

24 December 2012

Company Announcements Office
Australian Securities Exchange
Level 6, 20 Bridge Street
SYDNEY NSW 2000

Via E Lodgement

**\$4 million to be drawn down under debt funding and long term off-take agreement
with Noble Group to fully fund first mine into production at Mansa**

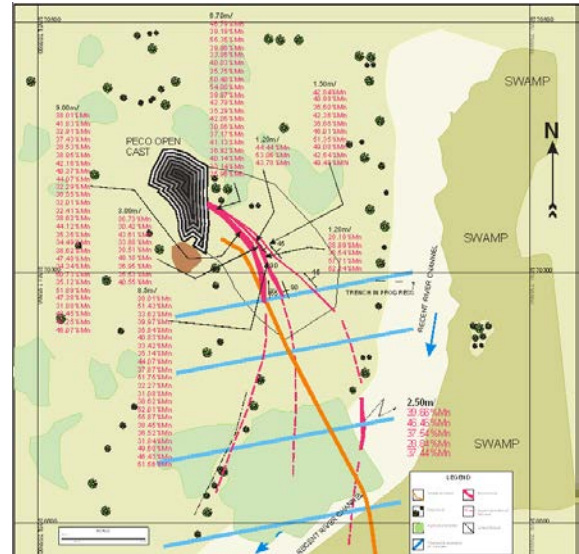
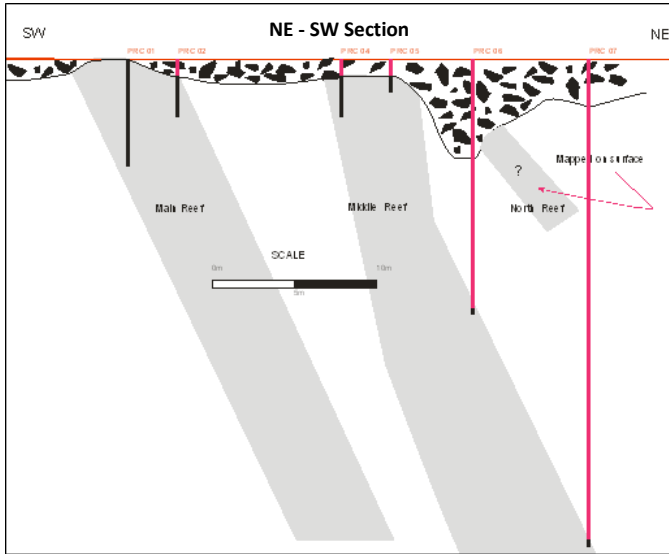
- **\$4 million to be advanced by the Noble Group under the \$10m Secured Prepayment Debt Facility and Manganese Ore Off-take Agreement**
- **Kaboko will then be fully funded into high grade manganese production at its proposed first open cast mine at Mansa in Northern Zambia**
- **Preliminary mine plans completed at the Company's Northern Zambian Project with initial planned run-of-mine production of 2,500 – 5,000 tonnes per month ramping up to 10,000 tonnes per month in 2013**
- **Company secures land in the Serenje region on the TAZARA rail line for its planned transportation of bulk or bagged high grade manganese ore with negotiations on rail access ongoing**
- **Scheduled first delivery into the Manganese Ore Off-take Agreement in Q2 2013**
- **Strengthening of Board with appointment of CEO and Noble Group representative**

Zambian focused manganese company Kaboko Mining Limited (ASX: KAB) (**Kaboko** or the **Company**) is pleased to announce that it will draw a further \$4 million under Tranche A of the \$10 million Prepayment Debt Facility (**Prepayment Facility**) and long term manganese ore Manganese Off-take Agreement (**Offtake Agreement**) with Noble Resources International Pte. Ltd. (novated from Noble Resources Limited) (**Noble**), a wholly owned subsidiary of Noble Group Limited, (collectively the **Transaction**). This further draw down is subject to confirmation of licensing conditions in relation to the Northern Manganese Project at Mansa which Kaboko expects will be satisfied on or before 7 January 2013.

The \$4 million to be drawn under the Transaction now provides the Company with all the forecast funding necessary to complete the mine development and associated plant and equipment purchases at its Northern Manganese Project at Mansa and commence deliveries of high grade manganese ore to Noble. Deeds of Amendment have been executed in respect of the Prepayment Facility and the Offtake Agreement, and further details of these Deeds of Amendment are outlined in the appendix attached.

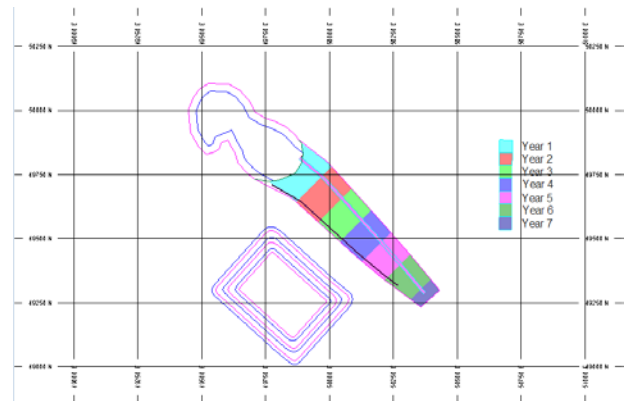
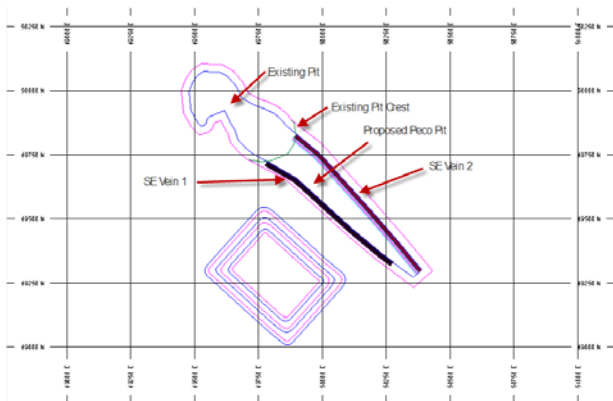
Northern Manganese Project

Kaboko is progressing the development of its Mansa, Northern Zambian Project. Exploration work completed to date has identified high grade manganese mineralisation in veins typically in excess of 4m wide and strike lengths of over 400m. Trenching undertaken has also shown that the reef is open-ended towards the NW and SE.



Mansa, Northern Zambian Manganese Project: Cross Section of Mineralisation Zone

The Company is in the process of mobilising equipment and additional personnel to site as well as a simple crushing system and processing plant being designed for installation in Q1 2013. The proposed advance from Noble will provide the Company with funding to reach a run of mine of initially 2,500 – 5,000 tonnes per month in Q2 2013 and ramping up to 10,000 tonnes per month by year end. The Company has through its subsidiary Impondo Zambia secured land in the Serenje region on the TAZARA rail line and is currently negotiating participation in the TAZARA rail line. Impondo Zambia concluded discussions with Mofed Tanzania Limited, a Zambian government owned logistics service provider situated in Dar es Salaam, that will enable Kaboko to utilize available rail and export facilities.



Mansa, Northern Zambian Manganese Project: Mine Plan

Board Restructure

The Company welcomes the appointment of Mr Tokkas Van Heerden as Executive Director and CEO of Kaboko. Mr Van Heerden has been instrumental in the introduction of the Zambian manganese projects to Kaboko and in country management of these projects as the operating manager for Kaboko. Impondo South Africa, a consulting firm owned by Mr Van Heerden, provides key operational and personnel support services in country to Kaboko and its subsidiaries. Mr Van Heerden is actively involved in developing mining rights throughout Africa and has extensive mining experience in South Africa, DRC, Mozambique, Zambia, Namibia and Zimbabwe. The Company also advises that Mr Jason Brewer has resigned as a director of the board due to other business commitments and the Company thanks Mr Brewer for his contribution to the Company during its development phase.

In addition, the Company welcomes the appointment of Papi Molotsane as the first of the two proposed Noble representatives to the Board of the Company. Noble intends to nominate a further representative in early 2013.

Leapeetswe (Papi) Molotsane is the CEO of Africa Commodities Group, a joint venture company between the Noble Group and Altius Investment Holdings, which is a domestically owned South African company with investments in trading, water treatment and technology companies. Papi has held senior executive positions in a diversified range of businesses embracing logistics and transport, telecommunications and manufacturing, amongst others.

For and on behalf of the Board



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About Kaboko Mining Limited

Kaboko Mining Limited (ASX:KAB) is an ASX listed exploration, development and mining company primarily focused on establishing itself as a major producer and exporter of high grade manganese ore from its portfolio of assets in Zambia. Kaboko currently holds majority interests in 5 large scale prospecting licenses and 3 small scale mining licenses covering over 2,700km² in established and highly prospective manganese mining regions in Zambia. The Company is focused on resource definition drilling and exploration across its large license holdings and establishing long-term sustainable production of a high grade and high quality manganese ore from its Emmanuel, Kanona and Mansa, Northern Zambian Projects. In 2012 the Company has concluded strategic off-take and funding agreements with Sinosteel Australia Limited and Noble Resources Limited that are proposed to be used to complete further exploration and to advance its projects towards full-scale commercial production.

Forward Looking Statement

Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the manganese market, expectations regarding manganese ore prices, production, cash costs and other operating results growth prospects and the outlook of Kaboko's operations including the likely commencement of commercial operations of the Emmanuel, Kanona and Mansa, Northern Zambian Projects, its liquidity and the capital resources and expenditure, contain or comprise certain forward-looking statements regarding the Company's development and exploration operations economic performance and financial condition. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in manganese ore prices and exchange rates and business and operational risk management. For a discussion of such factors refer to the Company's most recent annual report and half year report. The Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

Appendix 1: Terms of Noble Funding Transaction

The Company and Noble have executed further Deeds of Amendment to amend the Transaction as follows:

- Offtake is for 180,000 DMT of manganese ore production per annum from the Zambian Manganese Projects over the life of the project mines;
- Interest rate under the Prepayment Facility is 9.5%;
- The date for satisfaction of any outstanding conditions to the Transaction is 31 March 2013;
- Noble entitled to appoint two representatives to the board of directors of the Company;
- Noble has first right of participation in any future issue of equity securities, subject to receipt of all necessary approvals;
- Vary the exercise price of the warrants to be issued pursuant to the Prepayment Facility so that the warrants to be issued have an exercise price A\$0.012 per warrant.

The second tranche of \$5.5 million pursuant to the Transaction is still available to be drawn down in the period commencing on the date upon which the first five consecutive quarters of production have been successfully delivered by the Company to Noble in accordance with the offtake agreement.