Kibo Mining Plc
(Incorporated in Ireland)
(Registration Number: 451931)
(External registration number: 2011/007371/10)
Share code on the JSE Limited: KBO
Share code on the AIM: KIBO
ISIN: IE00B97C0C31
("Kibo" or "the Company")

Unaudited Interim results for the six months ended 30 June 2017

Dated 26 September 2017

Kibo Mining plc ("Kibo" or the "Company") (AIM: KIBO; AltX: KBO) the mineral exploration and development company focused on coal, gold, and nickel projects in Tanzania, is pleased to announce its unaudited half year results for the period ended 30 June 2017.

Highlights from the Chairman, Christian Schaffalitzky's statement:

- Kibo wins Innovation Project Development Deal of the Year 2017 at recent General Electric awards ceremony;

- Reaffirmed strong Tanzanian Government support for the MCPP in the midst of on-going energy and mining sector reforms;

- ESIA and Mining Licence Application (MCPP) at advanced stage in certification/approval process;

- MOU to govern the future development of the MCPP in general and PPA in particular submitted by TANESCO to the Attorney General for review and final execution copy expected shortly;

- Successful divestment of Imweru & Lubando gold projects to recently AIM listed Katoro Gold PLC in which the Company retains an initial 57% interest; and

- Extended drill programme at Imweru by Katoro completed ahead of schedule and within budget. ESIA and PFS at advanced stage of execution.

Chairman's Statement

Dear Shareholder,

I am pleased to present our accounts for the six-month period ending 30 June 2017 and report on steady progress on our flagship Mbeya Coal to Power ("MCPP") project in particular. A testament to this progress is the recent award of Innovative Development Project Deal of the Year 2017 to Kibo for the MCPP by General Electric at its awards ceremony in early September. During the period, we also successfully completed a reverse takeover transaction with Opera Investments on our Imweru and Lubando gold projects. This transaction was concluded in May with the divestment of these projects to AIM-listed Katoro Gold PLC in which Kibo holds an initial 57% equity interest. I outline a summary of the principal operational and corporate developments during the period below.

Operations - MCPP

The first half of 2017 ("H1 2017") has witnessed on-going governmental changes within the energy and mining sectors in Tanzania that have presented some challenges to the Company as it seeks to conclude negotiations on a Power Purchase Agreement ("PPA") and other prerequisite government approvals to commencing Financial Close on the MCPP. In January, the Tanzanian state power company TANESCO underwent management, restructuring and tariff reviews as part of the on-going reform of the energy sector in the country while at the end of June, major legislative changes to the mining sector were enacted. The full practical implications of these changes still have to emerge. However, I believe that the robust financial, technical and operational fundamentals of the MCPP are more than capable of tolerating these energy and mining sector reforms and in some cases, may actually benefit from them. This view is shared by the Tanzanian government which has recently reaffirmed its support for the MCPP as it sees it as a potential major contributor to addressing the deficit in the country's power generating capacity as well as providing the focus for much needed socio-economic development in southern Tanzania.

In the above context, the Company continued to push ahead on a number of fronts with regard to the continued development of the MCPP during H1 2017. The completion of the Integrated Bankable Feasibility Study ("IBFS") and acceptance by the relevant Tanzanian authority of the Environmental & Social Impact Assessment ("ESIA") were achieved during January. Final certification for the ESIA is now awaited and we understand that this is at an advanced stage in the approval process. With an eye to developing a diversified internal market for its coal product, the Company signed an MOU with local cement producer, Mbeya Cement to develop a strategic regional collaboration and reciprocal supply of materials agreement. In summary, this commits the companies to explore business collaboration whereby Kibo will supply Mbeya Cement with coal, fly ash and power for its cement plant while Mbeya Cement will supply cement for the construction of the Mbeya coal and power plants. The companies also committed to collaborate on seeking adequate supply of limestone for their respective operations and to explore how they could work together with regional development partners to maximize the socio-economic benefits of their operations for the region. In regard to the latter, I am pleased to report that we undertook a first step in March where we handed over two new classrooms to villages close to our operations in the Songwe Region, which Kibo funded as part of our on-going operation to refurbish the local schools in conjunction with local authorities.

The conclusion of a PPA with the Tanzanian Government is the remaining substantive agreement that the Company seeks to conclude in order to commence Financial Close on the MCPP. In view of the recent management, structural and policy changes within both TANESCO and the Ministry of Energy & Minerals ("MEM"), Kibo management engaged in extensive talks with these government agencies during June and I am pleased to say we have received written reconfirmation of the Tanzanian Government's continued commitment to the project and to its expedited development. These talks were followed up by meetings with all government stakeholders in the project at which an agenda and schedule to work on those specific development aspects of the MCPP that are dependent on negotiation of all outstanding agreements and approvals with the Tanzanian Government were agreed. These included inter alia, final ESIA certification, the Mining Licence approval and of course, the PPA. Encouragingly, the MEM also confirmed that the pending changes in mining policy and legislation (since enacted) would not adversely affect the Company's operations.

Progress on negotiation with the Tanzanian Government gained significant momentum during July with the holding of a second round of meetings at which the MEM officially instructed TANESCO to prepare a final MOU that will govern the future development of the MCPP in general and PPA in particular for submittal to the Attorney General for review. This MOU has now been submitted and we are expecting to be provided with a final agreed copy for execution shortly. Additionally, no further queries on the ESIA and the Mining Licence application were received and the certification/approval process is progressing smoothly.

A welcome result from the recent progress on the MCPP is the receipt by the Company of several formal expressions of interest from major international infrastructure investors in making an equity investment in the MCPP. This interest clearly represents increasing confidence in a near-term positive outcome from our engagement with the Tanzanian authorities and in our ability to successfully bring the MCPP to Financial Close.

Operations – Imweru & Lubando (Katoro Gold PLC)

During H1 2017, the Company successfully concluded its reverse takeover transaction with Opera Investments ("Opera"), whereby Opera acquired Kibo's Imweru and Lubando gold properties for 61 million Opera shares representing a valuation of £3.66 million. Opera was renamed Katoro Gold PLC ("Katoro") and was admitted to AIM on the 23 May 2017 accompanied by a share placing which raised proceeds of £1.5 million for further development of the Imweru Mineral Resource. Kibo retains an initial 57% interest in Katoro.

The divestment of Imweru and Lubando to Katoro represents the culmination of a process that commenced in early 2016 as part of the Company's strategy to enhance shareholder value in its gold projects in northern Tanzania by transferring them to a gold focused company to plan for the near-term funding of the development of a gold mine at Imweru. Field work commenced at Imweru immediately after AIM admission and I am pleased to report that the initial drill programme of 31 holes for a total of 3,410 metres has now been completed ahead of schedule and includes an additional 1,400 metres of drilling to what was originally planned. Work on the completion of an ESIA at Imweru is also progressing well and Phase 1, certification of the scope of the study by the relevant Tanzanian authority, was concluded. The results from the extended drilling programme and from Phase 2 of the ESIA (in progress) will enable Katoro's technical team and consultants to prepare an initial Pre-Feasibility Study ("PFS") (already at an advanced stage) and subsequently a full Mining Feasibility Study at Imweru in a timely manner. We understand from Katoro that the dispatch of drill samples to laboratories in Tanzania & South Africa for assay, geotechnical and metallurgical testing is in process under the new Tanzanian mining rules. While this is a bit more cumbersome than previous, it is pleasing that no major delays are being incurred. Readers should go to Katoro's public disclosure for full details of Katoro's progress.

Operations – Other Projects

During H1 2017 we have completed a major rationalization of our commodity licence portfolios in Tanzania which, in addition to the divestment of the Imweru and Lubando projects to Katoro, also included the relinquishment of our non-core gold licences in northern Tanzania, our Morogoro gold licences in eastern Tanzania and our Pinewood uranium licences (by mutual agreement with JV partner Metal Tiger) in southern Tanzania. Within Kibo we now just retain our MCPP (coal & power) and Haneti (nickel-PGM) projects. The licence relinquishments are a response both to the stricter enforcement regime and increased costs associated with holding early stage mineral licences in Tanzania and the requirement to focus resources on the MCPP and on Katoro's gold portfolios at Imweru and Lubando.

Corporate

As part of the Placing that accompanied the Admission of Katoro to AIM in May, Kibo subscribed for £50,000 which brought its total equity interest in the company to 57%. The Company also changed its Irish & UK share registrar during the period to Capita Securities Limited and changed its registered office address, the latter corresponding with a name and address change of its Irish solicitors. We also welcome St. Brides Partners Ltd as our new principal investor and media relations advisors following their recent appointment by the Company.

The Company did not issue any equity by way of fund raises during the H1 2017 and the only equity issued was an additional 277,768 shares at 4.75p shares to settle a £13,194 invoice for geological contract services. The Company continued to avail of the discounted loan facility up to an amount of USD2.94 million extended to it by Sanderson Capital Partners. Funds availed of under this facility will be repaid from the USD3.7 million payable to Kibo by SEPCO III at financial close on the MCPP under the terms of a 2016 agreement, subject to any renegotiation of payments terms between Kibo and Sanderson that may occur in the interim.

In conclusion, I would like to thank again our board and management for their on-going work under the direction of CEO Louis Coetzee and their unwavering commitment to bring the MCPP to fruition where progress is being steadily made notwithstanding some recent on-going changes and challenges in the Tanzanian energy and mining sector.

Christian Schaffalitzky
Chairman

Unaudited Interim Results for the six months ended 30 June 2017

Unaudited condensed consolidated interim Statement of Comprehensive Income
For the six months ended 30 June 2017

	6 months to 30 June 2017 (Unaudited) £	6 months to 30 June 2016 (Unaudited) £	12 months to 31 December 2016 (Audited) £
Revenue	1,001	4,184	18,039
Administrative expenses	(1,730,200)	(1,458,100)	(1,653,152)
Exploration Expenditure	(634,141)	(866,967)	(1,716,967)
Capital raising fees	-	-	(1,648,004)
Operating (loss)/ profit	(2,363,340)	(2,320,883)	(5,000,084)
Investment and Other Income	-	480	1,414.668
(Loss)/ Profit before tax	(2,363,340)	(2,320,403)	(3,585,416)
Tax	-	-	-
Loss for the period	(2,363,340)	(2,320,403)	(3,585,416)
Other comprehensive income:			
Exchange differences on translating of foreign operations, net of taxes	50,148	46,378	99,128
Adjustment arising from change in non-controlling interest	-	-	1,527,515
Total comprehensive (loss) / profit for the period	(2,313,192)	(2,274,025)	(1,958,773)
(Loss)/ Profit for the period attributable to	(2,363,340)	(2,320,403)	(3,585,416)
Owners of the parent	(1,900,505)	(2,320,403)	(3,611,496)
Non-controlling interest	(462,835)	-	26,080
Total comprehensive (loss) income attributable to	(2,313,192)	(2,274,025)	(1,986,288)
Owners of the parent	(1,850,357)	(2,274,025)	(1,984,853)
Non-controlling interest	(462,835)	-	26,080
Basic loss per share	(0.005)	(0.007)	(0.010)
Diluted loss per share	(0.005)	(0.007)	(0.010)

Unaudited condensed consolidated interim Statement of Financial Position
As at 30 June 2017

	6 months to 30 June 2017 (Unaudited) £	6 months to 30 June 2016 (Unaudited) £	12 months to 31 December 2016 (Audited) £
Assets			
Non-current assets			
Property, plant and equipment	11,085	3,449	9,107
Intangible assets	17,596,105	17,596,105	17,596,105
Total non-current assets	**17,607,190**	**17,599,554**	**17,605,212**
Current assets			
Trade and other receivables	117,453	56,718	50,633
Cash and cash equivalents	1,946,688	107,086	382,339
Total current assets	**2,064,141**	**163,804**	**432,972**
Total assets	**19,671,331**	**17,763,358**	**18,038,184**
Equity			
Called up share capital	13,607,630	13,470,787	13,603,965
Share premium	27,327,791	26,495,318	27,318,262
Other reserves	2,156,726	(44,464)	-
Translation reserve	(235,343)	(338,241)	(285,491)
Share based payment reserve	514,279	514,279	514,279
Retained deficit	(24,722,536)	(23,861,789)	(23,625,367)
Attributable to equity holders of the parent	**18,648,547**	**16,235,890**	**17,525,648**
Non-controlling interest	(1,032,591)	-	(1,435)
Total Equity	**17,615,956**	**16,235,890**	**17,524,213**
Liabilities			
Current liabilities			
Trade and other payables	343,312	327,468	146,380
Provisions	-	-	115,663
Borrowings	1,712,063	1,200,000	251,928
Total current liabilities	**2,055,375**	**1,527,468**	**513,971**
Total equity and liabilities	**19,671,331**	**17,763,358**	**18,038,184**
Net Tangible Asset Value	0.04	0.04	0.04
Shares in issue	364,254,364	353,446,270	363,976,596

Unaudited Condensed Consolidated Statement of Changes in Equity

	Share Capital	**Share Premium**	**Treasury shares**	**Share based payment reserve**	**Merger Reserve**	**Control Reserve**	**Foreign currency translation reserve**	**Retained deficit**	**Non-controlling interest**	**Total**
	£	**£**	**£**	**£**	**£**	**£**	**£**	**£**		**£**
Balance at 30 June 2016 (unaudited)	**13,470,787**	**26,495,318**	**(44,464)**	**514,279**	**-**	**-**	**(338,241)**	**(23,861,789)**	**-**	**16,235,890**
Profit / (loss) for the year								(1,291,093)	26,080	(1,265,013)
Other comprehensive income - exchange differences							52,750			52,750
Adjustment arising from change in non-controlling interest								1,527,515	(27,515)	1,500,000
Allotment of treasury shares		199,867	44 464							244,331
Proceeds of share issue of share capital	133,178	623,077								756,255
Balance at 31 December 2016 (audited)	**13,603,965**	**27,318,262**	**-**	**514,279**	**-**	**-**	**(285,491)**	**(23,625,367)**	**(1,435)**	**17,524,213**
Profit / (loss) for the year								(1,900,505)	(462,835)	(2,363,340)

Other comprehensive income- exchange differences on translating of foreign operations							50,148			50,148
Adjustment arising from acquisition of subsidiary					41,808	2,114,918		803,336	(568,321)	2,391,741
Proceeds of share issue of share capital	3,665	9,529								13,194
Balance as at 30 June 2017 (unaudited)	**13,607,630**	**27,327,791**	**-**	**514,279**	**41,808**	**2,114,918**	**(235,343)**	**(24,722,536)**	**(1,032,591)**	**17,615,956**

Unaudited condensed consolidated interim statement of cash flow
For the six months ended 30 June 2017

	6 months to 30 June 2017 (Unaudited) £	6 months to 30 June 2016 (Unaudited) £	12 months to 31 December 2016 (Audited) £
(Loss) / Profit for the period before taxation	(2,363,340)	(2,320,403)	(3,585,416)
Adjusted for:			
Foreign exchange loss	48,236	46,378	124,884
Depreciation on property, plant and equipment	2,420	3,683	8,228
Investment income	-	(480)	(1,815)
Provisions	(115,663)	-	115,663
Liabilities settled in shares	357,002	973,348	1,648,004
Operating income before working capital changes	(2,071,345)	(1,297,474)	(1,690,452)
(Increase)/ Decrease in trade and other receivables	(66,820)	493,974	500,059
(Decrease)/ Increase in trade and other payables	196,961	20,671	(160,417)
Net cash outflows from operating activities	(1,941,204)	(782,829)	(1,350,810)
Cash flows from investing activities			
Purchase of property, plant and equipment	-	-	(9,029)
Net cash flow from acquisition of subsidiaries	2,045,418	-	(1,000)
Net cash used in investing activities	2,045,418	-	(10,029)
Cash flows from financing activities			
Repayment of borrowings	-	-	(200,000)
Proceeds from borrowings	1,460,135	700,000	1,751,928
Investment Income	-	480	1,815
Net cash proceeds from financing activities	1,460,135	700,480	1,553,743
Net increase in cash and cash equivalents	1,564,349	(82,349)	192,904
Cash and cash equivalents at beginning of period	382,339	189,435	189,435
Cash and cash equivalents at end of period	1,946,688	107,086	382,339

Notes to the unaudited condensed consolidated interim financial statements
For the six months ended 30 June 2017

1. General information

Kibo Mining Plc ("the Company") is a public limited company incorporated in Ireland. The condensed consolidated interim financial results consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The Company's shares are listed on the AIM of the London Stock Exchange and the Alternative Exchange of the JSE Limited (ALTX). The principal activities of the Company and its subsidiaries are related to the exploration for and development of coal and other minerals in Tanzania.

2. Statement of Compliance and Basis of Preparation

The condensed consolidated financial results are for the six months ended 30 June 2017, and have been prepared using the same accounting policies as those applied by the Group in its December 2016 consolidated annual financial statements, which are in accordance with the framework concepts and the recognition and measurement criteria of the International Financial Reporting Standards (IFRS and IFRC interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the EU ("IFRS, including the SAICA financial reporting guides as issued by the Accounting Practices Committee, IAS 34 – Interim Financial Reporting, the Listings Requirements of the JSE Limited, the AIM rules of the London Stock Exchange and the Irish Companies Act 2015.

These condensed consolidated interim financial statements do not include all the notes presented in a complete set of consolidated annual financial statements, as only selected explanatory notes are included to explain key events and transactions that are significant to obtaining an understanding of the changes throughout the financial period, accordingly the report must be read in conjunction with the annual report for the year ended 31 December 2016.

The comparative amounts in the consolidated financial results include extracts from the consolidated annual financial statements for the period ended 31 December 2016.

These extracts do not constitute statutory accounts in accordance with the Irish Companies Acts 2015. All monetary information is presented in the presentation currency of the Company being Pound Sterling. The Group's principal accounting policies and assumptions have been applied consistently over the current and prior comparative financial period.

3. Use of estimates and judgements

Preparing the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2016.

Exploration and evaluation expenditure

The Group's accounting policy for exploration and evaluation expenditure results in the capitalisation of certain intangible mineral resources which are identified through business combinations or equivalent acquisitions. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established based on the separately identified mineral resources. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the intangible mineral resources under the policy, a judgement is made that recovery of the intangible asset is unlikely, the relevant capitalised amount will be written off to the income statement.

4. Adoption of new and revised standards

As from 1 January 2017, the Group adopted all changes to IFRS, which are relevant to its operations. The adoption did not have a material effect on the accounting policies of the Group.

The following Standards, Amendments to Standards and Interpretations have been issued but are not yet effective for annual periods beginning on 1 January 2017. The Board of Directors is currently evaluating the impact of these on the Group.

- IFRS 15 – Revenue from contracts with Customers (1 January 2018);
- IFRS 9 - Financial Instruments, measurement, recognition and disclosure (1 January 2018);
- IFRS 16 – Leases single lease accounting model (1 January 2019).

5. Operating (loss)/ profit

Administrative expenditure for the interim period ended June 2017 includes £864,051 relating to the acquisition of Katoro Gold PLC and June 2016 includes £947,418 relating to financing activities specific to the borrowings raised throughout the period.

6. Loss per share

Basic, dilutive and headline loss per share

The basic and weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

	6 months to 30 June 2017 £	6 months to 30 June 2016 £	12 months to 31 December 2016 £
Loss for the year attributable to equity holders of the parent	(1,900,505)	(2,320,403)	(3,611,496)
Weighted average number of ordinary shares for the purposes of basic and dilutive loss per share	364,254,364	338,524,702	351,080,645
Basic loss per share	(0.005)	(0.007)	(0.010)

Reconciliation of Headline loss per share	6 months to 30 June 2017 £	6 months to 30 June 2016 £	12 months to 31 December 2016 £
Loss for the year attributable to equity holders of the parent	(1,900,505)	(2,320,403)	(3,611,496)
Adjustments	-	-	-
Headline loss per share	(1,900,505)	(2,320,403)	(3,611,496)
Weighted average number of ordinary shares for the purposes of headline loss per share (revised)	364,254,364	338,524,702	351,080,645
Headline loss per share	(0.005)	(0.007)	(0.010)

Headline earnings per share (HEPS) is calculated using the weighted average number of ordinary shares in issue during the period and is based on the earnings attributable to ordinary shareholders, after excluding those items as required by Circular 2/2015 issued by the South African Institute of Chartered Accountants (SAICA).

7. Called up share capital and share premium

Authorised ordinary share capital of the company is 1,000,000,000 ordinary shares of €0.015 each and 3,000,000,000 deferred shares of €0.009 each.

Detail of issued capital is as follows:

	Number of Ordinary shares	Share Capital £	Share Premium £	Treasury Shares £	Share Premium Shares £
Balance at 31 December 2015	330,928,714	3,953,213	9,257,075	(44,464)	25,782,519
Shares issued in period (net of expensed for cash)	33,047,882	393,677	-	44,464	1,535,743
Balance at 31 December 2016	363,976,596	4,346,890	9,257,075	-	27,318,262
Shares issued in period (net of expensed for cash)	277,768	3,665	-	-	9,529
Balance at 30 June 2017	364,254,364	4,350,555	9,257,075	-	27,327,791

8. Segment analysis

IFRS 8 requires an entity to report financial and descriptive information about its reportable segments, which are operating segments or aggregations of operating segments that meet specific criteria. Operating segments are components of an entity about which separate financial information is available that is evaluated regularly by the chief operating decision maker. The Chief Executive Officer is the Chief Operating decision maker of the Group.

Management currently identifies two divisions as operating segments – mining and corporate. These operating segments are monitored and strategic decisions are made based upon them together with other non-financial data collated from exploration activities. Principal activities for these operating segments are as follows:

30 June 2017	Mining and Exploration Group	Corporate Group	30 June 2017 (£) Group
Revenue	1,001	-	1,001
Administrative cost	-	(1,730,200)	(1,730,200)
Exploration expenditure	(634,141)	-	(634,141)
Investment and other income	-	-	-
Profit/ (Loss) after tax	(633,140)	(1,730,200)	(2,363,340)

30 June 2016	Mining and Exploration Group	Corporate Group	30 June 2016 (£) Group
Revenue	4,184	-	4,184
Administrative cost	-	(1,458,100)	(1,458,100)
Exploration expenditure	(866,967)	-	(866,967)
Investment and other income	-	480	480
Tax	-	-	-
Profit/ (Loss) after tax	(862,783)	(1,457,620)	(2,320,403)

30 June 2017	Mining Group	Corporate Group	30 June 2016 (£) Group
Assets			
Segment assets	18,633,859	1,037,473	19,671,331
Liabilities			
Segment liabilities	231,831	1,823,547	2,055,375
Other Significant items			
Depreciation	2,420	-	2,420

31 December 2016	Mining Group	Corporate Group	31 December 2016 (£) Group
Assets			
Segment assets	18,015,412	22,772	18,038,184
Liabilities			
Segment liabilities	111,376	402,595	513,971
Other Significant items			
Depreciation	8,228	-	8,228

9. Intangible assets

Composition of Intangible assets	6 months to 30 June 2017 £	6 months to 30 June 2016 £	12 months to 31 December 2016 £
Mbeya Coal Project	15,896,105	15,896,105	15,896,105
Lake Victoria Project	1,700,000	1,700,000	1,700,000
	17,596,105	17,596,105	17,596,105

Intangible assets are not amortised, due to the indefinite useful life which is attached to the underlying prospecting rights, until such time that active mining operations commence, which will result in the intangible asset being amortised over the useful life of the relevant mining licences.

Intangible assets with an indefinite useful life are assessed for impairment on an annual basis, against the prospective fair value of the intangible asset. The valuation of intangible assets with an indefinite useful life is reassessed on an annual basis through valuation techniques applicable to the nature of the intangible assets.

10. Cash and Cash Equivalents

Cash and cash equivalents available for utilisation against the following projects	6 months to 30 June 2017 £	6 months to 30 June 2016 £	12 months to 31 December 2016 £
Mbeya Coal to Power Project	451,056	107,086	382,339
Imweru & Lubando	1,495,632	-	-
	1,946,688	**107,086**	**382,339**

10. Borrowings

Amounts falling due within one year	6 months to 30 June 2017 £	6 months to 30 June 2016 £	12 months to 31 December 2016 £
Short term borrowings	1,712,063	1,200,000	251,928
	1,712,063	1,200,000	251,928

The borrowings relate to the unsecured interest free loan facility from Sanderson Capital Partners Limited which was repayable either through the issue of cash or ordinary shares in the Company. On 1 September 2016, the Company renegotiated the settlement terms where Sanderson Capital Partners Limited agreed to convert the full loan amount outstanding (£1.5million) into a 2.5% equity interest in the Mbeya Development Company Limited which is a 100% held subsidiary of the Group, and holds 100% interest in the Mbeya Coal to Power Project.

The financing arrangement with Sanderson stems from the contingent consideration receivable from SEPCO III on financial close of the MCPP project, which has been advanced by Sanderson at a 20% discounting factor, repayable through cash, or shares at the choice of Sanderson on achievement of financial close of the MCPP project.

11. Financial instruments

	6 months to 30 June 2017 £	6 months to 30 June 2016 £	12 months to 31 December 2016 £
Financial assets – carrying amount			
Loans and receivable held at amortised cost			
Trade and other receivables	117,453	56,718	50,633
Cash and cash equivalents	1,946,688	107,086	382,339
	2,064,141	**163,804**	**432,972**
Financial liabilities – carrying amount			
Financial liabilities held at amortised cost			
Trade and other payables	343,312	327,468	146,380
Borrowings	1,712,063	1,200,000	251,928
	2,055,375	**1,527,468**	**398,308**

The Board of Directors considers that the fair values of financial assets and liabilities approximate their carrying values at each reporting date.

12. Corporate transactions

During the interim period, the Group conclude the agreement entered into with Opera Investments PLC, where Kibo Mining PLC would dispose of its entire interest in Kibo Gold and its subsidiaries (Reef Miners & Savannah Mining) for £3,660,000 and subscribe for an additional £50 000 shares in Opera, settled through the allotment of 61,000,000 shares in Opera Investments PLC (renamed Katoro Gold Mining PLC), resulting in the Group obtaining 57% of the interest in Katoro Gold Mining PLC, and retaining a 57% interest in the Kibo Gold group of companies. Completion of the transaction resulted in divestment of the Groups interest in the Kibo Gold and its subsidiaries operations to 57% indirectly, which in accordance with IFRS 10 is recognised as a transaction with owners in their capacity as owners.

As the operations of Katoro Gold Mining PLC on acquisition do not constitute a business, the acquisition method in accordance with IFRS 3 is not applied. Kibo Mining PLC controls the operational activities of the subsidiary through management, as well as ownership, thus the assets and liabilities of Katoro Gold Mining PLC on acquisition were recognised at their respective book values from date control was obtained, and the difference between the purchase consideration and the book values of the investments were recorded directly in equity through the control reserve.

The recognition and measurement application of these corporate transactions may be subject to change should additional information avail itself within the re-measurement period.

12. Unaudited results

These condensed consolidated interim financial results have not been audited or reviewed by the Group’s auditors.

13. Dividends

No dividends were declared during the interim period.

14. Board of Directors

There were no changes to the board of directors during the interim period, or any other committee’s composition.

15. Subsequent events

No significant events have occurred in the period between the reporting date and the date of this report.

16. Going concern

The condensed consolidated interim financial results are prepared in accordance with the going concern principle under the historical cost basis as modified by the fair value accounting of certain assets and liabilities where required or permitted by IFRS in the EU.

17. Commitments and contingencies

There are no material contingent assets or liabilities as at 30 June 2017.

26 September 2017

By order of the board:

Christian Schaffalitzky	Chairman (Non-Executive)
Louis Coetzee	Chief Executive Officer (Executive)
Noel O’Keeffe	Technical Director (Executive)
Andreas Lianos	Chief Financial Officer (Executive)
Lukas Maree	Non-Executive Director
Wenzel Kerremans	Non-Executive Director

Company Secretary:	Noel O’Keeffe
Auditors:	Saffery Champness 71 Queen Victoria Street London EC4V 4BE
Broker:	Beaufort Securities Limited 131 Finsbury Pavement London EC2A 1NT United Kingdom
UK Nominated Adviser:	RFC Ambrian Limited Level 28, QV1 Building 250 St Georges Terrace Perth WA 6000
JSE Designated Adviser:	River Group 211 Kloof Street Waterkloof Pretoria, South Africa

26 September
Johannesburg
Designated and corporate Adviser River Group