

7 September 2017

ASX ANNOUNCEMENT

Company Presentation

Kibaran Resources (ASX:KNL) is pleased to advise that Managing Director, Andrew Spinks presented at the Africa Down Under Conference yesterday in Perth, Western Australia.

The presentation “Developing a high-quality graphite project for the rapidly growing global battery market” has been appended to this announcement.

Further information, please contact:

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Developing a high-quality graphite project for the rapidly growing global battery market

Africa Down Under Presentation

ASX:KNL FSE:FMK

premium quality graphite **uniquely tanzanian**



DISCLAIMER

Securities Disclaimer

This presentation is for informational purposes only and does not constitute an offer to sell, or solicit to purchase, any securities. Such offer can be made only through proper subscription documentation and only to investors meeting strict suitability requirements. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

Forward looking Statements

Various statements in this presentation constitute statements relating to intentions, future acts and events. Such statements are generally classified as “forward looking statements” and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed herein. The company gives no assurances that the anticipated results, performance or achievements expressed or implied in these forward looking statements will be achieved.

Competent Person

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 2012 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.

The information in this report that relates to Mineral Resources is based on information compiled by Mr David Williams, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy. David Williams is employed by CSA Global Pty Ltd, an independent consulting company. Mr Williams 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 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. David Williams consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Ore Reserve has been compiled by Mr Steve O'Grady. Mr O'Grady, who is a Member of the Australasian Institute of Mining and Metallurgy, is a full time employee of Intermin Engineering and produced the Mining Reserve estimate based on data and geological information supplied by Mr Williams. Mr O'Grady has sufficient experience that is relevant to the estimation, assessment, evaluation and economic extraction of Ore Reserve that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves”. Mr O'Grady consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



OUR VISION

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“To become a major producer of high-value, premium quality large flake graphite in Tanzania as a long-term stable supplier of graphite for the high growth battery market”



TANZANIAN UPDATE - LATEST

MINING LEGISLATIVE CHANGES

- Regulations supporting recent legislative changes being drafted
- Minister for Minerals and Commission under President's office yet to be appointed
- Majority of the new provisions are not expected to impact Epanko given graphite is an industrial mineral product of 96% carbon that will be sold as a final product
- 3% royalty rate remains unchanged for graphite

RESETTLEMENT ACTION PLAN (RAP) COMPLETED

- Complies with Equator Principles and IFC standards
- Key project implementation plan for debt financing
- Relocation costs within BFS estimates



THE RIGHT TEAM TO ADVANCE EPANKO



Board and Management

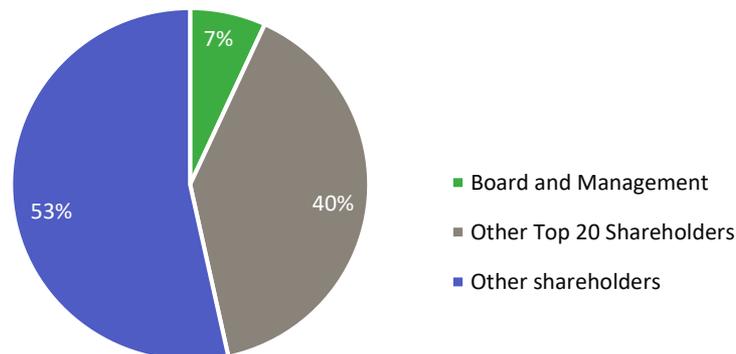
A strong mix of mining, commercial and graphite experience

Robert Pett (Non-Executive Chairman)	Minerals Economist with over 30 years' experience in developing resources and mines in Australia and Africa. Founding Chairman of Resolute Mining with a strong track record of board governance and leadership in listed companies.
Andrew Spinks (Managing Director)	Geologist with over 25 years' experience. Expertise in exploration, mining and management across a range of commodities and geographies. Former resident of Tanzania at the Golden Pride mine.
Grant Pierce OAM (Executive Director)	Mining engineer, over 25 years' experience, including development of African mines Tulawaka, Golden Pride and Edikan. Order of Australia Medal 2003 for social development in rural Tanzania.
Christoph Frey (Non-Executive Director)	German-based graphite industry professional with over 24 years' graphite experience in Russia, Europe, Africa and China. Direct experience in both traditional and evolving graphite markets including the production of spherical graphite.
John Condi (Non-Executive Director)	Member CPA with 20 years of experience acquiring, developing and managing publicly listed businesses. Significant experience in acquiring and developing technology companies.
Howard Rae (Chief Financial Officer)	Chartered Accountant with over 20 years' experience across the resources industry in Australia, Asia and Africa, focussing on business development and financing new mining operations.
Nick Katris (Company Secretary)	Chartered Accountant with over 10 years' accounting experience in mining industry.

Capital Structure (ASX:KNL, FSE:FMK)

Shares on Issue	243.2m
Share Price (6 September 2017)	\$0.16
Market Capitalisation	\$38.9m
Net Cash (30 June 2017)	\$2.1m
Unlisted Options – Various Expiries & Exercise Prices	8.1m
Top 20 Shareholders	47%

Supportive Shareholder Base



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OVERVIEW – THE CASE FOR KIBARAN

Epanko positioned for development

- Increased Bankable Feasibility Study (BFS) production case to 60ktpa to support new demand
- BFS conforms with international project financing standards, IFC and World Bank Guidelines
- RAP completed
- All key documents in place for debt financing program

Robust marketing strategy

- Offtake and sales agreements secured with blue-chip European and Japanese groups (ThyssenKrupp & Sojitz)
- Strategy matches the “reality” of prevailing graphite markets

Growth opportunities to enhance project returns

- Battery Grade Feasibility Study nearing completion
- Project economics do not include product sales into the high growth lithium-ion battery market



BFS KEY HIGHLIGHTS

- 50% increase in production to 60ktpa over an 18 year life of mine positions Kibaran to be a major baseload supplier of high value graphite products to traditional and emerging graphite markets
 - Low pre-production capital of US\$88.9m
 - C1 operating costs FOB Dar es Salaam of US\$500/t
- BFS delivers a high returning project:
 - Pre-tax NPV₁₀ of US\$211m, internal rate of return:38.9%
 - Annual EBITDA of US\$44.5m (A\$59.3m)
 - Economics do not include sales into the high-growth lithium-ion battery markets
- BFS signed off by bank appointed Independent Engineer ('SRK') after rigorous due diligence
- Project conforms with stringent IFC and World Bank Social, Environmental and Safety Standards

BFS financials to be updated once Regulations are released



FUNDING STRATEGY

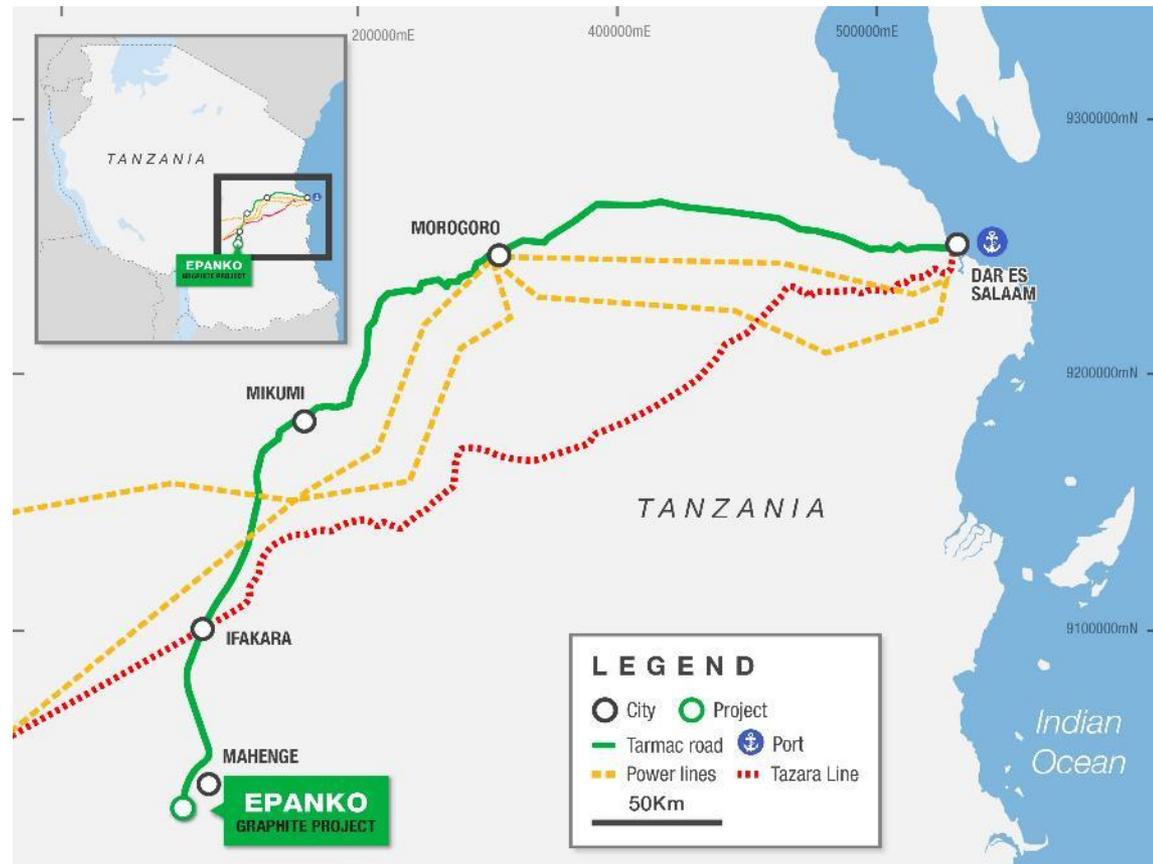
- Completed BFS is a key catalyst for lenders, with bank financing demanding the highest technical, social and environmental standards
- Recently finalised RAP establishes critical project implementation plans and is a pre-requisite for lender credit approval processes
- Debt discussions continuing with KfW, Nedbank, EFIC and commenced with the Tanzanian Government regarding the implementation of the new mining legislation
- Next steps:
 - establish Tanzanian regulatory framework for the Epanko development
 - finalise proposed construction arrangements
 - prepare submission for the untied loan guarantee ('UFG') from the German Government for the supply of graphite to Kibaran's German customers
- In parallel with debt program, progressing discussions with strategic equity investors, including sales partners, industry participants and private equity groups

SUPPORTED BY EXISTING INFRASTRUCTURE



Established Regional Infrastructure

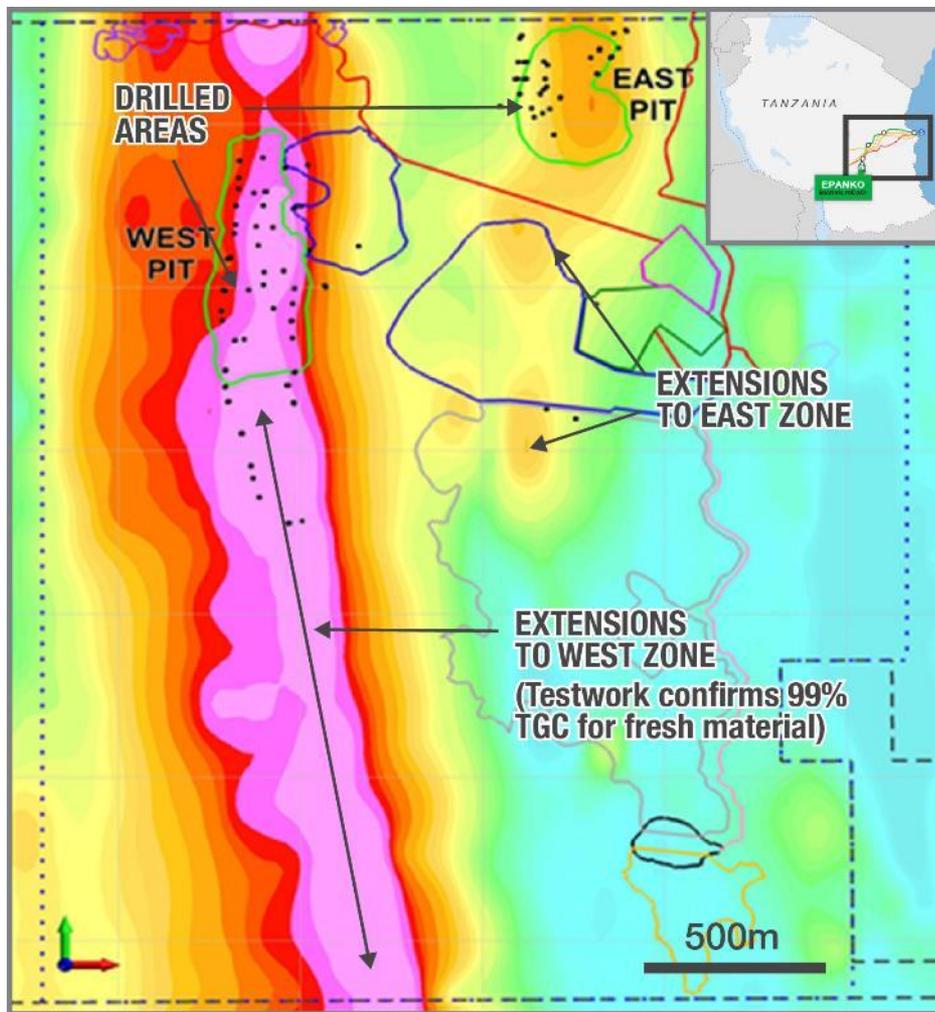
- Existing road access to Mahenge provides an effective logistics solution to Dar es Salaam
- Product to be exported from the port of Dar es Salaam
- Diesel power for first 2 years of operation prior to connection to grid power at the Ifakara sub station





A HIGH QUALITY GRAPHITE DEPOSIT WITH SCALE

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Epanko Mineral Resource Estimate >8% TGC

JORC Classification	Tonnage (Mt)	Contained Graphite (t)
Measured	7.5	738,900
Indicated	12.8	1,280,000
Inferred	10.4	1,030,600
Total	30.7	3,049,500

Epanko Drill Core Rock Texture

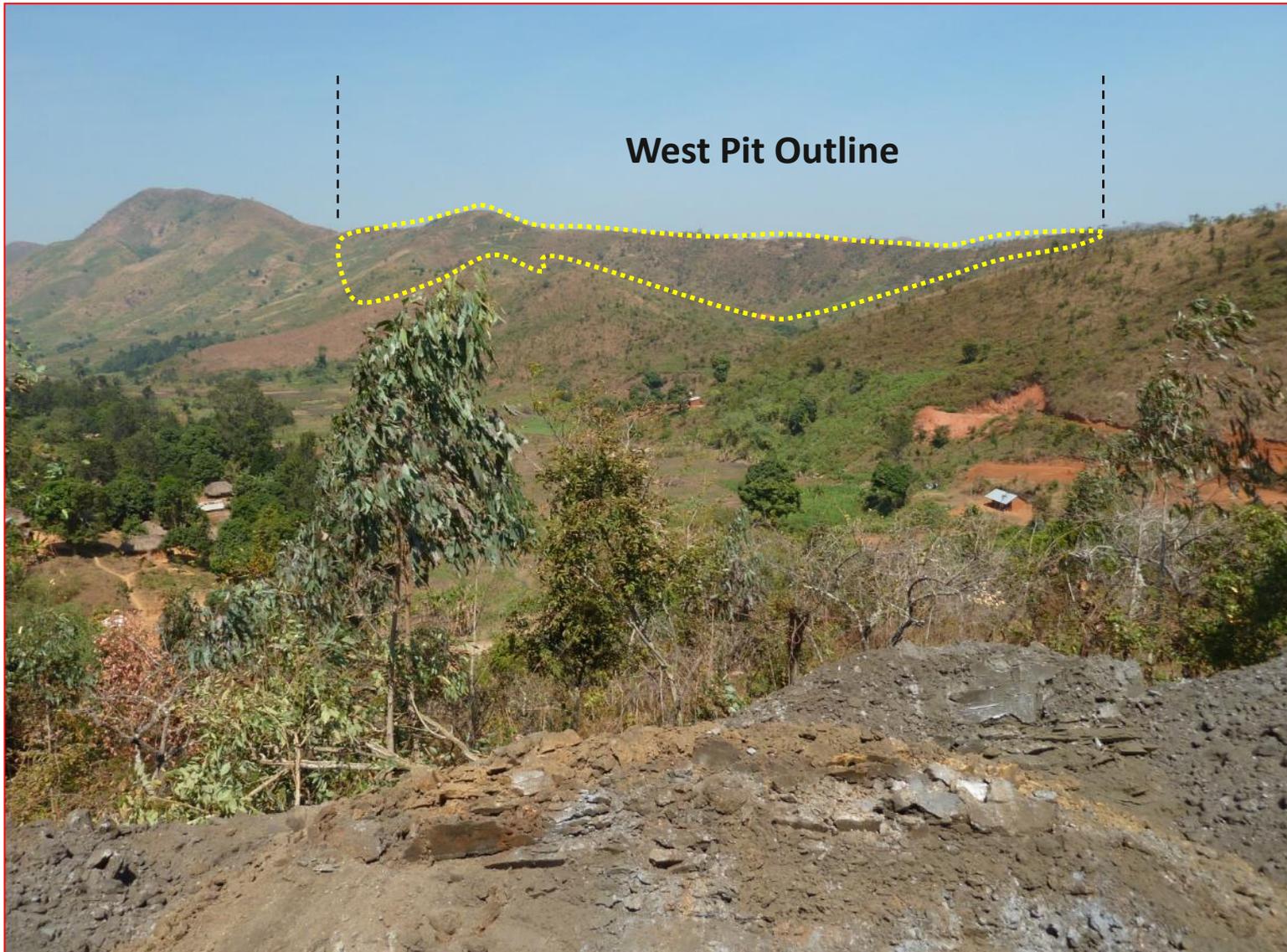


Epanko rocks have undergone extremely high metamorphic pressure and temperature forces that have created unique 'cheetah' like textures.

EPANKO - WESTERN ZONE VIEW



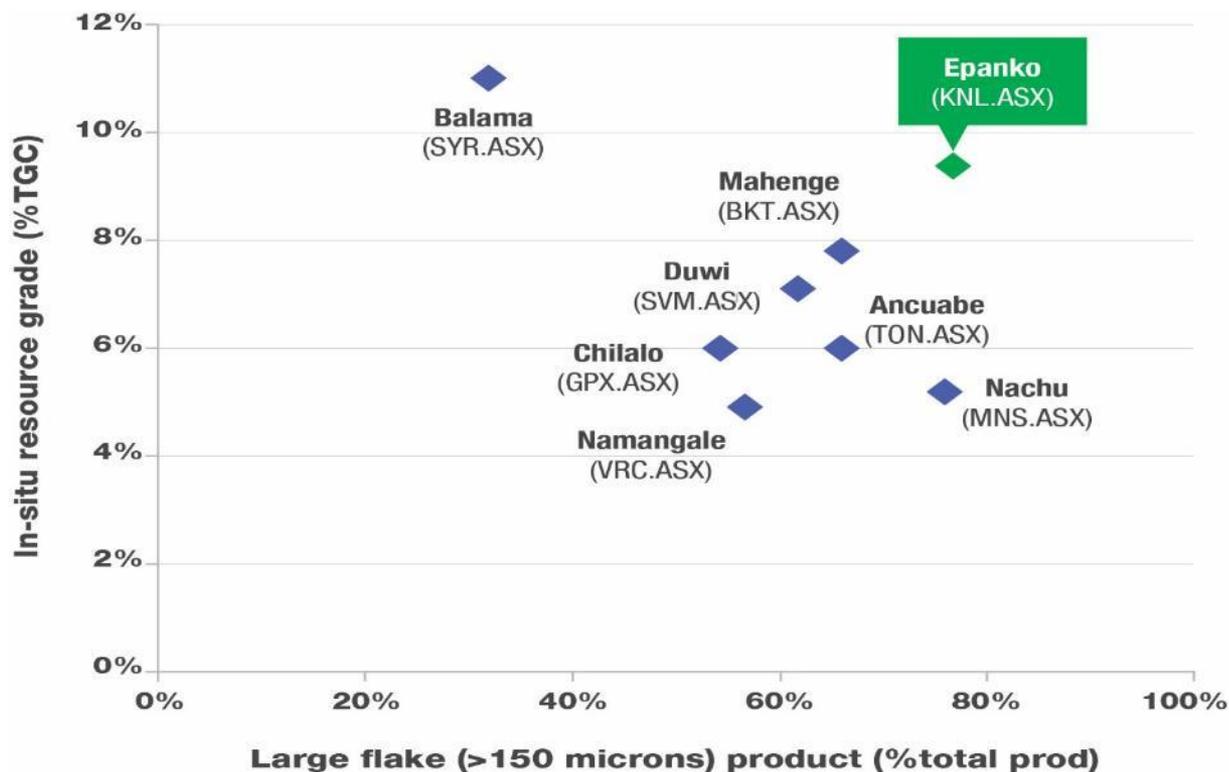
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GRADE AND FLAKE SIZE COMPARISON

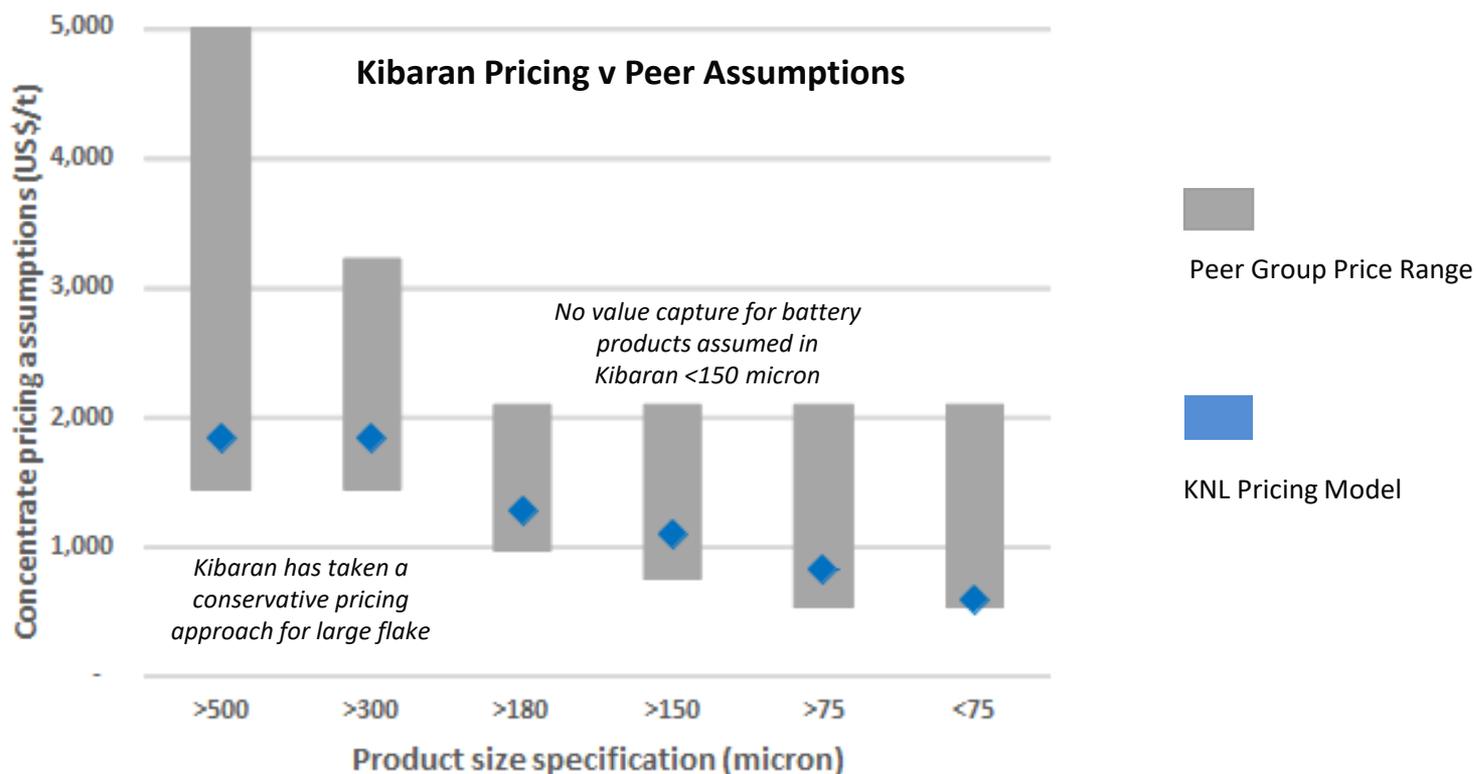
- Grade combined with flake size determines value
- High grade with high proportion of large flake size (>150 micron) provides high margins





GRAPHITE PRICING ASSUMPTIONS

- No “heroic” pricing assumptions in determining base case basket pricing
- Epanko project returns exclude further value capture from battery graphite



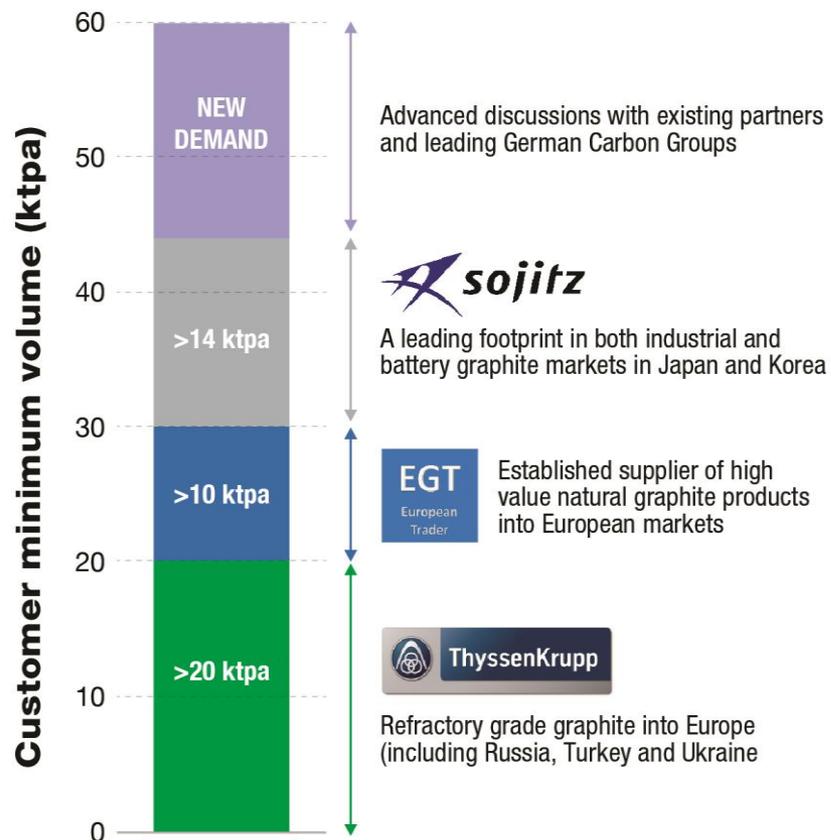
Outlook Positive : Graphite prices increasing due to Chinese environmental restrictions - some grades up 65%



SALES AND OFFTAKE AGREEMENTS

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- Sales growth driven by lithium-ion battery demand in 3 key markets outside of China



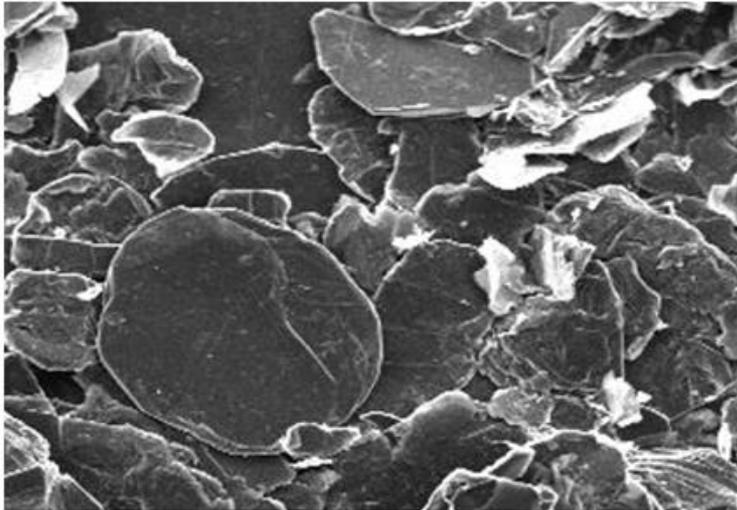
BATTERY GRADE (SPHERICAL) GRAPHITE



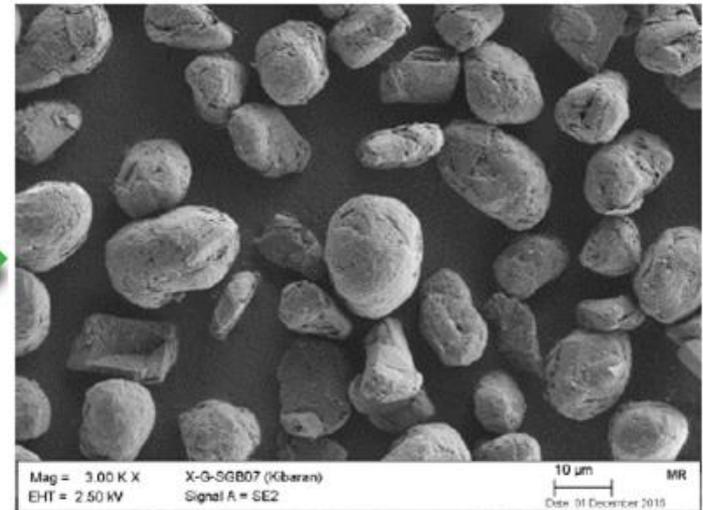
- Production of battery graphite for anode battery market to add significant value
- Feasibility Study commenced by GR Engineering with results expected Q3-2017
- Advanced discussions underway for sales of battery grade graphite production

Natural Flake Graphite for Lithium Ion Batteries

Conversion of flake graphite with 95% purity into spherical graphite with 99,95% purity required



Natural Flake Graphite



Battery Grade (Spherical) Graphite

Currently 100 % of Battery Grade Graphite is produced in China



BATTERY GRADE GRAPHITE RESULTS

- Outstanding results achieved with battery graphite meeting customer specifications with impurities below specified levels
- Successful production of battery anode material using Epanko Battery (Spherical) Graphite
- Electrochemical testing and benchmarking of lithium-ion battery anode cells
- Positive feedback from leading industry groups

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Electric Vehicle ('EV')



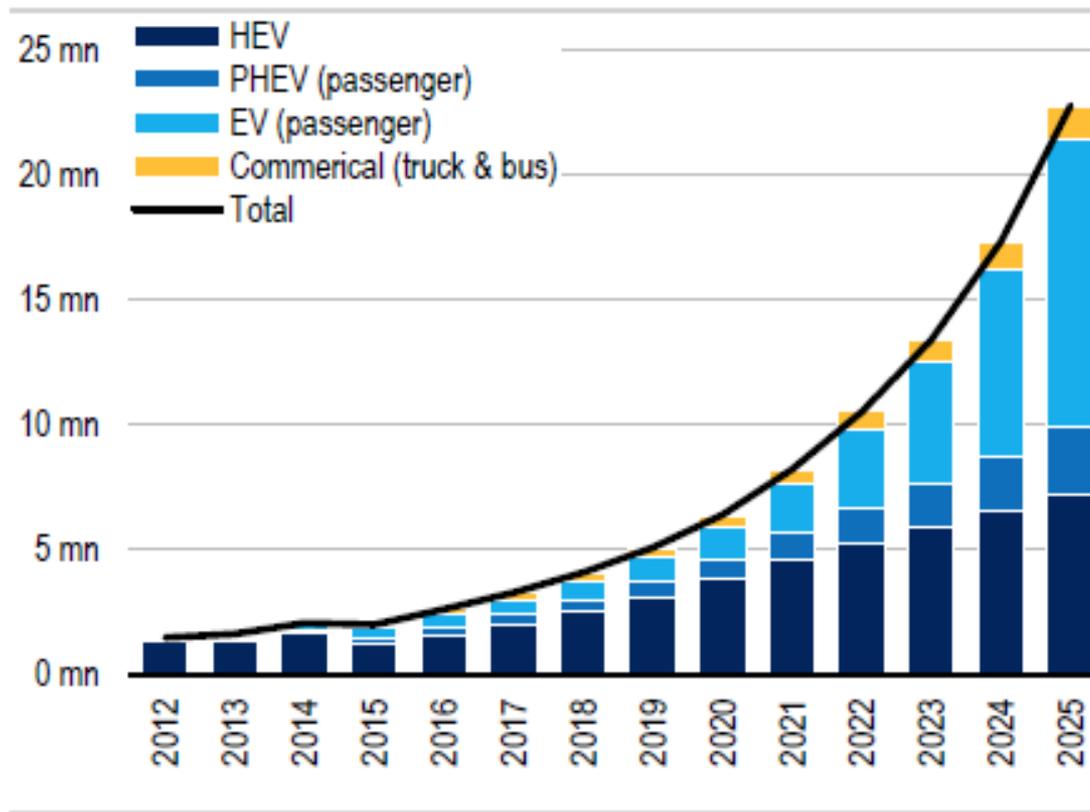
Energy Storage Systems ('ESS')



POSITIVE MARKET OUTLOOK

- Europe is leading the world in electric automobile adoption rates

Growth in Electric Vehicles is robust ...



Source: Roskill, UBS estimates



COMMUNITY DEVELOPMENT & ENGAGEMENT

Bridge2Aid

Kibaran is a founding donor to Bridge2Aid Australia which commenced last year. The charity is now up and running, with several Australian volunteer dentists already to Tanzania in May this year. www.bridge2aid.com.au

Sponsorship of Local Youth – Training & Employment within the Local Community

A screening process was conducted by Kibaran identifying 32 youth in the projects catchment area and as a result has sponsored 6 youths that have passed the VETA entrance exam to attend VETA in Ifakara for 2 years. VETA is akin to TAFE in Australia. Half of the group are completing fitter/mechanics, several are doing carpentry and a others are doing masonry/bricklaying. The intent being to offer them a job when they have completed their course. Employment opportunities within the local community will continue to grow as our project progresses.

Keep-A-Girl in School

In terms of hygiene and health, the Company donated 12 months' supply of female hygiene products to every girl at both Nawenge Secondary School and Celina Kombani Secondary School under the banner of Keep- A- Girl-In-School. Feedback from both schools showed an increase in attendance of the girls at school and an increase in academic performance.

School Donations

Socks for Schools initiative, initiated by Mr Mark Ould of Malibu Podiatry in Western Australia and supported by other WA podiatrists continued this year. The socks were distributed by Kibaran to children in various secondary schools in the Ulanga District along with footballs and netballs. Cement was donated to Ulanga Secondary School to assist with construction of classrooms.



“Development of Kibaran’s graphite project will be to the benefit of all key stakeholders with genuine and lasting benefits for all the local community”





KEY VALUE DRIVERS

UPGRADED BFS TO 60KTPA

- Positions Kibaran to be a significant and high margin graphite producer

ADDITIONAL SALES AGREEMENTS

- Discussions with leading German carbon groups for both natural flake products and downstream processed products well advanced

DEBT FINANCING

- Progressing discussions with funding partners

DOWNSTREAM FEASIBILITY STUDY

- Value-adding strategies to produce a premium spherical graphite product for the global battery market



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