

Letter to Shareholders

Kibaran Resources Limited (ASX: KNL), ('Kibaran' or the 'Company') would like to advise that the Company has posted yesterday (16 December 2015) a letter to all Kibaran shareholders. This letter is an overview of the key milestones achieved during 2015.

A copy of the letter has been attached to this announcement.

Further information, please contact:

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16 December 2015

Dear fellow Kibaran shareholder

Over the past year, your Company has achieved many key development milestones for our Epanko Graphite Project in Tanzania. Epanko is rapidly moving forward to becoming a long-term stable supplier of premium quality large flake graphite for the refractory market and the growing global battery graphite market.

Key 2015 Milestones:

- Mining Licence granted and Environmental Approval received
- Positive Bankable Feasibility Study completed
- Binding off-take agreement with German blue-chip multi-national ThyssenKrupp AG
- 75% of planned maiden production secured in off-take and sales agreements
- In-principle German Government loan guarantee (UFK) received for debt financing
- Commencement of project financing negotiations
- 25 year mine life confirmed based on Proved and Probable Ore Reserve
- Positive Scoping Study completed for battery grade manufacturing facility

Our focus in 2016 is to complete project financing in the first half of the year and fast-track into the commencement of construction in the second half with Epanko in production in 2017. The Company will also continue to progress further strategic partnerships including with the high growth battery market.

We believe we have positioned Kibaran perfectly and although the equities market has yet to fully recognise the achievements made this year, our robust and strategic German alliances provide a very firm base and entry into the refractory and battery markets. Recent news of Tesla talking with the German Government over a European gigafactory, is very positive for us.

It is not well known, but battery innovation is being led by Germany, Japan and Korea, hence our positioning of Kibaran as a major supply chain and alternative supply to China.

A bookmark has been enclosed celebrating our milestone achievements this year and we encourage you over the festive season to read about the battery market for energy storage and electric vehicles as these are underpinning our very exciting prospects for growth.

We are very fortunate to have attracted Mr Robert (Bob) Pett as Chairman. Bob brings a timely wealth of experience to your Board. The sudden passing of former Chairman Mr John Park during the year remains heavy in our hearts, and our thoughts are with his family and friends.

As a fellow Kibaran shareholder, I thank you sincerely for your continued support and on behalf of the Board and the Kibaran team I extend to you our warmest wishes for the festive season and a prosperous 2016!!

Warm regards



Andrew Spinks
Managing Director