



KEFI Minerals plc

27-28 Eastcastle Street
London W1W 8DH
United Kingdom

Tel: +90 232 381 9431
Fax: +90 232 381 9071
Email: info@kefi-minerals.com

13 April 2015

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

ETHIOPIAN COUNCIL OF MINISTERS APPROVES TULU KAPI GOLD PROJECT
Mining Licence and all major permits received as part of Mining Agreement

KEFI Minerals plc (AIM: KEFI), the gold exploration and development company with projects in the Kingdom of Saudi Arabia and the Democratic Republic of Ethiopia, is pleased to announce that the official signing of the Mining Agreement ("MA") between KEFI and the Ministry of Mines of the Democratic Republic of Ethiopia for the Company's Tulu Kapi project in Ethiopia has now taken place and that the MA is in force.

The Ethiopian Minister for Mines, Hon. Tolassa Shagi Moti, commented: "Responsible mine development is a high priority for the Government and hence we are pleased to have approved the Tulu Kapi gold project. We acknowledge and appreciate KEFI's professionalism and dedication in getting the project back on track. The joint effort with our Ministry officials has also served to pave the way for other mining projects to follow."

Harry Anagnostaras-Adams, Executive Chairman of KEFI Minerals, added: "We are grateful for the co-operation, vision and support of the Ethiopian Government. The granting of the Mining Licence is a landmark achievement that enables us to begin development of this high-value and low capex asset. In addition, the economic and social benefits that Tulu Kapi can bring to Ethiopia are significant. We remain on track for development to commence in 2015 leading to commissioning at the end of 2016 for production in 2017."

Enquiries

KEFI Minerals plc

Harry Anagnostaras-Adams (Executive Chairman) +357 99457843
Jeff Rayner (Exploration Director) +905 339281913

SP Angel Corporate Finance LLP (Nominated Adviser)

Ewan Leggat, Katy Birkin +44 20 3470 0470

Brandon Hill Capital Ltd (Broker)

Oliver Stansfield, Jonathan Evans +44 20 3463 5000

Luther Pendragon Ltd (Financial PR)

Harry Chathli, Claire Norbury, Oli Hibberd +44 207 618 9100



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 2 Moz (95% of Tulu Kapi's 1.9 Moz and 40% of Jibal Qutman's 0.6 Moz) Au Mineral Resources (JORC 2012) plus significant resource growth potential. KEFI is targeting for production at these projects to generate cash flows for further exploration and expansion as warranted, recoupment of development costs and, when appropriate, dividends to shareholders.

Expected milestones for the remainder of 2015 at Tulu Kapi include:

- Independently refined and verified mine plan
- Independently verified capex, opex & closure costs
- Independently verified Ore Reserves
- Independently updated Definitive Feasibility Study for banking purposes
- Formalisation of bank syndicate, agreement of final terms for project finance
- Full development funding and commencement of construction

In addition, during 2015 KEFI anticipates submitting a Mining Licence Application for Jibal Qutman in Saudi Arabia through its joint venture company, Gold & Minerals Ltd ("G&M").

KEFI in Ethiopia

KEFI has 100% ownership of the Tulu Kapi licence in western Ethiopia and is at an advanced stage in refining the development plan for the project, aimed at reducing the previously planned capital and operating expenditure. Detailed research has yielded encouraging results and has been summarised in recent Company announcements.

At the end of 2013, the Ethiopian Government improved the fiscal regime applying to the gold sector, and Tulu Kapi in particular. This included lowering the income tax rate for mining (to 25% from 35%); settling of repayment schedule for inherited VAT liability (over three years rather than up-front); the removal of VAT on future exploration drilling expenditure; lowering royalty on gold mining (to 7% from 8%); accelerating the depreciation of historical and future capital expenditure (over four years); and clarifying the workings of the Government's 5% free-carried interest so that it does not impede conventional project financing terms.

KEFI 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 Shield. KEFI has a 40% interest in the G&M and is the operating partner. To date, the G&M has conducted preliminary regional reconnaissance and has had five Exploration Licences ("EL") granted, including Jibal Qutman and the recently granted Hawiah Exploration Licence that contains over 5km² of outcropping gossans developed on VMS altered and mineralised rocks.

G&M holds 23 Exploration Licence Applications that cover an area of approximately 1,484km². 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 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.

-Ends-