

SHARE PLACEMENT RAISES \$3 MILLION

Kibaran Resources Limited (ASX: KNL) is pleased to announce that it has placed 8.745 million ordinary shares with institutional and sophisticated investors at an issue price of \$0.35 per share to raise \$3.1 million.

The placement was managed by Taylor Collison Limited and was oversubscribed. The Directors of the company are pleased with the strong demand for the placement, given the difficult equity market conditions and challenging environment to raise funds for junior explorers.

The funds will enable the Company to advance the planned exploration and development of its graphite projects located in Tanzania. The potential upside is considered significant given the achievements of the Company over the past few months at the Ndololo graphite prospect which include;

- RC drilling that has intersected significant down-hole lengths of graphite mineralisation;
- Preliminary test results that indicate the recovery of high grade and large flake graphite through a simple milling and flotation circuit. Early indications suggest that exceptionally large flakes can be recovered;
- Further detailed mapping that has identified additional significant occurrences of outcropping graphite; and
- Strengthening the Board with the appointment of Mr John Park as a Non Executive Director.

The placement is critical to continue the development program and will provide the necessary funding for the planned economic studies at Ndololo during 2013. The planned activities this year include;

- Continuing the RC drilling program;
- Bringing forward the proposed diamond drilling program;
- Progressing metallurgical test work to optimise the size fraction and concentrate grade with a view to targeting the highest value end markets for graphite; and
- Continuing to assess the nickel properties.

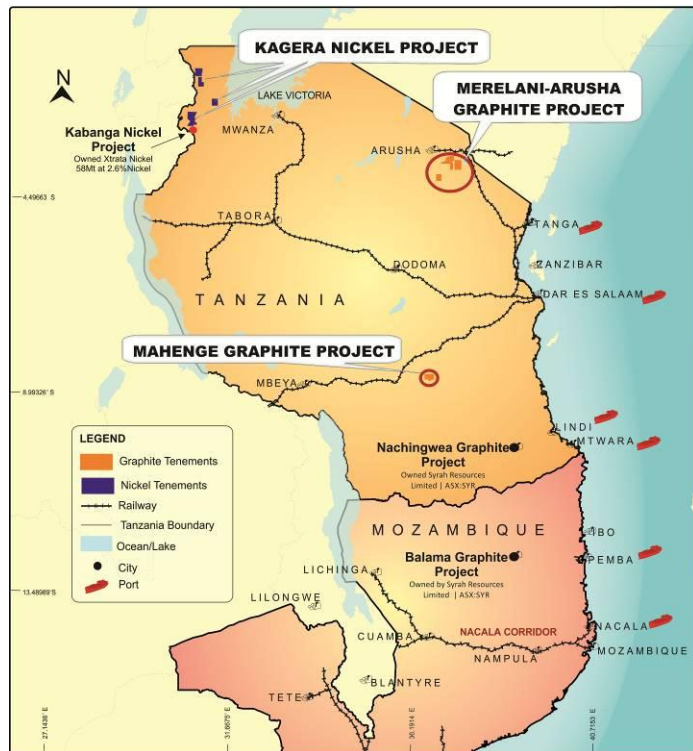
Initial assay results are expected at the end of this month with RC drilling ongoing at the company's Ndololo graphite prospect.

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.