

HIGHLIGHTS

- Completion of reverse circulation (RC) drilling at the Mahenge Graphite Project with a total of 27 RC holes for 3,667m.
- Significant RC intersections at Epanko Prospect included: **53m at 10.4% total graphitic carbon (TGC) from 6m** and **21m at 10.0% TGC from surface**.
- Six diamond (HQ3) drill holes, totalling 675m, completed at Epanko and Ndololo Prospects. Assay results pending.
- Costean and trench sampling commenced – 10 trenches completed at Epanko Prospect, with **zones of graphite mineralisation up to 80m wide encountered**. Assay results pending.
- Geological work at Epanko confirmed continuity of high-grade graphite mineralisation.
- Exploration results across the Mahenge Project area have continued to support the potential for a significant graphite development.
- Graphite mineralisation remains open.
- Grant Pierce OAM appointed as a Non-Executive Director subsequent to end of quarter.

GRAPHITE PROJECTS



Figure 1: Location of Projects

Kibaran Resources Limited (ASX: KNL) is focused on becoming a significant graphite producer from its Mahenge and Merelani-Arusha graphite projects in Tanzania (see figure 1).

Combined, the projects cover 1,308km² of land in an area that has favourable geological settings for commercial graphite mineralisation and also hosts previously known graphite occurrences.

During the December quarter, Kibaran continued to make solid headway into its extensive geological work programs. Exploration results received to date have provided strong evidence that both projects contain significant graphite occurrences.

MAHENGE GRAPHITE PROJECT (Option to purchase 100%)

The Mahenge Graphite Project is located 245km south-west of Morogoro, Tanzania, and contains two tenements over an area of 325.5km². The project hosts three target graphite prospects – Ndololo, Epanko and Kasita.

RC Drilling

During the quarter, Kibaran completed its RC drilling program at Mahenge. A total of 27 RC holes were drilled, totalling 3,667m. The subsequent assay results confirmed the presence of high-grade graphite intersections.

Some notable intersections include:

- 53m @ 10.4% TGC from 6m;
- 21m @ 10.0% TGC from surface;
- 14m @ 10.2% TGC from 1m; 37m @ 7.2% TGC from 107m (within 189m @ 5.1% TGC from surface)
- 9m @ 10.0% TGC from 11m (within 156m at 4.8% TGC from 3m);
- 17m @ 7.3% TGC from 81m; 8m @ 11.6% TGC from 103m (within 144m @ 5.1%TGC from 39m);
- 33m @ 8.0%TGC from 135m (within 164m @ 5.1% TGC from 61m).

[Full results are outlined in Table 2]

The consistency of high-grade assay results confirms the continuity and extent of high-grade graphite mineralisation in the Mahenge project area (refer figure 1 and 2).

The mineralisation remains open in all directions.

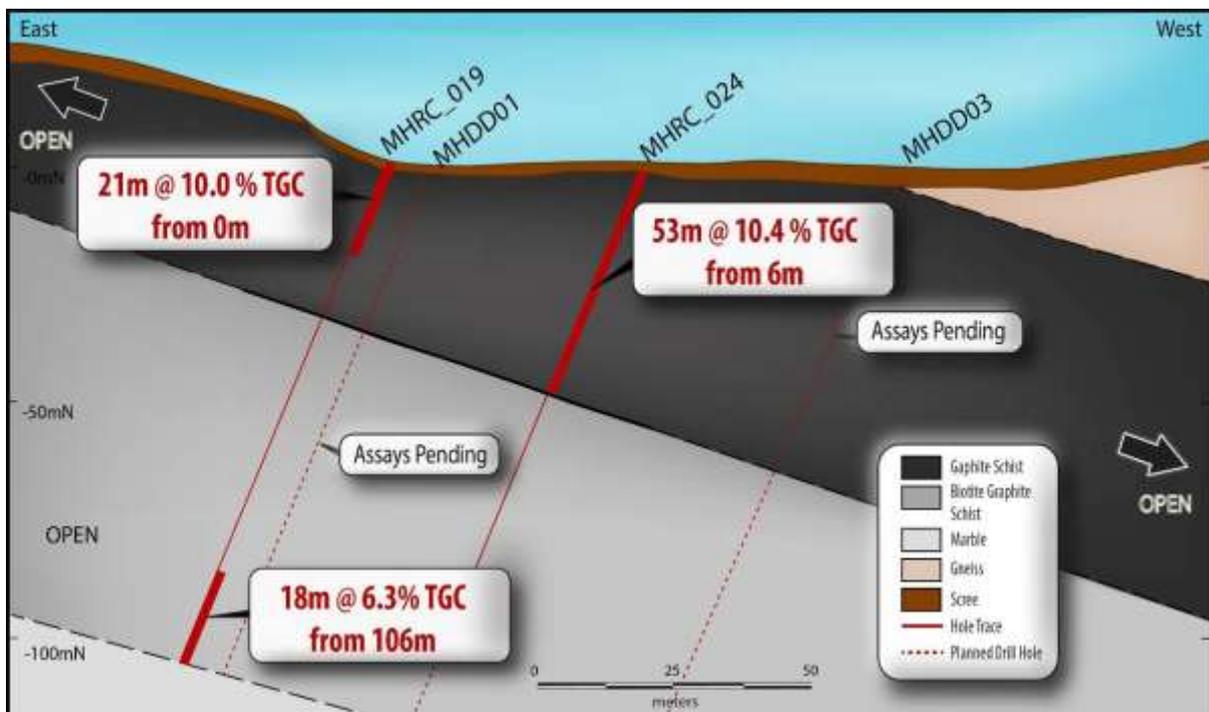


Figure 2: Drill hole locations for the Mahenge Graphite Prospect

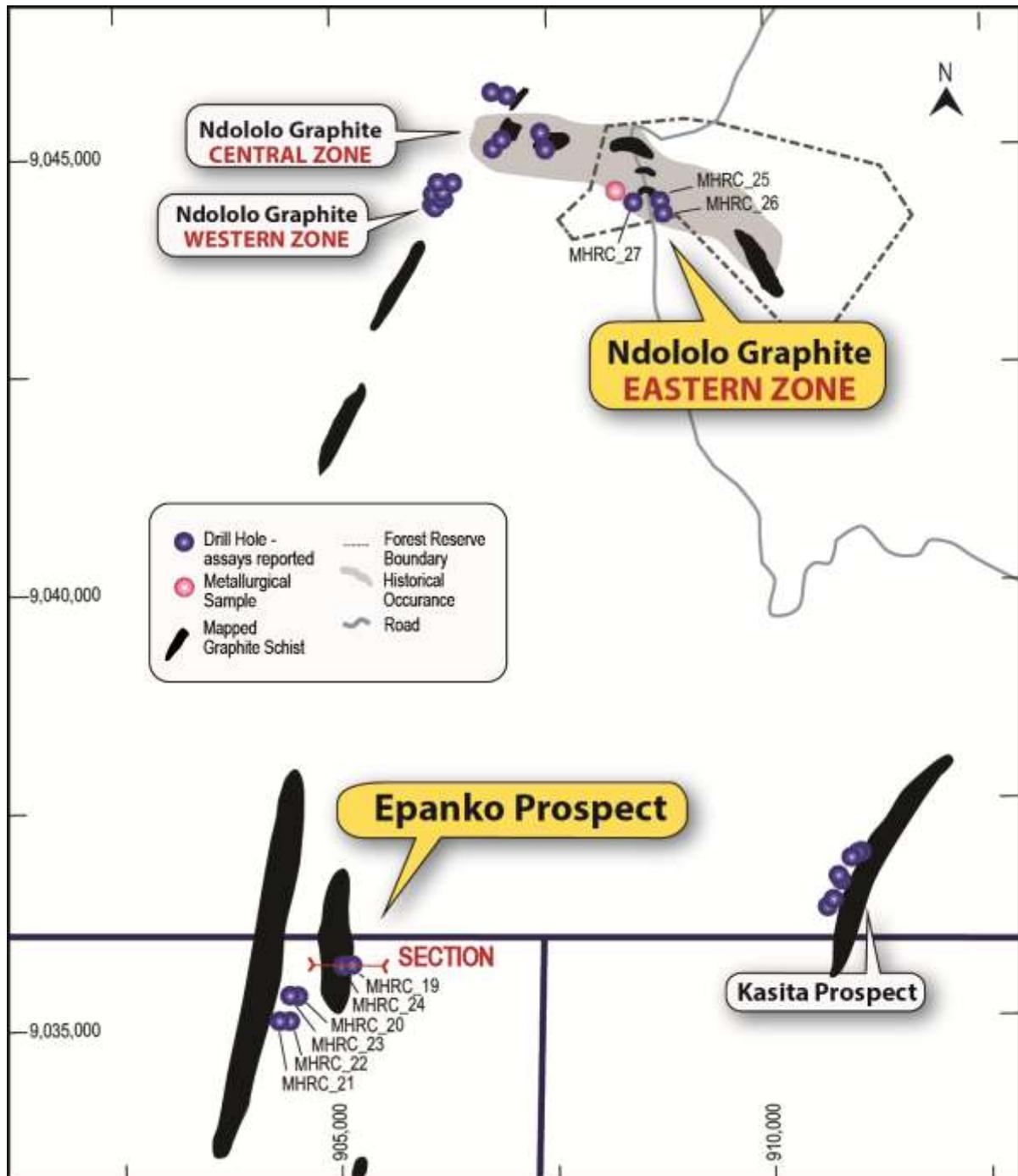


Figure 3: Mahenge Graphite Project.

Diamond drilling

Six diamond (HQ3) drill holes, for a total of 675m, were completed during the quarter – three at the Epanko Prospect and three at the Ndololo Prospect. The three at Epanko all intersected graphite mineralisation and assay results for these remain pending. The HQ3 diamond drill holes will be the basis for further metallurgical test work and an initial resource estimation.



Figure 4: Diamond drill hole MHDD001 showing graphite mineralisation



Figure 5: Diamond drill hole MHDD001 showing graphite mineralisation



Figure 6: Diamond drill hole MHDD001 showing graphite mineralisation and footwall marble contact at end of the hole at 121.1m

Costean and trench sampling

During the December quarter, a total of 10 trenches were completed at both the Ndololo and Epanko Prospects.

At the Epanko Prospect, trenches have encountered graphite mineralisation up to widths of 80m. Assays remain pending.



Figure 7: Locals digging trenches. Sample shows graphite mineralisation

MERELANI-ARUSHA GRAPHITE PROJECT

The Merelani-Arusha Graphite Project consists of seven tenements and covers 973.4 km² in an area 55km south-east of Arusha, Tanzania (see Figure 8). Like Mahenge, the project area is located in geological settings that are known to be favourable for graphite mineralisation.

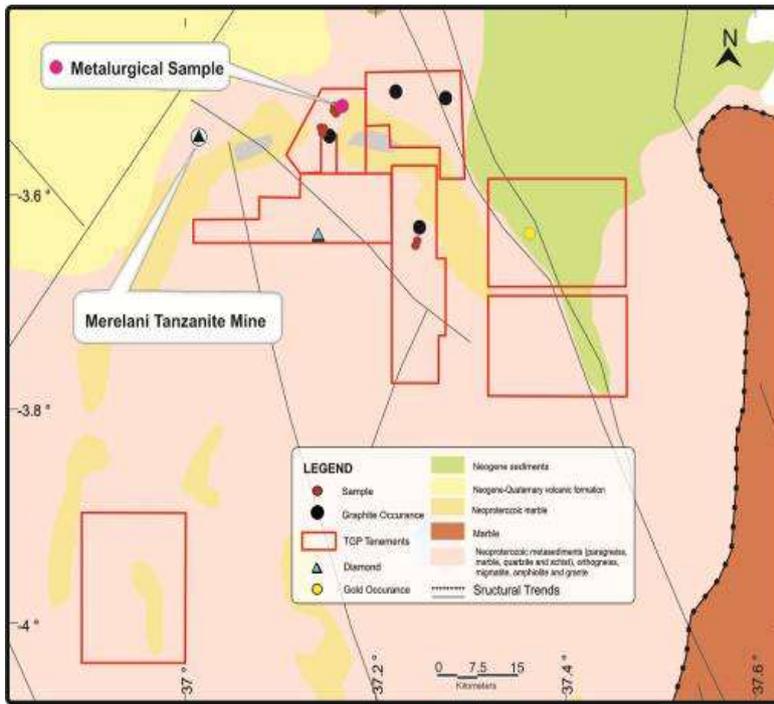


Figure 8: Merelani-Arusha Project

As previously reported (see Table 1), initial rock chip sampling results have indicated the presence of high-grade, large flake graphite mineralisation. These results compare favourably to other graphite occurrences in East Africa.

Table 1: Graphite Analysis for Rock Chip Samples, Merelani-Arusha Project

Min	Max	Average
(% TGC)	(% TGC)	(% TGC)
2.1	25.5	8.1

Further exploration is now planned to test and define this graphite potential – EM surveys and drill hole locations have been identified for near future exploration activity.

East Africa – Geological setting

Based on a geological review, the largest and highest quality flake graphite deposits predominantly occur within metasediments. Particularly in those containing dolomitic units in high-grade metamorphic terranes (refer figure 9 and reference to Proterozoic Metamorphic Belt). The Mozambique belt, extending from north eastern Tanzania, down through Mozambique, contains these metasediments.

Graphite occurrences in Tanzania are known in the north, south-east and central areas of the country, as well as in north-east Mozambique:

- North: Merelani Tanzanite Mine
- South-east: Nachingwea
- Central: Mahenge region
- North-east Mozambique: Balama

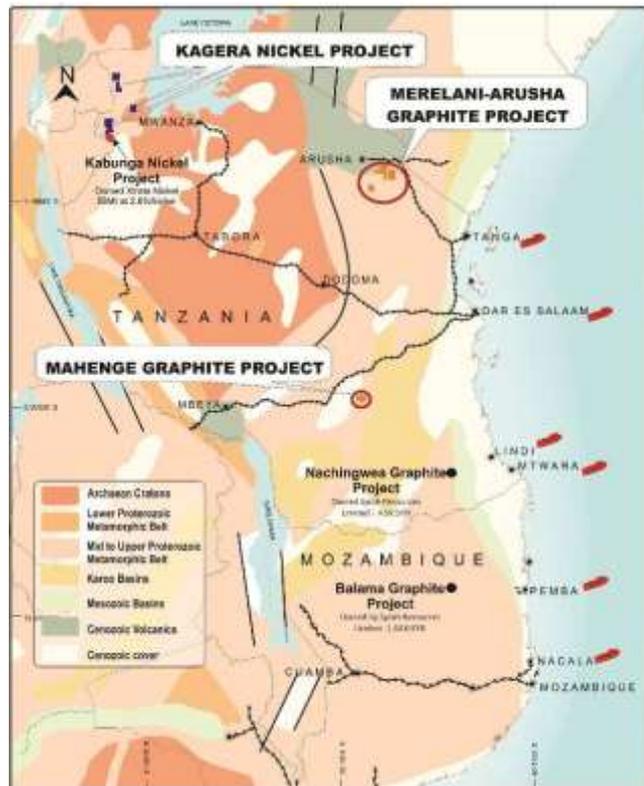


Figure 9: East Africa geological interpretation showing known graphite occurrences

(Geological map of the world reference: Bouysse Ph. 2000. Geological Map of the World, Old World sheet, CGMW/CCGM & BRGM)

KAGERA NICKEL PROJECT

The Kagera Nickel Project is located along the western border of Tanzania, covering an area of 864km². The key tenements are located approximately 10km north-east of the Kabanga Nickel Deposits. Operated by Xstrata Nickel and Barrick Gold, Kabanga is one of world's largest undeveloped high-grade nickel sulphide deposits and is currently undergoing Feasibility Studies.

During the quarter, Kibaran continued with a geological review and prospect targeting exercise as previously reported.

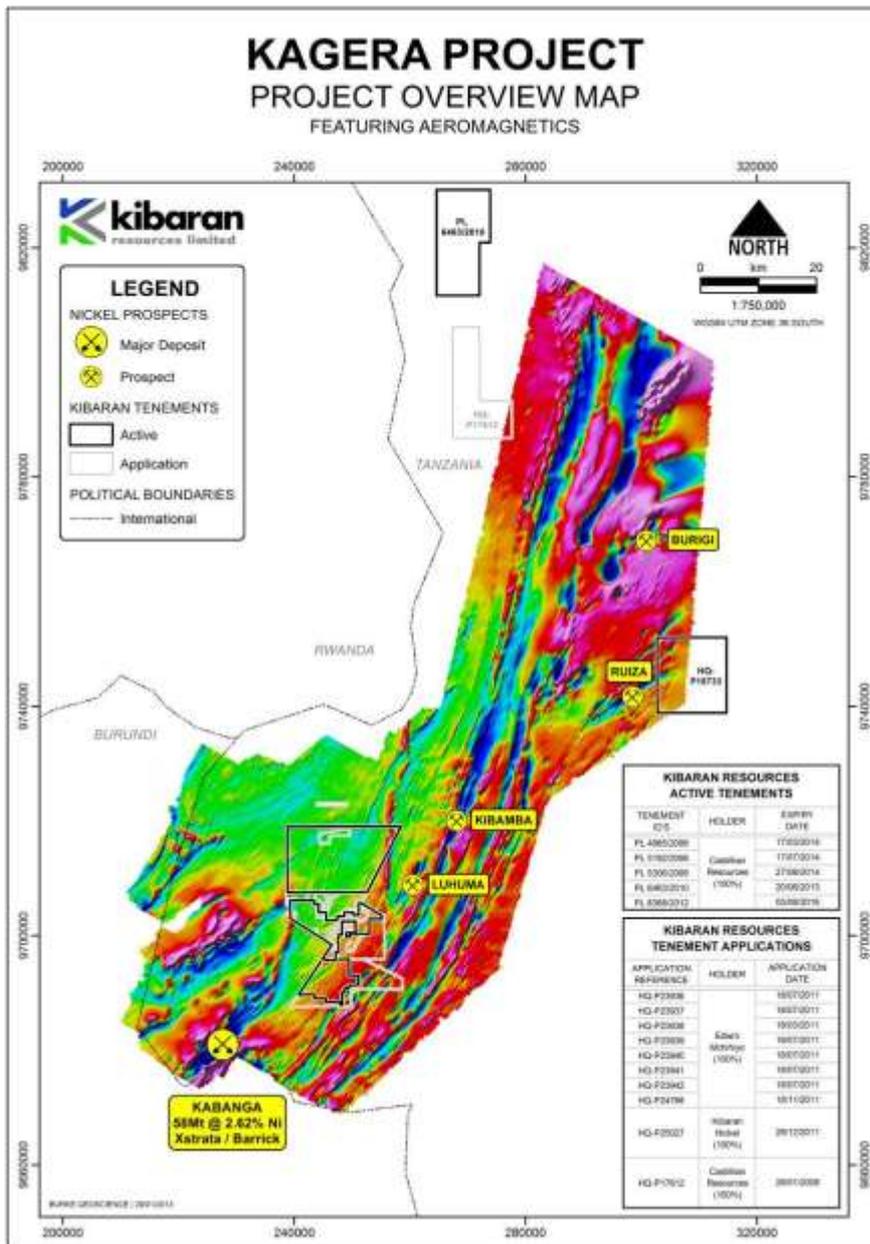


Figure 10: Location of Kagera nickel project

Table 2: Mahenge Project RC Intersection Summary

Hole_ID	N	E	Dip	Azi	Depth (m)	Graphite Mineralisation			
						From (m)	To (m)	Interval (m)	Grade (%TGC)
Ndolo Western									
MHRC_013	907130	9045420	-90	270	146	1	6	5	5.7
MHRC_014	907180	9045400	-90	340	143	8	11	3	2.1
Ndolo Central									
MHRC_015	906980	9044860	-90	80	212	9	10	2	2.0
MHRC_016	907050	9044900	-90	350	220	0	33	33	3.5
MHRC_017	907410	9044930	-60	320	155	0	18	18	3.4
MHRC_018	907450	9044850	-60	320	159	0	12	12	2.4
Epanko									
MHRC_019	905151	9035682	-60	90	200	0	54	54	6.4
<i>Includes</i>						0	21	21	10.0
						106	124	18	6.3
MHRC_020	904409	9035352	-60	270	183	39	183	144	5.1
<i>Includes</i>						81	98	17	7.3
<i>Includes</i>						103	111	8	11.6
MHRC_021	904338	9035049	-60	260	243	3	159	156	4.8
<i>Includes</i>						11	20	9	10.0
MHRC_022	904404	9035058	-60	260	189	1	15	14	10.2
						15	20	<i>Pending</i>	
						20	189	169	4.7
<i>Includes</i>						107	144	37	7.2
MHRC_023	904429	9035357	-60	270	225	0	26	26	4.1
						42	49	7	5.0
						52	57	5	3.9
						61	225	164	5.1
<i>Includes</i>						135	168	33	8.0
MHRC_024	905121	9035646	-60	90	117	6	59	53	10.4
<i>Includes</i>						8	52	44	11.7
Ndolo Eastern									
MHRC_025	908756	9044300	-90	340	70	5	38	33	5.8
<i>Includes</i>						7	20	13	10.8
MHRC_026	908760	9044296	-90	160	100	12	41	29	6.8
<i>Includes</i>						12	23	11	11.2
MHRC_027	908464	9044291	-60	55	150	12	16	4	3.4
						26	34	8	2.6
						39	47	8	3.8
						70	80	10	2.4

Notes for Table 2

All total graphite carbon (“TGC”) analysis undertaken by LECO at independent commercial laboratory SGS in Johannesburg, South Africa. RC Samples collected over 1 metre intervals using a industry standard 3 tier riffle splitter. Minimum intersection width 2 metres with internal waste of no more than 2 metres. Downhole lengths are reported, as true width is unknown. Azimuths are referenced to local grid. No top cut has been applied and intersection grade rounded to 1 decimal figure. Drill hole coordinates referenced to local grid WGS84 UTM36S. Intersections reported are greater than 1% TGC.

CORPORATE

Appointment of Non-Executive Director

Shortly after December quarter end, Kibaran announced the appointment of Grant Pierce OAM as a non-executive director of the Company.

Grant is a mining engineer with over 25 years of experience in both open-pit and underground mining operations. He brings to the Company extensive management experience and knowledge of the Tanzanian mining industry having, over the course of his career, worked several senior management roles with mining / exploration companies operating in Africa.

Most recently, Grant held the position of Country Manager for Montero Mining and Exploration Ltd.'s Tanzanian operations. Among other responsibilities, a key focus of this role was to develop the Environmental and Social Impact Assessment as a prerequisite for a Mining Licence application. The project with which he executed this for is located in the same Tanzanian region as the Kibaran Mahenge Graphite Project.

Other previous roles include:

- Perseus Mining Ltd: General Manager of Operations in Ghana – where he was responsible for bringing the new Edikan Gold mine to the first gold pour;
- Resolute Mining Ltd: Operations Manager for the Golden Pride Project – the first major gold mine in Tanzania;
- Barrick Gold Corporation in Tanzania: Executive General Manager;
- Africo Resources Ltd: Country Manager in the Democratic Republic of Congo;

Grant holds a Bachelor of Engineering (Mining) degree from the Ballarat College of Advanced Education and a Diploma of Engineering in Mining Engineering from the Royal Melbourne Institute of Technology. He was also awarded an Order of Australia Medal in 2003.

ABOUT KIBARAN RESOURCES LIMITED

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

The Company recently acquired the rights to the Mahenge and Merelani-Arusha Projects which are 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.



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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 consultant of Tanzgraphite 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 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.