

ENCOURAGING INITIAL ASSAY RESULTS FROM EPANKO PROSPECT

HIGHLIGHTS

- High grade mineralisation zone from surface of 21m at 10.0% Total Graphitic Carbon ("TGC") within 54m at 6.4% TGC at the Epanko Prospect, Mahenge Graphite Project.
- Initial RC drilling programme completed.
- Commencement of diamond drilling imminent at Ndololo Central.

Kibaran Resources Limited (ASX: KNL) is pleased to report assay results from the first hole (MHRC019) at its Epanko Prospect of the Mahenge Graphite Project, Tanzania. The results confirm the occurrence of high grade graphite.

Assay results for a further five holes at Epanko are pending (refer Figure 1). Table 1 summarises the intersection of the first hole.

Table 1: Intersection Table for MHRC019

Hole_ID	N	E	Dip	Azi	Depth (m)	Graphite Mineralisation			
						From (m)	To (m)	Interval (m)	Grade (%TGC)
MHRC_019	905150	9035682	-60	90	200	0	54	54	6.4
<i>Includes</i>						0	21	21	10.0
						106	124	18	6.3

Notes for Table 1

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.

The initial reverse circulation (RC) drill programme is now completed with a total of 27 holes drilled across prospects within the Mahenge Graphite Project. Assays remain pending for holes from MHRC020 to MHRC024 drilled at Epanko Prospect and MHRC025 to MHRC027 drilled at Ndololo Eastern Prospect. Assay results also remain pending for Ndololo Central zone.

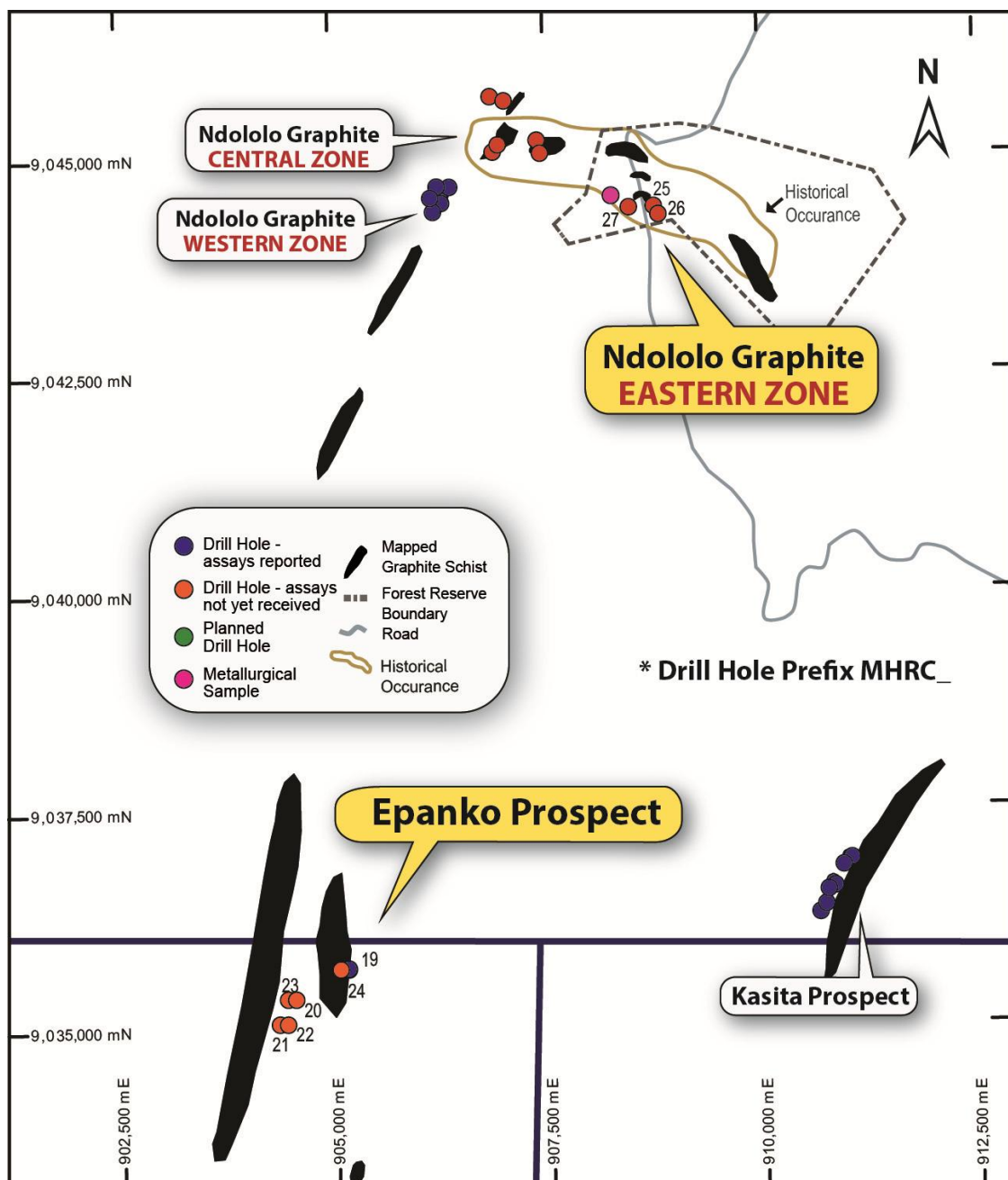


Figure 1: Drill hole locations for the Mahenge Graphite Prospect

Initial sampling of residue graphite not captured by drilling adjacent to the drill sites confirmed the loss of graphite through the process of RC drilling. Assay results of this residue material of 34.4% TGC and 42.2% TGC have been returned from drill hole sites MHRC020 and MHRC023. This material sampled represents a concentrated graphite grade and while it confirms the loss of graphite from the RC drill holes, it is not indicative of the expected assay results from these holes. Further work is being carried out.

A diamond drilling programme is planned to commence shortly at the Ndololo Eastern zone which contains the historical Ndololo graphite occurrence. This is the area where the Company has estimated a potential Exploration Target of between 3.5 million tonnes and 7

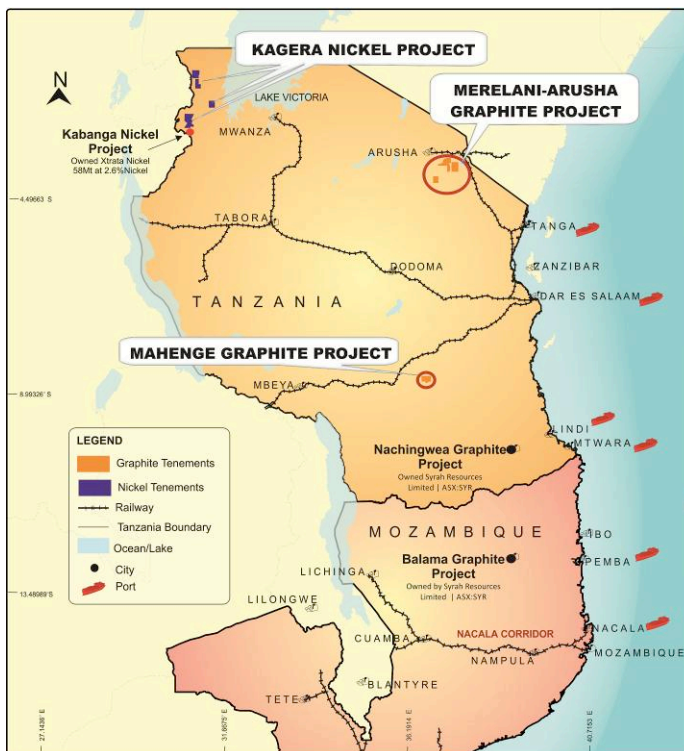
million tonnes of graphitic schist, grading between 10.0% and 15.5% graphitic carbon (refer to ASX Announcement dated 9 May 2012).

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.

For further information please contact:

Media & Investor Relations

Ron Cameron

Mercury Consulting

Telephone: +61 2 8256 3308

Email:

ron.cameron@mercuryconsulting.com.au

Company Secretary

Andrew Bursill

Telephone: + 61 2 9299 9690

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.