

Kibaran Advances Debt Approval Process with Completion of Key Resettlement Work

Key Points

- **Comprehensive Resettlement Policy Framework completed to IFC Equator Principles**
- **Comprehensive Stakeholder Engagement Plan completed to IFC Equator Principles**
- **A major milestone and key documentation for Debt Financing**
- **Documents lodged on Company website for Public Disclosure Compliance**

Kibaran Resources (ASX: KNL) is pleased to announce it has completed the Resettlement Policy Framework (RPF) and Stakeholder Engagement Plan (SEP) for the Epanko Graphite Project, both of which are part of the requirements for debt financing by German KfW IPEX-Bank and African lender Nedbank.

This work has been completed to the highest of standards to meet Equator Principles and the IFC Environmental and Social Performance Standards and as key documentation in the debt approval process represents a major milestone for the Company.

The RPF is significantly more detailed and comprehensive than what is required for an RPF, due to the advanced stage the Company has reached with its Relocation Action Plan. These documents form a major part of the final Relocation Action Plan (RAP) for the project, involved 8 months of intensive work and have included:

- Identification of project affected persons including socio economic surveys
- Surveys of land and assets
- Preliminary valuation of land and assets
- Identification and assessment of resettlement areas
- Consultation and engagement with affected persons via a Resettlement Working Group

The RPF and SEP documents have been supplied to the lenders. These documents can be accessed on the Company's website as part of the public disclosure requirements of the Equator Principles and the IFC Environmental & Social Performance Standards:

<http://www.kibaranresources.com.au/tanzgraphite/social-and-environmental/>

During the disclosure period Kibaran will be focused on completing the RAP. Kibaran engaged the services of UK firm Zyl Consulting Ltd (Zyl) to manage the RAP process. As demonstrated by the thoroughness of the RPF, the RAP is well advanced and nearing completion.

The Equator Principles are recognised as the global standard for assessing and managing environmental and social risks for projects domiciled in emerging markets. The guidelines of the Equator Principles have been adopted by leading financial institutions worldwide and compliance is a pre-requisite by all development banks and other leading international financial institutions for project financing.

The finalisation of these reports mark a significant milestone in the due diligence process of our funding partners KfW IPEX-Bank and Nedbank. Kibaran looks forward to keeping the market updated as the process is completed.

Kibaran's Managing Director Andrew Spinks stated "The publication of the RPF today not only marks a milestone in the project financing due diligence process with our funding partners, it demonstrates Kibaran's commitment to environmental and social stewardship over the Epanko project area. The Kibaran Board and management team have an established track record of developing resource projects in Tanzania to the highest level of environmental and social standards and the team looks forward to delivering the Epanko project to generate value to shareholders and our host country stakeholders."

Project Status

Completion of the RFP marks another milestone in the development of Epanko and follows a series of key agreements and successful test results. These include a binding offtake agreement with leading Japanese commodities trader Sojitz Corporation, which will provide Epanko graphite to major lithium-ion battery manufacturers.

Extensive tests have established that Epanko graphite is ideal for use on lithium-ion batteries, giving Kibaran strong exposure to this booming industry.

In light of the strong interest in Epanko graphite, Kibaran is also in the process of finalising a study on expanding Epanko's capacity from 40,000 tonnes a year to 60,000tpa.

This is in addition to the Feasibility Study underway on downstream processing of Epanko graphite to produce lithium-ion battery-grade graphite.



Members of the Resettlement Working Group (September 2016)

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