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Dear Shareholder,

This is an update on your Company, Kibo Mining Plc, to inform shareholders of recent developments in the Company.

Since my last update in July we have:

- added considerable value to our Itetemia Project by achieving a reclassification and increase of the gold resource in the Golden Horseshoe Reef;
- reduced our risk exposure on the highly prospective, early stage Haneti Project by agreeing a joint venture with AIM-listed explorer African Eagle Resources Ltd.

Golden Horseshoe Reef

As I outlined in previous updates, the Company has conducted quality assurance verification of drill samples from the Golden Horseshoe Reef Prospect (GHR), part of our Itetemia Project in northern Tanzania. I am pleased to report that, as a result of this work, our consultants CSA Global (CSA) have reclassified the gold resource, substantially increasing its value:

	Tonnes of ore	Gold grade, grams per tonne	Total contained gold, ounces
2008	3,165,100	3.0	304,000
2009	4,232,450	3.1	422,250

The gold resource figures are reported at a conservative cut-off grade of 1 gram per tonne. Most significantly, 266,190 ounces of this gold resource are now classified in the Indicated category which gives an increased confidence in its value and mining potential. This reclassification has been reported in compliance with the internationally accepted JORC standard. There is also an additional 770,730 tonnes at 2.7 grams per tonne (67,610 ounces gold) that does not yet warrant a JORC classification, as more drilling will be required.

CSA have also conducted a preliminary mining optimisation study on the near-surface part of the GHR. Their model shows good economic viability for an open-pit development with a possibility for underground mining once the shallower gold mineralisation has been exhausted. An open-pit mine would initially target a reserve of 128,000 ounces of gold to a depth of 150 metres. Kibo plans to focus on building further technical and commercial confidence in the project by commencing an initial mine development plan. This will consist of preliminary mine engineering, site security, environmental and government liaison work.

Barrick Exploration Ltd (Barrick), with whom the Company signed a confidentiality agreement some months ago, has commenced evaluation of GHR and their personnel have recently been on-site conducting a technical evaluation. Barrick operates the large Bulyanhulu Mine located a few kilometres from GHR. We are considering the potential for optimizing the value of the GHR deposit by processing GHR ore through the Bulyanhulu mill.

In the last few weeks the Company has renegotiated the terms of its agreement with Tanzanian Royalty Exploration Ltd (TREC), our partner on the Itetemia and Luhala projects, to reduce the agreed requirement of 15,000 metres drilling to 5,000 metres by January 2010. This is a welcome result as it gives the Company more flexibility in the planning and timing of its drill programmes .

Future drilling will be spread between Itetemia and Luhala. The Luhala project covers a large area of untested ground with excellent potential to build on the small gold mineralised resource of 111,900 ounces gold outlined on that area to date. This project will benefit from our mine development plans for GHR as it is also an open-pit mining target and mining parameters will be similar.

Haneti Project

The Company is pleased to announce that it has reached an agreement, subject to due diligence, with AIM-listed African Eagle Resources Ltd (AER) on the Haneti Project. Under the terms of the agreement AER can earn a 50% interest in the project by expenditure of US\$150,000 over 18 months. Thereafter, both Kibo and AER can jointly fund further exploration to maintain their 50% equity interests. Should Kibo elect not to contribute to further exploration, AER has the option to sole fund a bankable feasibility study on the project over 5 years to increase its interest in Haneti to 70%.

AER has recently discovered a laterite nickel deposit (Dutwa) in Tanzania on which it is conducting mine feasibility. Haneti is regarded as highly prospective for similar deposits. AER's increasing expertise in the evaluation of nickel laterites will ensure efficient exploration at Haneti over the next 18 months while Kibo concentrates resources on its gold projects where the Board believes the value of the Company can be best increased in the short term.

Funding and Listing

I am aware of some shareholders' on-going concern at the lack of progress in listing the Company's shares on a public stock exchange. As outlined on my last investor update in July, the bleak macroeconomic environment over the last two years has warranted extreme caution on how we manage funds. From late 2008, the Board took a strategic decision to keep the Company and its projects on a care and maintenance basis pending improvement in global economic conditions. Despite incurring relatively high expenditures in early 2008, relating to project exploration, corporate restructuring and preparation for listing, we have maintained costs at the absolute minimum while maintaining our projects and exploration base in Tanzania.

This strategy has enabled us to survive this difficult period and to retain our projects. We are now well positioned to take advantage of the recent positive technical reports on GHR, the sustained Market recovery and the recent improvement in gold prices to over US\$1,000 an ounce.

In order to build on these recent positive developments, the Company is undertaking a private equity fund raising to raise a minimum £750,000 to facilitate listing and to provide working capital. These funds are being raised with a Board commitment to list the Company on a public stock exchange within the next six months. We intend to list the Company on the AIM or PLUS Markets of the London Stock Exchange. The Company has already received commitments for a significant portion of these funds from Directors and other shareholders.

Annual Report and AGM

The Annual Report and audited financial statements of the Company are being finalised by our auditors LHM Casey McGrath and will be posted to all shareholders in the next couple of weeks with notice of an AGM. The AGM will be held in Dublin towards the end of October or early November. Details of location and time will be included in the notification attached to the financial accounts. The structure of the current funding proposal will also be included with the Annual Report and Accounts.

I look forward to meeting shareholders at the AGM.

Yours sincerely



Noel O'Keeffe
Managing Director