

7 January 2025

## **KEFI Gold and Copper plc**

("KEFI" or the "Company")

### **Company Update**

KEFI (AIM: KEFI), the gold and copper exploration and development company focused on the Arabian-Nubian Shield, with a pipeline of projects in the Federal Democratic Republic of Ethiopia and the Kingdom of Saudi Arabia, advises of the following developments.

#### **Future Minerals Forum**

An updated presentation has been uploaded to the Company's website to facilitate discussions at the Future Minerals Forum, being held in Riyadh, Saudi Arabia, during the week commencing 13 January 2025.

Key points made in the updated presentation are highlighted below.

#### **Tulu Kapi Gold Project in Ethiopia**

- Development:
  - Certain Major Works have now started, including construction of the new main access road from the highway to the Tulu Kapi site. This Government-funded project significantly de-risks the overall development schedule.
- Tulu Kapi Project Finance:
  - Debt capital: Detailed finalised terms are being inserted into the already-drafted detailed documentation for execution of the debt-facility which has been increased to US\$240 million from the previous US\$190 million.
  - Equity capital: of the original requirement of US\$180 million, the Company is currently arranging the remaining c.US\$30 million, explained as follows:
    - US\$100 million has already been invested through historical expenditure (US\$50 million since 2014);
    - the Ethiopian Government and private sector investors have already committed US\$20 million for a 10% stake in Tulu Kapi Gold Mines SC and up to US\$30 million in the form of gold-linked preference shares of KEFI Minerals (Ethiopia) Limited expected to be issued as the Ethiopian Stock Exchange is launched (currently scheduled to be by the end of January) ; and
    - the remaining US\$30 million is being finalised with certain Middle Eastern and other sectoral investors, as the Company looks to conclude the optimal financing scenario from interested parties.

#### **Saudi Arabia**

- The current strategic review of the Company's GMCO joint venture and the future of KEFI's 15% holding, currently focuses principally on:

- the staged development plans for the Jibal Qutman Gold and Hawiah Copper-Gold projects; and
- short-listing potential transaction scenarios being discussed with third parties.
- Potential valuation estimates have previously been published by the Company for the two advanced projects, Jibal Qutman Gold and Hawiah Copper and Gold, including the 2023 pre-feasibility valuation of the Hawiah copper-gold project at approximately US\$301 million NPV (8% discount rate) and a post-tax IRR of 75% (see the Company's announcement 'Positive PFS and Associated Studies for Hawiah Copper-Gold Project' released on 28 June 2023).

### **Updated KEFI financial models**

- The estimated potential value of KEFI for its shareholders has been updated to 11.1 pence per share ("pps") assuming an NPV at a 5% discount rate and the Tulu Kapi project at a gold price of US\$2,600/oz. This compares with a 10.5 pps potential valuation published in November 2024 despite having accounted for the recent increase in shares in issue and is due to:
  - the currency movement of USD vs GBP; and
  - the inclusion of a preliminary valuation of KEFI's 15% beneficial interest in GMCO by assigning US\$80/oz of gold equivalent resources.

### **KEFI Executive Chairman, Harry Anagnostaras-Adams, commented:**

"It is now timely to focus on key alliances for KEFI's aggressive growth ambitions.

"We will shortly launch broader Major Works at our Ethiopian Tulu Kapi project, a high-grade and high-recovery gold project larger than any Saudi gold project today. We will also commence exploration at tantalum/lithium and copper/nickel/cobalt targets in well-known Ethiopian zones of mineralisation for these critical materials, following the award of the Konso Project in December 2024.

"At the same time there is significant interest in our 15%-owned GMCO JV in Saudi Arabia, currently under strategic review, and we look forward to further discussions during the Future Minerals Forum in Riyadh next week.

"In short, we have a number of highly attractive opportunities before us and we are focused on the full launch of Tulu Kapi Gold Project, as well as finalising our other priority projects and alliances for the next stage."

### **Enquiries**

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