

23 February 2016

Keras Resources plc ('Keras' or 'the Company')
New Gold Tribute Agreement with Production Targeted for Q2 2016

Keras Resources plc, the Australian gold development company, is pleased to announce that it has increased its gold resource inventory and 2016 production profile having entered into a profit share agreement with Kalgoorlie Mining Associates to mine the Wycheproof Gold Deposit located in Western Australia.

Highlights

- **Wycheproof is a high-grade, shallow deposit located on existing mining lease**
- **Resource of 75,600t at 2.87 g/t for 6,974 ounces**
- **Mining to be undertaken in the near-term alongside production from the nearby Grants Patch Gold Tribute – mining fleet to be used across both sites**
- **Low cost acquisition with no dilution - 50:50 profit share**
- **Keras is in discussions with further parties in respect to similar Australian gold tribute opportunities**

Keras Managing Director Dave Reeves said, "This tribute agreement increases our future production profile and given that it is in close proximity to our existing Grants Patch gold tribute deposits, which will come into production targeting 20,000 to 30,000 ounces of gold per annum in Q2 2016, we will be able to leverage our existing fleet and infrastructure. The Wycheproof deposit, although small, exists on a granted mining lease and can be brought into production in a short space of time. This latest agreement demonstrates the high level of activity in the region and the availability of deposits to be mined using a tribute method. The pricing environment for Australian gold is very attractive at the moment, and with this in mind I look forward to updating shareholders on further, similar initiatives in the not too distant future during this exciting time in Keras' development which should see us become the next, and possibly the only Australian focused gold producer listed on AIM."

Further Information

The majority of mineralisation at Wycheproof is contained within a westerly dipping quartz porphyry which extends from surface to base of drilling and is open at depth. There are several cross cutting faults which seem to have increased the mineralisation in and around the intersection plane between these and the mineralised quartz porphyry.

Keras will finalise the Mining Proposal and Project Management Plans with the right to mine owners and will submit this documentation in the next two weeks. Allowing for standard approval time, mining is anticipated to commence in Q2 of this year. Norton Gold Fields has a first right of refusal to treat

the ore and Keras will aim to finalise an appropriate agreement with Norton for the treatment of this ore at the Paddington Mill which lies 18km south of the deposit on a major highway.

The terms of the agreement are as follows:

- 5% of predicted profit to be paid upfront to a 5% holder of the permit
- A\$70,000 to be paid to the owner of the right to mine from first gold production
- 2% royalty payable to Norton Gold Fields
- All profits to be split 50:50 between the right to mine owner and Keras

****ENDS****

For further information visit www.kerasplc.com, follow us on Twitter @kerasplc or contact the following:

Dave Reeves	Keras Resources plc	dave@kerasplc.com +44 (0)20 7220 0500
Nominated Adviser		
William Vandyk/David Hignell	Northland Capital Partners Limited	+44 (0) 20 7382 1100
Broker		
Elliot Hance/Jonathon Belliss	Beaufort Securities Limited	+44(0)20 7382 8415
Financial PR		
Frank Buhagiar/ Elisabeth Cowell	St Brides Partners Limited	+44 (0) 20 7236 1177

Notes

Keras Resources plc is an AIM quoted, resource development company. The Company is focussed on advancing lowest quartile, low capex deposits which benefit from proximal established infrastructure up the development curve and into production. Keras plans to commence production at its Australian Gold Project in Q2 2016 and then use this cashflow towards the development the Nayega Manganese Project within nine months of securing the mining permit for the Project.

At Nayega, Keras has concluded a Bankable Feasibility Study and expects award of the mining permit in 2015. The Bankable Feasibility Study indicates that Nayega could produce 250,000 tonnes per year of manganese concentrate at 38%. The Company is focussed on bringing the mine into production on grant of the mining permit as soon as possible to generate cashflows for the Company.

The Company also holds iron ore and manganese projects in Gabon and South Africa and is actively assessing ways to realise value from these assets.

Keras has 1,193,794,390 shares in issue. The Directors have subscribed for and purchased approximately 25.0% of the issued share capital of the Company and are thus aligned with shareholders' interests.