

17 December 2018

KEFI Minerals plc

(“KEFI” or the “Company”)

GM Statement

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, announces that at the General Meeting (“GM”) of the Company to be held at 11.00am today at the Marlin, Lower Ground Floor, 111 Westminster Bridge Road, Waterloo, SE1 7HR, United Kingdom, the Company’s Chairman, Mark Wellesley-Wood, will make the following statement:

“I am pleased to report that the development plan for the Company’s Tulu Kapi Gold Project in Ethiopia (“Tulu Kapi” or the “Project”) remains on schedule to start in January 2019, commencing with the community resettlement programme.

This follows this morning’s Project update from the Company’s Managing Director, Harry Anagnostaras-Adams, who is currently in Ethiopia that:

- at the Tulu Kapi Project site, land clearing and geotechnical drilling for the design of infrastructure foundations commenced early last week;
- Project subsidiary Tulu Kapi Kapi Gold Mines Share Company (“TKGM”) shareholders (KEFI and the Ethiopian Government) on Friday 14 December 2019 approved the admission of Ethiopian Project equity investor ANS Mining Share Company (“ANS”) as a TKGM shareholder;
- on Sunday 16 December 2018, ANS confirmed its equity subscription of the Birr-equivalent of US\$9 million to fund Q1 2019 activities and agreed to increase the subscription committed to TKGM for Q2 2019 to the Birr-equivalent of US\$10.5 million to cater for early construction of a Tulu Kapi private air strip to enhance security and efficiency from the outset; and
- this morning the Ethiopian State Minister of Mines, Petroleum and Natural Gas reported that his Ministry has issued the requested approvals so that the community resettlement may be triggered, in particular the updated Project works programme and schedule. The other relevant Government agencies last week confirmed that their approvals remain on track to be issued this month, in particular the approval of final community resettlement plans and of Project financing details. “

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, Abdul Rahman Saad Al Rashid & 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.

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.