

**AIM: KEFI****12th April 2013****KEFI Minerals Plc  
("KEFI Minerals" or the "Company")****EXPLORATION UPDATE**

KEFI Minerals, the AIM-quoted gold and copper exploration company with projects in the Kingdom of Saudi Arabia, is pleased to announce additional trench channel sampling and drilling results from the second drilling programme at the Jibal Qutman Licence and the second phase drilling at the Selib North Licence. Kefi Minerals is the operator for both projects under the Company's 40%-owned Gold & Minerals Joint Venture ("G&M").

**HIGHLIGHTS**

- Reverse Circulation (RC) drilling, targeted to extend the resource at Jibal Qutman, returned encouraging intersections, including: 13m at 4.08g/t Au, 32m at 1.14g/t Au, 8m at 2.71g/t Au, 9m at 1.98g/t Au and 27m at 0.86g/t Au.
- Trench channel sampling results at Jibal Qutman returned impressive intersections, including 95m at 1.69g/t Au, 44m at 1.56g/t Au and 5m at 3.33g/t Au.
- New "shear zone hosted" gold mineralisation discovered in the Western Zone at Jibal Qutman.

**Jeff Rayner, Managing Director of KEFI Minerals, commented:**

"The results of the on-going RC drilling and trenching at Jibal Qutman continue to increase the size of the mineralised system. We are very excited about the potential to develop a significant resource in the region and once more the drilling results have vindicated our team's efforts.

"Our drilling is continuing to find more gold and we have yet to close off the mineralisation along strike of any of the drilled areas. Additional drilling capacity is being sought to step up the work rate at Jibal Qutman with the continued focus on moving towards a pre-feasibility study. We look forward to further developing our drilling programme and updating the market in due course. "

**JIBAL QUTMAN**

Following the initial phase of 50 diamond drill holes in late 2012, RC drilling commenced in mid January 2013 and trenching commenced in February, to expand the newly defined gold resource, which should be amenable to shallow open cut mining.

The gold mineralisation is primarily hosted in vein sets that dip approximately 20-45° to the East. The vein sets are comprised of massive quartz veins up to 6m wide with a halo of lower grade parallel stringer veins in zones up to 15-30m wide either side of the main vein.

In addition to the vein style mineralisation, drilling has intersected new, wide zones of low grade gold associated with shearing and fine fracturing. These zones dip shallowly to the East and range from 10m to 50m in width.

Both trenching and RC drilling are ongoing and all of the three zones, the Main, South and West remain open along strike.

*The best results from the first 18 RC drill holes include:*

Hole No	From (m)	To (m)	Interval (m)	Au g/t	Zone
JQRC 1	41	62	21	0.82	West Structure
JQRC 4	18	51	33	0.51	West Structure
JQRC 8	45	69	24	0.57	West Structure
JQRC 9	3	10	7	1.25	South Zone
	42	45	3	2.17	
JQRC 10	39	66	27	0.86	West Structure
JQRC 12	48	57	9	1.98	West Structure
	78	105	27	0.59	
JQRC 13	15	39	24	0.71	South Zone
JQRC 14	65	77	12	1.06	West Structure
JQRC 16	35	37	2	1.13	West Structure
	48	56	8	2.71	
JQRC 17	11	43	32	1.14	South Zone
JQRC 18	1	14	13	4.08	West Structure
	87	90	3	1.31	

RC drilling is being carried out on 50m x 40m grid on the South and West zones. Mineralisation at the West Zone has extended by trenching and drilling to over 300m to the North and 300m to the South of the previous work completed in Phase 1. Exploration work is ongoing and the mineralisation remains open both to the North and South.

In addition to the quartz vein style mineralisation, a new zone of low grade gold (0.5-1.5g/t Au) in a shear zone up to 50m wide has been discovered in this phase of trenching and RC drilling. The shear zone was not mined by the ancient miners and is "listric" in shape, dipping shallowly (10-20°) to the East.

In the South Zone, trenching and RC drilling has extended the quartz vein mineralisation to over 400m to the South. Mineralisation is masked by shallow sand cover (1-2m) going Northwards and further RC drilling is planned.

Further RC drilling and trenching to extend the Main Zone is also planned. Currently, two RC rigs are operating on single shift.

Trenching is continuing along sections spaced 50m apart in the Main, Western and Southern Zones and most samples are still being processed in the laboratory. A list of best intersections received to date includes;

Trench Number	Sample interval (m)	Au g/t	Zone
38	6	1.19	South
41	15	0.66	South
43	2	5.55	West

20	14	0.64	Main
21	12	0.55	Main
88	5	3.33	West
89	95	1.69	West
90	44	1.56	West

The lengthy intercepts in trenches 89 and 90 are due to a series of stacked quartz veins which dip shallowly to both the East and West. RC drilling under this area is underway and trench results further to the North of these two trenches are awaited.

Within the area drilled up to end 2012 and also within a conceptual shallow open cut pit shell to 40-60m below surface, a preliminary first pass estimate of a combined mineralised zone of approximately 90,000oz Au was calculated at an average grade of 1.25g/t Au, using a 0.2g/t Au cut-off. This is a very preliminary estimate only and does not represent a JORC compliant resource at this stage.

As announced on 23 January 2013, there is very good potential to significantly increase the above drilled resource, which was estimated at the conclusion of Phase 1 diamond drilling to a target resource in excess of 200,000oz Au and the results from the first batch of RC drill holes and trench sampling are continuing to support this.

## **SELIB NORTH**

The second phase of diamond and RC drilling aimed at testing several IP (Induced Polarisation and resistivity) and SP (Self Potential) anomalies identified in the geophysical survey completed in December 2012 and the gold mineralisation intersected in the first phase diamond drilling at the Camel Hill prospect has been completed.

Results from the drilling showed that the IP anomalies were mostly attributed to graphitic shales and pyrite mineralisation, not associated with the gold mineralising event.

A limited number of diamond and RC drill holes were drilled into the Camel Hill Prospect, best results being SND 18, 23-31m, 8m at 1.40g/t Au and SNRC 6, 25-30m, 5m at 2.50g/t Au.

## **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 has been completed and any 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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## **Enquiries**



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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](http://www.kefi-minerals.com)