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29 June 2017

**KEFI Minerals plc
("KEFI" or the "Company")**

AGM Statement

KEFI Minerals (AIM: KEFI), the gold exploration and development company with projects in the Kingdom of Saudi Arabia and the Democratic Republic of Ethiopia, announces that at today's Annual General Meeting (the "AGM") Harry Anagnostaras-Adams, Chairman, will make the following statement. In addition, Mr Anagnostaras-Adams, will give a presentation on the progress of the Company. The presentation contains no material new information and will be made available on the Company's website (www.kefi-minerals.com) from later today.

"In this year gone, KEFI has moved its flagship project in Ethiopia from the theoretical to the actual. The prospect of KEFI becoming a junior gold producer is now a reality and that is largely thanks to a large number of people within the Company and outside.

"Let me first speak about Tulu Kapi and the great strides we have taken with this project in 2016 and then I will also address the progress made in our other projects in Saudi Arabia.

Tulu Kapi Gold Project

"The Tulu Kapi Gold Project in Ethiopia remains the principal focus of KEFI's activities as we target triggering development in 2017 and open-pit production in 2019. We have continued to work with the Government of Ethiopia, industry experts and project contractors over the past year to ensure that construction can commence as soon as funding is in place.

"Meanwhile, we have refined the 2015 Definitive Feasibility Study ("2015 DFS") further based on feedback from project contractors, financiers and partners and integrated these into the 2017 DFS Update in preparation for financing. The update reflects, among other things, a fixed price, lump-sum processing plant construction contract with Lycopodium and a warranted ore processing rate of 1.5-1.7 million tonnes per annum.

"KEFI also overhauled all aspects of the project through due diligence and planning, the result of which is a high-value, low-cost project with robust economics and significant growth potential beyond the existing open-pit Ore Reserve estimate of 15.4 million tonnes at 2.12g/t gold, containing 1.05 million ounces.

"The DFS Update shows initial open-pit gold production from Tulu Kapi is projected at 115,000 ounces per annum at a low All-in Sustaining Cost ("AISC") of less than US\$800/oz, which would make us one of the lowest cost gold producers in the sector. While we cautiously base our projections on the third party contractually warranted 2017 DFS Update for financing and contractual commitment purposes, the business plan is to accelerate construction and increase throughput by 10%. This would increase production to 120,000 ounces per annum. KEFI's financial targets for the open-pit project, using gold prices between US\$1,200/oz. and \$US1,400/oz, include:

- net cash build-up (pre-financing costs) in the first three production years of between US\$174 million and US\$229 million;

- annual operating cash flows of between US\$55 million and US\$78 million for the first eight years of production;
- an after-tax unleveraged IRR of between 25% and 37%;
- an after-tax unleveraged NPV of US\$100 to US\$187 million at the start of construction using a discount rate of 8%; and
- a payback of 2.0 to 2.5 years.

Underground Potential at Tulu Kapi

“In parallel with the open-pit gold production, KEFI has evaluated mining the underground deposit underneath the planned Tulu Kapi open pit. A preliminary economic assessment (“PEA”) demonstrated robust economics. Based on 2014 Mineral Resources, the addition of the underground mine would lift gold production to 150,000 ounces per annum. The orebody remains open and further potential will be added.

“The Government has encouraged KEFI to plan an ambitious exploration programme in the district around Tulu Kapi and elsewhere in Ethiopia. Targets have been prioritised based on KEFI’s review of past exploration results for both satellite gold deposits and stand-alone development projects. Tulu Kapi is intended to become a central ore processing centre for the Tulu Kapi district of gold deposits.

Support of Ethiopian Government

“We continue to receive the strong support of the Ethiopian Government. The Tulu Kapi Gold Project ranks high as a national priority within Ethiopia’s Growth and Transformation Plan as well as having strong support from the local community.

“Responsible mine development is a high priority for KEFI and the Ethiopian Government. We welcome the Government’s constructive attitude which encourages us to bring Tulu Kapi into production as rapidly as we prudently can whilst ensuring compliance with all relevant governance and quality standards.

“The restrictions imposed by the State of Emergency declared by the Ethiopian Government in October 2016 were mostly lifted within weeks. KEFI Minerals’ operational activities have continued as normal during this time and appropriate security precautions have been built into project planning.

“After consultations with KEFI, the Government of Ethiopia triggered the community resettlement programmes which began with property surveys, host land preparations and incorporate livelihood restoration programmes. Our social licence team is based at Tulu Kapi and our processes involve continual consultation with the community, federal, regional and local authorities and other local institutions before and during implementation of the Resettlement Action Plan (“RAP”).

“KEFI and the Government continue to ensure transparent and compliant procedures for the resettlement of displaced farmers at Tulu Kapi. KEFI is playing a supporting role to the Government’s efforts and is committed to assist where it can to ensure Tulu Kapi remains an exemplary model of due process and social licence management. Current activities at Tulu Kapi include multiple survey teams including Government, Community and Company personnel, all jointly preparing the resettlement of affected households.

“Notably in May 2017, the Government of Ethiopia further demonstrated its strong support by executing the detailed formal documentation for its committed equity capital contribution of approximately US\$20 million to Tulu Kapi’s development. This investment will increase the Government’s share of the project from a 5% free-carried interest to circa 25%, depending on the final financing structure.

“Now, I will move on to our other projects in the Arabian-Nubian Shield (“ANS”) in the Kingdom of Saudi Arabia.

Saudi Arabia

“In Saudi Arabia, the priority for our G&M Joint Venture (“G&M”) is to develop an open-pit, heap-leach (“HL”) oxide gold operation, using a staged development approach predicated on a low-capex start-up to be expanded in modular stages as additional mineralisation is delineated.

“Following on-site meetings with regulators in March 2017, the Mining Licence Application for the Jibal Qutman HL gold development was lodged with the Saudi Government for continuing discussion and review.

“The potential cash flow from HL oxide gold production is an opportunity to fund:

- construction of a carbon-in-leach (“CIL”) plant to process the deeper sulphide gold ore profitably; and
- exploration in Saudi Arabia to create a strong Saudi mining company for the long term.

“At Hawiah, G&M has identified a large target for precious and base metals based on the surface sampling of a six-kilometre long gossan (oxidised mineralisation exposed on the surface) and the results of the geophysical surveys of the ground beneath the gossan.

“Our Saudi venture is a strategic long-term priority and the Company is confident of having established an early-entrant position in what will emerge as a world-class minerals province.

“During the past year, G&M overhauled its portfolio of licence applications by discarding some and adding others. The next key step is for G&M to review the new Saudi mining industry regulations and policies once published. We then plan to proceed with Jibal Qutman soon after the planned Tulu Kapi development and expand exploration activities as results warrant.

Finance

“KEFI’s strategy is to maximize shareholder value through the development of a focused portfolio of mining operations and projects at various stages, while at the same time managing the significant risks faced by companies in the exploration and development stage.

“Our risk management approach places a clear focus on discovering and exploiting mineral wealth through multiple ventures, thus increasing the odds of success. We introduce partners and contractors in certain circumstances to minimise risk and broaden the human and financial resources available.

“KEFI minimises expenses while maintaining momentum towards becoming a gold producer. To help reduce cash outflows, some employees, Directors and consultants agreed to take KEFI shares in lieu of a significant portion of their salary or fees during 2016. Some Company officers also invested significant amounts into KEFI share placings.

“KEFI has continued to finance its activities through periodic capital raisings and contributions by partners and the Company completed several equity placings during 2016, raising a total of £5.6 million (before expenses).

“In March 2017, shareholders approved a £5.62 million including a £4.62 million subscription by Lanstead Capital. A key aspect of the March 2017 fundraising is that £3.93 million of the £4.62 million subscription by Lanstead is subject to a Sharing Agreement which allows KEFI to benefit financially from positive share price performance, whilst limiting the financial downside risk from a negative share price performance.

“Following the completion of the March 2017 fundraising and associated consolidation of the Company’s capital on a 17-for-1 basis, KEFI has a total of 332.7 million Ordinary Shares on issue.

“KEFI has since then also been receiving the scheduled instalments of its VAT refund of £2.5 million (c. US\$3.2 million) from the Ethiopian Government and its monthly settlements under the Sharing Agreement with major shareholder Lanstead Capital.

“The Notice of General Meeting includes a proposed shareholder resolution to provide the Directors with sufficient authority to implement equity raisings to allow the preferred project funding proposal to proceed for Tulu Kapi.

“The Tulu Kapi project funding process is ongoing with several potential financiers who are comfortable investing in Ethiopia.

“The foundations of risk management for funding Tulu Kapi include that all short term (up to five years) debt servicing commitments are met even if the price of gold drops to and stays at c. US\$900/oz whilst longer term (5-10 years) commitments are acceptable as long as they are covered by a flat price of c. US\$1,000/oz. It is notable that the lowest gold price in the past seven years is c. US\$1,100/oz and the highest c. US\$1,900/oz.

“KEFI’s progress on project financing was delayed during 2016 as a result of the tightening of the mining debt-finance sector generally and the declaration of the Ethiopian State of Emergency, which had the effect of depressing the interest of financiers unfamiliar with Ethiopia. The Company responded by elevating its focus onto alternative financiers familiar with Africa and especially Ethiopia and, in particular, to design financing proposals with African-experienced gold project contractors. We now have three financing proposals built around alternative project contracting syndicates, and we have prioritised the funding structure designed around the preferred contractors selected in 2016 - Ausdrill for mining and Lycopodium for processing.

Changes to the Board of Directors

“As KEFI Minerals prepares to develop Tulu Kapi, two key additions were made to the Board of Directors since our last AGM:

- Mr John Leach became executive as Finance Director; and
- Mr Mark Wellesley-Wood, experienced African mining operator, as a Non-Executive Director.

“In early 2017, Mr Mark Wellesley-Wood took on the role of Deputy Chairman and Senior Independent Director.

“As part of these changes, Mr. Jeff Rayner stepped down from the Board but, we are very pleased to say, continues to advise the Company on exploration and acquisition strategy. His acumen in identifying under-valued gold and copper projects has been instrumental in KEFI becoming an early entrant in emerging mining districts in the ANS.

Outlook

“Our initiatives on both sides of the Red Sea reflect our conviction that the ANS has world-class prospectivity overseen by governments that have put a strategic priority on the mining sector. KEFI is very fortunate to have over 1,000 km² portfolio of exploration properties at various stages within the highly prospective ANS. And this portfolio will grow.

“We have established a solid platform with world-class partners in each jurisdiction and with industry-leading contractors have developed a counter-cyclical opportunity to establish successful mining operations in the region.

“Our approach has been to place our development strategy into the hands of a team of seasoned operators with a proven record of start-up successes in Africa. This team has transformed Tulu Kapi from an uneconomic project into one which is now being evaluated by financiers as a robust, fully permitted project with significant upside potential for shareholders.

“The calm and improving situation in Ethiopia, combined with the range of financing scenarios being considered by the Company, make the Board confident that the Tulu Kapi Gold Project can proceed to development in 2017.

“The Board is confident of our strategy and asset base. We have the appropriate mix of industry-experienced technical and financial expertise to prudently progress our projects into profitable gold mines. And we have an organisational development plan which will see requisite human resources added with recruitment as we progress.

“We appreciate the strong support of our shareholders, contractors, communities and other stakeholders. The Company now has two cornerstone shareholders in Odey Asset Management and Lanstead Capital that support rapid growth companies. Project contractors Ausdrill and Lycopodium are also shareholders as is the Board of Directors.

“KEFI Minerals is positioned to become the operator of two gold development projects in the highly prospective ANS. We have achieved this progress with a small team around whom we will build the full operating team in conjunction with the project contractors, both of whom have over 20 years of mine building experience in Africa. We are also well supported by a number of high calibre, quality specialist advisers selected for their pre-eminence in start-ups of this nature.

“We thank all of these parties and people for their support and particularly the support of our shareholders.”

ENQUIRIES

KEFI Minerals plc

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Further information can be viewed on KEFI’s website at www.kefi-minerals.com

COMPETENT PERSON STATEMENT

KEFI Minerals reports in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the “JORC Code 2012”).

The information in this announcement that relates to exploration results, Mineral Resources and Ore Reserves is based on information compiled by Mr Jeffrey Rayner. He is the former Exploration Director of KEFI Minerals and a Member of the Australian Institute of Geoscientists (“AIG”). Mr Rayner is a geologist with sufficient relevant experience for Group reporting to qualify as a Competent Person as defined in the JORC Code 2012. Mr Rayner consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

KEFI confirms that it is not aware of any new information or data that materially affects the information in the above releases and that all material assumptions and technical parameters, underpinning the estimates continue to apply and have not materially changed. KEFI confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

NOTES TO EDITOR

KEFI Minerals plc

KEFI is the operator of two advanced gold development projects within the highly prospective Arabian-Nubian Shield, with an attributable 1.93Moz (100% of Tulu Kapi's 1.72Moz and 40% of Jibal Qutman's 0.73Moz) gold Mineral Resources (JORC 2012) plus significant resource growth potential. KEFI targets that production at these projects generates cash flows for further exploration and expansion as warranted, recoupment of development costs and, when appropriate, dividends to shareholders.

KEFI Minerals in Ethiopia

The Tulu Kapi gold project in western Ethiopia is being progressed towards development, following a grant of a Mining Licence in April 2015.

Following completion of KEFI's Definitive Feasibility Study for Tulu Kapi, the Company is now refining contractual terms for project construction and operation. Latest estimates for annual gold production are c. 120,000oz pa and All-in Sustaining Costs (including operating, sustaining capital and closure but not including financing charges) of <US\$800/oz. Tulu Kapi's Ore Reserve estimate totals 15.4Mt at 2.12g/t gold, containing 1.05Moz.

All aspects of the Tulu Kapi (open pit) gold project have been reported in compliance with the JORC Code (2012) and subjected to reviews by appropriate independent experts. These plans now also reflect the agreed construction and operating terms with project contractors, and have been independently reviewed by experts appointed for the project finance syndicate.

A Preliminary Economic Assessment has been published that indicates the economic attractiveness of mining the underground deposit adjacent to the Tulu Kapi open pit, after the start-up of the open pit and after positive cash flows have begun to repay project debts.

The projected cash flows indicate that the net cash build-up (after servicing financing) in the first three production years is US\$65 million to US\$265 million for the gold price range of US\$1,100/oz to US\$1,900/oz which prevailed during the past seven years.

KEFI Minerals in the Kingdom of Saudi Arabia

In 2009, KEFI formed G&M in Saudi Arabia with local Saudi partner, Abdul Rahman Saad AlRashid & Sons Company Limited ("ARTAR"), to explore for gold and associated metals in the Arabian-Nubian Shield. KEFI has a 40% interest in G&M and is the operating partner. To date, G&M has conducted preliminary regional reconnaissance and has had five exploration licences ("ELs") granted, including Jibal Qutman and the more recently granted Hawiah EL that contains over 6km strike length of outcropping gossans developed on altered and mineralised rocks with all the hallmarks of a copper-gold-zinc VHMS deposit.

At Jibal Qutman, G&M's flagship project, Mineral Resources are estimated to total 28.4Mt at 0.80g/t gold for 733,045 contained ounces. The shallow oxide portion of this resource is being evaluated as a low capital expenditure heap-leach mine development.

ARTAR, on behalf of G&M, holds a large portfolio of EL applications. ELs are renewable for up to three years and bestow the exclusive right to explore and to obtain a 30-year exploitation (mining) lease within the area. The Kingdom of Saudi Arabia has instituted, and is further overhauling, 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.