

17 April 2019

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

Issue of Equity

KEFI Minerals (AIM: KEFI), the gold exploration and development company with projects in the Federal Democratic Republic of Ethiopia and the Kingdom of Saudi Arabia, is pleased to report that it has issued 14,864,533 new Ordinary Shares of nominal value 1.7p each (“Ordinary Shares”) in the capital of the Company at a price of 2p per share (“New Ordinary Shares”). Of these New Ordinary Shares, 12,614,533 is for fees to service providers and 2,250,000 in respect of the drawdown fees for the loan facility (the “Loan Facility”) announced on 28 November 2018.

The share issue to service providers is pursuant to the announcement of 1 February 2018, announcing the intention to pay certain contracted managers and other third party service providers in shares at no less than 2p per share.

The shares issued to the provider of the Loan Facility are for the 5% fee due upon drawdown of two instalments (£45,000 fee on drawdown of £900,000). Following this, the total amount remaining under the First Facility will be £1,100,000.

Application has been made to the London Stock Exchange for 14,864,533 New Ordinary Shares to be admitted to trading on the AIM market with admission (“Admission”) expected to occur on 26 April 2019.

Total Voting Rights

Following Admission of the New Ordinary Shares, the total issued share capital of the Company will consist of 643,567,504 Ordinary Shares each with voting rights. The Company does not hold any Ordinary Shares in treasury. Therefore, the total number of voting rights in the Company will be 643,567,504 and this figure may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

Enquiries

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Notes to Editor**KEFI Minerals plc**

KEFI is focused primarily on the advanced Tulu Kapi Gold Project development project in Ethiopia, along with its pipeline of other projects within the highly prospective Arabian-Nubian Shield. KEFI targets that production at Tulu Kapi generates cash flows for capital repayments, further exploration and expansion as warranted and, when appropriate, dividends to shareholders.

KEFI Minerals in Ethiopia

Ethiopia is currently undergoing a remarkable transformation both politically and economically.

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

The Company has now refined contractual terms for project construction and operation. Estimates include open pit gold production of c. 140,000oz pa for a 7-year period. All-in Sustaining Costs (including operating, sustaining capital and closure but not including leasing and other financing charges) remain c. US\$800/oz. Tulu Kapi's Ore Reserve estimate totals 15.4Mt at 2.1g/t gold, containing 1.1Moz.

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.

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. An area of over 1,000 square kilometres adjacent to Tulu Kapi has been reserved for exploration by KEFI upon commencement of development, with a view to adding satellite deposits to development and production plans.

KEFI Minerals in the Kingdom of Saudi Arabia

In 2009, KEFI formed G&M in Saudi Arabia with local Saudi partner, 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.

ARTAR, on behalf of G&M, holds over 20 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 announced 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.