

29 May 2012

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

*Via E Lodgement*

**KABOKO TO EXERCISE OPTION TO INCREASE INTEREST IN CHOWA OPEN PIT**

Zambian focused manganese exploration and mining company Kaboko Mining Limited (**ASX:KAB**) ("**Kaboko**" or the "**Company**") is pleased to announce that it has elected to exercise its option to increase its interest in Impondo Zambia Mining Limited, a local subsidiary, ("**Impondo Zambia**") from 51% to 75%. Impondo Zambia holds the rights to the Chowa Open Pit Mine. The Chowa Open Pit is part of the Emmanuel Project, one of three manganese projects that the Company has in Zambia.

In October 2011, the Company acquired 100% of the share capital of African Asian Mining Development Ltd ("**AAMD**") which has a 51% interest, with an option to increase its interest to 75%, in several projects through mining and prospecting licenses held in Zambia ("**Zambian Manganese Projects**").

The Zambian Manganese Projects consist of 5 large scale prospecting licences and 3 small scale mining licences covering 2,480km<sup>2</sup> and including large areas known to be prospective for manganese and comprising the Emmanuel Project which includes the Chowa Open Pit Mine, the Peco Project, and the Kanona Project.

The Company through its shareholding in AAMD currently holds a 51% interest in Impondo Zambia Mining Limited ("**Impondo Zambia**") and has now elected to exercise its option to acquire a further 24% interest. Impondo Zambia holds the rights to the small scale mining licence at the Chowa Open Pit Mine, where high grade manganese ore has been mined, trial ore shipments completed and an off-take agreement executed with Sinosteel Australia Pty Ltd.

In consideration for exercising the option and the acquisition of the further interest in Impondo Zambia, the Company will, subject to shareholder approval, issue 24,000,000 fully paid ordinary shares in the capital of the Company to Andrew Chisembele or his nominees, being the local minority shareholder of Impondo Zambia. Mr Chisembele or his nominees are not related parties of the Company. Shareholder approval for the issuance of the shares will be sought at a General Meeting of Shareholders to be held in June 2012.

Yours faithfully



**JASON BREWER**  
Executive Director

For further information please contact:

**Investors/ shareholders**

Jason Brewer  
Executive Director  
T: +61 8 9488 5220

E: [info@kabokominig.com](mailto:info@kabokominig.com)  
W: [www.kabokominig.com](http://www.kabokominig.com)

**Media**

David Tasker  
Professional Public Relations  
T: +61 8 9388 0944