

AIM: KEFI

24th September 2012

KEFI Minerals Plc
(“KEFI Minerals” or the “Company”)

EXPLORATION UPDATE SAUDI ARABIA JV

KEFI Minerals, an AIM-listed gold and copper exploration company with projects in the Kingdom of Saudi Arabia, is pleased to announce diamond drill results from the initial drilling programme at Selib North and results from continued surface trenching at the Jibal Qutman Licence for the Company's 40%-owned Gold & Minerals Joint Venture (“G&M”).

KEFI Minerals is the operator of G&M in the Kingdom of Saudi Arabia, of which 60% is owned by partner Abdul Rahman Saad Al-Rashid & Sons Company Limited (“ARTAR”). To date, G&M has been granted 4 Exploration Licences and holds another 19 Exploration Licence Applications (“ELAs”).

SELIB NORTH

Diamond drilling commenced in early July 2012 at the Selib North Licence. The initial phase of drilling targeted the recently discovered gold-bearing dykes at the Camel Hill Prospect. A total of 8 holes were drilled for 928m. Drilling was carried out on 4 sections spaced 50m apart and down to 100m vertically below surface.

Best drill intercepts from Selib North include:

Hole No	From (m)	To (m)	Interval (m)	Au g/t	
SND 2	72	76	4	2.66	
SND 3	34	36	2	3.16	
	<i>and</i>	40	41	1	2.40
	<i>and</i>	69	80	11	3.11
SND 6	20	21	1	38.66	
SND 8	108	118	10	1.99	

These drill results appear to confirm management's view that the gold is hosted in a series of steeply-dipping pyritic dykes. Numerous dykes, that were not evident at surface, were intersected by the drilling. The dykes may potentially converge to a larger parent stock at depth.

Coarse grains (1-3mm) of visible gold were present in some of drill cores, increasing the risk of a “nugget” effect and potentially the under estimation of gold in the analytical process.

A follow up IP geophysical survey is planned to commence in early October 2012 to define drill targets at depth below the current drilling and further to the north, where the potential strike continuation of the dykes would be buried under a wide blanket of thin, 1-3m alluvial cover.

JIBAL QUTMAN

Rock chip channel sampling results from the on-going trenching programme confirm the high grade gold and silver contained in quartz veins, as previously reported in July 2012. The massive quartz veins are generally 2-5m thick and together with the footwall and hangingwall stockworks the mineralised zones range up to 23m in width.

On-going mapping has extended the main veins at Jibal Qutman to a series of parallel veins hosted along a 3km zone. Discrete vein structures are shown in trenches to continue for up to 500m along strike.

To date, a total of 64 trenches, spaced 25m apart, have been excavated in 5 areas over a 2.3km north-south zone.

Best new trench results include:

Trench	Interval (m)	Au g/t	Ag g/t
JQT069	3.1	3.66	3.28
JQT075	2.0	3.15	1.00
JQT087	19.0	2.00	1.90
JQT090	23.2	1.45	2.02
JQT091	7.8	1.19	Negligible
JQT111	3.0	7.44	67.83
<i>and</i>	5.0	4.50	12.46
JQT114	3.5	5.95	34.83
JQT 119	11.0	3.08	1.71
JQT123	2.0	3.08	2.30
JQT125	2.0	7.22	58.1
JQT126	1.0	14.84	23.33
JQT127	14.5	1.72	4.00

*(*due to the grid configuration, trench numbering starts at JQT 064)*

Diamond drilling is to be conducted on an initial 100m x 25m and on some sections to 50m x 25m grids. This initial 20 drill hole programme for 4000m commenced at Jibal Qutman on the 8 September. An additional drill rig is being sought to speed up the drilling.

Further information will be issued in due course, including details of drill hole interpretation and geological sections.

KEFI Minerals' Managing Director, Jeff Rayner, commented:

"The initial drill results confirm a promising new discovery at Selib North. To our knowledge, this style of gold mineralisation has not been documented in the Arabian Shield before and could be potentially part of a large intrusive system.

"At Jibal Qutman the results from trench sampling and mapping continue to support the existence of both narrow high grade and broader lower grade quartz vein field, which is looking promising for open cut mining. Diamond drilling has already commenced, we will increase our drill capacity on the prospect, and we look to update shareholders in due course."

KEFI Minerals' Strategic Plan in the Kingdom of Saudi Arabia

In 2009, KEFI Minerals formed the Gold and Minerals Joint Venture ("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. To date, the G&M has conducted preliminary regional reconnaissance and lodged 23 Exploration Licence Applications (ELAs), of which 4 have been granted.

The ELAs were initially applied for and granted to ARTAR. Incorporation of G&M is now complete and granted Licences will be transferred into G&M in due course.

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.

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References in this announcement to exploration results and potential have been approved for release by Mr. Jeffrey Rayner. Mr Rayner is a geologist and has more than 25 years' relevant experience in the field of activity concerned. He is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has consented to the inclusion of the material in the form and context in which it appears.

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