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 2016

Dated 27 September 2016

Kibo Mining plc ("Kibo" or the "Company") (AIM: KIBO; AltX: KBO) the mineral exploration and development company focused on coal, gold, nickel, and uranium projects in Tanzania, is pleased to announce its unaudited half year results for the period ended 30 June 2016.

Highlights from the Chairman, Christian Schaffalitzky's statement:

- Key feasibility studies on the Mbeya Coal to Power project completed with strongly positive results;
- Agreement reached with SEPCO III granting it sole bidder status for the MCPP EPC contract for refund of 50% of development costs incurred by the Company to date;
- Agreement reached to convert Sanderson loan of £1.5m into a 2.5% equity interest in the MCPP project company demonstrates confidence in the project;
- Recent appointments of reputable advisors and agreement with GE International has given renewed momentum to MCPP as it approaches financial close;
- Plans well advanced to spin-out Imweru gold project into a new AIM & JSE listed company, Katoro Gold Mining Limited, raise funds and commence mine development.

Chairman's Statement

Dear Shareholder,

I am pleased to present our accounts for the six-month period ending 30 June 2016 and report on significant progress on our Mbeya Coal to Power ("MCPP") and Imweru gold projects. I outline a summary of the principal operational and corporate developments during the period below.

Operations - MCPP

The Company's primary focus was on advancing the various component feasibility studies and stakeholder negotiations required to finalise the Integrated Bankable Feasibility Study ("IBFS") for our flag ship Mbeya Coal to Power Project ("MCPP"). We made excellent progress on all fronts resulting in the completion of a number of key technical studies and progress with associated activities as follows:

- Detailed engagement with TANESCO and the Government of Tanzania on terms for the negotiation of a Power Purchase Agreement;

- Consolidation of the MCPP Coal licence block by the acquisition of 3 new licence areas;

- Completion of a Mineral Resource re-statement on the Mbeya coal deposit which showed an 10.42% increase in the total resource over the previous estimate.;

- Completion of the Definitive Power Feasibility Study and the Definitive Mining Feasibility Study;

- Appointment of consultants to complete Environmental and Social Impact Assessment ("ESIA") and completion of Phase 1 of the ESIA (scoping study) which also included implementation of a water availability study; and

- Initiation of EPC bid process for the construction of the project.

I am delighted with the strongly positive results from the key studies finalised during the period which have continued to de-risk the MCPP by demonstrating improved financial, technical and operational metrics and so enhancing its prospects for a successful financial close and commencement of project construction.

I note that momentum on the MCPP has continued to gather pace during the third quarter 2016 with a highlight being the new agreement we recently signed with international China based EPC contractor, SEPCO III. This agreement grants SEPCO III the right to be the sole EPC bidder for the construction of the MCPP power plant in exchange for it refunding 50% of the development costs incurred by Kibo to date on the project. We have already received the first tranche of US$1.8 million of the development costs from SEPCO III. The awarding of the EPC contract to SEPCO III will be contingent on it meeting the strict bid proposal specification laid down by Kibo and its power plant consultants Tractabel Engineering Ltd and agreement being reached with Kibo on the balance of the development costs to be refunded. The agreement with SEPCO III was achieved as a result the outstanding results received from the power and mining feasibility studies completed during the first half of 2016. The agreement is an acknowledgement of the advanced development stage achieved with the MCPP and the recognized quality of the project. Consequently, the tender process for awarding the EPC contract to construct the power plant is now warranted and has begun.

I also note the recent appointment of UK law firm Norton Rose Fulbright as legal advisors on the MCPP, the Memo of Understanding signed with US industrial conglomerate GE International for the provision of technical services and assistance with bringing the project to financial close and the appointment of Absa bank as financial advisors. These appointments further reflect the increased momentum we now have behind this much needed energy project in southern Tanzania.

Operations – Imweru

Apart from reaching the major developmental milestones on the MCPP discussed above, we also initiated a major initiative on our Imweru gold project during the first half of 2016 in order to release value for shareholders in this exciting gold project. We are well advanced in our plans to spin-out this project into a new AIM and JSE listed company, to be called Katoro Gold Mining Limited ("Katoro") and raise sufficient finance to develop a gold mine with an initial production target of 50,000 oz. gold per annum within 12 to 18 months. While initially we had reached heads of agreement, with Australian private company, Lake Victoria Gold, to include its adjacent Imwelo project in Katoro, subsequent issues that came to light during our due diligence review on Imwelo has meant that we will not now proceed with amalgamating the two projects. Instead we will replace Imwelo with our Lubando gold project areas ("Geita East") which together with Imweru will be the initial projects in Katoro.

Imweru and Lubando together have a combined gold resource of approximately 700,000 oz. at 1-2 g/t. We plan to commence mine development at Imweru where there is an existing JORC-compliant Mineral Resource of 14.9 Mt @ 1.1 g/t (550,000 oz. Au) and for which we have already commenced a Mining Feasibility Study. The first part of this study, a Preliminary Economic Assessment, was completed during 2015 and established the potential of Imweru to warrant a mine development with a mine life of 7-10 years and the potential to expand the resource and extend the mine life by another 6 years. Lubando, located 70km east of Imweru, has a NI43-101 compliant Mineral Resource of 2,593,710 tonnes at 2g/t (168,300 oz. Au) and together with adjacent Geita East projects properties at Busolwa and Pamba offer the opportunity for further gold exploration and resource expansion that may lead to a mine development being warranted in the longer term.

Operations – Other Projects

We have kept work to a minimum on our other projects at Haneti (nickel-PGM), Morogoro (gold) and Pinewood (uranium) during 2016 to date as we focus resources on our coal and gold development projects. Haneti remains drill ready to test initial nickel-PGM targets established from earlier exploration. We continue to engage with Metal Tiger plc, our joint venture partners on the Morogoro and Pinewood projects on the best way to extract value from these projects and a number of initiatives are currently under consideration.

Corporate

The increased funding requirement of the Company to maintain momentum behind the MCPP during the period was satisfied with an innovative loan arrangement with Sanderson Capital Partners. The loan has proved to be a successful alternative to direct placings in the market in minimising shareholder dilution and maintaining shareholder value in the MCPP pending completion of the IBFS and financial close. The loan of GBP 1.5 million, arranged in March 2106, was drawn down in five tranches of GBP 300,000 each over a period of six months (March-August inclusive). A total of 15,060,418 Kibo shares were issued at prices of between 4p to 5.25p in settlement of loan arrangement and drawdown fees over the loan term. I am pleased to reflect on the re-negotiated terms for the payback of the loan which we recently announced on the 1st September and which converted the loan to a 2.5% equity interest in the MCPP for a conversion fee of £150,000 in Kibo shares. These attractive terms demonstrate confidence by Sanderson in the project and also minimise dilution of your shareholding in Kibo.

In addition to the shares issued during the January – June period pertaining to the Sanderson loan discussed above in the amount of 12,902, 943 shares, a further 9,614,613 shares were issued by the Company in settlement of an earlier Sanderson loan and as payment for technical and corporate services to the Company. The total number of shares thus issued during the first six months of 2016 was thus 22,517, 556 shares at prices of between 3.7p and 5.25p.

The Company also received re-payment of £522,800 in January 2016 being the delayed receipt of the final proceeds from its February 2015 placing with Hume Capital Securities plc (funds were locked down following Hume going into administration in March 2016).

In conclusion, I would like to thank our board and management for their on-going work under the direction of CEO Louis Coetzee where we have again seen major critical milestones reached on the MCPP since the start of the year.

Christian Schaffalitzky
Chairman

Unaudited Interim Results for the six months ended 30 June 2016

Unaudited condensed consolidated interim Statement of Comprehensive Income
For the six months ended 30 June 2016

	6 months to 30 June 2016 (Unaudited) £	6 months to 30 June 2015 (Unaudited) £	12 months to 31 December 2015 (Audited) £
Revenue	4,184	-	44,181
Administrative expenses *	(1,458,100)	(851,620)	(1,791,358)
Exploration Expenditure	(866,967)	(248,203)	(1,454,216)
Reversal of Impairment	-	-	3,182,240
Bargain purchase on acquisition of subsidiary	-	185,698	-
Operating (loss)/ profit	**(2,320,883)**	**(914,125)**	**(19,153)**
Investment and Other Income	480	234	196,315
(Loss)/ Profit before tax	**(2,320,403)**	**(913,891)**	**177,162**
Tax	-	-	-
Loss for the period	**(2,320,403)**	**(913,891)**	**177,162**
Other comprehensive income:			
Exchange differences on translating of foreign operations, net of taxes	46,378	69,704	16,366
Total comprehensive (loss) / profit for the period	**(2,274,025)**	**(844,187)**	**193,528**
(Loss)/ Profit for the period attributable to	**(2,320,403)**	**(913,891)**	**177,162**
Owners of the parent	(2,320,403)	(913,891)	177,162
Non-controlling interest	-	-	-
Total comprehensive (loss) income attributable to	**(2,274,025)**	**(844,187)**	**193,528**
Owners of the parent	(2,274,025)	(844,187)	193,528
Non-controlling interest	-	-	-
Basic (loss)/ earnings per share	(0.007)	(0.0029)	0.001
Diluted (loss)/ earnings per share	(0.007)	(0.0029)	0.001
Headline loss per share	(0.007)	(0.0036)	(0.010)

Note: *Administrative expenditure for the interim period ended June 2016 includes £947,418 relating to financing activities specific to the borrowings raised throughout the current period.*

Unaudited condensed consolidated interim Statement of Financial Position
As at 30 June 2016

	6 months to 30 June 2016 (Unaudited) £	6 months to 30 June 2015 (Unaudited) £	12 months to 31 December 2015 (Audited) £
Assets			
Non-current assets			
Property, plant and equipment	3,449	27,394	7,182
Intangible assets	17,596,105	14,413,865	17,596,105
Total non-current assets	**17,599,554**	**14,441,259**	**17,603,287**
Current assets			
Trade and other receivables	56,718	844,143	550,692
Cash and cash equivalents	107,086	835,227	189,435
Total current assets	**163,804**	**1,679,370**	**740,127**
Total assets	**17,763,358**	**16,120.629**	**18,343,414**
Equity			
Called up share capital	13,470,787	13,191,116	13,210,288
Share premium	26,495,318	25,791,441	25,782,519
Treasury shares	(44,464)	-	(44,464)
Translation reserve	(338,241)	(331,281)	(384,619)
Share based payment reserve	514,279	510,978	514,279
Retained deficit	(23,861,789)	(23,143,417)	(21,541,386)
Total equity	**16,235,890**	**16,018,837**	**17,536,617**
Liabilities			
Current liabilities			
Trade and other payables	327,468	75,209	306,797
Current tax liability	-	26,583	-
Borrowings	1,200,000	-	500,000
Total current liabilities	**1,527,468**	**101,792**	**806,797**
Total equity and liabilities	**17,763,358**	**16,120,629**	**18,343,414**

Unaudited Condensed Consolidated Statement of Changes in Equity

	Share Capital	Share Premium	Treasury shares	Share based payment reserve	Foreign currency translation reserve	Total reserves	Retained deficit	Total
	£	£	£	£	£	£	£	£
Balance at 30 June 2015 (unaudited)	**13,191,116**	**25,791,441**	**-**	**510,978**	**(331,281)**	**179,697**	**(23,143,417)**	**16,018,837**
Profit / (loss) for the year							1,091,053	1,091,053
Other comprehensive income (loss) - exchange differences					(53,338)	(53,338)		(53,338)
Share options and warrants expired or cancelled during the period				(510,978)		(510,978)	510,978	
Share options issued during the current period				514,279		514,279		514,279
Proceeds of share issue of share capital	(25,292)	(8,922)						(34,214)
Issue of treasury shares	44,464		-44,464					
Balance at 31 December 2015 (audited)	**13,210,288**	**25,782,519**	**(44,464)**	**514,279**	**(384,619)**	**129,660**	**(21,541,386)**	**17,536,617**
Profit / (loss) for the year	-	-	-	-	-	-	(2,320,403)	(2,320,403)
Other comprehensive income- exchange differences on translating of foreign operations	-		-	-	46,378	46,378	-	46,378
Share options issued during the current period	-	-	-	-	-	-	-	-
Proceeds of share issue of share capital	260,499	712,799	-	-	-	-	-	973,298
Balance as at 30 June 2016 (unaudited)	**13,470,787**	**26,495,318**	**(44,464)**	**514,279**	**(338,241)**	**176,038**	**(23,861,789)**	**16,235,890**

Unaudited condensed consolidated interim statement of cash flow
For the six months ended 30 June 2016

	6 months to 30 June 2016 (Unaudited) £	6 months to 30 June 2015 (Unaudited) £	12 months to 31 December 2015 (Audited) £
(Loss) / Profit for the period before taxation	**(2,320,403)**	**(913,891)**	**177,162**
Adjusted for:			
Foreign exchange loss	46,378	69,704	16,366
Depreciation on property, plant and equipment	3,683	699	21,685
Investment income	(480)	(234)	(2,890)
Bargain purchase from business combinations	-	(185,698)	(193,425)
Loss on disposal of subsidiaries	-	-	5,762
Impairment of Goodwill recognised	-	-	20,057
Non-cash items	-	-	29,554
Movement on exploration activities	-	248,203	-
Share based payments	973,348	-	596,287
Reversal of impairment	-	-	(3,182,240)
Operating income before working capital changes	**(1,297,474)**	**(781,217)**	**(2,541,236)**
(Increase)/ Decrease in trade and other receivables	493,974	(832,587)	(539,135)
(Decrease)/ Increase in trade and other payables	20,671	(138,314)	66,691
Cash flow from business combination	-	161,367	-
Net cash outflows from operating activities	**(782,829)**	**(1,590,751)**	**(3,013,680)**
Cash flows from investing activities			
Expenditure on exploration activities	-	(248,203)	-
Net cash flow from acquisition of subsidiaries	-	-	61,492
Net cash used in investing activities	**-**	**(248,203)**	**61,492**
Cash flows from financing activities			
Proceeds from issue of share capital	-	2,487,500	2,453,286
Proceeds from borrowings	700,000	-	500,000
Investment Income	480	234	2,890
Net cash proceeds from financing activities	**700,480**	**2,487,734**	**2,955,176**
Net increase in cash and cash equivalents	**(82,349)**	**648,780**	**2,988**
Cash and cash equivalents at beginning of period	189,435	186,447	186,447
Cash and cash equivalents at end of period	**107,086**	**835,227**	**189,435**

Notes to the unaudited condensed consolidated interim financial statements
For the six months ended 30 June 2016

1. General information

Kibo Mining Plc ("the Company") is a public limited company incorporated in Ireland. The condensed consolidated interim financial statements 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 statements are for the six months ended 30 June 2016, and have been prepared using the same accounting policies as those applied by the Group in its December 2015 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.

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.

These condensed consolidated interim financial statements do not include all the notes presented in a complete set of consolidated annual financial statements.

The comparative amounts in the consolidated financial statements include extracts from the Company's consolidated annual financial statements for the period ended 31 December 2015.

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.

3. Operating (loss)/ profit

Administrative expenditure for the interim period ended June 2016 includes £947,418 relating to financing activities specific to the borrowings raised throughout the current period (2015 financial period £51,000).

4. 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 2016 £	**6 months to 30 June 2015 £**	**12 months to 31 December 2015 £**
Loss for the year attributable to equity holders of the parent	(2,320,403)	(913,891)	177,162
Weighted average number of ordinary shares for the purposes of basic and dilutive loss per share	338,524,702	305,438,536	316,986,334
Basic loss per share	(0.007)	(0.0029)	0.001
Dilutive loss per share	(0.007)	(0.0029)	0.001

Reconciliation of Headline loss per share	**6 months to 30 June 2016 £**	**6 months to 30 June 2015 £**	**12 months to 31 December 2015 £**
Loss for the year attributable to equity holders of the parent	(2,320,403)	(913,891)	177,162
Impairment of Goodwill	-	(185,698)	20,057
Loss on disposal of subsidiaries	-	-	5,762
Bargain purchase from acquisition of subsidiaries		-	(193,425)
Reversal of Impairment of Intangible Assets	-	-	(3,182,240)
Headline loss per share	(2,320,403)	(1,099,589)	(3,172,684)
Weighted average number of ordinary shares for the purposes of headline loss per share (revised)	338,524,702	305,438,536	316,986,334
Headline loss per share	(0.007)	(0.0036)	(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).

5. 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	Nominal Value £	Share Premium £	Treasury Shares £
Balance at 31 December 2014	**274,238,757**	**12,591,750**	**23,903,307**	**-**
Shares issued in period (net of expensed for cash)	56,689,957	618,538	1,879,212	(44,464)
Balance at 31 December 2015	**330,928,714**	**13,210,288**	**25,782,519**	**(44,464)**
Shares issued in period (net of expensed for cash)	22,517,556	260,499	712,799	-
Balance at 30 June 2016	**353,446,270**	**13,470,787**	**26,495,318**	**(44,464)**

6. 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 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
Profit/ (Loss) after tax	(862,783)	(1,457,620)	(2,320,403)

30 June 2015	Mining and Exploration Group	Corporate Group	30 June 2015 (£) Group
Revenue	-	-	-
Administrative cost	-	(851,620)	(851,620)
Exploration expenditure	(248,203)	-	(248,203)
Investment and other income	234	185,698	185,932
Tax	-	-	-
Profit/ (Loss) after tax	(247,969)	(665,922)	(913,891)

30 June 2016	Mining Group	Corporate Group	30 June 2016 (£) Group
Assets			
Segment assets	17,751,867	11,491	17,763,358
Liabilities			
Segment liabilities	198,790	1,328,678	1,527,468
Other Significant items			
Depreciation	3,683	-	3,683

31 December 2015	Mining Group	Corporate Group	31 December 2015 (£) Group
Assets			
Segment assets	17,816,927	526,487	18,343,414
Liabilities			
Segment liabilities	139,905	666,892	806,797
Other Significant items			
Depreciation	21,685	-	21,685

7. Unaudited results

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

8. Dividends

No dividends were declared during the interim period.

9. Board of Directors

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

10. Subsequent events

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

27 September 2016

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
Corporate and Designated Adviser:	River Group 211 Kloof Street Waterkloof Pretoria, South Africa