

9 May 2022

KEFI Gold and Copper plc

("KEFI" or the "Company")

Saudi Arabia Development Update

KEFI (AIM: KEFI), the gold and copper exploration and development company with projects in the Federal Democratic Republic of Ethiopia and the Kingdom of Saudi Arabia is pleased to provide an update regarding the Company's Gold and Minerals SLA ("G&M") joint venture projects in Saudi Arabia.

Highlights

- Jibal Qutman Gold Project: Studies underway targeting early recommencement and development due to new regulatory system
- Hawiah Copper-Gold Project: Preliminary Feasibility Study ("PFS") and associated exploration programmes ongoing with the following notable progress in the last month
 - Good progress on preliminary underground, open-pit, and surface infrastructure designs
 - Completed initial geotechnical diamond drilling programme with samples dispatched to the laboratory in the United Kingdom
 - Completed hydrology drilling with pump testing to commence after Eid al-Fitr
 - Commenced exploration drilling within the Central Zone; resource classification drilling within the Oxide Zone to commence in June 2022
 - Received positive assay results for the Hawiah Phase 1 reverse circulation ("RC") Oxide drilling (for targeted open pit mining in the first phase of development), with a weighted-average gold grade of 1.7g/t across drill intercepts in-line with expectations
- Al Godeyer Copper-Gold Prospect: Completed initial RC drilling at the Al Godeyer prospect adjacent to the Hawiah deposit, with assays pending

Jibal Qutman Gold Project ("JQ") Update

As a result of the new regulatory system at the Saudi Arabian Ministry for Industry and Mineral Resources (the "Ministry"), development planning studies have recommenced at Jibal Qutman. The current gold price is considerably higher than the US\$1,200 used in 2015 when the Company lodged its initial mining licence application. Alternative processing options are now viable, which should allow for a greater portion of the ore body to be developed, meaning a greater resource and production profile.

Prior to the commencement of field activities, several consultants have already been engaged to work with the team to evaluate these options and update elements of the mining licence application, including processing, open-pit design and scheduling, metallurgy, and updating the Environmental and Social Impact Assessment ("ESIA"). These studies are expected to be completed this year.

While there has been no formal notification on the award of a mining licence at Jibal Qutman, given the positive and constructive developments at the Ministry, the decision has been taken to re-establish a base in the nearby city of Bisha. This will be used to coordinate operations ahead of the field camp construction should the mining licence application be approved.

Hawiah Copper Gold Project (“Hawiah”) Update

Programmes supporting the ongoing Hawiah PFS are also progressing well, and the study remains on schedule to be completed by Q4 2022.

Latest works include the completion of a 1,920m diamond drilling programme, across 16 holes, for geotechnical testing. Sample material has been shipped to the United Kingdom and is undergoing a testing programme, which will feed into the open-pit and underground design works.

Hydrology drilling has also been completed with 12 testing wells developed at strategic locations across the project site. These holes will undergo pump testing following Eid Al-Fitr, with results set to guide the mine dewatering and hydrogeological modelling.

Hawiah Oxides for Potential Open Pit Mining

The Phase 1 RC Oxide drilling programme has been completed for 1,772m across 46 holes, bringing drill spacing to 100m, or better, and has allowed for gold-grade and lode thickness to be confirmed across the Hawiah oxide area.

A key area of interest has been identified to the south of the current Crossroads open-pit boundary (see Figure 1 in the appended PDF). This area, which extends for 500m along strike southwards towards the Central Zone has returned gold grades averaging 2.3 g/t (as shown in Table 1 below) with widths consistent to material within the pit-limits further north. This should result in the area being included in an expanded Crossroads open pit as part of the 2022 MRE.

Table 1 – RC drill results from the area to the south of the current Crossroads open-pit limits

Hole ID	From (m)	To (m)	Interval (m)	Gold ppm
HWRC_022	24	27	3.0	0.9
HWRC_023	17	21	4.0	0.6
HWRC_024	18	21	3.0	2.8
HWRC_025	17	19	2.0	1.0
HWRC_026	25	31	6.0	4.5
HWRC_028	22	25	3.0	1.7
Weighted Average				2.3

The case for expansions to the existing preliminary open-pit areas within the Central Zone is also set to be strengthened further by the planned upcoming ‘Transition’ and ‘Fresh’ domain drilling, which is being designed to follow up on the Phase 1 Oxide drill results. This programme will include a mix of Diamond and RC drilling.

The Phase 1 Oxide programme has also allowed for a greater level of control over the density of the oxide material through greater sample quantity and distribution across the entire oxide domain. A full

programme of density testing is now underway ahead of the MRE. It is expected that this will result in an increase to the global density value currently used for the oxide modelling and resource estimation.

The Phase 2 Oxide drilling programme is scheduled to start in June 2022 and will target material within the defined open-pits and extension areas to further close the drill spacing. This is designed to enable an 'Indicated' resource classification during the 2022 MRE.

A full list of the Phase 1 Oxide drilling results is provided as an appendix to this release.

Al Godeyer Licences (Adjacent to Hawiah)

The first phase of RC drilling at Al Godeyer has been completed with 1,169m drilled across 19 holes. This drill programme was designed to quickly evaluate the gold potential of the oxide/gossan cap and provide an early indication for the enriched copper potential of the transitional zone under the Main Gossan area (See Figure 3 in the appended PDF). A good downhole correlation with the surface mapping and earlier trench programmes has been observed, with the ore horizon intersected in all holes. Assay results are pending for this round of drilling.

A diamond drill rig continues to test both deeper portions of the deposit and selective areas of the Transition zone to add greater geological confidence and extend the limits of known mineralisation.

Harry Anagnostaras-Adams, Executive Chairman of KEFI, commented:

"It's great to see the continued stream of results and news coming from Saudi Arabia as the Hawiah Copper-Gold and Jibal Qutman Gold projects push towards development. The team is pleased to be able to deliver rapid progress across all fronts given the very supportive stance taken by the Saudi Government recently.

"At Hawiah, the team is progressing at great speed on this growing project. We remain on track to complete the PFS and updated MRE in late 2022 and expect regular updates on the exploration work that is underway. These latest results from the gold-rich oxide domain confirm that we have a good handle on the geological model and that the open-pit portion of the development continues to be a robust option to generate early project revenue. It is also encouraging to see promising results coming out of the Central Zone ahead of the drilling programmes that are set to kick-off in the coming months.

"The Jibal Qutman Gold Project also looks like it may emerge quickly as a larger than previously contemplated development proposition, after some years stuck in regulatory clearances.

"Following our capital raise of £8 million in April 2022, KEFI can meet its funding obligations in Saudi Arabia to keep up with this highly active and aggressive growth campaign across the three licence areas within Saudi Arabia and we can also continue the risk-managed step up of early development works in Ethiopia. This paves the way for full construction in Ethiopia from October 2022 at the end of the local wet season, with the initial signing at end June 2022 setting out any residual conditions to be satisfied with Government."

Market Abuse Regulation (MAR) Disclosure

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union

(Withdrawal) Act 2018 (“MAR”), and is disclosed in accordance with the Company’s obligations under Article 17 of MAR.

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Competent Person Statement

The information in this announcement that relates to exploration results and Mineral Resources is based on information compiled by Mr Tomos Bryan, Exploration Manager for Gold & Minerals Limited. Mr Bryan is a member of the Australasian Institute of Mining and Metallurgy ("AusIMM"). Mr Bryan is a geologist with sufficient relevant experience for Company reporting to qualify as a Competent Person as defined in the JORC Code 2012. Mr Bryan consents to the inclusion in this announcement of the non-financial matters based on this information in the form and context in which it appears.

The upgraded Hawiah Mineral Resource was announced on 6 January 2022. 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.

Hawiah Mineral Resource 2022

The upgraded Hawiah Mineral Resource announced on 6 January 2022 totals:

- 24.9 Mt at 0.90% copper, 0.85% zinc, 0.62 g/t gold and 9.81 g/t silver.

The Mineral Resource is classified as:

- **Indicated** - 10.9 Mt at 0.96% copper, 0.86% zinc, 0.64 g/t gold and 9.98 g/t silver
- **Inferred** - 14.0 Mt at 0.85% copper, 0.83% zinc, 0.61 g/t gold and 9.67 g/t silver

And is estimated to contain a total of 223,000 tonnes (491 million lbs) of copper, 210,000 tonnes (463 million lbs) of zinc, 497,000 ounces of gold and 7.84 million ounces of silver.

Notes to Editor

KEFI Gold and Copper PLC

KEFI now has three advanced projects in two countries that are now overtly pro-development – a more positive and less risky position than KEFI has confronted for many years. The Company is focussed on a sequential development path to building a mid-cap over the next 3-4 years with aggregate project production of 365K oz gold and gold equivalent, in which KEFI will have a beneficial interest of c.187K oz gold and gold equivalent.

KEFI pivoted onto the front foot at the end of 2021, following the end of the Ethiopian civil war in the north of the country and because of exploration results and regulatory improvements in Saudi Arabia. Up until the end of 2021 KEFI had only one advanced project on a development path but it was then severely stifled by Ethiopian geopolitics.

The underlying intrinsic value of KEFI's assets has increased over the past year on an absolute basis (from December 2020 to December 2021) based on NPV 8% at 31 December 2021 Metal Prices) and also on a per share basis (from 6p to 12p), despite having made large share issues to fund progress. And after taking into account the recently announced placing, the NPV per share remains at 12p by measuring at today's metal prices. For the first time since its IPO in 2006, KEFI appears to have a tailwind on several key fronts: several projects at an advanced stage and against a backdrop of geopolitics having turned in our favour in both countries as have the market prices of the metals underlying our resources.

KEFI's reported mineral resources today provide a solid starting position for growth. Mineral resources are now a combined 4.7 million oz gold-equivalent, up from 3.9 at mid-2021. The Company's beneficial interest in the in-situ metal content of the three projects is a combined 2.1 million in gold equivalent terms. KEFI's market capitalization at the time of writing (£28 Million) is only US\$18/oz gold-equivalent compared to a current gold price of approximately US\$1,880/oz.

Our operating alliances are with strong organisations at the core of our corporate structure, as follows:

- Partners:
 - in Saudi Arabia: 70% owned by Abdul Rahman Saad Al Rashid and Sons Ltd ("ARTAR")
 - in Ethiopia c. 30% to be owned by:
 - Federal Government of the Democratic Republic of Ethiopia
 - Oromia Regional Government
 - Local private parties
- Principal contractors for Tulu Kapi:
 - For mining: Corica
 - For process plant: Lycopodium
- Senior project finance lenders for Tulu Kapi:
 - East African Trade and Development Bank Ltd

○ African Finance Corporation Limited

The most recent economic projections prepared by the Company for the 3 advanced projects indicate combined estimated projected Average EBITDA of US\$238 to \$323 million per annum (KEFI's interest being c. US\$108 to \$145 million per annum), once all 3 are producing based on the assumed price range of between "31 Jan 2022 current analyst consensus long-term prices" and "current spot prices as at 31 December 2021" being Gold US\$1,607-1,830/oz, Copper US\$7,590-9,750/t, Zinc US\$2,442-3,590/t, Silver US\$21-23/oz.

Simultaneous with the triggering of development at Tulu Kapi and in due course in Saudi Arabia at Jibal Qutman and then Hawiah, we will expand exploration programs in both countries. In Ethiopia we will focus underneath the open pit where we already have established a maiden resource for underground mining at average grade of 5.7g/t gold and will also follow-up already-drill-intercepted potential satellite deposits in the Tulu Kapi district if allowed to do so by the Ministry. In Saudi Arabia, we have ambitious plans and targets in and around our existing two projects but also at 3 other projects under application.

Appendix

Table 2 – RC Assay results from the Phase 1 Hawiah Oxide programme

Hole ID	Total Depth	From (m)	To (m)	Downhole Interval (m)	Est TW (m)	Cu %	Zn %	Au g/t	Ag g/t	Lode / area	Mineralisation style
HWRC_001	39.00	22.00	25.00	3.00	2.30	0.11	0.21	0.57	7.70	Camp Lode	Oxide
HWRC_002	33.00	11.00	16.00	5.00	3.80	0.10	0.06	1.56	9.10	Camp Lode	Oxide
HWRC_003	42.00	17.00	25.00	8.00	6.50	0.09	0.07	1.14	6.31	Camp Lode	Oxide
HWRC_004	36.00	15.00	20.00	5.00	4.5	0.08	0.08	4.69	9.62	Camp Lode	Oxide
HWRC_005	33.00	10.00	22.00	12.00	10.20	0.15	0.04	1.05	3.32	Camp Lode	Oxide
HWRC_006	40.00	16.00	21.00	5.00	3.90	0.11	0.10	0.79	2.08	Camp Lode	Oxide
HWRC_006	40.00	27.00	34.00	7.00	6.20	0.83	0.35	1.10	11.96	Camp Lode	Transition
HWRC_007	16.00	13.00	16.00	3.00	2.90	0.26	0.13	0.90	2.50	Camp Lode	Re-drilled
HWRC_007B	42.00	14.00	19.00	5.00	2.90	0.17	0.10	1.18	2.27	Camp Lode	Oxide
HWRC_007B	42.00	25.00	33.00	8.00	6.70	0.19	0.04	1.73	15.91	Camp Lode	Transition
HWRC_008	42.00	22.00	34.00	12.00	11.00	0.63	0.05	0.65	11.96	Camp Lode	Transition
HWRC_027	16.00	14.00	16.00	2.00	4.50	0.11	0.18	1.00	2.40	Camp Lode	Re-drilled
HWRC_027B	36.00	12.00	18.00	6.00	4.50	0.10	0.13	0.36	1.25	Camp Lode	Oxide
HWRC_046	42.00	20.00	23.00	3.00	2.20	0.07	0.05	0.94	26.40	Camp Lode	Oxide
HWRC_009	35.00	16.00	17.00	1.00	0.80	0.12	0.11	0.98	0.50	Central Zone	Oxide
HWRC_010	39.00	21.00	33.00	12.00	8.80	0.26	0.05	1.33	9.48	Central Zone	Oxide
HWRC_011	43.00	24.00	31.00	7.00	4.90	0.07	0.04	2.72	55.24	Central Zone	Oxide

HWRC_012	45.00	20.00	21.00	1.00	0.70	0.08	0.05	0.39	0.70	Central Zone	Oxide
HWRC_012	45.00	34.00	37.00	3.00	2.90	0.10	0.05	0.87	26.07	Central Zone	Oxide
HWRC_013	45.00	6.00	9.00	3.00	2.70	0.13	0.07	3.03	6.13	Central Zone	Oxide
HWRC_013	45.00	20.00	24.00	4.00	3.20	0.10	0.08	1.16	0.58	Central Zone	Oxide
HWRC_014	42.00	17.00	18.00	1.00	0.70	0.03	0.03	0.38	0.90	Central Zone	Oxide
HWRC_014	42.00	27.00	31.00	4.00	2.70	0.10	0.06	0.55	2.15	Central Zone	Oxide
HWRC_015	36.00	10.00	12.00	2.00	1.40	0.02	0.04	1.46	3.85	Central Zone	Oxide
HWRC_015	36.00	24.00	26.00	2.00	1.40	0.04	0.02	1.14	50.20	Central Zone	Oxide
HWRC_016	36.00	12.00	18.00	6.00	5.00	0.03	0.04	1.07	1.29	Central Zone	Oxide
HWRC_017	35.00	16.00	19.00	3.00	2.00	0.03	0.03	1.47	2.80	Central Zone	Oxide
HWRC_018	39.00	26.00	27.00	1.00	0.70	0.03	0.02	0.35	9.80	Central Zone	Oxide
HWRC_019	39.00	21.00	24.00	3.00	2.10	0.04	0.04	3.59	0.73	Central Zone	Oxide
HWRC_020	39.00	24.00	26.00	2.00	1.50	0.04	0.04	0.43	0.05	Central Zone	Oxide
HWRC_021	39.00	18.00	21.00	3.00	2.00	0.03	0.04	0.28	0.20	Central Zone	Oxide
HWRC_022	42.00	24.00	27.00	3.00	2.20	0.02	0.01	0.86	0.68	Central Zone	Oxide
HWRC_023	39.00	17.00	21.00	4.00	3.10	0.05	0.03	0.64	0.75	Central Zone	Oxide
HWRC_024	36.00	18.00	21.00	3.00	2.00	0.04	0.06	2.78	0.83	Central Zone	Oxide
HWRC_025	36.00	17.00	19.00	2.00	1.50	0.12	0.07	0.98	1.70	Central Zone	Oxide
HWRC_026	40.00	25.00	31.00	6.00	4.20	0.06	0.06	4.64	1.81	Central Zone	Oxide
HWRC_036	30.00	13.00	16.00	3.00	1.50	0.07	0.05	0.37	0.33	Crossroads Ext	Oxide
HWRC_037	30.00	14.00	15.00	1.00	0.65	0.08	0.06	3.52	20.10	Crossroads Ext	Oxide
HWRC_038	30.00	11.00	13.00	2.00	1.20	0.16	0.32	0.09	0.05	Crossroads Ext	Oxide
HWRC_039	45.00	20.00	21.00	1.00	0.80	0.01	0.01	1.00	3.40	Crossroads Ext	Oxide
HWRC_040	42.00	22.00	23.00	1.00	0.75	0.01	0.01	0.35	0.60	Crossroads Ext	Oxide
HWRC_041	39.00	23.00	24.00	1.00	0.80	0.01	0.01	2.70	2.40	Crossroads Ext	Oxide
HWRC_042	36.00	14.00	16.00	2.00	1.50	0.03	0.02	3.86	1.05	Crossroads Ext	Oxide
HWRC_043	39.00	30.00	31.00	1.00	0.70	0.08	0.03	0.18	0.00	Crossroads Ext	Oxide
HWRC_028	39.00	22.00	25.00	3.00	2.30	0.01	0.03	1.70	0.80	Crossroads Lode	Oxide
HWRC_029	33.00	13.00	16.00	3.00	2.30	0.03	0.05	9.70	1.77	Crossroads Lode	Oxide
HWRC_030	36.00	16.00	19.00	3.00	2.30	0.01	0.04	0.39	3.63	Crossroads Lode	Oxide
HWRC_031	42.00	20.00	24.00	4.00	2.20	0.02	0.04	1.76	18.90	Crossroads Lode	Oxide
HWRC_032	39.00	20.00	23.00	3.00	2.40	0.02	0.02	1.27	4.20	Crossroads Lode	Oxide
HWRC_033	39.00	22.00	23.00	1.00	0.80	0.02	0.03	3.30	9.50	Crossroads Lode	Oxide
HWRC_034	39.00	15.00	17.00	2.00	1.30	0.03	0.02	3.61	8.30	Crossroads Lode	Oxide
HWRC_035	27.00	10.00	16.00	6.00	4.50	0.06	0.07	3.35	1.02	Crossroads Lode	Oxide
HWRC_044	33.00	14.00	16.00	2.00	1.40	0.01	0.06	0.54	1.60	Crossroads Lode	Oxide

HWRC_045	48.00	29.00	36.00	7.00	5.00	0.05	0.02	3.61	17.97	Crossroads Lode	Oxide/Transition
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Figures

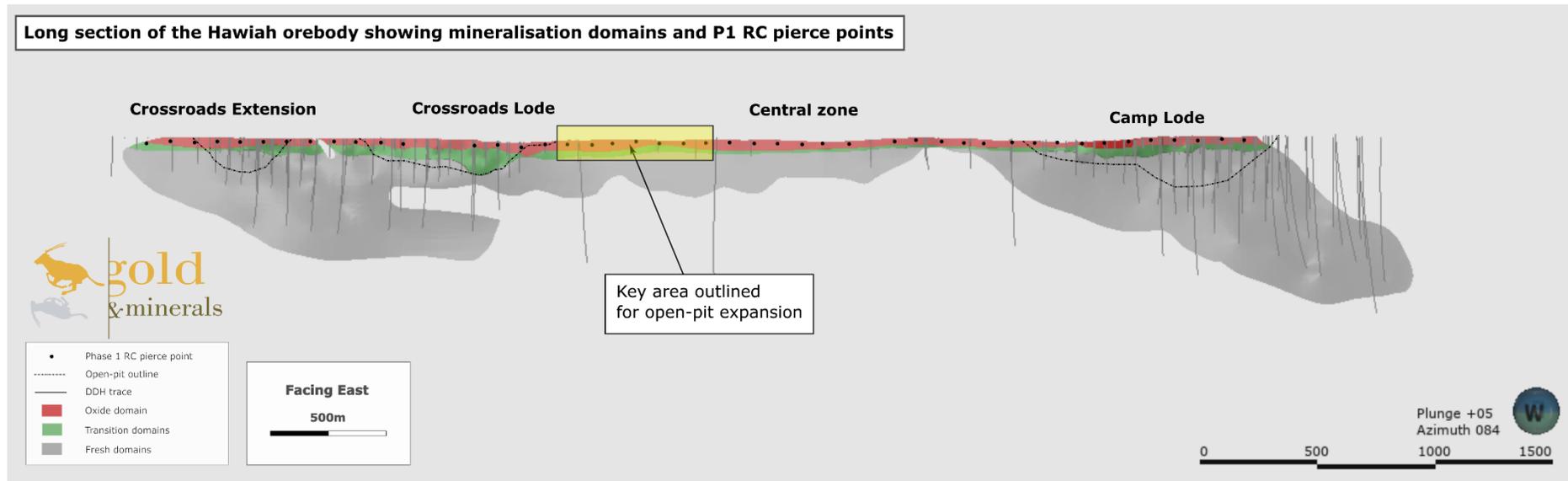


Figure 1 – Long section of the Hawiah orebody with Phase 1 RC pierce points highlighted long with the Key area identified for open-pit expansion.



Figure 2 -Collar location map for the Phase 1 Oxide RC program (blue) and other resource drilling (yellow)

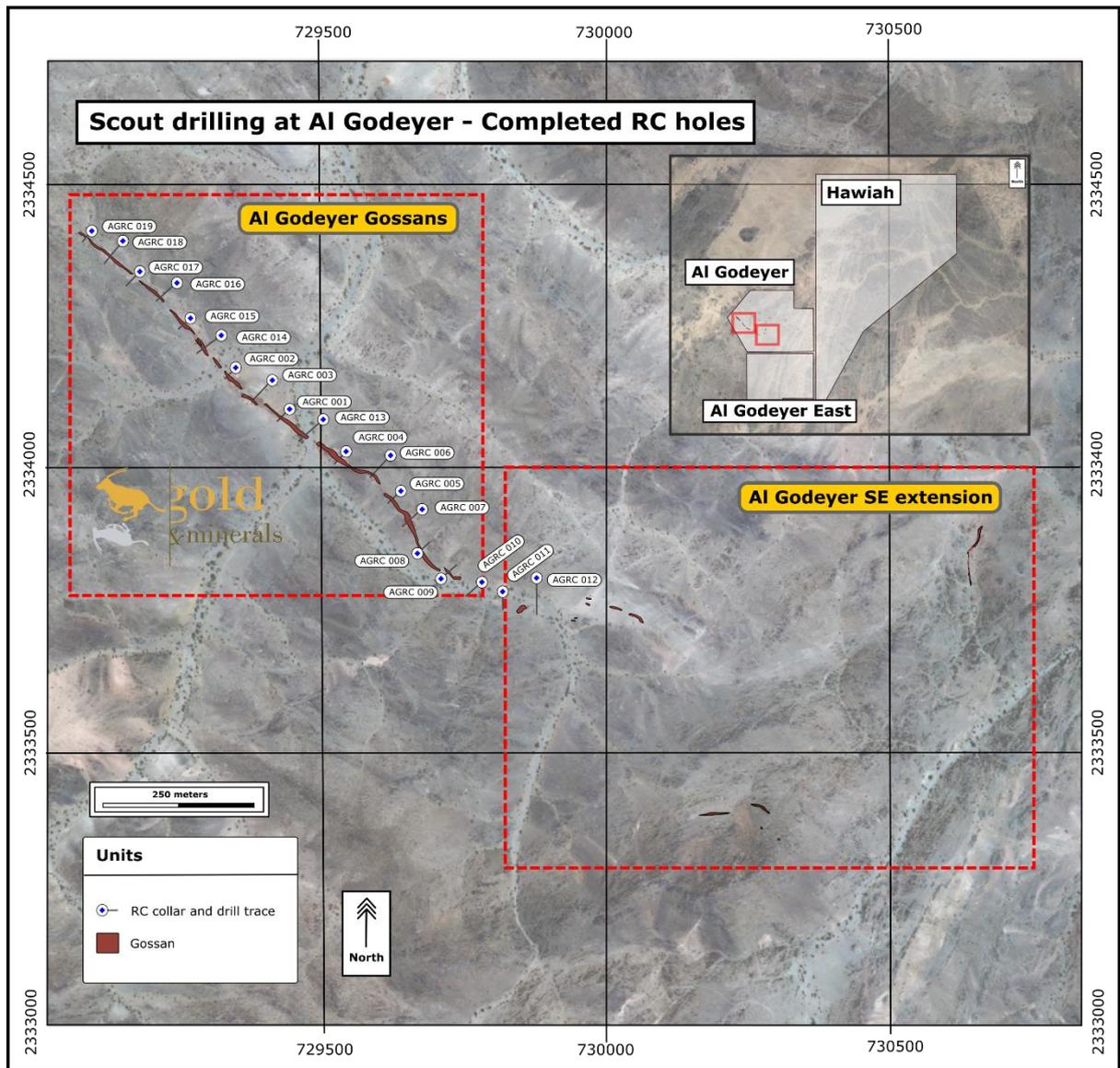


Figure 3 – Collar location map showing RC holes drilled during the Al Godeyer Scout phase.