

21 January 2025

## **KEFI Gold and Copper plc**

("KEFI" or the "Company")

### **Legal Claims Against KEFI Dismissed**

#### **Reinforces Progress on Tulu Kapi Project Financing**

KEFI (AIM: KEFI), the gold and copper exploration and development company focused on the Arabian-Nubian Shield, is pleased to report that the English High Court of Justice, King's Bench, has handed down its judgement in relation to a case against the Company, detailed in the Company's 2023 Annual Report, that dismisses all claims against KEFI and awards to KEFI all of its counterclaims. This was the last outstanding attempt in a string of threats of interference against KEFI, all of which have now been successfully dismissed.

As regards this reported judicial outcome, the King's Bench also noted that, prior to the matter going to Court, any claims and accusations against KEFI's Executive Chairman and the President of one of KEFI's banks were withdrawn. The Company has always considered the claims to be spurious and without merit, but it is nevertheless helpful that the matter has been resolved in KEFI's favour, so as not to interfere with the progress of the Company's Tulu Kapi Gold project or potentially impose a material financial burden on the Company. This also extinguishes the need for independent certification of readiness for finance closing in respect of this matter.

#### **Tulu Kapi Project Financing – Update on certification and formalisation for finance closing**

KEFI has completed Early Works.

Both banks' 2024 credit approvals are now being updated for finalisation in February 2025 as part of the certification and formalisation process preparing the project for financial close at the end of Q1 2025 and then to launch all Major Works as funds are drawn down in the approved sequence against the disbursement requirements.

Notable recent progress in the certification and formalisation process includes:

- Receipt from the banks the proposed updated detailed terms and conditions for an expanded secured loan package at US\$240 million, instead of the previous US\$190 million as detailed in the Company's announcement on 6 November 2024;
- All threatened and actual litigation now successfully dealt with;
- Already-received approvals have satisfied all substantive conditions precedent set out in 2022 upon restarting preparations to launch the Project (after the lifting of Ethiopia's State of Emergency as per the Company's announcements on 14 February 2022 and 30 June 2022). The formalisation process is, for good order, wrapping up documentation for finance closing;
- Detailed documentation in hand across all of the parties and issues; and
- Certain Major Works brought forward to further de-risk the Project:
  - Main Access Road started construction in Q4 2024 to more than halve travel time from the bitumen highway and simplify journey management;
  - We have fully deployed teams for safety, security and community liaison, involving both Government and private sector specialists;

- Completed compensation for resettlement of a key land package and started the property survey with approximately one third of land holders, to ensure complete alignment before triggering Major Works; and
- Triggered refreshment of fixed price lump sum components of construction contracts, ahead of financial close at the end of Q1 2025.

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

*“The Tulu Kapi Gold Project has involved much ‘precedent-setting’ as the first international project finance transaction in Ethiopia, which itself has transitioned through democratic reforms and a focus on private sector development. KEFI has been instrumental in negotiating reforms across the board, from removing exchange controls to creating permanent security protection. And Ethiopia has ignited a major growth spurt, particularly emphasising the minerals sector.*

*“We are excited to now be wrapping up preparations to launch all Major Works for our tightly risk-mitigated project – well worthwhile given the excellent outlook for returns to all stakeholders.”*

**KEFI Gold and Copper plc**

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