

## Completion of Independent Engineers Report

Kibaran Resources Limited (ASX: KNL) is pleased to provide an update on progress of the senior debt financing for its Epanko Graphite Project located in Tanzania.

Kibaran advises that SRK, appointed as the Independent Engineers for technical due diligence by KfW IPEX-Bank have now completed their review, as part of KfW IPEX-Bank's senior debt financing due diligence on the Epanko Graphite Project.

Kibaran is the first ASX listed company to undergo banker's due diligence for a graphite project in Africa. Whilst the IER has identified a number of recommendations, the Company in conjunction with SRK has developed a detailed action plan to address these and SRK has now submitted its Final IER to KfW IPEX-Bank. The IER is the key aspect of KfW IPEX-Bank's rigorous due diligence in terms of the approval process for up to a US\$40 million senior debt facility for the development of Epanko.

The IER focused on the Epanko Bankable Feasibility Study and the associated financial model. It involved detailed analysis of the BFS including the geology, mining, metallurgy, process test work, pilot plant work, capital and operating costs, pricing and the financial model. The review also assessed all project-related risks and included a site visit to Epanko at the end of January.

The IER is to be forwarded to Nedbank, Africa's largest investment bank which indicated interest in providing senior project debt financing of up to US\$30m (refer announcement dated 20 January 2016) alongside KfW IPEX-Bank.

With the IER in conjunction with the action plan confirming the bankable status of the Epanko Feasibility Study prepared by GR Engineering, KfW IPEX-Bank is now reviewing the IER as part of their preparation for the submission of the UFK Guarantee application.

**Kibaran Chairman, Mr Bob Pett commented:**

*"The completion of the IER paves the way to securing the senior debt financing, led by KfW IPEX-Bank a German leading specialist financier with a top rating of AA+ (S&P) and A2 (Moody's) and with the support of NedBank, Africa's largest investment bank. We are gratified with the calibre of this banking syndicate and is in accord with our strategy of securing blue chip off-take and financing partners for the Epanko Project."*

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