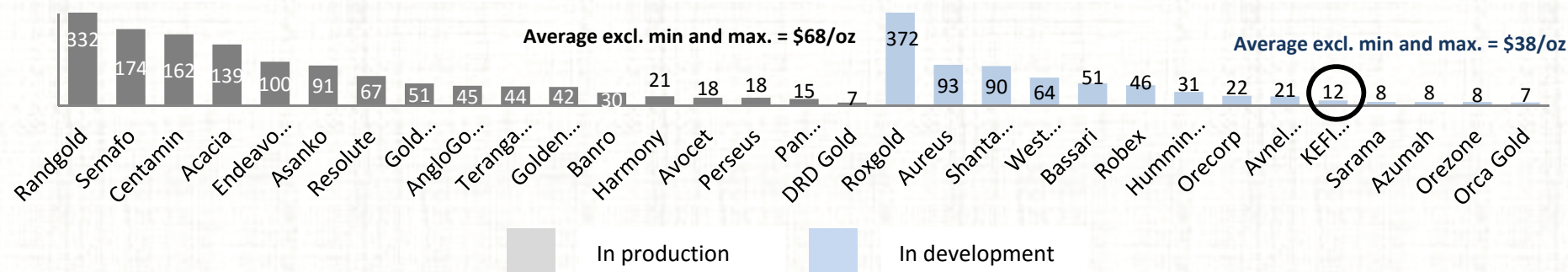
EV / Reserves



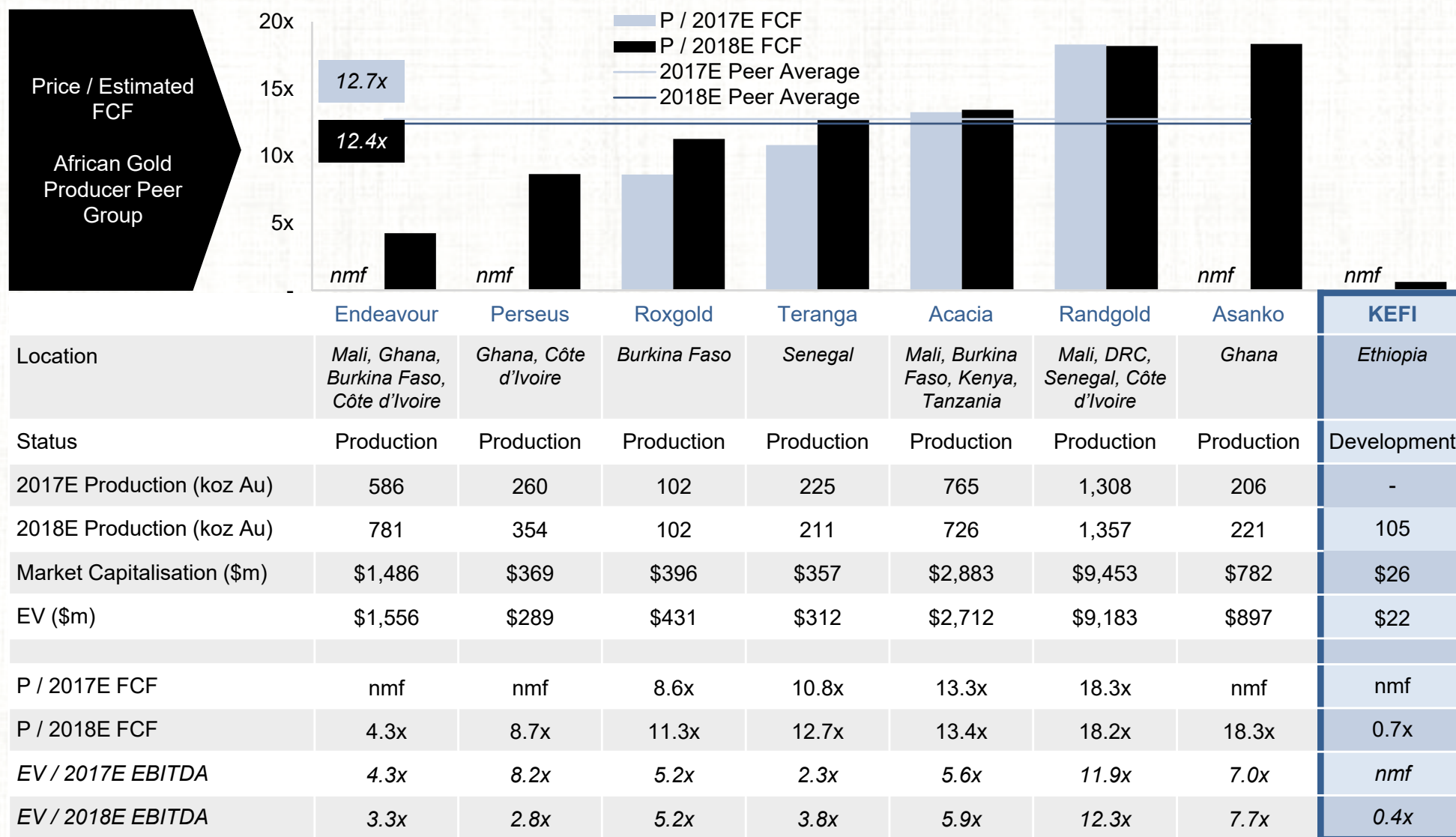
EV / Measured & Indicated Resources



EV / Measured, Indicated and Inferred Resources

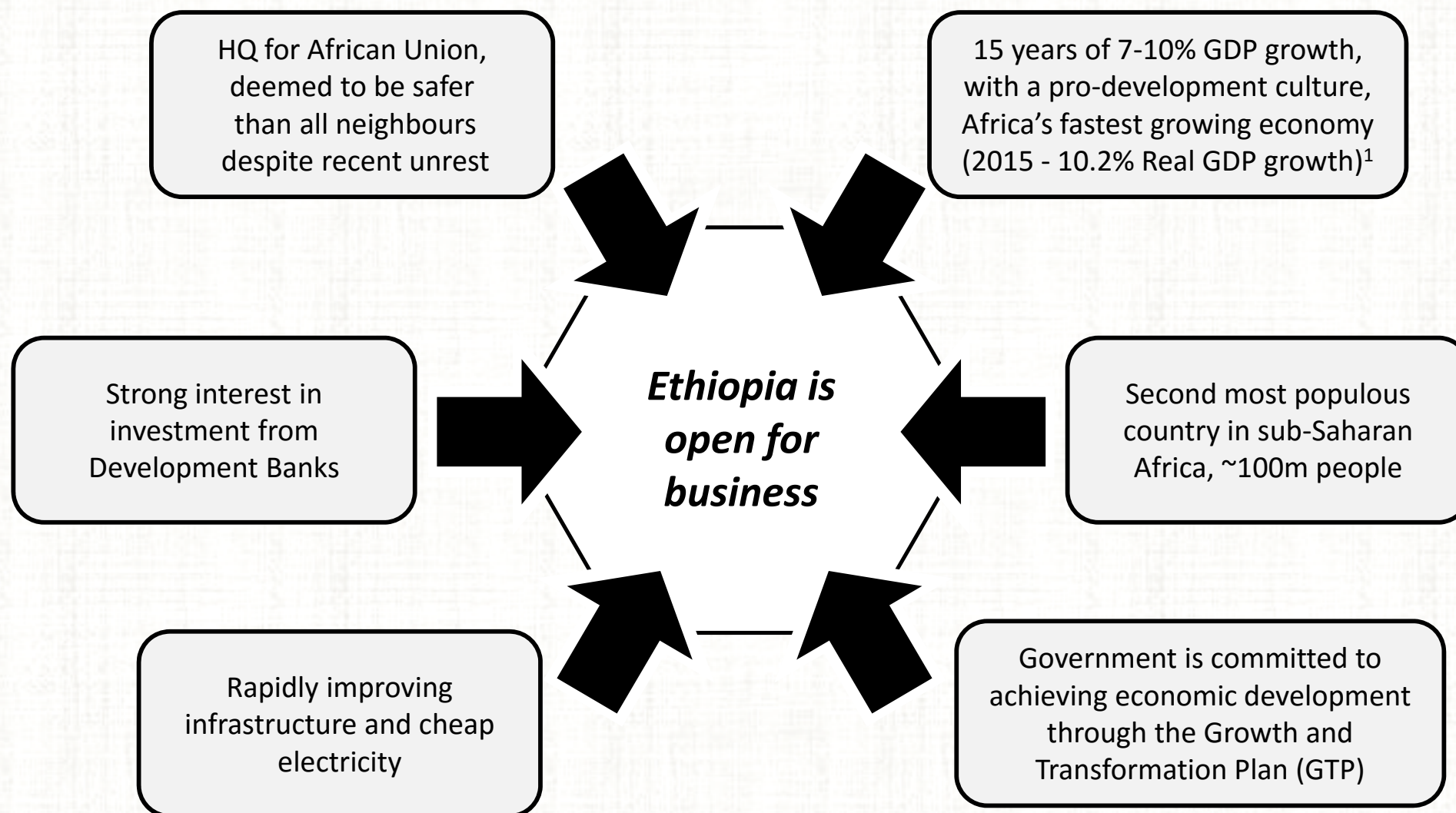


Source: Company Disclosures, Bloomberg & RFC Ambrian Estimates, as at close of market 26/08/2016



Source: Bloomberg; Company Disclosures, Analyst Estimates, RFC Ambrian Analysts; data as of market close 26/08/2016

nmf: not meaningful; implies the company is either anticipated to be cashflow negative for the year, or generate marginal FCF

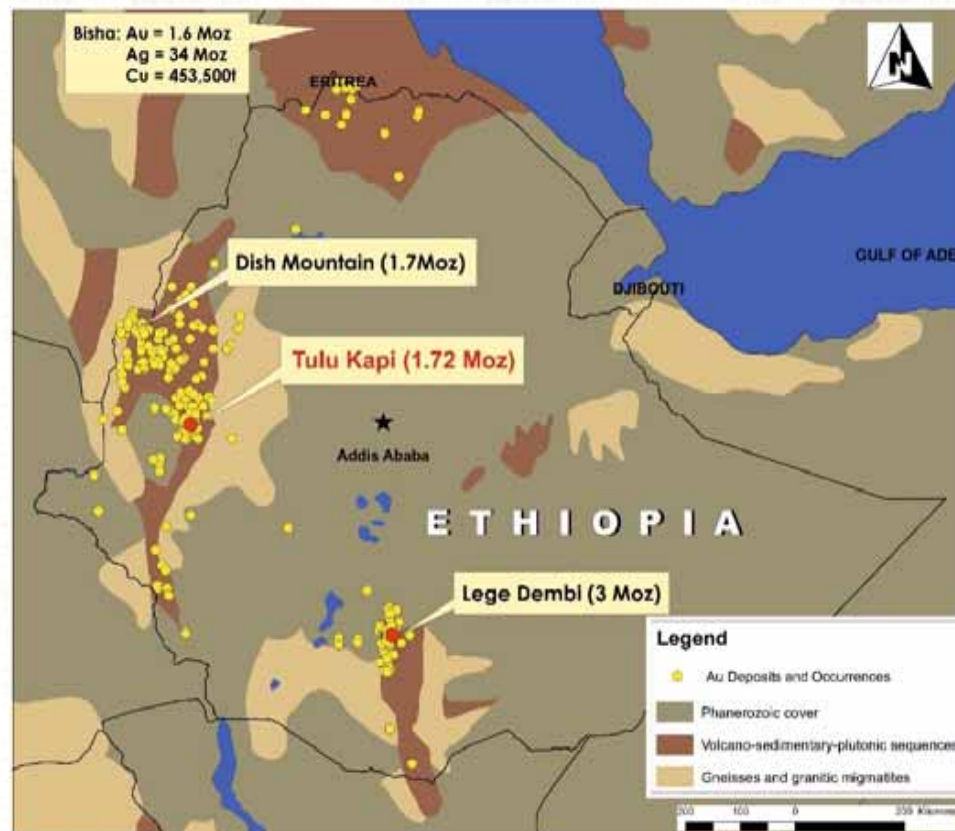


1) IMF World Economic Outlook April 2016

Strong investment community for mining

- 8th best jurisdiction in Africa for mining investment by the Fraser Institute in 2015, ahead of Zambia and South Africa
- Highly prospective - limited modern exploration:
 - Only existing commercial mine is Lege Dembi (~130Koz pa), operated by Midroc
 - Ascom Precious Metals is undertaking a PFS on the 1.7Moz Dish Mountain project
- Strong support and investment from Ethiopian Government - actively boosting mining sector in order to achieve GDP growth
- Large companies beginning to enter e.g. Israeli Chemicals Limited acquisition of Allana Potash for \$110m, and Newmont has started exploration

***KEFI is well positioned to be a leader
in an emerging gold basin***



Map of Ethiopia highlighting gold provinces and significant projects



Local community briefing at Tulu Kapi

Harry Anagnostaras-Adams, Executive Chairman
John Leach, Finance Director

Cyprus - Group corporate team

Ethiopia - Development and exploration teams

Saudi Arabia - Exploration team

Email: info@kefi-minerals.com

Website: www.kefi-minerals.com

Luther Pendragon Ltd (Financial PR)

Harry Chathli, Claire Norbury, Ana Ribeiro

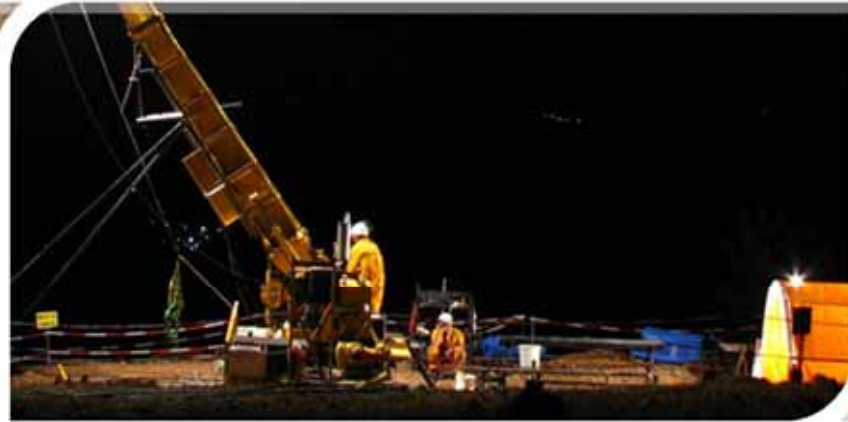
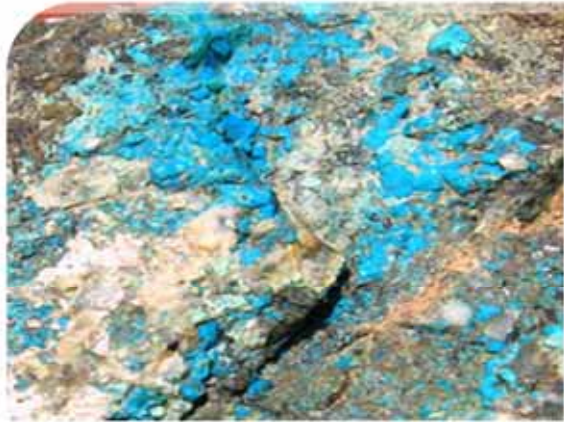
Tel: +44 (0) 20 7618 9100



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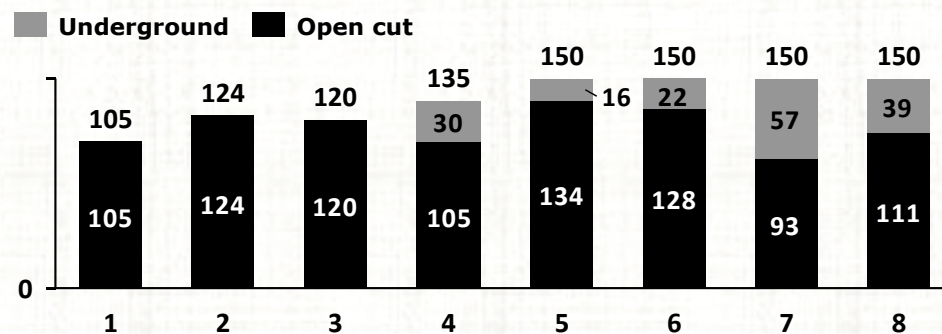
APPENDICES

Tulu Kapi Underground Potential to extend life and increase grade

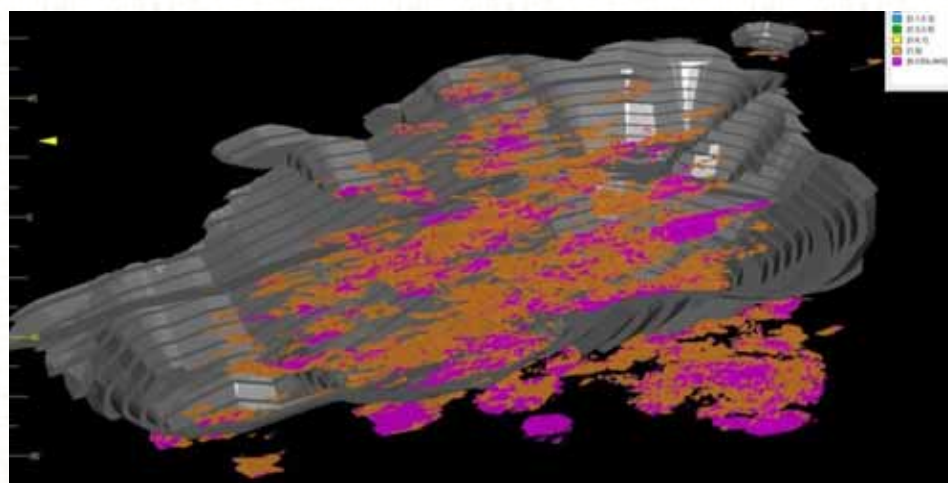
The underground provides strong upside

- Thick, high-grade gold zones below open pit
- Underground mineable resource = 1.3Mt @ 5.2g/t
- Preliminary studies based on current resource only show:
 - Open Pit + Underground \approx 150,000oz pa
 - Additional NPV_{8%}, unleveraged \$33M (\$1,300/oz)
 - Mineable resource outside open pit is 1.3Mt @ 5.2g/t Au containing 220Koz
 - Gold mineralisation open at depth, along strike and down plunge
 - Gold grades increase and ore lenses thicken with depth
 - Resource remains open along strike, down plunge and at depth

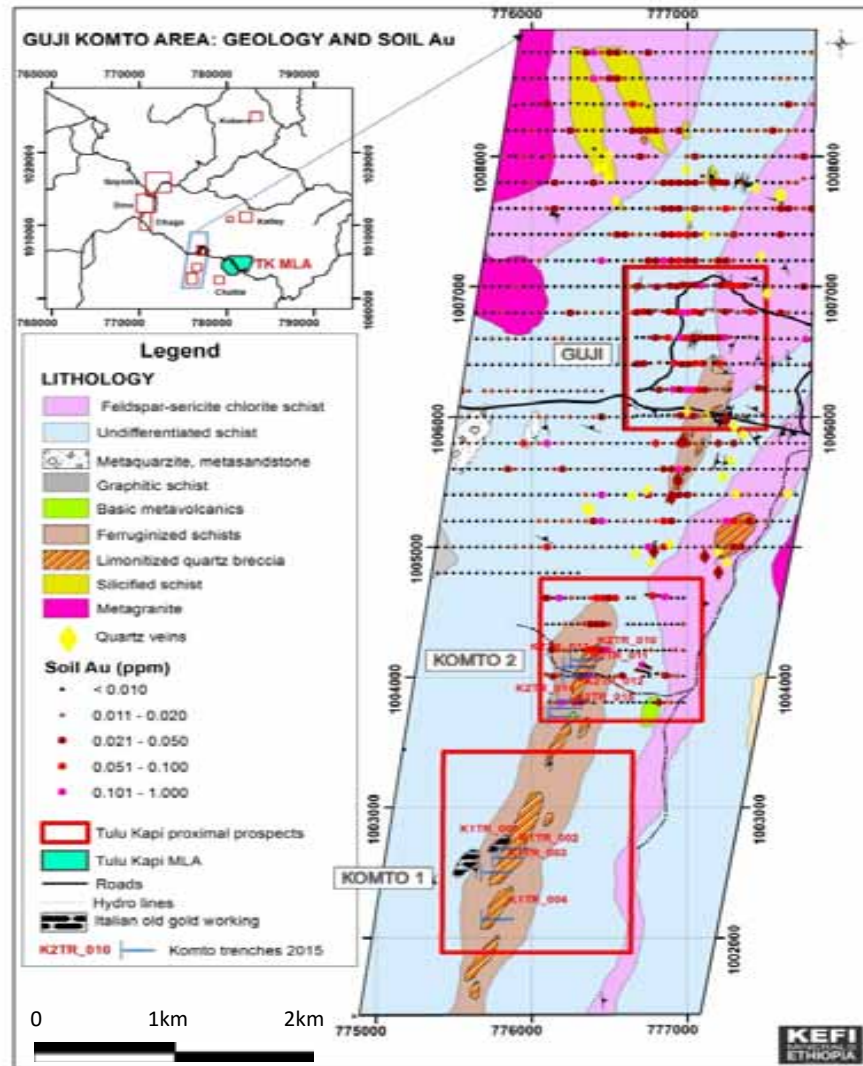
Potential production profile (Koz Au)¹



Potential underground resource²



- 1) The profile is indicative and based on preliminary studies only
 2) Resource blocks below open pit: >1.5g/t Au (brown) >5g/t Au (pink)



Source: KEFI Minerals



Guji: Visible gold in drill Core

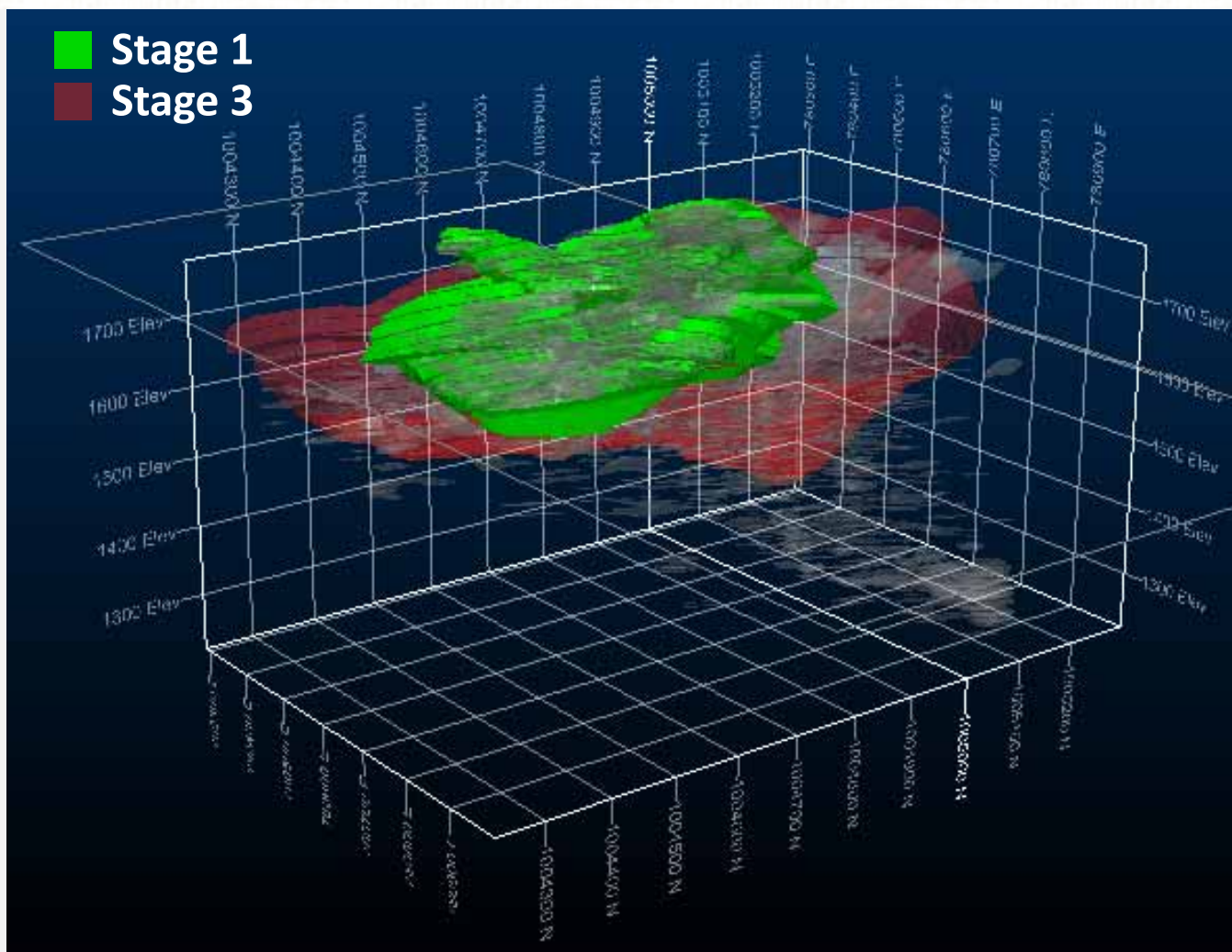


Komto: Primary gold mineralisation

Jibal Qutman	Hawiah	Short term milestones
<ul style="list-style-type: none"> 99km² EL was granted in July 2012 Rapidly delineated initial JORC Resource in 2013 Resource increased to 0.73Moz in 2015 Four ELAs around Jibal Qutman EL with satellite open pit targets attained Delineating further shallow oxide gold but now sufficient to start Mining Licence process and completion of full feasibility study Mining Licence Application being discussed with regulators for planned heap leach operation to fund exploration of Saudi Arabian portfolio 	<ul style="list-style-type: none"> 95km² Hawiah EL granted in Dec 2015 Potential for large Cu-Au-Zn VHMS orebodies Hosted in +120km north-south trending Wadi Bidah Mineral district which hosts some large VHMS deposits Analogues include Jabil Sayid (Barrick) and Bisha (Nevsun) Gold-bearing gossans at surface based on trench results Geophysical survey results indicate large buried metal-bearing structures 	<div>Sep to Dec 2016</div> <ul style="list-style-type: none"> Jibal Qutman – submit Mining Licence Application and commence prospecting adjacent licences Hawiah – start testing large Cu-Au-Zn target <div>2017</div> <ul style="list-style-type: none"> Trigger Jibal Qutman feasibility studies for development to follow start-up at Tulu Kapi

Optimised mine plan Rapid delivery of cash flow maximising value

- Mine design and scheduling at Tulu Kapi has been developed over three stages in order to maximise cash flows over the initial three years (Stage 1)
- This will facilitate rapid repayment of debt, allowing the company to pay dividends sooner
- This operational cash flow will provide the company the option to expedite the underground development, delivering upside for shareholders





Harry Anagnostaras-Adams – Executive Chairman – MBA (Australian Graduate School of Business)

Harry was founder or co-founder of Citicorp Capital Investors Australia, investment company Pilatus Capital, Australian Gold Council, EMED Mining, KEFI Minerals and Cyprus-based Semarang Enterprises. He has overseen a number of start-ups in those and their related organisations principally through the roles of Chairman, Deputy Chairman or Managing Director. He qualified as a Chartered Accountant while working with PricewaterhouseCoopers.



John Leach – Finance Director – BA Economics, MBA, MICA (Aust & Canada)

John has over 25 years' experience in senior executive positions in the mining industry internationally and is currently also a non-executive director of Australian-listed Pancontinental Oil and Gas NL. He is a Member of the Institute of Chartered Accountants (Australia), a Member of the Canadian Institute of Chartered Accountants, and is a Fellow of the Australian Institute of Directors.



Mark Wellesley-Wood, Non-Executive, Chair Technical Review Committee – BEng (Mining)

Mark is a mining engineer, with over 40 years' experience in both the mining industry and investment banking. He has been closely involved in mining activities in Africa, having started his career on the Zambian copper-belt. Mark is a former Executive Chairman and CEO of South African gold miner, DRDGold Limited, and a former director of Investec Investment Banking and Securities in London. He is currently Chairman of AIM quoted Tri-Star Resources plc.



Norman Ling, Non-Executive, Chair Nominations Review Committee – BA German and Economic History [Hons]

Norman was a member of the British diplomatic service for more than 30 years, for the last ten with the rank of ambassador. He has served in a wide range of countries in the Middle East and Africa. His last post, before retirement, was as Ambassador to Ethiopia, Djibouti and the African Union. For the last two years he has been actively involved with development of the mining industry in Ethiopia.



Ian Plimer – Non-Executive, Chair Exploration Review Committee – BSc Mining (UNSW) [Hons], PhD, FTSE, FGS, FAIMM

Ian is Emeritus Professor at The University of Melbourne where he was Professor and Head of the School of Earth Sciences (1991-2005). He was Professor of Geology (University of Newcastle 1985-1991) and Professor of Mining Geology (University of Adelaide 2005-2012). He serves on the Boards of Silver City Minerals Ltd and Niuminco Group Ltd and unlisted-companies Hancock Prospecting, TNT Mines Ltd and Perth Resources Ltd. He represents Hancock Prospecting on the Lakes Oil N.L. Board.



Wayne Nicoletto, Chief Operating Officer and Managing Director, KEFI Ethiopia – BSc Metallurgy, Grad Dip Mining (WASM)

Wayne has 30 years' experience in the mining industry as a Metallurgist and a General Manager, specialising in start-up and operation of gold mines in Africa, Central Asia and Australia. Over the past 15 years, he has been primarily heading up operations in gold mines in Africa, including General Manager and Country Head of the Edikan Mine in Ghana and SMD in Guinea as well as Vice President of Operations of Boroo Gold Mine in Mongolia.



Kebede Belete – Country Manager Ethiopia – BSc (Geology), PhD, Mphil

Dr. Kebede Belete is a geologist with more than 25 years of experience. He has worked on exploration projects for the Ethiopian Ministry of Mines, Golden Prospect Mining Company, Minerva Resources and Nyota Minerals in roles including being Exploration Manager and Country Manager. Kebede has been involved with the Tulu Kapi gold project for more than 10 years.



Guy Ware - Project Manager, Plant Contracting Co-ordinator – BEng Civil and Construction (WASM)

Guy has undertaken planning and delivery of process facilities throughout the resources industry, focussing on gold and base metals projects in Australia and Africa. With considerable experience with world minerals processing leader Lycopodium, Guy has also been a project manager for GJ Engineering and Increva.



Simon Cleghorn – Resource Manager – BEng Mining Geology [Hons] (WASM), MAusIMM

Simon is a geologist with 24 years' experience in mining geology and project development with emphasis on resource and reserve estimation in primarily gold and base metals mines. His experience has been with international projects in Armenia, Georgia, Russia, South East Asia and project review in Europe and South America as well as Australia. He has been responsible for production geology management, due diligence project review and management of mining studies and project upgrades as well as resource and reserve.



Sergio di Giovanni – Metallurgist & Dev. Manager, Value-Engineering – BSc Metallurgy (Murdoch), MAusIMM

Over 23 years' experience in operations in Australia, Asia, Europe, Mid-East and Americas. He has expertise in CIL, heap leach and flotation plants for gold, base metals and iron ore mines.



Geoff Davidson – Mining Engineer, Mine Contracting Co-ordinator – BEng Mining (WASM), FAusIMM

Geoff has over 25 years' experience in surface and underground mining with many years as Principal Consultant for a variety of major mining consultancies. Geoff has also had significant tenures with Snowden, Brandrill and Mining and Cost Engineering.