

Kibo Mining Plc (Incorporated in Ireland)
(Registration Number: 451931)
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Share code on the JSE Limited: KBO
Share code on the AIM: KIBO
ISIN: IE00B97C0C31
(‘Kibo’ or ‘the Company’)



Dated: 05 February 2018

**Kibo Mining Plc (‘Kibo’ or the ‘Company’)
MOU Update**

Kibo Mining Plc (AIM:KIBO; AltX:KBO), the multi-asset African focused energy and resource company, announces that following a month of close interaction and co-operation with the Tanzania Electric Supply Company (‘TANESCO’) and the Ministry of Energy (‘the Ministry’), at both departmental as well as ministerial level, the Company CEO and COO arrived in Dar es Salaam on 02 February 2018 to conclude final formalities related to the signing of the MCPP Memorandum of Understanding. (Also see RNS dated 10 January 2018 in this regard).

****ENDS****

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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 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.

Johannesburg

05 February 2018

Corporate and Designated Adviser

River Group