Acquisition of a controlling interest in the Tulu Kapi Gold Project in Ethiopia

December 2013
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References in this Presentation to exploration results and mineral resources have been approved for release by Mr. Jeffrey Rayner, CEO of the Company. Mr. Rayner is a geologist and has more than 25 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. Recipients of this Presentation should note that the exploration results and minerals resources referred to in this Presentation have not been verified by an independent competent person.
Introduction

- KEFI is acquiring 75% of Nyota’s Tulu Kapi (“TK”) deposit
- Consideration is 116,666,667 KEFI shares and £1M ($1.6M) in cash
- KEFI is raising up to £4.5M ($7.2M) via a private placement to fund the acquisition, a revised Tulu Kapi work programme and to meet VAT liabilities.
- TK has a JORC-compliant resource as follows:
  - Inferred and Indicated Resource of 25Mt @ 2.34g/t (1.9Moz), including
  - Probable Reserve of 17mt @ 1.82g/t (1.0Moz)
- KEFI has devised an alternative development strategy for Tulu Kapi with a Project IRR of 37% that materially reduces Capex and targets production in 2016
- Estimated production (attributable to KEFI) 60K oz. p.a. Au at a cash cost < $500/ oz. Au
- Increase in KEFI’s market capitalisation* of £6M ($9.7M) is only 7.64% of Project NPV
- KEFI plans to use potential cash flows from 2016 to repay planned project finance, pay dividends and generate growth through exploration in its region of focus.

* at an indicative placing price of 2p
Introduction to KEFI Minerals
Position in Arabian-Nubian Shield ("ANS").

- KEFI is focused on exploring for gold and copper in ANS, initially in the Kingdom of Saudi Arabia ("KSA"), a low cost jurisdiction which encourages international expertise
- KEFI has built an experienced field-based exploration & development team and owns a proprietary database over the KSA
- KEFI is committed to "equator principles" on environmental standards and social license

Corporate structure in KSA

- KEFI is operator and 40% owner of Gold & Minerals ("G&M"), a JV with construction & investment group ARTAR, which supports logistics and administration

Licences in KSA

- Four Exploration Licences ("ELs") awarded (Jibal Qutman, Selib North, Hikyrin and Hikyrin South) and 23 applications ("ELAs"), aggregating over 1,600 sq. Kms.

Results to date and plan for KSA

- Jibal Qutman (EL granted July 2012): Latest Inferred Resource 14.5Mt at 0.89g/t for 415Koz (Sept 2013); still drilling
- Next step is to complete a Preliminary Feasibility Study ("PFS"), for initial production of ±45k oz. p.a. Au (LOM 10+ years) from an open pit. Four ELAs surrounding Jibal Qutman have the potential to significantly increase resources
KEFI Board of Directors

Harry Anagnostaras-Adams  
*Chairman*  
Founder or co-founder Citicorp Capital Investors Australia, Pilatus Capital, Australian Gold Council, EMED Mining, KEFI Minerals. Chairman Semarang Enterprises. Has overseen a number of start-ups.

Jeff Rayner  
*Managing Director*  

Ian Plimer  
*Deputy Chairman*  
Numerous Geology Professorships incl. Melbourne, Newcastle, Munich and Adelaide. Past and present Directorships include Ivanhoe Australia Ltd, CBH Resources Ltd, Hancock Prospecting. Approximately half of career in industry in underground base metal operations.

John Leach  
*Finance Director*  
BA(Econ.), MBA, MICA (Aust & Canada). Over 25 years' in senior positions within the mining industry. Exec Director EMED Mining, Former Directorships with Resource Mining Corporation Limited and Gympie Gold Limited.

Breadth and depth of operational experience across the Board
KEFI Management Team

**Fabio Granitzio**  
*Exploration Manager*  
Geologist (PhD. Cagliari, Italy).  
Track record of gold discoveries in Sardinia and Saudi Arabia. Over 15 years’ experience in the Americas (Escondida), Europe, North Africa and Mid East.

**Sergio di Giovanni**  
*Metallurgist & Dev. Manager KSA.*  
(BSc. Murdoch, Perth, MAUSIMM), with over 22 years’ experience in operations in Australia, Asia, Europe, Mid-East and Americas. He has expertise in CIL, Heap Leach and flotation plants for gold, base metals & iron mines.

**Simon Cleghorn**  
*Resources Manager*  

**Patrick Gorman**  
*Development Advisor & Consultant Mining Engineer.*  
BSc (Hons.) Mining, Imperial College UK, MSc Mining, Colorado School of Mines and a Chartered Engineer (UK) with 35 years of international technical and project experience.

The pace and progress achieved at Jibal Qutman demonstrates the skills of the KEFI management team.
Introduction to Tulu Kapi
The Tulu Kapi ("TK") gold deposit in Western Ethiopia is owned by Nyota Minerals (NYO: ASX & AIM)

KEFI is acquiring 75% of a JV Company that holds the TK EL and surrounding ELs

NYO will retain a participating 25% interest. The Ethiopian Government will receive without cost a 5% participation interest when an ML is issued

A Definitive Feasibility Study ("DFS") was completed in Dec 2012 which estimated the following JORC-compliant resource:

- Inferred and Indicated Resource of 25Mt @ 2.34g/t (1.9Moz), including a
- Probable Reserve of 17mt @ 1.82g/t (1.0Moz)

The DFS was based on the work performed to date which comprised over 120,000m of drilling and an aggregate expenditure of over $50M

This DFS failed to attract development finance for TK and KEFI has since devised an alternative approach which by reducing Capex and Opex lowers the risk of the opportunity and providing quicker returns

A limited programme of RC drilling, surface sampling and metallurgical testwork in 2014 is required to refine the DFS to reflect planned development in 2015 of a plant producing approximately 85K oz. p.a. Au

The TK EL has been extended until 27 May 2014 (with a possible further 1 year extension) with the approval of the revised TK Work Programme by the Ministry of Mines ("MoM")
Arabian-Nubian Shield
Large and underexplored

Comparison of Arabian-Nubian, Australian and Canadian Precambrian Shields

The Precambrian Shields in Canada and Australia are well established gold producing districts, the ANS is of similar size area but is substantially less explored and developed

Source: Citadel Resources
The transaction establishes KEFI as an operator of two gold development projects within the ANS: TK in Ethiopia and Jibal Qutman in Saudi Arabia, both with significant growth potential.

Aggregate estimated KEFI attributable production could exceed 80K oz. p.a. Au by 2017. The cash generated will be used to fund further exploration and when appropriate a dividend policy.

Further ELs are expected to be granted in Saudi Arabia. Project generation in Ethiopia could lead to the application of new licences.
Transaction Rationale
TK’s DFS was completed by Senet Engineering, Golder Associates & Wardell Armstrong International (WAI) in December 2012.

Due to the drop in gold price in 2013 the project, as it was then defined, became unattractive and NYO elected not to progress its Mining Licence Application (‘MLA’). Furthermore, the NYO share price declined and it had difficulty raising funds in H2-13 pending its re-organisation.

KEFI identified the opportunity in July 2013 and since then has conducted due diligence (DD) on the drill database, onsite investigation of field outcrops and drill core, investigation of the DFS and formulation of alternative approaches to the project, as well as financial DD.

<table>
<thead>
<tr>
<th>Original Summary Metrics</th>
<th>TK’s DFS – Dec 2012 WAI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life of Mine</td>
<td>8.5 Years</td>
</tr>
<tr>
<td>Probable Reserve</td>
<td>1M oz. Au</td>
</tr>
<tr>
<td>Processing Capacity</td>
<td>2Mt p.a.</td>
</tr>
<tr>
<td>Head grade (diluted)</td>
<td>1.82g/t Au</td>
</tr>
<tr>
<td>Production</td>
<td>105K oz. p.a. Au</td>
</tr>
<tr>
<td>Capex</td>
<td>$289M</td>
</tr>
<tr>
<td>Discount rate</td>
<td>5%</td>
</tr>
<tr>
<td>Gold price</td>
<td>$1500/oz.</td>
</tr>
<tr>
<td>Net Present Value (“NPV”)</td>
<td>$253M</td>
</tr>
<tr>
<td>IRR</td>
<td>24%</td>
</tr>
</tbody>
</table>
The key to TK as an attractive economic proposition is the reduction of Capex and initial scale, and improvement of the operating margin by increasing the mined gold grade through use of selective mining techniques.

The main differences between the NYO DFS and KEFI’s preliminary basis for planning TK’s development are outlined in the table.

KEFI has already involved experienced mine development geologists and engineers, who have improved the understanding of the geology and its structural controls along with refining the development plan.

KEFI will also evaluate the opportunity for complementary underground mining and heap leach operations.

<table>
<thead>
<tr>
<th>Difference</th>
<th>KEFI’s estimates</th>
<th>NYO DFS</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capex</td>
<td>$142.9M</td>
<td>$289M</td>
<td>Reduces funding requirements and increases return on investment (includes sustaining capital)</td>
</tr>
<tr>
<td>Head-grade</td>
<td>2.4g/t Au</td>
<td>1.8g/t Au</td>
<td>Increases revenue per tonne mined</td>
</tr>
<tr>
<td>Mining rate</td>
<td>1.2Mtpa</td>
<td>2Mtpa</td>
<td>Reduces Capex</td>
</tr>
<tr>
<td>Operating costs</td>
<td>c.$500/oz</td>
<td>$600/oz</td>
<td>Smaller initial pit; lower strip ratio and less tonnes processed, but at higher grade</td>
</tr>
<tr>
<td>NPV $1500 Au</td>
<td>$218M*</td>
<td>$253M</td>
<td>KEFI figures based on 100% interest and 10% post-tax discount rate</td>
</tr>
<tr>
<td>IRR $1500 Au</td>
<td>52%</td>
<td>24%</td>
<td></td>
</tr>
<tr>
<td>NPV $1200 Au</td>
<td>$127M*</td>
<td>$69.2M</td>
<td>Nyota is based on 100% interest and 5% pre-tax discount rate</td>
</tr>
<tr>
<td>IRR $1200 Au</td>
<td>37%</td>
<td>11%</td>
<td></td>
</tr>
</tbody>
</table>

* Kefi attributable interest 71.25%
The development of Tulu Kapi Mine

- KEFI has interrogated the Resource and Reserve models and conducted two TK field and drill core inspections
- KEFI’s internal scoping study is for a 1.2Mtpa open pit and a Carbon in Leach processing plant
- Phase 1 open cut of approx 12Mt at 2.31g/t Au has been delineated from within the existing Reserve to produce ±85K oz pa Au at an average cash operating cost of ±$500/oz Au over an initial 10yr mine life. Pit push back and underground mining potential would extend mine life
- KEFI will conduct surface sampling, trenching, a limited amount of “in pit” RC drilling and metallurgical testwork. A Work Programme up to end May 2014 (the penultimate annual licence extension) has been submitted to the Ministry of Mines (MoM). Trial Mining is planned for H2 2014
- A new Indicated and Inferred Resource will be calculated, as well as an optimised pit for a revised Probable Reserve. Matters outstanding in the existing DFS will be completed and refined in order to re-submit the refined MLA by the end of 2014
Gold is hosted in quartz-albite alteration zones as a series of stacked lenses over a 1,000m x 400m zone and is **open at depth** (+400m)

TK was **extensively drilled** so there is a **high degree of confidence in the resource** data.

KEFI believes **insufficient surface sampling and structural mapping** was performed by NYO. This restricted pit optimisation due to inadequate understanding, especially the distribution of grade within the deposit. This observation triggered the opportunity.
NYO’s planned 2Mtpa operation required a Capex of $289M*. This appears high as regards:

- a mining fleet costing $49M
- a 13km unpaved road with 20m bridge costed at $10M (with 20% contingency)
- high Sustaining Capital and Infrastructure

By downsizing to 1.2Mtpa KEFI estimates it could approximately halve Capex to $136M (not including pre-strip $15M)

KEFI’s key cost estimates are based on in-country unit costs and working case examples.

The KEFI Capex and Opex has been estimated by KEFI Metallurgist Mr. Sergio Di Giovanni and Mr. Barry Want, B.TECH (HONS) CHEM. ENG. University of Bradford, U.K. Former Group Projects Manager Nyota Ethiopia.

* including contingencies and sustaining capital
Comparison of Opex Evaluations

<table>
<thead>
<tr>
<th>PROJECT OPEX METRICS AT TK</th>
<th>WAI/NYOTA DEC 2012 DFS ESTIMATE</th>
<th>KEFI ESTIMATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining cost $/t</td>
<td>2.5</td>
<td>2.75</td>
</tr>
<tr>
<td>Processing cost $/t</td>
<td>8.5</td>
<td>8</td>
</tr>
<tr>
<td>G&amp;A $/t (LoM)</td>
<td>5.66 ($96M)</td>
<td>5.66 ($68M)</td>
</tr>
<tr>
<td>Closure cost $/oz Au (LoM)</td>
<td>22 ($22M)</td>
<td>7 ($5.9M)</td>
</tr>
<tr>
<td>Opex $ per oz. pa Au</td>
<td>600</td>
<td>500</td>
</tr>
</tbody>
</table>

- KEFI has slightly higher mining costs which reflect the selective mining techniques.
- The opex improvement is due to refined design of the open pit, less tonnes processed at higher grade and lower mine closure costs.
- KEFI takes great pride in being able to minimise its operating costs across the full range of activities.
- Corporate costs in 2012 totalled £0.7M, including compliance, investor relations and directors’ remuneration.
- Senior executives are all based in the field at project sites and have been selected for their experience in discovery, acquisition and startup.
Significant potential exists to enhance DFS through increasing the mineable reserve and re-optimising the pit design;

- A zone of 170K oz. Au exists within the Nyota pit design which could add to mine life and reduce the stripping ratio
- High grade ore has been intersected by NYO drilling 100-200m below their proposed pit
- Lower grade mineralisation in the UNDP Target, immediately north of TK

Source: Nyota Minerals
"Feeder zone" drill intercepts

<table>
<thead>
<tr>
<th>Borehole No</th>
<th>Depth From (m)</th>
<th>Depth To (m)</th>
<th>Mineralised Width (m)</th>
<th>Grade (g/t Au)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TKBH-287</td>
<td>351.80</td>
<td>364.05</td>
<td>12.25</td>
<td>5.34</td>
</tr>
<tr>
<td></td>
<td>393.00</td>
<td>397.00</td>
<td>4.00</td>
<td>9.82</td>
</tr>
<tr>
<td>TKBH-288</td>
<td>377.00</td>
<td>379.00</td>
<td>2.00</td>
<td>11.68</td>
</tr>
<tr>
<td>TKBH-291</td>
<td>356.00</td>
<td>369.96</td>
<td>13.96</td>
<td>10.55</td>
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<tr>
<td></td>
<td>373.00</td>
<td>378.00</td>
<td>5.00</td>
<td>7.60</td>
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<tr>
<td></td>
<td>382.45</td>
<td>386.00</td>
<td>3.55</td>
<td>6.25</td>
</tr>
<tr>
<td>TKBH-292</td>
<td>375.00</td>
<td>384.00</td>
<td>9.00</td>
<td>5.82</td>
</tr>
<tr>
<td>TKBH-293</td>
<td>384.00</td>
<td>394.00</td>
<td>10.00</td>
<td>4.33</td>
</tr>
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<td></td>
<td>435.55</td>
<td>445.00</td>
<td>9.45</td>
<td>15.04</td>
</tr>
<tr>
<td>TKBH-295</td>
<td>368.00</td>
<td>369.00</td>
<td>1.00</td>
<td>12.35</td>
</tr>
<tr>
<td></td>
<td>388.00</td>
<td>390.00</td>
<td>2.00</td>
<td>3.97</td>
</tr>
<tr>
<td></td>
<td>399.00</td>
<td>402.90</td>
<td>3.90</td>
<td>3.60</td>
</tr>
<tr>
<td>TKBH-296</td>
<td>342.00</td>
<td>344.00</td>
<td>2.00</td>
<td>19.45</td>
</tr>
</tbody>
</table>

Source: Nyota Press Release 31st January 2013
Near Mine Exploration Upside

Excellent brownfield exploration potential

- Chalti: 1.2km gold in soil geochemical anomaly, airborne geophysical signature and geology very similar to Tulu Kapi
- Gulliso Trend
  - Dina: DD results include 7.1m @ 30.3g/t Au, 3.8m @ 2.4g/t Au
  - Soyoma: Trench results include 14.2m @ 8.2g/t Au
  - Kobera: Trench results include 6.0m @ 1.35g/t Au, 6.8m @ 2g/t Au
- Guji – Komto trend
  - A 2.5-2.8km long geochemical and geophysical anomaly overlying a meta-sedimentary and meta-volcanic suite of rocks.
  - At Guji trench results include 10m @ 1.9.g/t Au and DD results of 10.6m @ 2.9g/t Au and 10.3m @ 2.2g/t Au.

Proximal and Satellite Targets

NYO has identified multiple targets within a 20km radius of the proposed mine site that are relatively under explored. Work programmes for the proximal licences will be submitted for review to the MoM together with licence extension applications.
Ethiopia: A golden opportunity

- ANS is prospective for gold and copper. It extends from Egypt and Saudi Arabia in the north, to Sudan, Eritrea, and into Ethiopia.

- It hosts Sukari (13 Moz Au), Mahad adh Dahab (6 Moz Au), Hassai (2.1 Moz Au), Bisha (1 Moz Au, 330 Kt Cu) Jabal Sayid (99 Mt at 1.2% Cu), and is where Ma’aden has proved up 13 Moz Au in the past decade.

- Ethiopia has diverse untapped mineral resources and is actively encouraging exploration and development.

- The Lega Dembi mine, producing 135 K oz. p.a. Au (1.98 M oz. Au) is the largest gold mine in Ethiopia.

- Government policies and regulations have helped the country attract mining investors. Currently, there are 136 companies working on 246 licences. Gold is Ethiopia’s main mineral export, with exports rising from $5 M in 2001 to $602 M in 2012. It has been mined since ancient times, primarily as alluvial or free gold.

- Income tax reduced in July 2013 from 35% to 25%.

- Government expected to soon announce reduction in gold royalty rate.

- Majors Newmont and Goldfields recently commenced exploration for gold in Ethiopia. The few studies undertaken so far by UNDP and others reported occurrences and deposits of gold, tantalum, soda ash, potash, coal, nickel and platinum in different parts of the country.
Transaction Details
Transaction Details

- Consideration £3.5M ($5.6M) for 75% of JV Company, comprised of 117M KEFI shares and £1M ($1.6M) cash.

- KEFI will be manager of the JV pursuant to a shareholder agreement and senior KEFI management will be based at field offices.

- KEFI has also provided NYO with a £360K ($577K) secured loan facility which, to the extent drawn, will reduce the share consideration.

- KEFI is raising up to £4.5M to provide for JV’s obligations to the Ethiopian Government, refine the DFS for TK’s development and also to complete the PFS for Jibal Qutman in Saudi Arabia in 2014.

- Completion requires:
  - KEFI shareholder approval and completion of £4.5M Placing.
  - VAT Liability at completion not exceeding Bir 105M (approx. £3.31M or $5.3M) and KEFI being satisfied as to repayment scheme.

- NYO’s interest in TK to be carried until publication of a revised resource for TK, which is anticipated in Q1 2014.

- KEFI post-transaction market capitalisation at assumed 2p per share implies $16/oz. Au resource, (KEFI beneficial interest 1.6M oz) compares favourably to metrics for sector.
Application of Proceeds

Sources of funds

- KEFI placing to raise (£4.5M less transaction costs £0.6M for placing and acquisition) £3.9M
- KEFI cash on hand £1.3M

Total Sources of funds £5.2M

Use of funds during 2014:

- Maximum cash component of consideration for TK (additional to £0.2M already advanced to Nyota) £1.1M
- TK DFS and submission MLA (75% of project costs) £1.3M
- Jibal Qutman PFS and submission MLA (40% of project costs) £1.0M
- Corporate (including project financing for TK) £0.7M
- 75% (KEFI’s JV liability) of Ethiopian VAT payable in 2014 pursuant to the deferred repayment schedule* £1.0M
- Unallocated £0.1M

Total Use of funds during 2014 £5.2M

*The aggregate VAT liability is Bir 96M (approx. £3.2M or $5.1M) as accrued in NYO audited accounts. This amount includes accrued interest to date but not any potential penalties. A payment schedule for this liability has been agreed with the tax authorities and it is a condition precedent to completion that this be formally confirmed in writing. Additional interest will accrue on outstanding balances under the proposed deferred repayment schedule.
Existing Issued Share Capital  `  521,589,054
Acquisition Consideration (Shares)  116,666,667*
£4.5M Cash Placing at 2p  225,000,000
Enlarged Issued Share Capital  863,255,721
Existing market cap at 2.15p  £11M ($18M)
Enlarged market cap at 2p  £17M ($28M)
Outstanding options and warrants **  46,252,301
As a % of enlarged  5.4%

Ownership of the enlarged issued share capital:
KEFI existing shareholders  60.4%
NYO  13.5%
Cash Placees  26.1%

Disclosable shareholders are expected to include the following:
EMED Mining  8.19%
Hargreaves Lansdown  6.22%
TD Direct Investing Nominees  6.04%
Lynchwood Nominees  4.89%
Board of Directors***  0.79%

***Excludes any placing participation

*To be reduced to reflect the extent that the loan facility has been drawn down at time of completion.
**Priced between 2-7p
KEFI is a proven discoverer in a region attracting majors

IRR on TK is 37% based on $1,200/oz. Au (IRR 25% at $1,000/oz. Au and 52% at $1,500/oz. Au).

Target end 2014 for TK refined DFS, project finance & re-activated MLA

Targeting 2016 for cash flow generation
Timetable

- KEFI to raise £4.5M ordinary equity capital by private placing

- Books Close: 9 December 2013
- Placing announced and Circular published: 8.00 a.m. 11 December 2013

- KEFI shareholder approvals: 10.30 a.m. 27 December 2013
- Closing announcement: 27 December 2013
- Admission of new shares to AIM: 8.00 a.m. 30 December 2013
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