

17 February 2016

Keras Resources plc ('Keras' or 'the Company')
Closure of YA Global Position

Keras Resources plc, the Australian gold development company, announces that the entire holding of 45,833,326 Ordinary Shares of 0.1p each ('Ordinary Shares') held by YA Global Master SPV Ltd ('YA Global') has been placed to a select group of shareholders. As a result of this, Yorkville no longer holds any Ordinary Shares or subscription rights to equity in the Company. The shares were placed by Beaufort Securities Limited.

As part of the transaction, any outstanding liabilities owed to YA Global have been converted into a non-convertible loan of £265,000 payable in 12 months' times as a one-off payment (the "Loan"). The repayment of the Loan will be facilitated by cash flows generated through gold production at the Grants Patch Gold Tribute Project ("Grants Patch"), located 30km north of Kalgoorlie in the prospective Western Australian goldfields, The Company anticipates Grants Patch commencing production in Q2 2016. The Loan is unsecured and non-convertible. The number of Ordinary Shares in issue remains the same at 1,193,794,390.

****ENDS****

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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, the Grants Patch Gold Tribute 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 Ordinary 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.