

AIM: KEFI**23 October 2008****KEFI Minerals Plc
("KEFI Minerals" or the "Company")****Joint Venture of Artvin Project, Turkey**

KEFI Minerals, the AIM-quoted gold and copper exploration company, is pleased to announce that it has entered into a Joint Venture Agreement ("Joint Venture Agreement") in respect of its 100%-owned Artvin Project ("the Project") with Centerra Gold (KB) Inc ("Centerra"), a wholly-owned subsidiary of Centerra Gold Inc., a Canadian-based gold mining and exploration company which is listed on the Toronto Stock Exchange. The Artvin project is a discovery that KEFI Minerals has made since its admission to AIM less than two years ago and is in a prolific mining district in north-east Turkey.

Under the terms of the Joint Venture Agreement, the licences relating to the Project area are to be transferred to a new KEFI group subsidiary ("JVCo") and Centerra has the exclusive right to earn up to a 70% shareholding in this subsidiary. In order to acquire the initial 50% shareholding in JVCo Centerra must spend US\$3.0 million over three years with a minimum expenditure of US\$0.5 million in the first year. Centerra may then elect to earn an additional 20% shareholding through the expenditure of a further US\$3.0 million over the next two years. The joint venture is in respect of a one-kilometre area of interest which extends from the outer boundary of the Project area.

KEFI Minerals will initially be the manager of the Project and Centerra has the right to become manager at any time. Once Centerra has earned its 50% or 70% shareholding in JVCo, KEFI and Centerra will fund their respective percentage interests of future expenditure subject to dilution for non-participation in such expenditure. If either party's interest is diluted to less than 10%, that party's interest will automatically be converted to a 3% net smelter return royalty, in which case the other party has the right to purchase half of the royalty (1.5%) for US\$1.5 million.

The Joint Venture Agreement contains certain warranties given by KEFI and its group companies in respect of the Project and while KEFI is the Manager of the Project and majority shareholder in the JVCo any advances made by Centerra which are not expended on the Project are repayable in certain circumstances. The Joint Venture Agreement also contains a number of matters concerning the business of JVCo for which Centerra's consent must be obtained.

The Artvin Project is located in the Artvin Province of north eastern Turkey and comprises 15 tenements, which cover approximately 254km² within the eastern portion of the Eastern Pontide Belt. The Eastern Pontide Belt is a major metallogenic province in the eastern Black Sea coastal region and is prospective for volcanic-hosted massive sulphide (VHMS) deposits, porphyry copper-gold deposits and epithermal gold-silver mineralisation.

KEFI Minerals' Managing Director, Jeff Rayner, commented:

“We are very pleased to announce details of this Joint Venture with Centerra and look forward to a successful association. Centerra’s strong technical background and financial capabilities will provide the impetus to assess the copper-gold porphyry potential of the highly prospective Artvin Project. KEFI Minerals has an effective, low-cost approach to value-adding in minerals exploration and development and this joint venture will allow KEFI to progress this prospect. The current turmoil in world financial markets serves to highlight the importance of the Company’s alliances with major shareholder EMED Mining and now with Project joint venturer Centerra.”

For the purposes of schedule 4 to the AIM Rules, the Company confirms that the Artvin licences currently generate no profit and no book value is shown for the licences in its accounts

Enquiries

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About Artvin

Exploration activities by KEFI Minerals at the Artvin Prospect in 2007-2008 include ASTER analysis, stream sediment sampling, rock chip and channel chip sampling, soil sampling, induced polarisation (IP) surveying, geological mapping and petrographic analysis. Anomalous copper values (>100ppm copper) from the stream sediment sampling focussed exploration to a 25km² area which was found to contain old workings, clay-pyrite alteration with base metal sulphide veining, and stratigraphically controlled silicification at the Uzumlu Prospect. Rock chip assays up to 0.48g/t gold, 104g/t silver and 1.43% copper have been returned from the old Uzumlu copper mine.

During the course of following up anomalous stream sediment samples, a quartz-sericite-pyrite altered zone hosting vein-style and disseminated gold-base metal mineralisation was discovered at the Yanikli Prospect. Channel chip sampling returned 44m at 0.5g/t gold at (including 1m at 8.20g/t gold, 1m at 1.38g/t gold and 1m at 1.04g/t gold), 45m at 1202ppm lead, and 36m at 1840ppm zinc. Prospect scale rock chip sampling and soil sampling has outlined a series of gold-in-soil anomalies within a 1.75km x 1.50km area. Within this area, maximum soil values of 2.36g/t gold, 117g/t silver, 4010ppm lead and 3690ppm zinc, and maximum rock chip values of 5.09g/t gold, 42.3g/t silver, 6600ppm lead and 4790ppm zinc have been returned.

In mid 2008, a dipole-dipole IP survey was undertaken over the zone of mapped alteration and anomalous geochemistry at the Yanikli Prospect to aid in drill targeting. Modelling of the IP data is currently being finalised.

The vein-style and disseminated gold-base metal mineralisation at the Yanikli Prospect is hosted in altered felsic and mafic volcanic tuffs. Vein-style and disseminated galena and sphalerite generally occurs peripheral to the pyrite envelope of typical porphyry copper deposits. The highly anomalous lead and zinc \pm copper \pm gold mineralisation encountered at the Yanikli Prospect within structurally-controlled silica-clay alteration zones is indicative of the distal portions of a porphyry system.

About Kefi Minerals

KEFI Minerals was formed on 24 October 2006 for the purposes of holding EMED Mining's exploration interests in Turkey and Bulgaria with a view to creating shareholder value through the discovery and exploitation of gold and copper deposits.

KEFI Minerals commenced trading on AIM on 18 December 2006, following the successful placing of 46,666,667 shares at 3p to raise £1.4 million.

In Turkey, KEFI Minerals currently has nine exploration projects:

1. At **Derinin Tepe**, in the Western Anatolia Region, low-sulphidation epithermal quartz veins have been identified with gold and silver mineralisation.
2. At **Artvin**, in northeastern Turkey, extensive hydrothermal alteration and gold and base metal mineralisation have been recognised in the project area, as well as historical workings indicating potential for economic mineralisation.
3. **Bakir Tepe**, in southwestern Turkey, is prospective for VMS polymetallic deposits.
4. At **Gumushane**, in eastern Turkey, areas of extensive hydrothermal alteration have been recognised in the project area, as well as coincident areas of interest identified through interpretation of Aster data.
5. **Hasancelebi**, in central Turkey, is prospective for high-sulphidation epithermal gold mineralisation and Iron-Oxide Copper-Gold ("IOCG") mineralisation.
6. At **Karalar**, in Central Anatolia, highly anomalous gold in stream sediments have been identified in an area of historic base metal mines.
7. **Muratdag**, in the Western Anatolia Region, is prospective for Carlin-style epithermal gold mineralisation.
8. **Meyvali**, in the Western Anatolia Region, is prospective for epithermal and skarn related mineralisation.
9. At **Yatik**, in the Western Anatolia Region, low-sulphidation epithermal quartz veins with gold and silver mineralisation have been identified.

KEFI Minerals also has an extensive **exploration database** which contains information about approximately 100 further prospective sites in Turkey. This database provides the Company with a competitive advantage to identify prospective areas for project generation in Turkey. Monitoring of the exploration licence status of geologically prospective areas will be carried out on an ongoing basis so that KEFI Minerals can acquire further exploration opportunities as soon as they become available.

EMED Mining has agreed to provide technical and administrative systems and personnel to KEFI Minerals on a cost-recovery basis, thus enabling KEFI Minerals to reduce overheads and spend more on exploring Turkey and Bulgaria.

KEFI Minerals' Board of Directors is comprised of Mr. Harry Anagnostaras-Adams (Chairman), Mr. Jeffrey Rayner (Managing Director), Professor Ian Plimer (Deputy Chairman) and John Leach (Finance Director).

Further information on KEFI Minerals is available at www.kefi-minerals.com and the Company's AIM code is "KEFI".

References in this announcement to exploration results and potential have been approved for release by Mr Malcolm Stallman, B.App.Sc. Mr Stallman is a geologist and has more than 20 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.

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