

24 September 2014**KEFI Minerals Plc
("KEFI" or the "Company")****INDEPENDENTLY VERIFIED MINE PLAN
INCREASED PRODUCTION TARGET FOR TULU KAPI OPEN PIT**

KEFI Minerals (AIM: KEFI), an emerging gold miner with projects in the Kingdom of Saudi Arabia and the Federal Democratic Republic of Ethiopia, is pleased to announce the independent verification of its revised Mine Plan for the Company's Tulu Kapi gold project in Ethiopia, including an increased production target and the Company's plan to re-activate the Mining Licence Application ("MLA") in October 2014 with a view to commencing construction in H1 2015. The independent review was conducted by Snowden Mining Industry Consultants Pty Ltd ("Snowden").

Jeff Rayner, Managing Director of KEFI, commented: "We are pleased to report the independent verification of our Mine Plan, which includes an increased production target that further improves expected project economics. This confirms our expectation of reactivating the Mining Licence Application for Tulu Kapi in October 2014. Following the recent finalisation of the Mineral Resource, we now are able to complete other project planning parameters, commencing with the optimised pit design, mining rate and head grade.

"During the coming weeks, we expect to report further milestones, including independently verified project cost estimates and Ore Reserves. At the same time, we are working on securing project financing. As a result, we are confident of advancing to the development stage in the first half of 2015."

Following the completion on 5 September 2014 of the Company's acquisition of the remaining 25% of KEFI Minerals (Ethiopia) Limited ("KME"), which owns 100% of the Tulu Kapi asset, KEFI now has complete ownership of the gold project.

The revised open pit development mine plan, which has been verified by Snowden, is based on a semi-selective mining approach, for targeted production of 86,000 ounces per annum for 10.5 years from mining and processing 1.2 million tonnes of ore per annum at a grade of 2.4 grams per tonne. This is based on an estimated Mineral Resource at Tulu Kapi, signed off by Snowden and Kefi and announced by KEFI in August 2014 and in accordance with the JORC Code 2012, for total Indicated Mineral Resources of 18.4 Mt at 2.6 g/t Au for 1.5Moz Au. The Mineral Resource underpinning the production target were estimated by competent persons, Simon Cleghorn of KEFI and Lynn Olssen of Snowden as detailed in the announcement dated 18 August 2014 (headed 'Independently Verified JORC Compliant Mineral Resource Reporting on Tulu Kapi Gold Deposit in Ethiopia') where Competent Person Disclosure and Consent is given. The original Tulu Kapi Mineral Resource released in the announcement on 18 August continues to apply and Mineral Resource estimates have not materially changed to date.

Presented below is a comparison of KEFI's new production target compared with the Company's previous estimate in December 2013 and with the Tulu Kapi vendor's 2012 Definitive Feasibility Study ("DFS"):

Tulu Kapi Open Pit Project ⁽¹⁾	KEFI Independently reviewed ⁽²⁾	KEFI pre- acquisition preliminary	Vendor's Independent DFS
	Sep-14	Dec-13	Dec-12
Total tonnes	13Mt	12Mt	17Mt
Grade processed	2.4g/t	2.4g/t	1.8g/t
Gold produced – Life-of-Mine	925Koz	831Koz	924Koz
Ore processed annually	1.2Mtpa	1.2Mtpa	2Mtpa
Gold produced – average	86Koz	84Koz	107Koz

Notes:

1. This summary relates only to the open pit project. KEFI has completed studies of the potential for exploitation of approximately 200,000 higher grade ounces in Indicated Resource below the depth of the open pit. The mineralisation remains open at depth and further exploration is planned.
2. Work-in-progress indicates that All-in-Cost estimates remain within 10% of KEFI's pre-acquisition estimates, assuming owner-mining and all-new plant & equipment. The independently substantiated estimates are expected to be reported in October 2014.

The economics were assessed by Snowden for costs and pricing and KEFI constructed a financial model – the functionality and integrity of which has been reviewed by KEFI's project finance adviser, Endeavour Financial Limited.

The Company is now focused on finalising the independent verification of estimates of costs for capex, opex and closure, and the independent verification of Ore Reserves as well as on the assembly of a bank syndicate and agreement of indicative terms sheet for project finance. It is anticipated that the re-activation of the Tulu Kapi Mining Licence Application will occur in October 2014. In addition, in cooperation with the regulatory authorities, the Company is continuing preparations for community resettlement in the first half of 2015.

Enquiries:

KEFI Minerals Plc

Harry Anagnostaras-Adams (Chairman) +357 99457843
 Jeffrey Rayner (Managing Director) +90 533 928 1913

SP Angel Corporate Finance LLP (Nominated Adviser)

Ewan Leggat, Katy Birkin +44 20 3463 2260

Fox-Davies Capital Ltd (Joint Broker)

Oliver Stansfield, Alex Walker +44 207 936 5200

finnCap Ltd (Joint Broker)

Elizabeth Johnson, Christopher Raggett +44 207 220 0500

Luther Pendragon (Financial PR)

Harry Chathli, Claire Norbury, Ivana Petkova +44 207 618 9100

Further information on KEFI Minerals is available at www.kefi-minerals.com

KEFI Minerals Plc

KEFI is now positioned as an operator of two advanced gold development projects within the highly prospective Arabian-Nubian Shield, with an attributable 2.1Moz (100% of Tulu Kapi's 1.9Moz and 40% of Jibal Qutman's 0.5Moz) Au Mineral Resources (JORC 2012) plus significant resource growth potential. KEFI targets that production at these projects 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 2014 include the following:

- Independent verification of estimates of costs for capex, opex and closure
- Independent verification of Ore Reserves
- Assembly of bank syndicate and agreement of indicative terms sheet for project finance
- Re-activation of Tulu Kapi Mining Licence Application in October 2014 (suspended by previous owner in mid-2013)
- Application for Jibal Qutman Mining Licence for Joint Venture in Saudi Arabia

KEFI in Ethiopia

On 5 September 2014, KEFI Minerals acquired the remaining 25% and now owns 100% of the Tulu Kapi Gold Project in western Ethiopia and intends to refine the development plan for the project, aimed at reducing the previously planned capital and operating expenditure. Early research has yielded encouraging results and was summarised in recent announcements in respect of the Tulu Kapi acquisition.

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 Minerals in the Kingdom of Saudi Arabia

In 2009, KEFI formed the Gold and Minerals Joint Venture Company ("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. To date, the G&M has conducted preliminary regional reconnaissance and lodged 30 Exploration Licence Applications (ELAs), of which four have been granted. Two of the granted ELs were relinquished in May 2014.

The ELAs were initially applied for and granted to ARTAR. Incorporation of G&M has been completed and any granted ELAs will be transferred into G&M in due course.

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.