

Tanzanian Graphite Projects Update

- Layne Drilling engaged for Epanko drilling, scheduled to commence in early March 2014
- Aim to upgrade existing JORC Inferred Mineral Resource estimate at Epanko to Indicated/Measured classification will provide Kibaran the basis for a feasibility study
- Directors and engineers on transit to assess graphite processing plant at Merelani

Kibaran Resources Limited (ASX: KNL, “Kibaran” or the “Company”) is pleased to provide an update on progress at its flagship Mahenge Graphite Project and its Merelani-Arusha Graphite Project, both located in Tanzania.

MAHENGE GRAPHITE PROJECT

Following the recent successful share placement and raising, the Company’s priority at the Mahenge Project is to recommence drilling at the Epanko deposit, with the aim of upgrading the existing Inferred Mineral Resource estimate of 14.9Mt at 10.5% TGC (total graphitic carbon) for 1,560,000t of contained graphite to a higher JORC classification (refer to ASX announcement dated 22 May 2013).

Successfully upgrading the Inferred Resource to an Indicated/Measured classification will allow the Company to report its 2013 Scoping Study findings and commence work on a feasibility study which will progress the project to a development decision. The Company has engaged Layne Drilling, and has commenced planning and pad clearing with a view to commencing drilling at the beginning of March 2014.

Drilling will focus on two areas: along strike of the eastern zone drill holes – where shallow, thick, robust zones of high graphite mineralisation were identified – and within the western zone between existing drilling and where the Company reported its best trench result measuring 117m at 10.0% TGC (refer to ASX announcement dated 13 May 2013).

Planned drilling will focus on the shallow oxidised material to a depth of between 50 and 100 metres.

MERELANI-ARUSHA GRAPHITE PROJECT

In parallel with the Epanko drilling program, the Company is visiting the historical Merelani Graphite Mine and processing plant this week with the aim of assessing the viability of recommencing graphite production. This follows the recent signing of a Memorandum of Understanding with Richland Resources Limited for the Merelani assets (refer to ASX announcement dated 5 February 2014).

The study team will include Kibaran Non-Executive Director Mr John Park and engineers from MDM Engineering, who designed, built and operated the 15,000 tpa Merelani graphite plant in 1995.

About Kibaran Resources Limited:

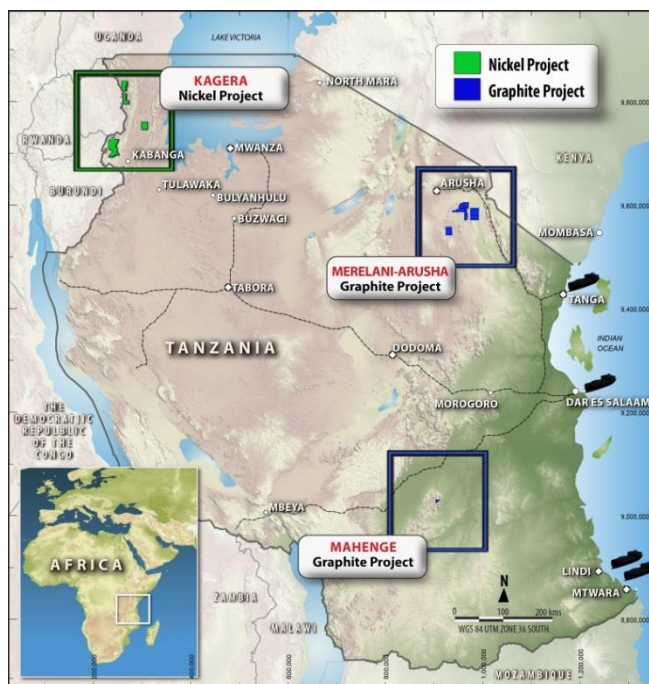
Kibaran Resources Limited (ASX: KNL or “Kibaran”) is an exploration company with highly prospective graphite and nickel projects located in Tanzania.

The Company’s primary focus is on its 100%-owned Epanko deposit, located within the Mahenge Graphite Project. Epanko currently has an Inferred Mineral Resource Estimate of 14.9Mt, grading 10.5% TGC, for 1.56Mt 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.



For further information, please contact:

Investor Relations

Tina Wing Kee
Mercury Consulting
P: +61 2 8256 3326
E: tina.wingkee@mercuryconsulting.com.au

Company Secretary

Robert Hodby
Kibaran Resources
P: + 61 8 6380 1003

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 2004 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.