

6 August 2024

KEFI Gold and Copper plc

("KEFI" or the "Company")

Saudi Arabia Operational Update

KEFI (AIM: KEFI), is pleased to provide an update on operations undertaken in the Kingdom of Saudi Arabia by KEFI's 25%-owned joint venture company Gold and Minerals ("GMCO") covering the Jibal Qutman Gold Project, the Hawiah Copper-Gold Project and regional exploration.

Jibal Qutman Gold Project

Operations at Jibal Qutman ("JQ") have been split into two areas of focus:

- 1) Development of the existing Mineral Resource areas; and
- 2) Exploration for Resource expansion in the remaining and untested 75% of the licence areas.

Development Studies on the existing Mineral Resource areas

- GMCO recently completed infill-drilling programmes including 18,000 metres of diamond drilling and 10,000 metres of RC drilling, increasing aggregate drilling at Jibal Qutman from 109,252 metres. The latest assay results are expected in the near term.
- A new Mineral Resource Estimate ("MRE") will be reported in conjunction with MSA Group (South Africa), in Q3 2024. It will incorporate recent discoveries such as Asfingia and Red Hill 2, as well as reclassify the previous MRE as a prelude to reporting Ore Reserves.
- As part of optimising process flow sheets selected core samples have been sent to:
 - TOMRA in Germany for assessment for ore sorting plant-feed upgrading tests; and
 - GSL in the UK for leaching tests
- The pursuit of lower-cost solutions for water and power has led to:
 - an intensified search for ground water within the recently expanded extensive licence areas; and
 - a review of the recently expanded range of hybrid power generation options.
- Completing a trade-off study of utilising (for at least for parts of the orebody) heap leaching to extract gold instead of carbon-in-leach.
- Integrating the next stages of metallurgical testing, mine planning, hydrological surveys.

A staged development approach predicated on the updated MRE may be adopted. Such an approach could see the initial project followed in due course by an enlarged project based on a larger Mineral Resource once the currently untested 75% of the prospective structural strike length is drilled and prepared for development.

Resource Expansion

Ongoing exploration is focused on the remaining unexplored 75% of mineralised strike length as the main system extends into the JQ North and JQ Southeast exploration licences.

Recent efforts to better define the structural controls on the Jibal Qutman gold mineralisation has built on the recent breakthrough in understanding that higher-grade gold deposits are associated with interactions of the northwest trending Najd faults and the main north-south oriented Nabitah-Tathlith fault system. Identifying and focusing on these areas is now integral to the wider systemic exploration approach.

Unlike the main JQ discovery area where much of the existing mineralisation outcrops, alluvial cover is masking much of the strike extents. Exploration is therefore focused on a combination of mapping, airborne geophysical surveying and geochemical sampling to establish this structural framework ahead of targeted trenching and scout drilling programmes.

This programme builds on and incorporates the 2023 geophysical surveys, and the recently completed 10,561 metre RC drilling programmes for which results are still being received and expected during Q3-2024.

Hawiah Copper-Gold Project

Hawiah already ranks as the third largest base-metal development project in the now burgeoning Saudi Arabian minerals sector. Hawiah is a larger development project than the Jibal Qutman discovery and entails underground and open-pit mining, coupled with technically more complex processes to treat the polymetallic orebody comprising copper, gold, zinc and silver. The nearby Al Marsane analogous polymetallic VMS project has successfully operated for many years, but some recovery processes have technically evolved since that project's launch and, given that Hawiah is a much larger project, recent innovation is being examined.

In gold-equivalent resource terms, the current Hawiah MRE (including the nearby Al Godeyer MRE) now stands at approximately 30Mt at 2.5g/t gold-equivalent or c. 2.5 million gold-equivalent ounces. In copper-equivalent terms, it represents approximately 30Mt at 1.7% copper-equivalent or 510Kt of copper (based on prices of US\$9,500/t copper, US\$2,600/t zinc, US\$1,965/oz gold and US\$24/oz silver).

To select its preferred development scenario for Hawiah and Al Godeyer, GMCO is:

- In the final stages of the 65,000 metre Hawiah infill drilling programme this quarter, which will raise aggregate drilling at Hawiah to 120,000 metres.
- Interpreting these drilling results to update the MRE which is set to take place by year-end 2024.
- Down-plunge expansion drilling at the Crossroads Lode in Hawiah has also extended the known limits of mineralisation by 270 metres to a vertical depth of 740 metres. This should also lead to an expanded Hawiah MRE.
- The MRE will be updated in Q3-2024 for Al Godeyer, including the 2023/2024 infill and expansion drilling of 6,445 metres, to prepare the Mineral Resource for inclusion in the wider Hawiah development studies.
- These programmes are on-track to upgrade at least 85-90% of the >30Mt combined Mineral Resources to the Indicated Resource category, forming the basis for substantial Ore Reserves for the Hawiah Copper-Gold Project.
- Assessing alternative metallurgical processing methodologies for the Hawiah ores including, staged flotation, assessment of the "Albion Process™" SXEW and ion exchange resins.
- Evaluation of a substantial pyrite resource contained at Hawiah.
- Assessing the gold enriched oxide supergene capping.
- Reviewing mining techniques to confirm the most cost effective (capital and operating cost) mining solution.

Regional Exploration

As drilling temporarily slows on the Hawiah and Jibal Qutman licences so that development studies can catch-up, the field-work activity rate is being increased on the Regional GMCO licences. In total the group holds 15 Exploration Licences in Saudi Arabia covering five project areas, in broad terms.

These H2-2024 programmes include:

- IP/Rho* and TDEM geophysical surveys at Al Godeyer and Al Godeyer East to extend the known mineralised horizons;
- IP/Rho and TDEM geophysical surveys at Abu Salal to build on the successful 2023/24 scout drilling programme which confirmed VMS mineralisation at depth; and
- Trenching and mapping programmes at Wadi Na'afa, Al Awja, Jabal Selm, Jadib al Qahtanah Jabal Hillit and Qunnah (as illustrated in Figure 1).

Strategic discussions are also being conducted with regional investors and licence holders to continually examine other opportunities and potential synergies.

*Footnote: Induced Polarity/Resistivity (“IP/RHO”) geophysical surveys are highly effective at indicating the presence of sulphide orebodies. GMCO had good success using this technique at Hawiah in 2019 which gave the exploration team confidence ahead of the maiden scout-drilling campaign which led to the discovery. The aim of the 2024 programmes is to replicate this success at Al Godeyer and Abu Salal by building on the earlier Self-Potential (“SP”) geophysical surveys, which are more suitable for near surface exploration. The earlier drilling programmes at these project sites coupled with the geological mapping allow the team to correctly orient these surveys ahead of ground data acquisition, for a better overall result. The Exploration team are also excited about the prospect of deploying a Time Domain Electromagnetic (“TDEM”) survey for the first time in these areas to test the orebody response. These surveys will allow for a robust investigation down to approximately 400-500 metres and allow for drillhole targeting.

Corporate

The GMCO Leadership Team is being expanded in preparation for its next growth stage. We have been very well served by the teams to date, which have focused on discovery and identifying alternative potential development concepts. Along with long-standing majority partner ARTAR, KEFI is determined that the joint venture’s next chapter is to establish itself as a leading Saudi metals producer, as well as maintaining the aggressive exploration policy, which has achieved the impressive results to date. GMCO was far-sighted to have commenced Saudi exploration in 2008 and its large proprietary database and record of discovery has positioned the company well.

Some US\$80 million has been spent so far on GMCO’s Saudi assets, to establish the current Mineral Resources of approximately 3.1 million gold ounce equivalent, representing a spending rate of approximately \$26/oz per discovered Resource. With further resource and reserves increases expected to be reported in H2-2024, the cost per ounce discovery is expected to diminish still further. Moreover, the feasibility study programmes completed to date (and those ongoing) are now enabling preferred development scenarios to be assessed by GMCO.

From a finance-optimisation viewpoint, it is notable that much of this past expenditure may be reimbursed in our planned project financing of development, as part of the Saudi incentivisation of exploration and mine development, given Saudi Industrial Development Fund project finance also reimburses pre-development costs.

Harry Anagnostaras-Adams, Executive Chairman, commented:

“In Saudi Arabia we have made two significant discoveries which, in aggregate gold-equivalent terms, are approximately double the in-situ metal of Tulu Kapi in Ethiopia. The two advanced Saudi projects will now benefit from an expanded leadership team has begun to be installed to oversee GMCO’s next chapter of development as we aspire to become a leading Saudi metal producer. Whilst feasibility studies are refined

and focused for completion on Jibal Qutman Gold and Hawiah Copper-Gold, GMCO's regional exploration effort is being re-elevated to expand and optimise our project pipeline within the Kingdom.

"Furthermore, as already reported this quarter, we remain on track in Ethiopia at Tulu Kapi, our most advanced project. In response to the most welcome and appreciated huge effort made by the Ethiopian Government to facilitate safe and internationally compliant development, the long-awaited Tulu Kapi funding package has been able to move into project finance completion and project launch mode. The Early Works programme was launched in May 2024 to facilitate financing agreement closings in October 2024 for Major Works to then proceed. Updates on this project will be made as appropriate via further announcements."

Competent Persons Statement

The information in this announcement that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Tomos Bryan, Exploration Manager for Gold & Minerals Limited. Mr Bryan is a member of the Australasian Institute of Mining and Metallurgy ("AusIMM"). Mr Bryan is a geologist with sufficient relevant experience for Company reporting to qualify as a Competent Person as defined in the JORC Code 2012. Mr Bryan consents to the inclusion in this announcement of the non-financial matters based on this information in the form and context in which it appears.

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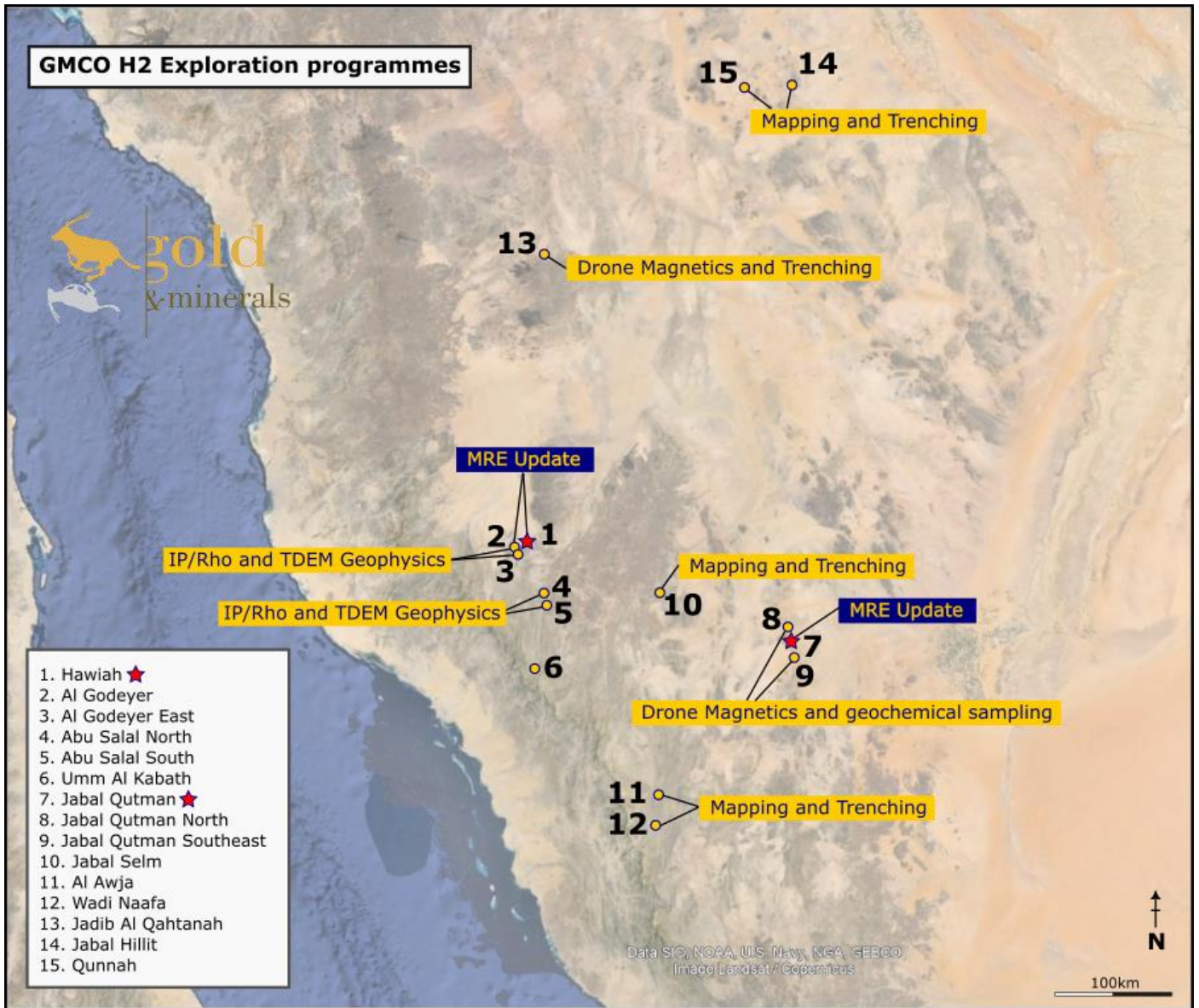


Figure 1 – Map showing the GMCO Exploration Licence locations and the planned H2 2024 exploration programmes.