

Kibo Mining Plc (Incorporated in Ireland)  
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ISIN: IE00B97C0C31  
(‘Kibo’ or ‘the Company’)



**Dated: 5 January 2018**

**Kibo Mining Plc (‘Kibo’ or the ‘Company’)  
Mbeya Coal to Power Project MOU Update**

Kibo Mining Plc (AIM:KIBO; AltX:KBO), the multi-asset African focused energy and resource company, is pleased to confirm that further to the meetings held with the Ministry of Energy (‘ME’) in late December 2017, the ME has called a meeting on Monday 8 January with Kibo and the Tanzania Electric Supply Company (‘TANESCO’) to finalise the Mbeya Coal to Power Project (‘MCPP’) MOU; accordingly, the Company remains optimistic that the MOU will be completed as announced on 18 December 2017. It should be noted that the Tanzanian holidays differ from the UK, with fewer ‘working days’ over the Christmas period.

The Company had arranged to present at a Proactive Event in London on 11 January 2018, however, the meeting with the ME has taken precedence and accordingly Kibo has postponed its attendance at the event.

**Kibo’s CEO, Louis Coetzee, said:** *“Given the continued urgency by the ME to fast-track the MCPP as the Tanzanian Government focuses on delivering 5GW installed generation capacity by 2020 with a further 7GW to be added in the following five years, we remain optimistic for 2018. During the year, we anticipate hitting various value trigger points regarding the MCPP including the completion of the MOU and the final Power Purchase Agreement during Q1, and look forward to building Kibo as a strategic regional electricity supplier.”*

**\*\*ENDS\*\***

For further information please visit [www.kibomining.com](http://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**

The Mbeya Coal to Power Project ('MCP'), comprises the development of the Mbeya Coal Mine, a 1.5Mt p/a mining operation and the Mbeya Power Plant, a 300 MW 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 underpins its value with an indicated IRR of 69.2%. The 300 MW mouth-of-mine thermal power station has long term scalability to 1000MW, with a full Power Feasibility Study that has been completed, highlighting an annual power output target of 1,8 GW based on annual average coal consumption of 1.5 Mt. 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 this critical power project of the MCP, Kibo has assembled a team of international team of advisors and partners including Engineering Procurement and Construction ('EPC') contractors and financial teams that are assisting in the development of. 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.

Johannesburg  
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Corporate and Designated Adviser  
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