

Kibo Mining Plc (Incorporated in Ireland)
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("Kibo" or "the Company")



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Kibo Mining Plc ('Kibo' or the 'Company')
Power Joint Venture in Mozambique Delivers Further on
Strategy to Develop Regional Energy Group.

Kibo Mining Plc (AIM: KIBO; AltX: KBO), the multi-asset Africa focused energy and resource company, is pleased to announce that it has signed a Joint Venture Agreement (the 'Benga Power Joint Venture' or 'JV') with Mozambique energy company Termoeléctrica de Benga S.A. ('Termoeléctrica') to participate in the further assessment and potential development of the Benga Independent Power Project ('BIPP'), including the right to construct and operate a 150-300MW coal fired power station. Kibo and Termoeléctrica shall hold initial Participation Interests in the unincorporated joint venture of 65% and 35% respectively.

The Benga Power Joint Venture is another step in advancing Kibo's strategy to position the Company as a leading regional energy player. Subject to the successful outcomes of further and more detailed studies on the BIPP, the Company envisages being able to develop the BIPP in an expedited manner alongside its Mbeya Coal to Power Project ('MCP') in Tanzania and the recently acquired Mabesekwa Coal Independent Power Project ('Mabesekwa') in Botswana. The Benga Power Joint Venture shall utilise Kibo's experience in the advancement and development of power projects in the East African region and its strategic relationships with international development partners such as Sepco III and General Electric. As the BIPP has similarities with the MCP and Mabesekwa, it is envisaged that considerable benefits could be realised in any potential power station development, including economies of scale in equipment, execution and project finance.

Summary of Principal Terms of JV

- The assets the subject of the JV will be transferred unencumbered and unfunded into a clean, "sole purpose" vehicle ("Newco") in which Kibo and Termoeléctrica shall hold initial interests of 65% and 35% respectively;
- Kibo will be granted an initial 65% Participation Interest in the Benga Power Joint Venture to exploit the assets of Newco for no upfront consideration, and must maintain this interest by funding a maximum amount of £1m towards the completion of a Definitive Feasibility Study ('DFS');
- Pursuant to a positive outcome of the DFS and the construction of a coal fired power plant (the 'Project'), both Kibo and Termoeléctrica will contribute to the project cost on a pro-rata basis;
- In the event that the JV is terminated before Kibo meets its earn-in threshold, Kibo will be entitled to become a creditor of Newco for an amount of between 50% and 175% of its JV expenses contribution, payable within 30 days of financial close in respect of project financing for construction of the BIPP

(“Financial Close”);

- In the event that the JV is terminated after Kibo meets its earn-in threshold, Kibo shall retain a residual interest in the Project calculated as a percentage relative to total Project expenditure by Kibo, and subject to a minimum retained interest of 15%;
- Typical joint venture dilution clauses and formulas apply to each party allowing one party to dilute the other’s Participation Interest should it not be able to contribute to an agreed sum within the set time period, and subject to a minimum retained interest of 15%;
- Upon delivering a positive DFS in respect of the BIPP, Kibo will have the option, for a period of 365 days from the delivery of the DFS, to increase its interest in the Project up to 85%, at a price determined by an independent third party (and payable within 30 days of such determination);
- Kibo will have majority representation on the JV management committee, including the ability to appoint the Chair of the management committee;
- Kibo and Termoeléctrica to refrain from participating, to the exclusion of each other, in any new project (subject to agreed exclusions) involving the generation of coal-fired electricity in the Republic of Mozambique until the earlier of:
 - the fifth anniversary of the signature date of the JV; or
 - Financial Close;
- Reciprocal Right of First Refusals over disposal of either party’s Participation Interest in whole or part on terms typical of such an agreement;
- Typical termination clauses, including but not limited to, lack of commercial viability, material breach, and mutual consent; and
- The JV is inter alia conditional upon both Parties obtaining all approvals in their relevant jurisdictions to enter into the JV

Summary of the BIPP

The BIPP consists of a suite of authorisations and agreements in addition to lease title over land in the Tete province, Mozambique, on which a potential coal fired power station may be built, in close proximity to various thermal coal producers which could be a source of feedstock. The authorizations and agreements referred to above include the following:

- Authorisation by the Mozambique Ministry of Mineral Resources and Energy to proceed with the final feasibility on the BIPP;
- An MoU with Electricidade de Moçambique (“EDM”), the major public company in Mozambique for the generation, transmission and distribution of electricity, to collaborate in the development of a coal-fired power plant;
- In-principle confirmation by ARA Zambeze (the public authority for the water management in the Zambezi river basin) that sufficient water will be available for the power plant. Definitive authorisation is dependent on the outcomes of the final technical studies;
- Lease title over 59 hectares of unimproved land under a Direito do Uso e Aproveitamento da Terra (“DUAT”) located close to the two producing coal mines in Mozambique’s Tete province:
 - Lease title is preliminary for five years;
 - Title would be expected to become a definitive for 50 years once a power plant had commenced construction;
- Pre-feasibility study required by authorities well advanced, with over £230,000 spent to date, obtaining the DUAT/project land title and studies on concept of constructing a 165 MW coal-fired

power plant on the leased land using relocated assets from Europe, including the first phase of an environmental impact assessment and first phase grid integration study;

- Discussions with and formal letters of comfort received from:
 - Various power supply off-takers – indicating initial demand for up to approximately 150MW; and
 - Thermal coal producers stating willingness and intent to discuss terms and conditions for the supply of thermal coal as a feedstock for the planned power plant.

Mozambique relies predominantly on hydropower despite being heavily affected by droughts which result in inconsistent power supply. It is estimated that less than 30% of the population currently have access to electricity and the power consumption has grown consistently between 6-8% over the last 10 years. The developing industrial and commercial sectors are expected to further increase demand in the near future creating an urgent need for reliable alternatives to hydropower.

The Company is focused on building a geographically diversified portfolio of strategically located energy production assets spanning the entire spectrum of electricity generation across Africa that can solve the increasing acute energy shortages on the continent. With the signing of this joint venture agreement with Termoeléctrica, Kibo will solidify its position as a key participant seeking to contribute in a meaningful way to the energy demand across three countries in southern Africa – Tanzania, Botswana and Mozambique. Its flagship asset is the MCPP in Tanzania, which comprises the development of the Mbeya Coal Mine, a 1.5Mt p/a mining operation and the Mbeya Power Plant, a 300MW mine-mouth thermal power station anticipated to be in production in 36 months from the date of achieving financial close. It also holds an 85% interest in the Mabesekwa Coal Independent Power Project in Botswana on which feasibility studies are well advanced.

Kibo's CEO, Louis Coetzee, said: "This JV is expected to add considerable value to Kibo's portfolio of late stage energy projects and aligns perfectly with our proactive investment strategy of becoming a significant regional power player. Due to our experience of the development of the MCPP and Mabesekwa in addition to our relationships with international development partners General Electric and SEPCO III, we have been recognized as the preferred development partner for strategic power projects in the region. Now we strive to utilize our contacts and industry experience, delivering value to the shareholders through three different projects."

****ENDS****

For further information please visit www.kibomining.com or contact:

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This announcement contains inside information as stipulated under the Market Abuse Regulations (EU) no. 596/2014 ("MAR").

Notes to editors

Kibo is a multi-asset resource development and energy company with a long-term goal of becoming a leading power producer in Sub-Saharan Africa. The Company aims to tackle the acute power deficit which is severely hindering economic development in the region.

Kibo's flagship asset is the Mbeya Coal to Power Project ('MCP') in Tanzania, which comprises the Mbeya Coal Mine, a 1.5Mt p/a mining operation, and the Mbeya Power Plant, a 300MW mine-mouth thermal power station. The Mbeya Coal Mine has a defined 120.8 Mt NI 43 101 thermal coal resource. A Definitive Feasibility Study has been conducted on the project which underpinned its value and confirmed an initial rate of return of 69.2%. The 300MW mine-mouth thermal power station has long term scalability with the potential to become a 1000MW plant. The completed full Power Feasibility Study highlighted a power output target of 1,800 GWh/a based on annual average coal consumption of 1.5Mt. An Integrated Bankable Feasibility Study report for the entire project indicated total potential revenues of US\$ 7.5-8.5 billion over an initial 25-year mine life, post tax equity IRR between 21-22%, debt pay-back period of 11-12 years and a construction period of 36 months.

To assist in the execution of this critical power project of the MCP, Kibo has assembled an international team of advisors and partners including Engineering Procurement and Construction ('EPC') contractors and financial teams that are assisting in the advancement and development of the MCP. These include ABSA/Barclays as Financial Advisor, China based EPC contractor SEPCO III, General Electric, Tractebel Engineering (Power), Minxcon Consulting (Mining) and legal advisors Norton Rose Fulbright.

Kibo also has an 85% interest in the Mabesekwa Coal Independent Power Project ('MCIPP'), a nearly identical power project in Botswana. The project consists of 300Mt subset of the current in-situ 777Mt Coal Resource and has water and land use permits and environmental certification in place. A Pre-Feasibility Study on the coal mine has been completed, as has a Scoping Study, which highlight the power plant having a maximum capacity of 600MW (4x150MW) based on a coal delivery rate of 3.2Mtpa and a Life of Mine of over 30 years.

Johannesburg

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Corporate and Designated Adviser

River Group