

17 July 2015

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

**FINAL BIDDING TRIGGERED FOR PROJECT CONTRACTORS
TULU KAPI GOLD PROJECT, ETHIOPIA**

KEFI Minerals (AIM: KEFI), the gold exploration and development company with projects in the Kingdom of Saudi Arabia and the Federal Democratic Republic of Ethiopia, is pleased to report that final bidding has opened for the contracts for construction of the process plant ("Construction Contract") and operation of the mine ("Mining Contract"). Site visits by short-listed candidates will commence next week and the Company's intention is to select the winning bidders next month.

Today's opening of final bidding by project contractors follows the completion of preliminary reviews of the recently completed Definitive Feasibility Study by the Independent Technical Consultants for secured financiers.

Short-listed contractors comprise leading international firms from several continents, all of whom have been selected based on their representations, experience, commitment to the development of the Ethiopian mining industry and capacity to contribute development funding through their contractual arrangements.

Harry Anagnostaras-Adams, Executive Chairman of KEFI Minerals, commented:

"We are pleased to be reaching another milestone in the development of Tulu Kapi, our key asset, and are delighted with the high calibre of the bidders. Progress on the project remains on schedule for optimisation of development funding this quarter, commencement of works next quarter and production in early 2017."

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Further information can be viewed on KEFI's website at www.kefi-minerals.com

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 1.93Moz (100% of Tulu Kapi's 1.72Moz and 40% of Jibal Qutman's 0.73Moz) 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 2015 at Tulu Kapi include:

- Formalisation of senior secured financing, 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 Minerals in Ethiopia

The Tulu Kapi gold project in Western Ethiopia is being rapidly progressed towards development. In October 2014, KEFI Minerals reactivated the Mining Licence Application and assembled indicative project finance terms. The Mining Licence was granted in April 2015 and the secured lenders' independent technical consultants who have now commenced their due diligence.

A Definitive Feasibility Study is focused on construction of a 1.2Mtpa processing plant with estimated annual gold production 80-90,000oz and All-in-Costs (including operating, sustaining capital and closure) of c. US\$783/oz (excluding initial investment). The planning parameters for the updated DFS have already been independently confirmed. The Company's milestones for this year include arranging project finance in Q3 2015 and major works to commence in Q4 2015, with a view to commissioning at the end of 2016.

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 Shield. KEFI has a 40% interest in G&M and is the operating partner. To date, 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 6km strike length of outcropping gossans developed on VMS altered and mineralised rocks.

At Jibal Qutman, G&M's flagship project, the total Indicated and Inferred category Mineral Resources, JORC (2012) compliant, are now estimated at 28.4Mt at 0.80g/t Au for 733,045 contained gold ounces compared with 22.0Mt at 0.90g/t Au for 633,461 contained gold ounces previously estimated in March 2014, both at a cut-off grade of 0.2g/t Au.

ARTAR, on behalf of G&M, holds 24 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.