

Feasibility Study Commences at Epanko Graphite Deposit

Kibaran Resources Ltd (ASX:KNL) is pleased to announce that the Epanko Graphite Deposit Feasibility Study has commenced in Tanzania with a team of high calibre, in-country experienced consultants supporting lead Study manager, GR Engineering Services Ltd (“GRES”) (ASX:GNG).

This key milestone follows the completion of the recently updated Scoping Study (refer ASX announcement 18 August 2014) that has enabled Kibaran to quickly advance to the Feasibility Study stage at its flagship asset.

The terms of reference for the Study will be based on a 15-year mine life, with an initial target production rate of 40,000 tonnes per annum of high quality, large flake greater than 75 micron (refer announcement dated 18 August 2014).

Outcomes from the Study will include:

- Conversion of current JORC Mineral Resource estimate to a Reserves category
- Mine design, pit optimisation and production scheduling
- Process plant design and associated infrastructure studies
- Updated capital and operating cost estimates to an accuracy level of +/- 10% to 15% on capital and +/- 10% on operating costs
- Conclusion of additional marketing and concentrate off-take agreements
- Financial analysis and modelling.
- Evaluation of mine and plant expansion capabilities to increase tonnage throughput
- Completion of a bankable feasibility document

Key target completion dates:

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|--------------------------------|--------------------|
| • Mining Licence Application | March Quarter 2015 |
| • Feasibility Study Completion | June Quarter 2015 |
| • Detailed Engineering | June Quarter 2015 |
| • Financing | Mid 2015 |

Kibaran will release anticipated construction and production commencement dates during the course of the Feasibility Study when lead times on major capital items have been refined.

FEASIBILITY STUDY TEAM

Leading industry consultants with expertise and experience in the resources sector in Tanzania will support GRES. All consultants have signed a binding, exclusive agreement for services to Kibaran in terms of graphite projects within Tanzania.

ENGINEERING AND METALLURGY

GR Engineering Services

- Study management, engineering and procurement activities to produce estimates of all related project capital and operating costs

Knight Piesold (Perth)

- Engineering work on hydrology, Tailings Storage Facility design, water management, access road design and site geomechanics

Independent Metallurgical Operations Pty Ltd

- Independent metallurgical testwork and flowsheet review

GEOLOGY, MINING AND GEOTECHNICAL

CSA Global Pty Ltd

- Geological and Mineral Resource estimations

George Orr and Associates

- Determination of mine design and waste dump geotechnical parameters

Intermine Engineering Consultants

- Ore Reserve estimation, waste dump design and mine scheduling

ENVIRONMENTAL AND COMMUNITY

MTL Consulting

- Environmental Permit and ongoing environmental matters

Trinity Promotions Limited

- Community relations with all key stakeholders and monitoring corporate social investment projects

Kibaran Executive Director – Projects, Grant Pierce commented: “We are delighted with the calibre of personnel and technical expertise GRES has allocated to our project. In addition, the other companies involved in our feasibility study all have a proven track record in their field of expertise and sound experience working within Tanzania; it’s an exciting team and an exciting new phase for Kibaran”.

Kibaran Executive Director Andrew Spinks commented: “The diversity in backgrounds of our Board members will be a real asset in guiding the company through the feasibility process. All Directors’ have lived and worked for extended periods of time in Tanzania so we understand the working environment and have empathy with the country and its development. Our Board’s experience collectively spans from exploration, feasibility and permitting, to financing, development, construction, commissioning and operations so Kibaran is well positioned to expedite the Epanko development”.

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About Kibaran Resources Limited:

Kibaran Resources Limited (ASX: KNL or “Kibaran”) is an exploration company with highly prospective graphite and nickel projects located in Tanzania.

The Company’s primary focus is on its 100%-owned Epanko deposit, located within the Mahenge Graphite Project. Epanko currently has an Indicated and Inferred Mineral Resource Estimate of 22.7Mt, grading 9.8% TGC, for 2.223Mt of contained graphite, defined in accordance with the JORC Code. This initial estimate only covers 20% of the project area. Metallurgy has found Epanko graphite to be large flake and expandable in nature.

Kibaran also has rights to the Merelani-Arusha Graphite Project, located in the north-east of Tanzania. Merelani-Arusha is also considered to be highly prospective for commercial graphite.

Graphite is regarded as a critical material for future global industrial growth, destined for industrial and technology applications including nuclear reactors, lithium-ion battery manufacturing and a source of graphene.

In addition, the Kagera Nickel Project remains underexplored and is located along strike of the Kabanga nickel deposit, owned by Xstrata, which is considered to be the largest undeveloped, high grade nickel sulphide deposit in the world.



The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Spinks, who is a Member of The Australasian Institute of Mining and Metallurgy included in a list promulgated by the ASX from time to time. Andrew Spinks is a director of Kibaran Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Andrew Spinks consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr David Williams, who is a Member of The Australasian Institute of Mining and Metallurgy included in a list promulgated by the ASX from time to time. David Williams is employed by CSA Global Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. David Williams consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.