2016 Annual Report and Accounts

KIBOMINING PLC

KIBOMINING

HIGHLIGHTS 2016

MBEYA COAL TO POWER (COAL)

- Re-statement of Coal Resource
- Completion of Definitive Power Feasibility Study
- Completion of Definitive Mining Feasibility Study
- Mining Right Application submitted to Tanzanian Ministry of Energy & Minerals
- Collaboration Agreement signed with GE International Inc. (GE) for supply of equipment, technology and services to the Mbeya power plant
- Appointment of ABSA/Barclays Bank as new Financial Advisor to MCPP
- Engineering-Procurement-Construction (EPC) & Other Equipment Manufacturer (OEM) contracts awarded to SEPCO III & GE respectively
- Completion of Environmental & Social Impact Study
- Completion of Integrated Bankable Feasibility Study (announced January 2017)

IMWERU & LUBANDO PROJECT (GOLD)

- Options investigated for spin-off of Kibo's gold projects (Imweru & Lubando) in Lake Victoria Region into separate gold mining company
- Heads of Agreement signed with Opera Investments PLC for the sale of Imweru & Lubando in reverse takeover transaction ("Opera Transaction")
- Opera Transaction completed (May 2017) with admission of Opera to AIM, re-named Katoro Gold PLC and placing implemented which raised £1.5m to advance Imweru towards gold production
- Re-statement of gold Mineral Resources at Imweru & Lubando

HANETI PROJECT (NI-CU-PGM)

- Haneti maintained in good standing pending availability of resource to drill established drill targets

One of two new classrooms funded by Kibo -
Meheza & Mamkukwe villages, Songwe Region, Tanzania

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Geotechnical Drilling -MCPP

EXPLORATION & DEVELOPMENT PROJECTS

Handover of new school Classrooms to Regional & District Commissioners for Songwe Region - March 2017

CHAIRMAN'S STATEMENT

Dear Shareholders,

2016 saw our Company build further on the milestones reached during 2015 with the completion of a number of critical studies in regard to our flagship Mbeya Coal to Power Project ("MCPP") and the spin-off of our key gold assets (Imweru & Lubando) to a new gold focussed company, Katoro Gold PLC ("Katoro"). These tasks were achieved while simultaneously levering the value created in the MCPP to arrange efficient funding mechanisms that minimised shareholder dilution.

Kibo Mining's main achievements are:

- The completion of definitive feasibility studies on both the proposed coal mine and its dedicated power plant at the MCPP;
- Signing of a collaboration agreement with multinational US based GE Electric International Inc. in November 2016 which provided for GE to supply equipment, technology and services to the power plant;
- The negotiation and awarding of the EPC contract for the power plant construction to SEPCO III and the OEM contract to GE;
- The completion of the Integrated Bankable Feasibility Study on the MCPP (announced January 2017); and
- The completion in May 2017 of a reverse takeover transaction with Opera Investments Plc (renamed Katoro Gold PLC) which saw Katoro acquire the Imweru and Lubando licence portfolios, be admitted to AIM and raise £1.5m for the advancement of a Definitive Feasibility Study ("DFS") at Imweru.

The Mbeya Project remained the centre of our focus during 2016 and I am glad to report that we have moved the project nearer to Financial Close with the completion of the key feasibility studies (mining & power) and the bringing on board of key advisors and partners such as SEPCO III, GE, Norton Rose Fulbright and Absa/Barclays. As you are aware, we had anticipated reaching financial close on the project by the end of 2016 but an on-going Tanzanian government review of electricity tariffs and a re-structuring of TANESCO, the national electricity supply company, has delayed negotiations on completion of a Power Purchase Agreement ("PPA") for the MCPP for now. Kibo welcomes these re-structuring initiatives by the Tanzanian Government which I believe will ultimately benefit the outcome of negotiations on a PPA by delivering us an agreement that will ensure the long term operational and financial viability of the project.

I can assure shareholders that we continue to maintain a close relationship with the Tanzanian government both at central and regional levels who, together with Kibo, recognise the role the MCPP will play in contributing to addressing the current generating capacity shortages in the country. Our commitment is to work collaboratively with local communities in southern Tanzania to ensure a sustainable development that benefits people directly and provide key power infrastructure that will facilitate other economic development in the area. An example of our social development commitment to the Songwe Region, where the MCPP is located, is our on-going joint programme between Kibo and the towns of Meheza and Namkukwe for funding the refurbishment and extension of school buildings. As we reported in March 2017, the Company recently handed over two newly constructed school classrooms for these towns to the Regional Commissioner for Songwe.

In the Lake Victoria region, we embarked during 2016 on an assessment of options for advancing our resource based gold assets, Imweru & Lubando. The favoured option was a reverse takeover transaction with Opera Investments Plc. I am pleased to report that, at the time of writing, this transaction has now been successfully completed and Kibo now holds a 57% interest in AIM-listed Katoro Gold PLC which now holds the Imweru and Lubando projects. The admission of Katoro to AIM was accompanied by a placing which raised proceeds of £1.5m to advance the completion of DFS at Imweru. Kibo had already completed a preliminary economic assessment (scoping study) in 2015 at Imweru. This study indicates good potential for the establishment of a gold mine at the site and the next phase of work by Katoro at Imweru will be to complete a pre-feasibility study for which a drilling programme is currently in progress.

Katoro's short term strategy is to develop a gold mine at Imweru within the next 12-18 months while expanding and upgrading the current Mineral Resource in order to ensure the longer term viability of the planned mine. The longer term strategy is to test the viability of another mine development at Lubando by conducting an initial scoping study on the current Mineral Resource and, if positive, follow-on pre-feasibility and feasibility studies. The greater Imweru and Lubando licence portfolios also provide Katoro with a large area of additional exploration ground on which surface geochemical surveys have already defined a number of robust drill targets.

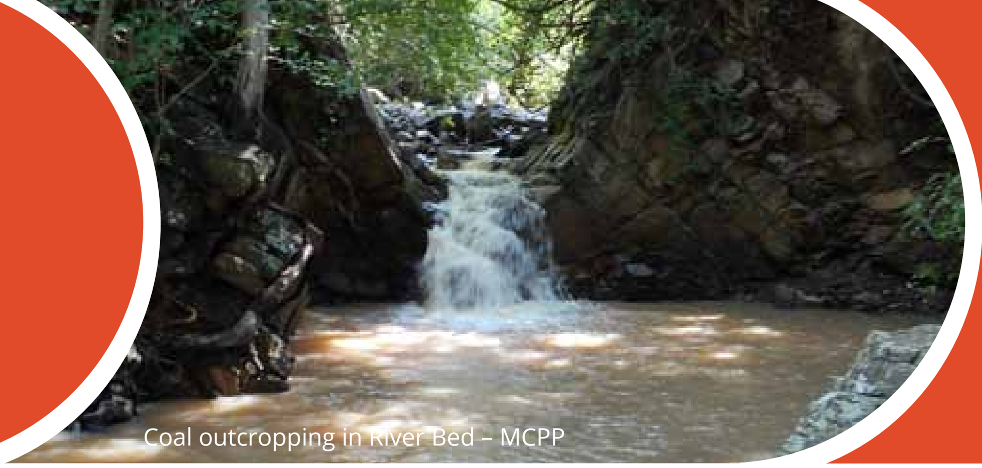
We continue to hold our Haneti (Ni-Cu-PGM)-project as an important pipeline project in the rationalised Kibo portfolio. Unfortunately, we did not get the opportunity to complete our initial planned drilling programme on the project during 2016 but we continue to investigate funding options in order to complete this work as soon as possible.

The increasing workload, funding requirements and focus now required for our two development projects, the MCPP and Imweru, prompted us to review our earlier stage exploration assets and commodity spread towards the end of 2016. We thus, by mutual arrangement with our joint venture partner Metal Tiger Plc - terminated our joint ventures on the Pinewood (uranium) and Morogoro (gold) projects and relinquished the underlying licence portfolios in January 2017. We also recently (June 2017) relinquished a number of early stage gold exploration licences on our Lake Victoria Project as part of a "tidying up" exercise to ensure that only the most prospective areas i.e. the Imweru and Lubando licence portfolios were divested to Katoro for forward exploration and development.

On the corporate front, Kibo strived to minimize shareholder dilution by using the value in the MCPP to negotiate a number of loans subsequently repaid by combinations of cash, new shares issues in Kibo and divestment of a small equity share in the MCPP itself. These loans were extended by Sanderson Capital Partners with whom we have developed a solid relationship in the last couple of years and who have recognised the inherent value in the MCPP. Our most recent financial arrangement with Sanderson allows us an advance on the outstanding funds due to us from SEPCO III at financial close of the MCPP repayable in cash (or shares at Sanderson's option) when we are in receipt of the funds. These loan facilities have provided us with the funding to complete the integrated bankable feasibility study on the project without reverting to placings which would be only available at significant discounts to our share price which, disappointingly, is still not at a level commensurate with the value in our projects.

Finally, I wish to thank our CEO Louis Coetzee and his management team for their continued efforts in bringing our development projects to fruition. We particularly look forward to bringing the MCPP to financial close during 2017 and the completion of a DFS at Imweru by Katoro.

Christian Schaffalitzky
Chairman
26 May 2017



Coal outcropping in River Bed – MCPP

REVIEW OF ACTIVITIES

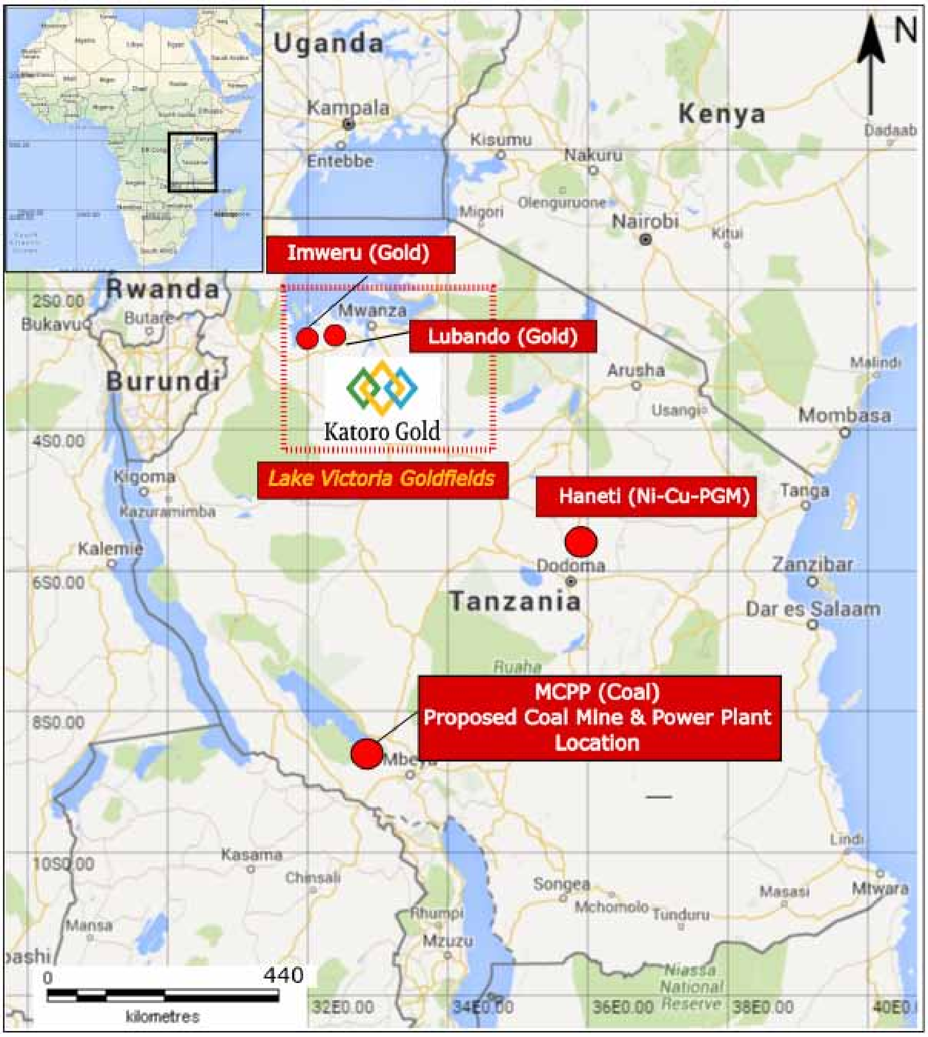
Introduction

The following sections provide a summary of the principal activities carried out by the Company on its projects during 2016. In line with its strategy, Kibo continues to evaluate, prioritise and rationalise its project licence portfolios in order to focus resources on those areas the Company believes offers the best opportunities for exploration and development success. Since year end Kibo has terminated its joint ventures on the Morogoro (gold) and Pinewood (uranium) joint ventures by mutual consent with Metal Tiger Plc and relinquished the licence portfolios. It has also rationalised its large early stage gold exploration licences within its Lake Victoria Project and divested the remaining licences comprising the Imweru and Lubando projects, to Katoro Gold PLC which was admitted to AIM on the 24 May 2017. This rationalisation will enable the Company to now focus on its remaining Mbeya Coal to Power and Haneti Projects as well as offering critical project support to Katoro on Imweru and Lubando.

Operational

Mbeya Coal to Power Project (MCPP)

The Company reached critical milestones on its development path for the MCPP during 2016 with the delivery of the definitive power and mining feasibility studies and the signing of key agreements with a number of world class consultants and partners.



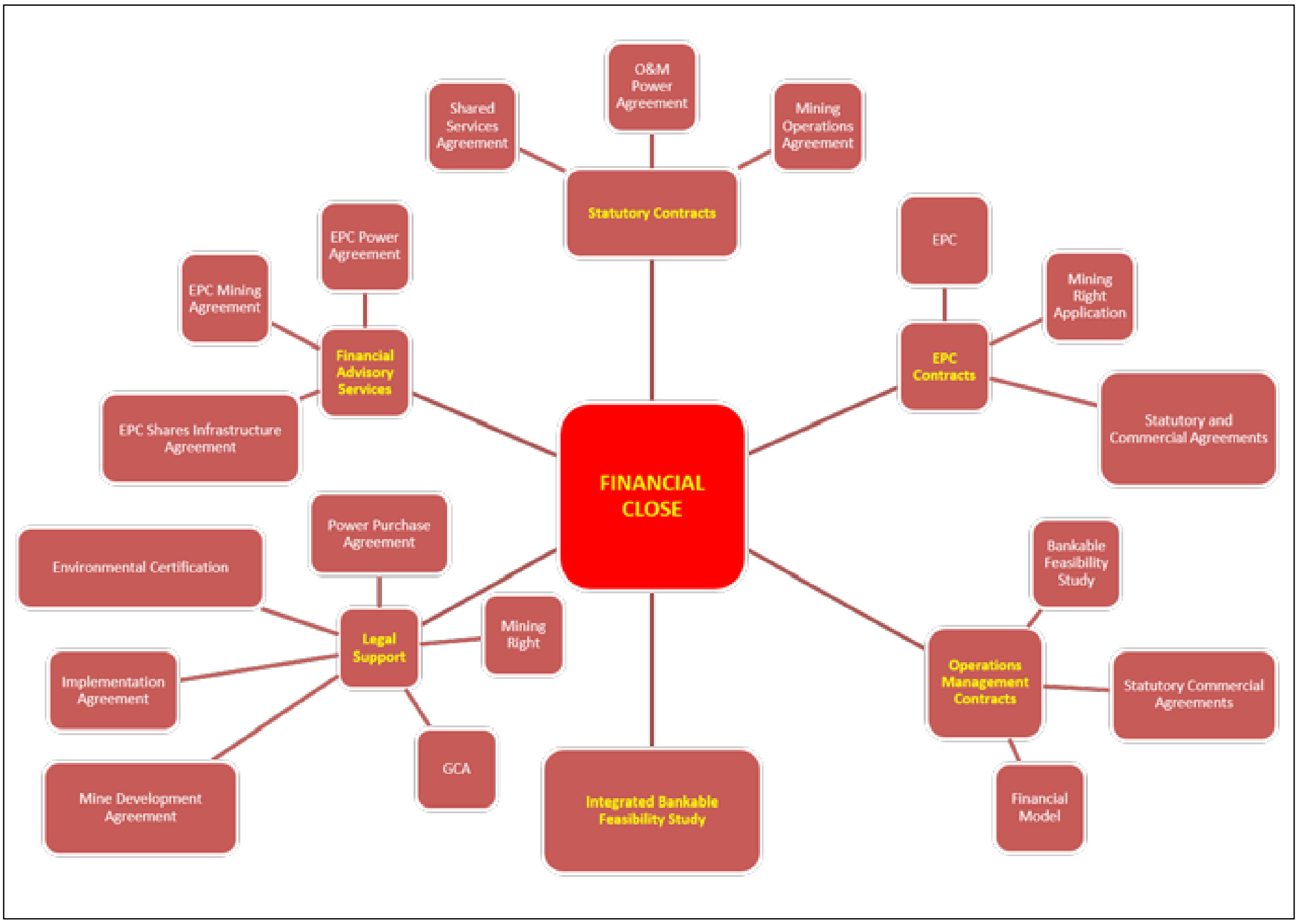
Regional Distribution of Kibo's Projects in Tanzania

The Definitive Power Feasibility Study (DPFS) for the construction of a 300 MW thermal power station was delivered to the Company by its consultants Tractebel Engineering in early 2016. It confirmed the strong financial and operational metrics of the earlier Power Prefeasibility Study ("PPS") completed in 2014 with the following highlights:

- Base case layout (Circulating Fluidised Bed boiler technology/ 2 X 150 MW units) identified in PPS confirmed as optimal design;
- DPFS annual power output target of 1,840 GWh & average coal consumption of 1.5 million tonnes per year confirmed;
- Total estimated EPC project cost well below cost estimate stated in PPS; and
- DPFS includes provision for near term expansion of the power station to at least 600 MW.

Following on from the completion of the DPFS, the Definitive Mining Feasibility Study ("DMFS") for the coal mining component of the MCPP was delivered to the Company by mining consultants Minxcon and, as expected, it confirmed the viability of the coal mine evident from the earlier Mining Prefeasibility Study ("MPS") completed in 2014. Headline financial and operational metrics from the DMFS include:

- IRR of 69.2% (15% improvement from 53.9% stated in the MPS);
- Payback period 2.4 years (7% Improvement from 2.6 years stated in the MPS);
- Peak funding requirement of USD17 million (reduced by 54% from that identified in MPFS);
- All in cost margin of 39% (Reduced from 49% in the MPS (All in cost margins of above 25% are considered healthy));



MCPP-A Complex Process

Kibo & SEPCO III delegations at signing of EPC contract award for MCPP power station construction- December 2016

- Power Station coal requirements reduced by 23% from that identified in the MPS bringing significant environmental and cost benefits; and
- Modified Terrace Mining confirmed as most accurate and cost effective for the coal mine (no blasting/free dig).

The DMFS utilised a re-statement for the Mbeya coal Resource, of 121 Mt (up from 109 Mt) following a successful drilling programme in late 2015. The restatement placed 91% of the total Resource in the Indicated and Measured categories which qualified this portion for inclusion in the coal Reserve statement of the DMFS. The drilling results and subsequent metallurgical testing results also established the coal quality was within specification for the power plant and that its ash and sulphur content was amenable to treatment to keep sulphur dioxide emissions well within international emission standards.

In the third quarter of 2016, the MCPP received a significant endorsement when Kibo announced the signing of a new agreement with China based international energy developer SEPCO III. This agreement granted SEPCO III the right to become the sole bidder for the EPC contract to build the power plant under terms that included the repayment by it of 50% of the total development costs incurred by Kibo to date on the project. The terms and conditions of the agreement were subsequently fulfilled and Kibo received the first tranche of the MCPP development expenditure repayment of US$1.8 million (from a total agreed amount of US$ 5.5 million). The contract was awarded to SEPCO III in the last quarter of 2016 following a positive evaluation of the EPC contract bid by Kibo and Tractebel Engineering. It is management's expectation that the balance of the US$5.5 million development cost will be repaid to Kibo at Financial Close, subject to formal agreement with SEPCO.

Kibo also engaged ABSA/Barclays as financial adviser on the MCPP project with a mandate to develop an integrated financial model for the MCPP, assist it with the finalisation of all ancillary agreements and to act as lead project finance co-ordinator in bringing the MCPP to Financial Close. In addition, the Company agreed re-negotiated terms for the payback of a loan facility from Sanderson Capital Partners Ltd converting of the total loan amount of GBP 1.5 million to a 2.5% equity interest in the MCPP project company subject to payment of a conversion fee in Kibo shares to Sanderson to a value of £150,000.

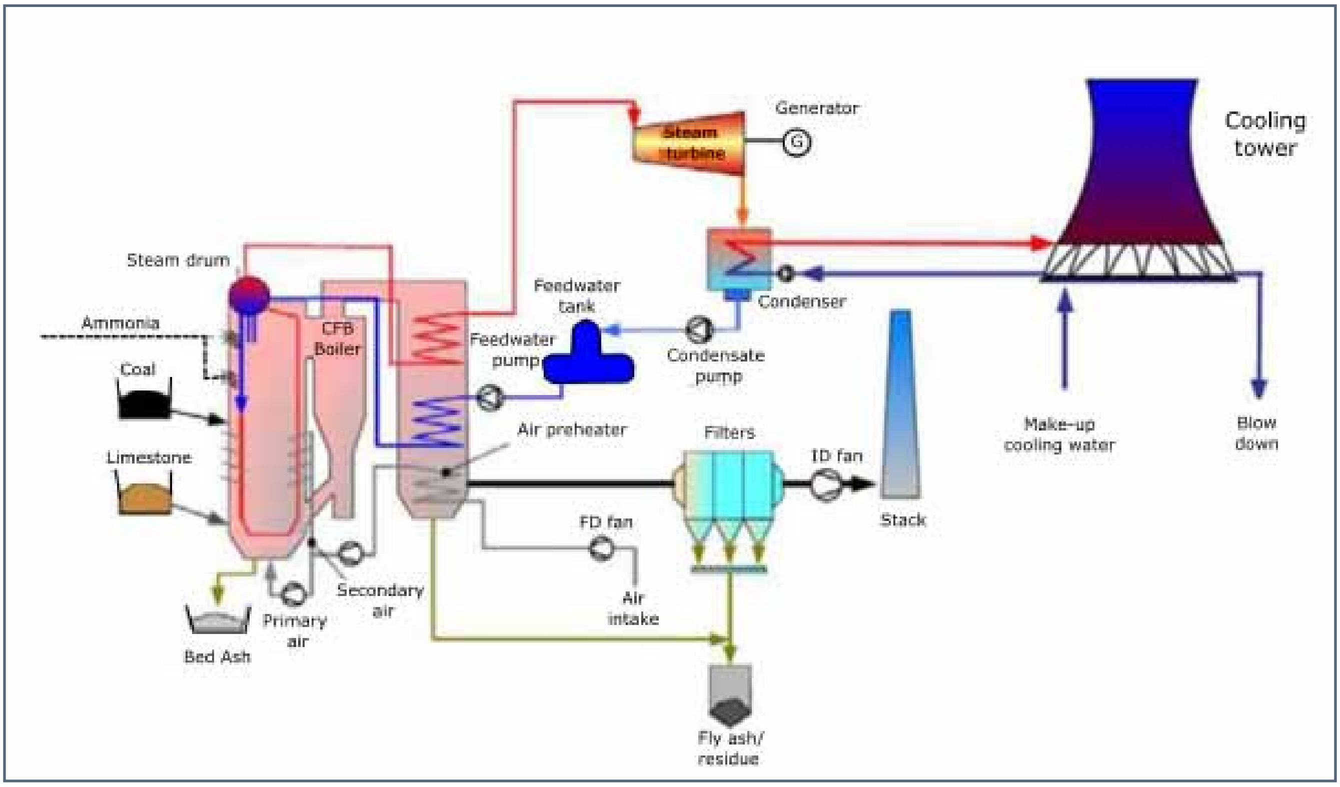
The Company received a major endorsement of the MCPP when it signed a collaboration agreement with multinational US based GE Electric International Inc. towards the end of 2016. This agreement provided for GE to supply, equipment, technology and services to the MCPP power plant and assist with supporting the Company in achieving Financial Close. This relationship was further cemented when an OEM contract from GE to supply key critical components for the power plant was incorporated as an integral part of the awarding of the EPC contract to SEPCO III. The Company also submitted its mining licence application for the MCPP mine in the last quarter of 2016 and received a first draft of the integrated financial model from Barclays/ABSA.

More recently (2017) the Company confirmed that the Environmental & Social Impact Assessment (ESIA) scoping reports for the MCPP mine and power plant had been accepted by the relevant Tanzanian environmental authority and that the majority of the work proposed in these reports had already been completed and certified compliant. The Company now awaits final certification for the ESIA which is expected later in 2017.

The Company also announced completion of the Integrated Bankable Feasibility ("IBFS") for the MCPP in early 2017 which confirmed the strong technical, operational and financial fundamentals for the project previously reported from the results of the earlier separate mining and power feasibility studies.

The IBFS integrated the results of these feasibility studies with the results of an integrated financial model from ABSA/Barclays and results from the other ancillary studies and contracts completed to date, providing updated metrics for the integrated project. The following are the highlights from this work:

- Total capital requirements reduced by 21.1% from original estimate in the Integrated Prefeasibility Study (IPS);
- Indicative MCPP total revenues of approximately US$ 7.5 to US$ 8.5 billion over assumed 25-year mine life;
- Indicative post tax equity IRR between 21% and 22%, an increase of 11% on the indicative IPS;
- Post tax Project IRR ranging between 14.7% and 16%;
- Indicative post-tax equity payback period: 4 to 5 years;
- Debt pay-back period 11 to 12 years; and
- MCPP can be constructed and commissioned within 36 months.



MCPP – Simplified Power Plant Flowchart (Source: Tractebel)

World Class Consultants

Power Definitive Feasibility Study

Mining Definitive Feasibility Study

Environmental Impact Assessment

Legal Advisers to MCPP

Equipment Technology & Services

Critical commercial arrangements

Power Purchase Agreement

EPC Contractor

Financial Advisor

MCPP- World Class Consultants & Partners

The Company is now awaiting a review of the terms of public private partnerships in the Tanzanian energy sector and the restructuring of the state-owned electricity supply company, TANESCO, by the Tanzanian Government. Completion of this work which commenced at the end of 2016 is necessary before Kibo can re-engage with TANESCO and other relevant government authorities in order to finalise a Power Purchase Agreement ("PPA") for the MCPP. The PPA is the final critical path agreement that needs to be in place before the project can commence Financial Close.

While awaiting finalisation of a PPA, the Company has continued to investigate additional customers for the output of the MCCP coal Resource. This has recently resulted in the signing of a Memorandum of Understanding (MOU) with Mbeya Cement Limited on a reciprocal supply agreement. This MOU, subject to definitive agreements and contracts, provides for the MCPP to supply coal and fly ash and power to the Mbeya Cement plant and for Kibo to source its cement and limestone requirements for the MCPP project from the company. This MOU also represents a first step in Kibo's regional collaboration strategy in southern Tanzania to leverage the socio-economic benefits of the MCPP and integrate them in the regional economic development of the area.

Lake Victoria, Mwanza Region, Tanzania

Lake Victoria Projects

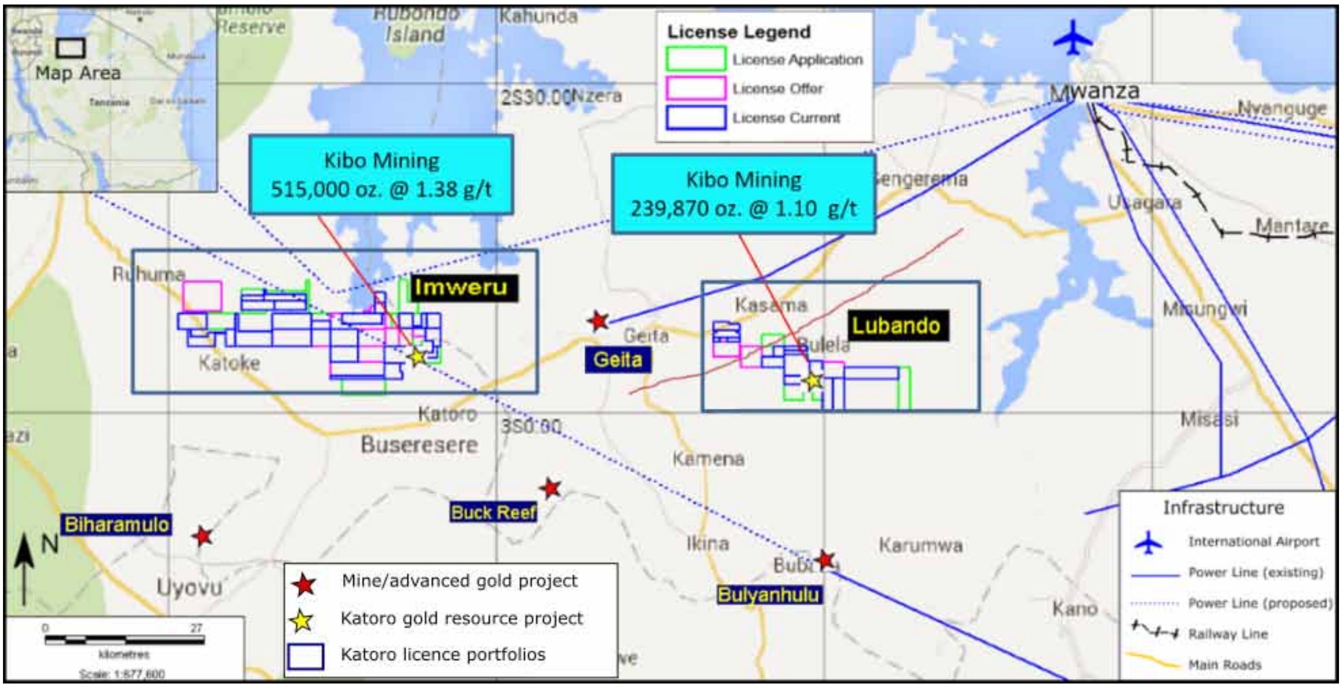
Imweru & Lubando

During 2016, Kibo embarked on a major initiative to divest these two gold projects to a separate gold focussed AIM listed company in order to release value in them for shareholders. This initiative resulted in the Company undertaking a reverse takeover transaction with Opera Investments Plc Whereby Opera acquired the Imweru and Lubando projects from Kibo for the issue of 61 million new shares in Opera to Kibo thereby making Kibo the largest shareholder in Opera with an initial shareholding of 57%. As part of the transaction, Opera was renamed Katoro Gold PLC and was recently admitted to AIM on the 23rd May 2017. The AIM admission was accompanied by a placing of £1.5 million which will be used to advance gold mine development at Imweru.

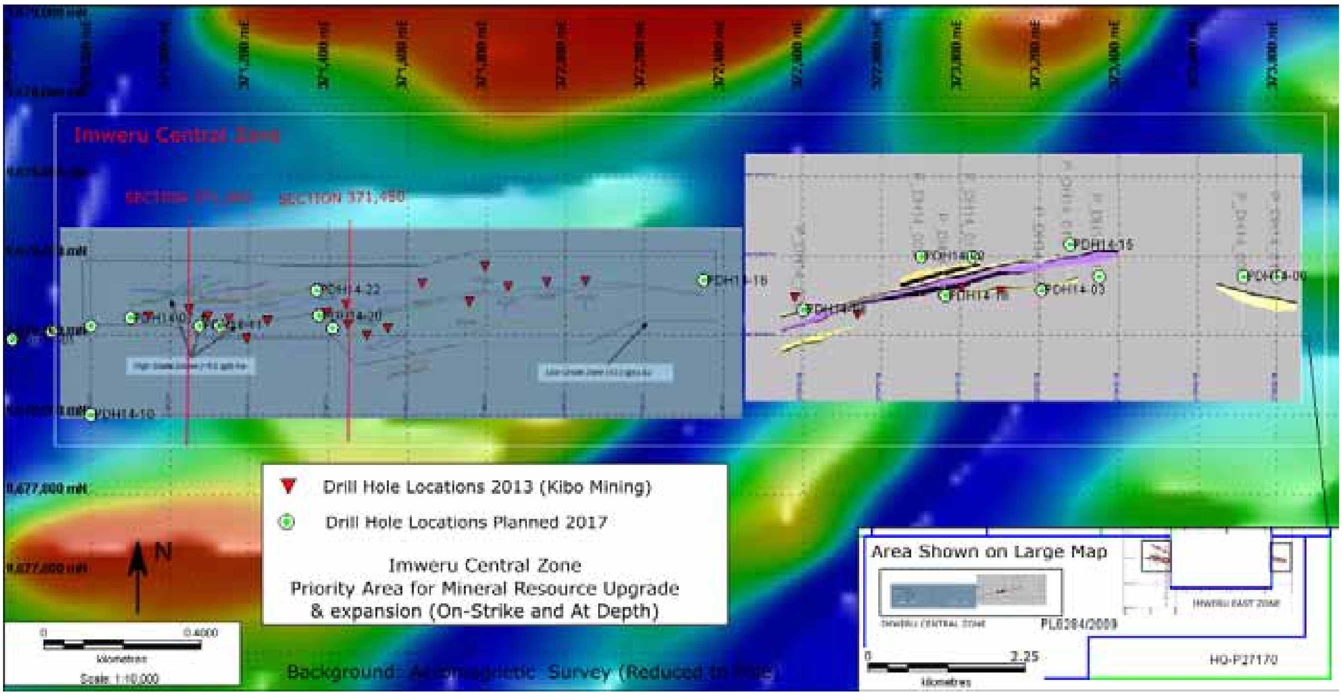
The placing proceeds are being used by Katoro to complete the Pre-feasibility Study ("PFS") at Imweru which was commenced by Kibo in 2015 with the commissioning of a Preliminary Economic Assessment (Scoping Study). This study established good potential for the development of the existing Mineral Resource at Imweru to sustain a mine life of 7-10 years and conditional on further drilling and Resource expansion to extend the mine life by another 6 years. As part of the preparation for the Opera transaction, a re-statement of the 2013 gold Mineral Resource at both Imweru and Lubando was carried out by independent geological consultants Minxcon in early 2017. The updated Resource figures show a current JORC-compliant Mineral Resource of 11.6 Mt @1.38 g/t (515,110 oz.) at Imweru and 6.8 Mt @1.10 g/t (239,870 oz.) at Lubando.

Katoro's focus during 2017 will be on completing the PFS and follow-on-Definitive Feasibility Study (DFS) at Imweru with a view to commence mine construction in early 2018 and begin gold production by late 2018 to early 2019. The first phase of work at Imweru will comprise a drill programme with the goal of further expansion and upgrade of the existing Mineral Resource. This drill programme will overlap with the completion of the PFS for Imweru to be followed, contingent on positive results, and further funding with completion of the full DFS. Assuming favourable results from the PFS, Katoro will also commence an Environmental Social Impact Assessment (ESIA) study for the projects and begin the application process to secure a mining licence during 2017.

In addition to the established Mineral Resources at Imweru & Lubando, the Katoro projects also encompass a significant number of other earlier stage mineral licences with excellent gold discovery potential. These offer Katoro the opportunity to potentially expand its gold Resource inventory in this part of northern Tanzania (Lake Victoria Goldfields) where a number of large gold mines are already in production e.g. Bulyanhulu and Geita. The immediate exploration interest is in strong gold-in-soil anomalies west of the Imweru Mineral Resource at Sheba which are at the drill-ready stage and will be tested as part of Katoro's



Katoro's Imweru & Lubando Projects



Imweru Phase 1 Drill Plan 2017

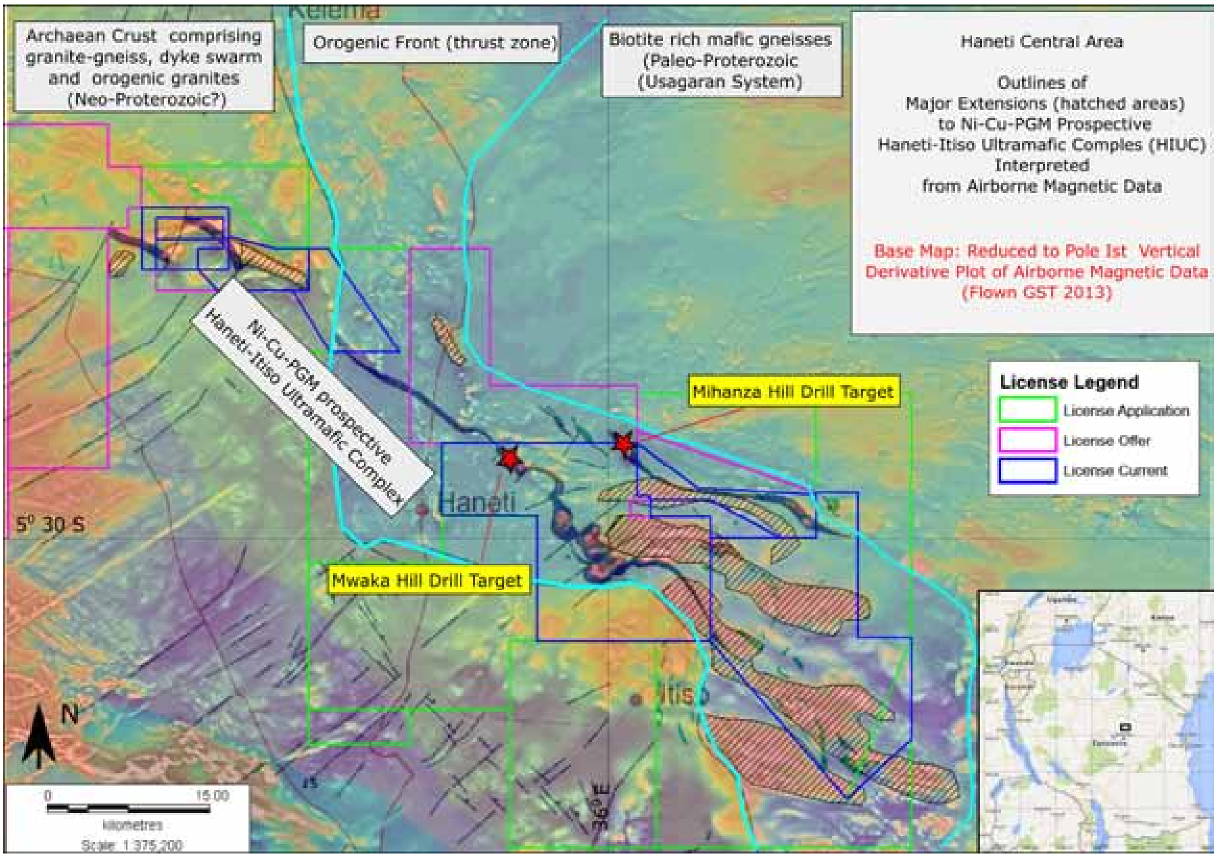
medium term exploration strategy for the area. The greater Lubando project also comprises a large area of gold prospective exploration ground both east and west of the existing Lubando Mineral Resource at Pamba and Busolwa respectively.

Haneti Project

Kibo had planned to conduct an initial drill programme at Haneti during 2016 to test the well-established nickel drill targets at Mihanza and Mwaka Hills. However, the prioritisation of funding and other resources to its flagship development projects meant that this could not be achieved during the year. Kibo maintains the project in good standing and will continue to investigate funding options to allow this first phase of drilling to be implemented at the earliest opportunity.

Morogoro Gold and Pinewood Uranium Projects

The Company recently (February 2017) terminated by mutual consent its joint venture agreements with Metal Tiger Plc on these projects and relinquished the licence portfolios back to the Tanzanian Ministry of Energy and Minerals. This decision reflects a decision by Kibo to focus its resources on its development and more advanced projects (and those of Katoro) i.e. the MCPP, Haneti, Imweru and Lubando projects. Morogoro and Pinewood were early stage exploration projects and their higher risk profile was considered not compatible with Kibo's current project development status and the increased resources (financial and operational) required to be allocated to its development projects.



Haneti showing aeromagnetic interpretation & drill targets

Corporate

On the corporate front the Company continued to manage its funding prudently by taking advantage of the value in its assets, particularly the MCPP, to source alternative funding opportunities. In this regard, it continued its relationship with Sanderson Capital Partners LTD ("Sanderson") by availing of a loan to the value of £1.5 million drawn down over the period March to August 2016 on which it negotiated a conversion to a 2.5% equity interest in the MCPP project company as settlement for this loan in September 2016. These funds allowed the Company to complete the key feasibility studies during the period (mining & power) as well as advancing the interrelated work streams such as the ESIA, financial modelling, EPC & OEM contract negotiations and PPA negotiations with the Tanzanian government. The funding also allowed the Company to explore options for the divestment of its key gold assets, Imweru & Lubando which has resulted in the recent reverse takeover transaction with Opera Investments Plc and admission of Katoro to AIM. The Company also settled a small number of invoices from current service providers in Kibo shares as well as deferring costs under MCPP related engagement contracts until Financial Close. These financial arrangements were possible as a result of strong confidence by all concerned in the Company's ability to deliver the MCPP following the strongly positive results from the mining and power feasibility studies.

Following the implementation of the new agreement with SEPCO III granting it the right as sole bidder for the MCPP power station EPC in exchange for refunding 50% of the development costs, the Company received the first tranche, to the amount of USD1.8 million, of this refund in October 2016. This represented a significant boost to the Company's cash flow and allowed it to maintain momentum behind the MCPP in particular and the completion of the Integrated Bankable Feasibility Study.

In late 2016 and following the award of the EPC contract to SEPCO III the Company successfully negotiated another financial arrangement with Sanderson where by the Company obtained a discounted loan facility based on the balance of the US$3.7 million due from SEPCO III at financial close on the project. This facility provides Kibo with the option of obtaining cash payments up to a value of US$2.94 million to be drawn down in scheduled tranches up to June 2017 for which it issued Kibo shares to Sanderson to the value of US$732,036. Repayment of funds drawn down to Sanderson will occur when Kibo receives the balance of the MCPP development costs refund from SEPCO III. This facility has the net effect of forward selling the balance of the funds receivable from SEPCO III at a 20% discount.

The dilutive effect of issuing shares in connection with loan arrangement fees and supplier invoice settlements was partly off-set by issuing shares from the Company's forfeited share account (treasury account) where 4.09 million shares were held resulting from the entry of Hume Capital Securities Plc into administration during a Company placing in February 2015.

FINANCIAL STATEMENTS

KIBO MINING PLC
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

KIBO MINING

Financial Statements

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CORPORATE DIRECTORY

DIRECTORS:	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

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UK PUBLIC RELATIONS:	Bell Pottinger Holborn Gate 330 High Holborn London WCIV 7QD
WEBSITE:	www.kibomining.com
DATE OF INCORPORATION:	17 January 2008
REGISTERED NUMBER:	451931

DIRECTORS' REPORT

The Board of Directors present their Annual Report together with the audited annual financial statements for the year ended 31 December 2016 of Kibo Mining Plc ("the Company") and its subsidiaries (collectively "the Group").

The Board comprises a Non-Executive Chairman, three Executive Directors and two Non-Executive Directors. As the Company evolves, the Board will be reviewed and expanded if necessary to ensure appropriate expertise is in place at all times to support its business activities.

The Board is responsible for formulating, reviewing and approving the Company's strategy, budgets, major items of capital expenditure and acquisitions. An agenda and all supporting documentation is circulated to all Directors before each Board Meeting. Open and timely access to all information is provided to all Directors to enable them to bring independent judgement on issues affecting the Company and facilitate them in discharging their duties.

At the end of the financial year, and at the date of this report, the board of Directors comprised:

Christian Schaffalitzky - Chairman (Non-Executive)
Louis Coetzee - Chief Executive Officer (Executive)
Andreas Lianos - Chief Financial Officer (Executive)
Noel O'Keeffe - Technical Director (Executive)
Lukas Maree (Non-Executive Director)
Wenzel Kerremans (Non-Executive Director)

Christian Schaffalitzky, BA (Mod), FIMMM, PGeo, CEng, Age 63 – Chairman (Non-Executive)
Christian Schaffalitzky has over 40 years' experience in mineral exploration. He is currently the managing director of Eurasia Mining Plc, an AIM company developing platinum projects in Russia. From 1984-1992 he founded and managed the international minerals consultancy CSA now CSA Global Pty Ltd. He was also a founder of Ivernia West Plc where he led the exploration team and was instrumental in the discovery and development of the Lisheen zinc deposit in Ireland. More recently, he was the managing Director of Ennex International Plc an Irish quoted mineral exploration Company, focused on zinc development projects. He has also been engaged in precious and base metal mineral exploration and development in the former Soviet Union and until recently an independent director on the boards of Russian companies, Raspadskaya Coal Company and Chelyabinsk Zinc.

Louis Coetzee, BA, MBA, Age 53 – Chief Executive Officer (Executive)
Louis Coetzee has over 25 years' experience in business development, promotion and financing in both the public and private sector. In recent years, he has concentrated on the exploration and mining arena where he has founded, promoted and developed a number of junior mineral exploration companies based mainly on Tanzanian assets. Louis has tertiary qualifications in law and languages, project management, supply chain management and a MBA from Bond University (Australia) specialising in entrepreneurship and business planning and strategy. He has worked in various project management and business development roles mostly in the mining industry throughout his career. Between 2007 and 2009, he held the position of Vice-President, Business Development with Canadian listed Great Basin Gold (TSX: CBG).

Noel O'Keeffe, BSc (Hons), Geology, MBA, Age 53 – Technical Director (Executive) and Company Secretary
Noel O'Keeffe has over 30 years' experience in mineral exploration and has worked on a variety of base metal and gold projects in Ireland, Canada, Australia and Africa. Prior to co-founding Kibo in 2008 he worked as a quality co-ordinator with Boston Scientific (Ireland) Ltd, a multinational medical device Company. He also worked part-time for Irish geological services Group, Aurum Exploration Ltd during 2003 and early 2004. During the mid-nineties, he was exploration manager with Ormonde Mining Plc in Tanzania, a Company currently listed on the Irish Stock Exchange and on AIM. Previously Noel was a senior geological consultant with BDA Consultants Limited and worked on both government and private sector contracts. Earlier in his career, Noel worked as a geologist for Burmin Exploration and Development Plc and for its Canadian and Australian subsidiaries.

Lukas Marthinus Maree, BLC, LLB, Age 55 – (Non-Executive)
Lukas Maree is a lawyer by profession. He has served on the boards of a number of public companies including Goldsource Mines Limited, Africo Resources Limited and Diamondworks Limited that have made significant successful investments in exploration projects in Africa and North America, and has more recently served as the CEO of private investment companies Rusaf Gold Limited and Mzuri Capital Group Limited, both of which have successfully developed and sold mineral projects in Russia and Tanzania in the last seven years. He was also a founder principal of River Group, Designated Advisors to the Listing of Kibo on the JSE, and was responsible for its Canadian office until his retirement from the Group in 2013 to pursue personal interests.

Wenzel Kerremans, B. Proc, LLB, LLM, Adv. Dip. Age 59 – (Non-Executive)
Wenzel Kerremans is a lawyer by profession with over 25 years' international legal experience in mining, banking, project finance and international tax, advising clients who have invested in exploration and mining projects in Africa. He has also originated and successfully sold Veremo Holdings Limited a billion ton titaneferous magnetite exploration project for the production of iron and titanium slag. Wenzel is also the principal and director of a gold, graphite and coal exploration project in Africa.

Andreas (Andrew) Lianos, CA, ACMA, Age 52 – Chief Financial Officer (Executive)
Andrew is a chartered accountant (CA (SA)), certified management accountant (ACMA), certified internal auditor (CIA) and JSE qualified executive who started his professional career in 1989 with Grant Thornton International. Andrew entered the corporate finance industry in 1994 by joining Deloitte & Touche Corporate Finance. In 1996, he joined Smith Borkum Hare/Merrill Lynch Corporate Finance, and was part of the team that founded Labyrinth Corporate Finance during 1997. He has substantial transaction experience in the resources, food and leisure industries. Andrew has served on the boards of a number of private and public companies. Andrew co-founded the River Group, Kibo's JSE Designated and Corporate Advisor and is a director of River Capital Partners Ltd. He is also currently a director of Boudica Trust Co Limited (trading as Boudica Group). Andrew has been involved in a number of successful cross-border restructurings and resource transactions in Canada, the Central African Republic, Sierra Leone, Angola, Zambia, Zimbabwe, Tanzania and South Africa.

Review of Business Developments
As set out in the Chairman's Report and review of activities, as well as continuing with its exploration program, the Company continued to decrease its exploration ground holdings in Tanzania during the period, and furthered the development of its feasibility studies towards mining of the identifiable viable resources.

Principal Risks and Uncertainties
The realisation of exploration and evaluation assets is dependent on the discovery and successful development of economic mineral reserves and is subject to a number of significant potential risks summarised as follows, and described further below:

- Financial instrument & Foreign exchange risk ;
- Strategic risk;
- Funding risk;
- Commercial risk;
- Operational risk;
- Staffing and Key Personnel Risks;
- Speculative Nature of Mineral Exploration and Development;
- Political Stability;
- Uninsurable Risks; and
- Foreign investment risks including increases in taxes, royalties and renegotiation of contracts.

Financial instrument and foreign exchange risk
The Company and Group are exposed to risks arising from financial instruments held and foreign exchange transactions entered into throughout the period. These are discussed in Note 24 to the Annual Financial Statements.

Strategic risk
Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, the Company may be unable to acquire rights to exploit additional attractive mining properties on terms it considers acceptable. Accordingly, there can be no assurance that the Company will acquire any interest in additional operations that would yield reserves or result in commercial mining operations. The Company expects to undertake sufficient due diligence where warranted to help ensure opportunities are subjected to proper evaluation.

Funding risk
In the past the Company has raised funds via equity contributions from new and existing shareholders, thereby ensuring the Company remains a going concern until such time that revenues are earned through the sale or development and mining of a mineral deposit. There can be no assurance that such funds will continue to be available on reasonable terms, or at all in future. The Directors regularly review cash flow requirements to ensure the Company can meet financial obligations as and when they fall due.

Commercial risk
The mining industry is competitive and there is no assurance that, even if commercial quantities of minerals are discovered, a profitable market will exist for the sale of such minerals. There can be no assurance that the quality of the minerals will be such that the Company properties can be mined at a profit. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Mineral prices are subject to volatile price changes from a variety of factors including international economic and political trends, expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. Ultimately, the Company expects that prior to a development decision, a project would be the subject of a feasibility analysis to ensure there exists an appropriate level of confidence in its economic viability.

Operational risk
Mining operations are subject to hazards normally encountered in exploration, development and production. These include unexpected geological formations, rock falls, flooding, dam wall failure and other incidents or conditions which could result in damage to plant or equipment or the environment and which could impact any future production throughout. Although it is intended to take adequate precautions to minimise risk, there is a possibility of a material adverse impact on the Company's operations and its financial results. The Company will develop and maintain policies appropriate to the stage of development of its various projects.

Staffing and Key Personnel Risks
Recruiting and retaining qualified personnel is critical to the Company's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. While the Company has good relations with its employees, these relations may be impacted by changes in the scheme of labour relations which may be introduced by the relevant governmental authorities. Adverse changes in such legislation may have a material adverse effect on the Company's business, results of operations and financial condition. Staff are encouraged to discuss with management matters of interest to the employees and subjects affecting day-to-day operations of the Company.

Speculative Nature of Mineral Exploration and Development
In addition to the above there can be no assurance that the current exploration programs will result in profitable mining operations.

The recoverability of the carrying value of exploration and evaluation assets is dependent on the successful discovery of economically recoverable reserves, the achievement of profitable operations, and the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in market conditions could require material write downs of the carrying value of the Company's assets.

Development of the Company's mineral exploration properties is, amongst others, contingent upon obtaining satisfactory exploration results and securing additional adequate funding. Mineral exploration and development involves substantial expenses and a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to adequately mitigate. The degree of risk reduces substantially when a Company's properties move from the exploration phase to the development phase.

The discovery of mineral deposits is dependent upon a number of factors including the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit, once discovered, is also dependent upon a number of factors, including the size, grade and proximity to infrastructure, metal prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. In addition, several years can elapse from the initial phase of drilling until commercial operations are commenced.

Political Stability
The Company is conducting its activities in Tanzania. The Directors believe that the Government of Tanzania supports the development of natural resources by foreign investors and actively monitor the situation. However, there is no assurance that future political and economic conditions in Tanzania will not result in the Government of Tanzania adopting different policies regarding foreign development and ownership of mineral resources. Any changes in policy affecting ownership of assets, taxation, rates of exchange, environmental protection, labour relations, repatriation of income and return of capital, may affect the Company's ability to develop the projects.

Uninsurable Risks
The Company may become subject to liability for accidents, pollution and other hazards against which it cannot insure or against which it may elect not to insure because of prohibitive premium costs or for other reasons, such as amounts which exceed policy limits.

Foreign investment risks including increases in taxes, royalties and renegotiation of contracts
The Group is subject to risk arising from the ever-changing economic environment in which its subsidiaries operate, mainly driven by the changing regulatory environment governing corporate taxation, transfer pricing and other investment related operational activities. The Group continues to re-assess its investment decisions in order to limit exposure to the ever-changing regulatory environment in which it operates.

Results
The result for the year after providing for depreciation and taxation amounted to a loss of £3,585,416 for the year ended 31 December 2016 (31 December 2015: Profit £177,162).

Post Statement of Financial Position events
There have been no material post reporting date events other than those stated in Note 25 to these consolidated annual financial statements.

Directors Interests
The interests of the Directors and Company Secretary (held directly and indirectly), who held office at the date of approval of the financial statements, in the share capital of the Company are as follows:

Ordinary Shares (held directly and indirectly)

	10/05/17	31/12/16	31/12/15
Directors & Secretary			
Christian Schaffalitzky	2,119,842	2,119,842	2,119,842
Noel O'Keeffe	2,291,447	2,291,447	2,291,447
Louis Coetzee	6,765,996	6,765,996	6,765,996
Lukas Maree	2,934,200	2,934,200	2,934,200
Wenzel Kerremans	376,241	376,241	376,241
Andreas Lianos	6,288,633	6,288,633	6,288,633

Share Options (held directly and indirectly)

	10/05/17	31/12/2016	31/12/15
Directors & Secretary			
Christian Schaffalitzky	700,000	700,000	700,000
Louis Coetzee	2,200,000	2,200,000	2,200,000
Noel O'Keeffe	2,000,000	2,000,000	2,000,000
Lukas Maree	700,000	700,000	700,000
Wenzel Kerremans	700,000	700 000	700,000
Andreas Lianos	2,000,000	2,000,000	2,000,000

The above share options in issue are exercisable at a price of £0.050 at any time up to 1 June 2018.

For further detail surrounding the ordinary shares and share options in issue, refer to Notes 15 and 16 of the annual financial statements.

Transactions Involving Directors
There have been no contracts or arrangements of significance during the period in which Directors of the Company, or their related parties, were interested other than as disclosed in Note 23 to the annual financial statements.

Directors meetings
The Company held 8 (eight) Board meetings during the reporting period and the number of meetings attended by each of the Directors of the Company during the year to 31 December 2016 were:

Director Name	Position	Number of Meetings Attended	Number of Meetings Eligible to Attend
Christian Schaffalitzky	Chairman	7	8
Louis Coetzee	Chief Executive Officer	8	8
Andreas Lianos	Chief Financial Officer	8	8
Noel O'Keeffe	Technical Director	8	8
Lukas Maree	Non-Executive Director	6	8
Wenzel Kerremans	Non-Executive Director	8	8

In terms of the Company's Memorandum & Articles of Association, one third of Directors are required to retire by rotation from the Board on an annual basis, through resignation at the Annual General Meeting.

Committee meetings

The Company held 1 (one) Audit Committee meeting during the reporting period and the number of meetings attended by each of the members during the year to 31 December 2016 were:

Director Name	Position	Number of Meetings Attended	Number of Meetings Eligible to Attend
Christian Schaffalitzky	Chairman (Non-Executive)	1	1
Wenzel Kerremans	Non-Executive Director	1	1
Lukas Maree	Non-Executive Director	1	1

The Company held 1 (one) Remuneration Committee meeting during the reporting period and the number of meetings attended by each of the members during the year to 31 December 2016 were:

Director Name	Position	Number of Meetings Attended	Number of Meetings Eligible to Attend
Christian Schaffalitzky	Chairman (Non-Executive)	1	1
Wenzel Kerremans	Non-Executive Director	1	1
Lukas Maree	Non-Executive Director	-	1

The Company held 1 (one) Governance Committee meeting during the reporting period and the number of meetings attended by each of the members during the year to 31 December 2016 were:

Director Name	Position	Number of Meetings Attended	Number of Meetings Eligible to Attend
Christian Schaffalitzky	Chairman (Non-Executive)	1	1
Wenzel Kerremans	Non-Executive Director	1	1
Lukas Maree	Non-Executive Director	1	1

Significant Shareholdings

The Company has been informed that, in addition to the interests of the Directors, at 31 December 2016 and at the date of this report, the following shareholders own 3% or more beneficial interest, either direct or indirect, of the issued share capital of the Company, which is considered significant for disclosure purposes in the annual financial statements:

Percentage of issued share capital

	12/05/2017	31/12/2016	31/12/15
Sanderson Capital Partners Ltd	3.02%	*	*

** Beneficial interest was below 3%, and thus considered not to be a significant shareholder under the regulatory rules.*

Subsidiary Undertakings

Details of the Company's subsidiary undertakings are set out in Note 22 to the annual financial statements.

Political Donations

During the period, the Group made no charitable or political contributions (2015: £ nil).

Going Concern
The Directors have reviewed budgets, projected cash flows and other relevant information, and on the basis of this review, are confident that the Company and the Group will have adequate financial resources to continue in operational existence for the foreseeable future.

The capital-raising through loan facility agreed with Sanderson Capital Partners Ltd prior to year-end has provided further cash resources in order to ensure prospecting activities are continued as planned without interruption.

The future of the Company and the Group is dependent on the successful future outcome of its short and medium term ability to raise new equity funding and the successful development of its exploration interests and of the availability of further funding to bring these interests to production. The Directors consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. Consequently, they consider that it is appropriate to prepare the financial statements on the going concern basis.

Environmental responsibility
The Company recognises that its activities require it to have regard to the potential impact that it, its subsidiaries and partners may have on the environment. Where exploration and development works are carried out, care is taken to limit the amount of disturbance and where any remediation works are required they are carried out as and when required.

Dividends
There have been no dividends declared or paid during the current financial period (2015: £ nil).

Corporate Governance Policy
The Board is aware of the importance to conform to its statutory responsibilities and industry good practice in relation to corporate governance of the Group.

The Board is accountable to the shareholders for delivery of sustained value growth. In order to support its duties and responsibilities the Board implements control procedures that assess and manage risk and ensure robust financial and operational management within the Company. The principal risks that the Company is exposed to can be classified under the general headings of exploration risk, commodity risk, price risk, currency risk and political risk.

The Board also sets the Company's core values and ethical standards of business conduct ensuring these are effectively communicated to all staff and are monitored continuously by the Board.

The Board sets the Company's strategy and monitors its implementation through management and financial performance reviews. It also works to ensure that adequate resources are available to implement strategy in a timely manner.

The Company subscribes to the values of good corporate governance at all levels and is committed to conduct business with discipline, integrity and social responsibility. The Board of Directors is firmly committed to promoting Kibo Mining Plc's adherence to the principles contained in the King Code on Corporate Governance. The Code is constantly being reviewed and the Directors are implementing the Code in a phased manner. The Directors are committed to the implementation of the principles and non-compliance is limited to the matter listed in this report.

Role of Directors
All Board members ensure that appropriate governance procedures are adhered to and there is a clear division of responsibilities at Board level to ensure a balance of power and authority so that no one individual has unfettered powers of decision making.

The role of Chairman and Chief Executive Officer are not held by the same Director. The Chairman is a non-executive Director.

Board and Audit Committee meetings have been taking place periodically and the executive Directors manage the daily Company operations with the Board meetings taking place on a regular basis throughout the financial period. During the current reporting period the Board met 8 (eight) times and provided pertinent information to the Executive Committee of the Company.

The Board is responsible for effective control over the affairs of the Company, including: strategic and policy decision-making financial control, risk management, communication with stakeholders, internal controls and the asset management process. Although there was no specific committee tasked with identifying, analysing and reporting on risk during the financial period, this was nevertheless part of the everyday function of the Directors and was managed at Board level.

Directors are entitled, in consultation with the Chairman to seek independent professional advice about the affairs of the Company, at the Company's expense.

Audit Committee
The members of the audit committee are Christian Schaffalitzky, Lukas Maree and Wenzel Kerremans.

The audit committee has set out its roles and responsibilities within its charter and ensured that it is aligned to good financial governance principles.

These include:

- the establishment of an Audit Committee to guide the audit approach, as well as its modus operandi and the rules that govern the audit relationship;
- assess the processes relating to and the results emanating from the Group's risk and control environment;
- monitoring the integrity of the group's integrated reporting and all factors and risks that may impact on reporting;
- annually reviewing the expertise, appropriateness and experience of the finance function;
- annually nominating the external auditors for appointment by the shareholders;
- reviewing developments in governance and best practice;
- foster and improve open communication and contact with relevant stakeholders of the Group; and
- assessing the external auditor's independence and determining their remuneration.

The audit committee further sets the principles for recommending the external auditors for non-audit services use.

The audit committee has satisfied itself of the suitability of the chief financial officer, and that the chief financial officer holds the necessary expertise and has the relevant experience.

The committee met once during the current year as there was no need to review its strategy.

Remuneration Committee
The members of the remuneration committee are Christian Schaffalitzky, Wenzel Kerremans and Lukas Maree.

The purpose of the remuneration committee is to discharge the responsibilities of the board relating to all compensation, including equity compensation of the Company's executives. The remuneration committee establishes and administers the Company's executive remuneration with the broad objective of aligning executive remuneration with Company performance and shareholder interests, setting remuneration standards aimed at attracting, retaining and motivating the executive team, linking individual pay with operational and Company performance in relation to strategic objectives; and evaluating compensation of executives including approval of salary, equity and incentive-based awards.

The committee is empowered by the Board to set short, medium and long-term remuneration for the executive Directors. More generally, the committee is responsible for the assessment and approval of a Board remuneration strategy for the Group.

The committee met once during the current year as there was no need to review its strategy.

Governance Committee
The members of the governance committee are Christian Schaffalitzky, Lukas Maree and Wenzel Kerremans. The committee only met once during the current year as there was no need to review its strategy.

The Governance Committee has set out its roles and responsibilities within its charter and ensured that it is aligned to good financial governance principles.

These include:

- monitor the compliance of the Group with legal requirements and the Group's Code of Ethics; and
- monitoring the integrity of the group's integrated reporting and all factors and risks that may impact on reporting.

Internal Audit
The Company does not have an internal audit function. Currently the operations of the Group do not warrant an internal audit function, however the Board is assessing the need to establish an internal audit department considering future prospects as the Group's operations increase. During the period the Board has taken responsibility to ensure effective governance, risk management and that the internal control environment is maintained.

Health, Safety and Environmental Policy
The Group is committed to high standards of Health, Safety and Environmental performance across our business. Our goal is to protect people, minimize harm to the environment, integrate biodiversity considerations and reduce disruption to our neighbouring communities. We seek to achieve continuous improvement in our Health, Safety and Environmental performance.

Corporate Social Responsibility Policy (CSR)
The Group's policy is to conduct all our business operations to best industry standards and to behave in a socially responsible manner. Our goal is to behave ethically and with integrity and to respect cultural, national and religious diversity.

Governance of IT
The Board is responsible for IT governance as an integral part of the Group's governance as a whole. The IT function is not expected to significantly change in the foreseeable future. The Board has the required policies and procedures in place to ensure governance of IT is adhered to.

Integrated and Sustainability Reporting
Integrated Reporting is defined as a "holistic and integrated representation of the Group's performance in terms of both its finances and its sustainability". The Group currently does not have a separate integrated report. The Board and its sub-committees are in the process of assessing the principles and practices of integrated reporting and sustainability reporting to ensure that adequate information about the operations of the Group, the sustainability issues pertinent to its business, the financial results and the results of its operations and cash flows are disclosed in a single report.

Statement of Directors Responsibility
The Directors are responsible for preparing the Group and Company financial statements in accordance with applicable Laws and Regulations.

Irish Company law requires the Directors to prepare Group and parent Company financial statements for each financial period. As permitted by Company law, the Directors have prepared the Group financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU IFRS) and have elected to prepare the Company financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU IFRS), as applied in accordance with the provisions of the Companies Act 2014.

The Group and Company financial statements are required by law and EU IFRS to present fairly the financial position and performance of the Group. The Companies Acts provide in relation to such financial statements that reference in the relevant parts of the Acts to financial statements giving a true and fair view are references to their achieving a fair presentation. In preparing each of the Group and Company financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors confirm they have complied with the above requirements in preparing these accounts.

Under applicable law the Directors are also responsible for preparing a Directors' Report and reports relating to Directors' remuneration and corporate governance that comply with that law and those rules.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that its financial statements are prepared in accordance with International Financial Reporting Standards, and comply with the Companies Act 2014, and European Communities (Companies: Group Accounts) Regulations 1992 and all regulations to be construed as one with those acts. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Corporate Governance
The Directors are committed to maintaining the highest standards of corporate governance commensurate with the size, stage of development and financial status of the Group.

The Board
The Board is responsible for the supervision and control of the Company and is accountable to the shareholders. The Board has reserved decision-making on a variety of matters, including determining strategy for the Group, reviewing and monitoring executive management performance and monitoring risks and controls.

The Board has 6 (six) Directors, comprising 3 (three) executive Directors and 3 (three) non-executive Directors. The Board met formally on 8 (eight) occasions during the year ended 31 December 2016. An agenda and supporting documentation was circulated in advance of each meeting. All the Directors bring independent judgement to bear on issues affecting the Group and all have full and timely access to information necessary to enable them to discharge their duties. The Directors have a wide and varying array of experiences in the industry.

Accounting records

The measures taken by the Directors to ensure compliance with the requirements in Sections 281 to 285 of the Companies Act 2014, regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account of the Company are maintained at Kolonakiou, 37, Linopetra, P.C. 4103, Limmasol.

Auditors

The auditors, Saffery Champness LLP, have been re-appointed as the auditors of the Company, and have indicated their willingness to continue in office in accordance with section 382(2) of the Companies Act 2014.

On behalf of the Board

Christian Schaffalitzky
Date: 26 May 2017

Noel O'Keeffe

Noel O'Keeffe
Date: 26 May 2017

INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS

We have audited the Group and Company financial statements of Kibo Mining Plc for the year ended 31 December 2016 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows, Company Statement of Cash Flows, Summary of Significant Accounting Policies and the related notes on pages 34 to 54. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group and Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of affairs of the Group and Company as at 31 December 2016 and of the Group's loss for the year then ended; and
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2014; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2014.

Emphasis of Matter

In forming our opinion on the financial statements, which is not modified, we considered the adequacy of disclosures made in Notes 11, 13 and 22 to the financial statements concerning the valuation of intangible assets, and investments in Group undertakings. The realisation of intangible assets of £17,596,105 (2015: £17,596,105), amounts due from Group undertakings of £26,998,867 (2015: £27,712,269) and investments in Group undertakings of £1,700,000 (2015: £1,700,000) included in the Company Statement of Financial Position are dependent on the economic exploitation of gold and coal reserves including the ability of the Group to raise sufficient finance to develop these projects.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper accounting records have been kept by the Company.
- The Company Statement of Financial Position is in agreement with the books of account.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Richard Collis

Statutory auditor

For and on behalf of
Saffery Champness LLP

Saffery Champness
71 Queen Victoria Street
London EC4V 4BE

Date: 26 May 2017

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

All figures are stated in Sterling		GROUP	
		31 December 2016	31 December 2015
		Audited	Audited
Continuing operations	**Note**	**£**	£
Revenue	2	**18,039**	44,181
Administrative expenses		**(1,653,152)**	(1,791,358)
Capital raising fees	16	**(1,648,004)**	-
Net reversal of impairment of intangible assets	11	**-**	3,182,240
Exploration expenditure		**(1,716,967)**	(1,454,216)
Operating loss		**(5,000,084)**	(19,153)
Investment and other income	3	**1,414,668**	196,315
(Loss)/ profit on ordinary activities before tax	4	**(3,585,416)**	177,162
Taxation	7	**-**	-
(Loss)/ profit for the period		**(3,585,416)**	177,162
Other comprehensive gain:			
Items that may be classified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**99,128**	16,366
Adjustment arising from change in non-controlling interest	20	**1,527,515**	-
Other Comprehensive gain for the period net of tax		**1,626,643**	16,366
Total comprehensive (loss)/ profit for the period		**(1,958,773)**	193,528
(Loss)/ profit for the period		**(3,585,416)**	177,162
Attributable to the owners of the parent		**(3,611,496)**	-
Attributable to the non-controlling interest		**26,080**	-
Total comprehensive (loss)/ profit for the period		**(1,986,288)**	193,528
Attributable to the owners of the parent		**(1,984,853)**	-
Attributable to the non-controlling interest		**26,080**	-
(Loss)/ Earnings Per Share			
Basic (loss)/ earnings per share	9	**(0.010)**	0.001
Diluted (loss)/ earnings per share	9	**(0.010)**	0.001

All activities derive from continuing operations. All profits and total comprehensive profit for the period are attributable to the owners of the Company.

The Group has no recognised gains or losses other than those dealt with in the Statement of Comprehensive Income.

The accompanying notes on pages 34 - 54 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 26 May 2017 and signed on its behalf by:

On behalf of the Board

Christian Schaffalitzky **Noel O'Keeffe**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

All figures are stated in Sterling		GROUP	
		31 December 2016	31 December 2015
		Audited	Audited
	Note	**£**	£
Assets			
Non-Current Assets			
Property, plant and equipment	10	**9,107**	7,182
Intangible assets	11	**17,596,105**	17,596,105
Total non-current assets		**17,605,212**	**17,603,287**
Current Assets			
Trade and other receivables	13	**50,633**	550,692
Cash and cash equivalents	14	**382,339**	189,435
Total current assets		**432,972**	**740,127**
Total Assets		**18,038,184**	**18,343,414**
Equity and Liabilities			
Equity			
Called up share capital	15	**13,603,965**	13,210,288
Share premium account	15	**27,318,262**	25,782,519
Treasury shares	15	**-**	(44,464)
Share based payment reserve	16	**514,279**	514,279
Translation reserve	17	**(285,491)**	(384,619)
Retained deficit		**(23,625,367)**	(21,541,386)
Attributable to equity holders of the parent		**17,525,648**	**17,536,617**
Non-controlling interest	18	**(1,435)**	**-**
Total Equity		**17,524,213**	**17,536,617**
Liabilities			
Current Liabilities			
Trade and other payables	19	**146,380**	306,797
Borrowings	20	**251,928**	500,000
Provisions	21	**115,663**	-
Total Current Liabilities		**513,971**	**806,797**
Total Equity and Liabilities		**18,038,184**	**18,343,414**

The accompanying notes on pages 34 - 54 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 26 May 2017 and signed on its behalf by:

On behalf of the Board

Christian Schaffalitzky **Noel O'Keeffe**

COMPANY STATEMENT OF FINANCIAL POSITION

All figures are stated in Sterling		Company	
		31 December 2016	31 December 2015
		Audited	Audited
		£	£
Non-Current Assets			
Investments in group undertakings	22	**1,700,000**	1,700,000
Trade and other receivables	13	**26,998,867**	27,712,269
Total Non- current assets		**28,698,867**	**29,412,269**
Current Assets			
Trade and other receivables	13	**690**	523,104
Cash and cash equivalents	14	**22,082**	3,383
Total Current assets		**22,772**	**526,487**
Total Assets		**28,721,639**	**29,938,756**
Equity and Liabilities			
Equity			
Called up share capital	15	**13,603,965**	13,210,288
Share premium	15	**27,318,262**	25,782,519
Treasury shares	15	**-**	(44,464)
Share based payment reserve	16	**514,279**	514,279
Translation reserves	17	**47,430**	52,499
Retained deficit		**(13,164,891)**	(10,243,257)
Total Equity		**28,319,045**	**29,271,864**
Liabilities			
Current Liabilities			
Trade and other payables	19	**35,003**	166,892
Borrowings	20	**251,928**	500,000
Provisions	21	**115,663**	-
Total liabilities		**402,594**	**666,892**
Total Equity and Liabilities		**28,721,639**	**29,938,756**

The accompanying notes on pages 34 - 54 form integral part of these financial statements.

The financial statements were approved by the Board of Directors on 26 May 2017 and signed on its behalf by:

On behalf of the Board

Christian Schaffalitzky **Noel O'Keeffe**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP	Share Capital	Share premium	Treasury shares	Total share capital	Share based payment reserve	Foreign currency translation reserve	Total reserves	Retained deficit	Non-controlling interest	Total
All figures are stated in Sterling	£	£	£	£	£	£	£	£	£	£
Balance as at 1 January 2015	**12,591,750**	**23,903,307**	**-**	**36,495,057**	**510,978**	**(400,985)**	**109,993**	**(22,229,526)**	**-**	**14,375,524**
Profit for the year	-	-	-	-	-	-	-	177,162	-	177,162
Other comprehensive income - exchange differences on translating foreign operations	-	-	-	-	-	16,366	16,366	-	-	16,366
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	574,074	1,879,212	-	2,453,286	-	-	-	-	-	2,453,286
Issue of treasury shares	44,464	-	(44,464)	-	-	-	-	-	-	-
	618,538	1,879,212	(44,464)	2,453,286	3,301	16,366	19,667	688,140	-	3,161,093
Balance as at 31 December 2015	**13,210,288**	**25,782,519**	**(44,464)**	**38,948,343**	**514,279**	**(384,619)**	**129,660**	**(21,541,386)**	**-**	**17,536,617**
Loss for the year	-	-	-	-	-	-	-	(3,611,496)	26,080	(3,585,416)
Adjustment arising from change in non-controlling interest	-	-	-	-	-	-	-	1,527,515	(27,515)	1,500,000
Other comprehensive income - exchange differences on translating foreign operations	-	-	-	-	-	99,128	99,128	-	-	99,128
Share options and warrants expired or cancelled during the period	-	-	-	-	-	-	-	-	-	-
Share options issued during the current period	-	-	-	-	-	-	-	-	-	-
Proceeds of share issue of share capital	393,677	1,335,876	-	1,729,553	-	-	-	-	-	1,729,553
Allotment of treasury shares	-	199,867	44,464	244,331	-	-	-	-	-	244,331
	393,677	1,535,743	44,464	1,973,884	-	99,128	99,128	(2,083,981)	(1,435)	(12,404)
	13,603,965	**27,318,262**	**-**	**40,922,227**	**514,279**	**(285,491)**	**228,789**	**(23,625,367)**	**(1,435)**	**17,524,213**
Note	15	15	15		16	17				

The notes on pages 34 - 54 form part of the financial statements.

The financial statements were approved by the Board of Directors on 26 May 2017 and signed on its behalf by

On behalf of the Board

Christian Schaffalitzky **Noel O'Keeffe**

COMPANY STATEMENT OF CHANGES IN EQUITY

COMPANY	Share capital	Share premium	Treasury shares	Total share capital	Share based payment reserve	Foreign currency translation reserve	Total reserves	Retained deficit	Total equity
All figures are stated in Sterling	£	£	£	£	£	£	£	£	£
Balance at 1 January 2015	**12,591,750**	**23,903,307**	**-**	**36,495,057**	**510,978**	**39,321**	**550,299**	**(9,271,325)**	**27,774,031**
Loss for the year	-	-	-	-	-	-	-	(1,482,910)	(1,482,910)
Other comprehensive income - exchange differences on translating foreign operations	-	-	-	-	-	13,178	13,178	-	13,178
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 issue of share capital	574,074	1,879,212	-	2,453,286	-	-	-	-	2,453,286
Issue of treasury shares	44,464	-	(44,464)	-	-	-	-	-	-
	618,538	1,879,212	(44,464)	2,453,286	3,301	13,178	16,479	(971,932)	1,497,833
Balance at 31 December 2015	**13,210,288**	**25,782,519**	**(44,464)**	**38,948,343**	**514,279**	**52,499**	**566,778**	**(10,243,257)**	**29,271,864**
Loss for the year	-	-	-	-	-	-	-	(2,921,634)	(2,921,634)
Other comprehensive loss - exchange differences on translating foreign operations	-	-	-	-	-	(5,069)	(5,069)	-	(5,069)
Share options and warrants expired or cancelled during the period	-	-	-	-	-	-	-	-	-
Share options issued during the current period	-	-	-	-	-	-	-	-	-
Proceeds of issue of share capital	393,677	1,335,876	-	1,729,553	-	-	-	-	1,729,553
Allotment of treasury shares	-	199,867	44,464	244,331	-	-	-	-	244,331
	393,677	1,535,743	44,464	1,973,884	-	(5,069)	(5,069)	(2,921,634)	(952,819)
Balance at 31 December 2016	**13,603,965**	**27,318,262**	**-**	**40,922,227**	**514,279**	**47,430**	**561,709**	**(13,164,891)**	**28,319,045**
Note	15	15	15		16	17			

The accompanying notes on pages 34 - 54 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 26 May 2017 and signed on its behalf by

On behalf of the Board

Christian Schaffalitzky

Noel O'Keeffe

CONSOLIDATED STATEMENT OF CASH FLOWS

All figures are stated in Sterling

	Notes	GROUP 31 December 2016 Audited £	GROUP 31 December 2015 Audited £
Cash flows from operating activities			
(Loss)/ profit for the period before taxation		**(3,585,416)**	177,162
Adjustments for:			
Foreign exchange gain		**124,884**	16,366
Depreciation on property, plant and equipment	10	**8,228**	21,685
Investment income	3	**(1,815)**	(2,890)
Bargain purchase from business combinations	3	**-**	(193,425)
Loss on disposal of subsidiaries		**-**	5,762
Impairment of Goodwill recognised	4	**-**	20,057
Provisions	21	**115,663**	-
Liabilities settled in shares	16	**1,648,004**	596,287
Net reversal of impairment	11	**-**	(3,182,240)
		(1,690,452)	**(2,541,236)**
Movement in working capital			
Decrease/ (Increase) in debtors	13	**500,059**	(539,135)
(Decrease)/ Increase in creditors	19	**(160,417)**	66,691
		339,642	**(472,444)**
Net cash outflows from operating activities		**(1,350,810)**	**(3,013,680)**
Cash flows from financing activities			
Proceeds of issue of share capital	15	**-**	2,453,286
Repayment of borrowings		**(200,000)**	-
Proceeds from borrowings		**1,751,928**	500,000
Investment income	3	**1,815**	2,890
Net cash proceeds from financing activities		**1,553,743**	**2,955,176**
Cash flows from investing activities			
Net cash flow from acquisition of subsidiaries	12	**(1,000)**	61,492
Purchase of property, plant and equipment		**(9,029)**	-
Net cash used in investing activities		**(10,029)**	**61,492**
Net increase/(decrease) in cash and cash equivalents		**192,904**	2,988
Cash and cash equivalents at beginning of period		**189,435**	186,447
Cash and cash equivalents at end of the period	14	**382,339**	**189,435**

The accompanying notes on pages 34 - 54 form an integral part of these financial statements.

COMPANY STATEMENT OF CASH FLOWS

All figures are stated in Sterling

	Notes	COMPANY 31 December 2016 Audited £	31 December 2015 Audited £
Cash flows from operating activities			
Loss for the period before taxation		**(2,921,634)**	(1,482,910)
Adjusted for:			
Liabilities settled in shares	16	**1,648,004**	515,897
Provisions	21	**115,663**	-
Foreign exchange gain		**20,789**	11,559
		(1,137,178)	**(955,453)**
Movement in working capital			
Decrease/ (Increase) in debtors	13	**522,414**	(522,445)
(Decrease)/ Increase in creditors	19	**(131,867)**	113,224
		390,547	**(409,221)**
Net cash outflows from operating activities		**(746,631)**	**(1,364,674)**
Cash flows from financing activities			
Proceeds of issue of share capital	15	**-**	2,453,286
Repayment of borrowings		**(200,000)**	-
Proceeds from borrowings		**1,751,928**	500,000
Net cash proceeds from financing activities		**1,551,928**	**2,953,286**
Cash flows from investing activities			
Cash advances to Group Companies	13	**(786,598)**	(1,664,804)
Net cash used in investing activities		**(786,598)**	**(1,664,804)**
Net increase in cash and cash equivalents		**18,699**	(76,192)
Cash and cash equivalents at beginning of period		**3,383**	79,575
Cash and cash equivalents at end of the period	14	**22,082**	3,383

The accompanying notes on pages 34 - 54 form an integral part of these financial statements.

General Information
Kibo Mining Plc ("the Company") is a Company incorporated in Ireland. The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The principal activities of the Company and its subsidiaries are related to the exploration for and development of coal and other minerals in Tanzania. The figures in the financial statements are presented in Sterling unless otherwise stated.

Statement of Compliance
As permitted by the European Union, the Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations issued by the International Accounting Standards Board (IASB) as adopted by the EU (IFRS). The individual financial statements of the Company ("Company financial statements") have been prepared in accordance with the Companies Act 2014 which permits a Company that publishes its Company and Group financial statements together, to take advantage of the exemption in Section 293 of the Companies Act 2014, from presenting to its members its Company Income Statement and related notes that form part of the approved Company financial statements.

The IFRS adopted by the EU as applied by the Company and the Group in the preparation of these financial statements are those that were effective at 31 December 2016.

Statement of Accounting Policies
The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

Basis of Preparation
The Group and Company financial statements are prepared on the historical cost basis, except for the measurement of certain financial instruments which is measured at fair value. The accounting policies have been applied consistently by Group entities, except for the adoption of new standards and interpretations which became effective in the current year. The Group and Company financial statements have been prepared on a going concern basis as explained on page 10.

Use of Estimates and Judgements
The preparation of financial statements in conformity with EU IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, there are significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements in the following areas:

- Exploration and evaluation expenditure;
- Recoverability of group loans in the parent Company;
- Fair value determination;
- Residual values and useful lives of property, plant and equipment; and
- Taxation.

Exploration and evaluation expenditure
The Group's accounting policy for exploration and evaluation expenditure results in the capitalisation of certain intangible mineral resources which are identified through business combinations or equivalent acquisitions. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established based on the separately identified mineral resources. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the intangible mineral resources under the policy, a judgement is made that recovery of the intangible asset is unlikely, the relevant capitalised amount will be written off to the income statement.

Recoverability of group loans in the parent Company
The realisation of amounts due from Group undertakings is dependent on the discovery of economic reserves including the ability of the Group to raise sufficient finance to develop the projects in order to settle the group loan balance receivable.

Fair value determination
The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

A number of the group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i) Property, plant and equipment
The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of items of plant, equipment, fixtures and fittings is based on the market approach and cost approaches using quoted market prices for similar items when available, and replacement cost when appropriate.

ii) Trade and other receivables
The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

iii) Share-based payment transactions
The fair value of employee share options is measured using the Black-Scholes formula. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility, adjusted for changes expected due to publicly available information), weighted average expected life of the instrument (based on the rules of the share incentive scheme), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

Residual values and useful lives of property, plant and equipment
The useful economic lives, depreciation method and residual values of items of property, plant and equipment and tangible assets are estimated annually. The actual lives, depreciation method and residual values may vary depending on a variety of factors and circumstances.

Taxation
Assessing the recoverability of deferred income tax assets requires the Company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

Revenue Recognition
Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax. Interest is recognised, in profit or loss, using the effective interest rate method.

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Consolidation
The consolidated financial statements comprise the financial statements of Kibo Mining Plc and its subsidiaries for the year ended 31 December 2016, over which the Company has control.

Control is achieved when the Company:
- has the power over the investee;
- is exposed, or has rights, to variance return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstance indicate the there are changes to one or more of the three elements of control listed above.

In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Intragroup balances and any unrealised gains or losses or income or expenses arising from intragroup transactions are eliminated in preparing the Group financial statements, except to the extent they provide evidence of impairment.

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business Combinations are recognised at their fair values at acquisition date.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

Non-controlling interest arising from a business combination is measured either at their share of the fair value of the assets and liabilities of the acquiree or at fair value. The treatment is not an accounting policy choice but is selected for each individual business combination, and disclosed in the note for business combinations.

Changes in the Group’s interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

Upon the loss of control, the Company derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any resulting gain or loss is recognised in profit or loss. If the Company retains any interest in the previous subsidiary, such interest is measured at fair value at the date that control is lost.

Any gain from the acquisition of a subsidiary or gain/loss from the disposal of subsidiary will be recognised through profit and loss in the current financial period.

Goodwill
Goodwill arising from the acquisition of a subsidiary represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition.

Goodwill is initially measured at cost and is subsequently measured at cost less any accumulated impairment losses.

Goodwill is tested for impairment on an annual basis.

Intangible Assets
Intangible assets comprise the acquisition of rights to explore in relation to the Group's exploration and evaluation activities.

Intangible assets are carried at cost less accumulated amortisation and impairment.

Irrespective of whether there is any indication of impairment, the Group also tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.

Joint Arrangements
Joint arrangements are arrangements in which the group has joint control, established by contracts requiring unanimous consent for decisions on the activities that significantly affect the arrangements' returns. They are classified and accounted for as follows:

- Joint operation: when the group has rights to the assets and obligations for the liabilities relating to an arrangement, each of its assets and liabilities, including its share of those held or incurred jointly, are accounted for in relation to the joint operation;
- Joint venture: when the group has rights only to the net assets of the arrangements, its interest is accounted for using the equity method, similar to the accounting treatment for associates.

The company carries its investments in joint ventures at cost less accumulated impairment losses. The cost of investments in joint ventures is the fair value at the date of acquisition or the fair value at the date of loss of control of a former subsidiary where the company retains a joint venture interest in the former subsidiary.

Investments in joint ventures are accounted for using the equity method and are recognised initially at cost. Equity-accounted income represents the group's proportionate share of profits of those entities.

Exploration & Evaluation Assets
Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Exploration and evaluation activity includes:

- researching and analysing historical exploration data;
- gathering exploration data through topographical, geochemical and geophysical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements; and
- conducting market and finance studies.

Exploration and evaluation expenditure is charged to the income statement as incurred except in the following circumstances, in which case the expenditure may be capitalised:

- In respect of minerals activities:
  - the exploration and evaluation activity is within an area of interest which was previously acquired as an asset acquisition or in a business combination and measured at fair value on acquisition; or
  - the existence of a commercially viable mineral deposit has been established.

Capitalised exploration and evaluation expenditure considered to be tangible is recorded as a component of property, plant and equipment at cost less impairment charges. Otherwise, it is recorded as an intangible.

Intangible assets all relate to exploration and evaluation expenditure which are carried at cost with an indefinite useful life and therefore are reviewed for impairment annually and when there are indicators of impairment. Where a potential impairment is indicated, assessment is performed for each area of interest in conjunction with the group of operating assets (representing a cash generating unit) to which the exploration is attributed. Exploration areas at which reserves have been discovered but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is under way or planned.

Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows for that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the profit or loss.

Non-financial assets

Assets are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Comprehensive Income immediately.

Property, Plant and Equipment

Property, Plant and Equipment is stated at cost, less accumulated depreciation.

Cost includes expenditure that is directly attributable to the acquisition of the items of property, plant and equipment. The cost of self-constructed items of property, plant and equipment includes the cost of materials and direct labour, any other costs directly attributable to bringing the items of property, plant and equipment to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

- Office equipment between 12.5% to 37.5% straight line;
- Plant & machinery at 20% straight line;
- Furniture & fixtures at 12.5% straight line;
- Motor vehicles at 25% straight line; and
- I.T. Equipment at 20% straight line

Depreciation methods, useful lives and residual values are reviewed at each reporting date. Useful lives are affected by technology innovations, maintenance programmes and future economic benefits. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

On disposal of property, plant and equipment the cost and the related accumulated depreciation and impairments are removed from the financial statements and the net amount, less any proceeds, is taken to the Statement of Comprehensive Income.

Income Tax
Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Income Statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

Employee benefits
Defined contribution plans
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees. Pre-paid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are made more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

Short-term benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonuses or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Foreign Currencies
Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Sterling, which is the Group's presentation currency. This is also the functional currency of the Group and Company and is considered by the Board also to be appropriate for the purposes of preparing the Group financial statements.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Group companies
The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Monetary assets and liabilities for each Statement of Financial Position presented are presented at the closing rate at the date of that Statement of Financial Position. Non-monetary items are measured at the exchange rate in effect at the historical transaction date and are not translated at each Statement of Financial Position date;
- Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction): and
- All resulting exchange differences are recognised as a separate component of equity. On consolidation, exchange differences arising from the translation of monetary items receivable from foreign subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future are taken to shareholders equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Issue Expenses and Share Premium Account
Issue expenses are written off against the premium arising on the issue of share capital.

Lease payments
Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Finance income and expense
Finance income comprises interest income on funds invested, dividend income, gains on the disposal of available-for-sale financial assets, and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the group's right to receive payment is established, which in the case of listed securities is the ex-dividend date.

Finance expenses comprise interest expense on borrowings, unwinding of discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets and losses on forward exchange contracts that are recognised in profit or loss. All borrowing costs are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis.

Earnings per Share
The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Financial Instruments

Non-derivative financial assets

The group initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the transaction date at which the group becomes a party to the contractual provisions of the instrument.

The group derecognises a financial asset when the contractual right to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that are created or retained by the group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the group has a legal right to offset the amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The group classifies non-derivative financial assets into the following categories: financial assets at fair value, financial assets at amortised cost, or loans and receivables.

Financial assets at amortised cost

A financial asset is classified at amortised cost if the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise, on specific dates, to cash flows that are solely payments of principal and interest on principal amount outstanding. Financial assets at amortised cost are initially measured at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables

Loans and receivables comprise instalment sale assets and trade and other receivables. Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

Cash and Cash Equivalents

Cash and Cash Equivalents in the Statement of Financial Position comprise cash at bank and in hand and short term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Trade and other receivables / payables

Trade and other receivables and payables are stated at cost less impairment, which approximates fair value given the short dated nature of these assets and liabilities.

Non-derivative financial liabilities

The group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the transaction date at which the group becomes a party to the contractual provisions of the instrument.

The group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

The group has the following non-derivative financial liabilities: loans and borrowings, bank overdrafts, and trade and other payables.

Shareholder warrants
The shareholder warrants entitle shareholders to a number of common shares based upon the number of shares they subscribed for at the date of issue of the warrant instrument. The warrants relate to a transaction with the equity holders as opposed to a transaction in exchange for any goods or services. The equity component of the instrument is not considered material and there is no liability component arising as a result of these warrants. Upon exercise of the warrant the proceeds received, net of attributable transaction costs, are credited to share capital and where appropriate share premium.

Share based payments
For such grants of share options qualifying as equity-settled share based payments, the fair value as at the date of grant is calculated using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that are likely to vest, except where forfeiture is only due to market based conditions not achieving the threshold for vesting.

Share capital
Incremental costs directly attributable to the issue of ordinary shares and share options are recognised directly in equity.

Segment reporting
The group determines and presents operating segments based on the information that is internally provided to the Chief Executive Officer, who is the chief operating decision maker. A segment is a distinguishable component of the group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of the other segments. The group's primary format for segment reporting is based on business segments. The business segments are determined based on the reporting business units.

Treasury shares
The Company's own equity instruments that are reacquired are recognised at cost and deducted from equity. No gain or loss is recognised in the Income Statement on the purchase, sale, issue or cancellation of the Company's own equity instruments. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them.

NEW STANDARDS AND INTERPRETATIONS

Adoption of new and revised standards

During the financial year, there were no new IFRSs or IFRIC interpretations that are effective for the first time, which have had a material impact on the group.

The following pronouncements have been adopted in the year and either had no impact on the financial statements or resulted in changes to presentation and disclosure only:

Standard	Effective date, annual period beginning on or after
IAS 1 – Presentation to financial statements (Amendment) – Materiality, disaggregation and subtotals	1 January 2016
IAS 16 & IAS 38 – Property, plant and Equipment and Intangible Assets (Amendment) – Applicable method of depreciation and amortisation	1 January 2016
IAS 19 – Employee benefits – (Amendment) – Determining discount rates for post-employment benefit plans	1 January 2016
IAS 34 – Interim Financial Reporting – Clarification of disclosure requirements	1 January 2016
IFRS 5 – Non-current assets held for sale (Amendment) – Reclassification within the standard	1 January 2016
IFRS 7 – Financial Instruments: Disclosure – (Amendment) – Servicing contracts and interim financial statements	1 January 2016
IFRS 10, IFRS 12 & IAS 28 – Consolidated Financial Statements and Investments in Associates –(Amendment) – Applying consolidation exemption	1 January 2016
IFRS 11 – Joint Arrangements (Amendments) – Application of business combination requirements to acquires Joint operations constituting a business	1 January 2016

Standards issued but not yet effective:

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in these financial statements, were in issue but were not yet effective.

In some cases, these standards and guidance have not been endorsed for use in the European Union.

Standard	Effective date, annual period beginning on or after
IAS 7 – Statement of Cash flow (Amendment) – Disclosure on changes in nature of liabilities	1 January 2017
IAS 12 – Income taxes (Amendment) – Unrealised losses on debt instruments	1 January 2017
IAS 27 – Separate Financial Statements (Amendment) – Recognition of investments at cost	1 January 2017
IAS 28 – Investment in Associates and Joint Ventures (Amendment) – Clarification on investment-by-investment measurement	1 January 2018
IFRS 2 – Share Based Payments (Amendments) – Effect of vesting condition re-measurements	1 January 2018
IFRS 9 – Financial Instruments – Measurement, recognition and disclosure of Financial Instruments	1 January 2018
IFRS 12 – Disclosure of interest in other entities (Amendments) – Clarification of the Scope of IAS 12	1 January 2017
IFRS 15 – Revenue from Contracts from Customers	1 January 2018
IFRS 16 – Leases – Single lease accounting model.	1 January 2019

Except for IFRS 15 and IFRS 9, the directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Group. The potential impact of IFRS 15 and IFRS 9 is currently being evaluated.

1. 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:

2016 Group	**Mining and Exploration Group**	**Corporate Group**	**31 December 2016 (£) Group**
Revenue	18,039	-	18,039
Administrative cost	-	(1,653,152)	(1,653,152)
Capital raising fees		(1,648,004)	(1,648,004)
Exploration expenditure	(1,716,967)	-	(1,716,967)
Investment and other income	1,414,668	-	1,414,668
Tax	-	-	-
Profit/ (Loss) after tax	284,260	(3,301,156)	(3,585,416)

2015 Group	**Mining and Exploration Group**	**Corporate Group**	**31 December 2015 (£) Group**
Revenue	44,181	-	44,181
Administrative cost	-	(1,791,358)	(1,791,358)
Exploration expenditure	(1,454,216)	-	(1,454,216)
Net reversal of impairment of assets	3,182,240	-	3,182,240
Investment and other income	2,890	193,425	196,315
Tax	-	-	-
Profit/ (Loss) after tax	1,775,095	(1,597,933)	177,162

2016 Group	**Mining Group**	**Corporate Group**	**31 December 2016 (£) Group**
Assets			
Segment assets	18,015,412	22,772	18,038,184
Liabilities			
Segment liabilities	111,376	402,595	513,971
Other Significant items			
Depreciation	8,228	-	8,228

2015 Group	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

Revenue from major products and services

The only income that the Group received during the period related to revenue from management fees earned in Tanzania and bank interest, which has been allocated to the Mining & Exploration Group as defined in Note 1.

Geographical segments

The Group operates in six principal geographical areas – Corporate [Ireland, Cyprus, South Africa, Canada & United Kingdom] and Mining [Tanzania].

	Tanzania Group	Ireland, United Kingdom, South Africa, Cyprus and Canada Group	31 December 2016 (£) Group
Major Operational indicators			
Carrying value of segmented assets	17,605,212	432,972	18,038,184
Profit/(loss) after tax	(393,624)	(3,191,792)	(3,585,416)

	Tanzania Group	Ireland, United Kingdom, South Africa, Cyprus and Canada Group	31 December 2015 (£)
Major Operational indicators			
Carrying value of segmented assets	17,603,287	740,127	18,343,414
Profit/(loss) after tax	1,807,453	(1,630,291)	177,162

2. Revenue

	31 December 2016 (£)	31 December 2015 (£)
Management fees from exploration services	18,039	44,181
	18,039	**44,181**

Management fee revenue relates to services provided to exploration and prospecting companies situated in Tanzania.

3. Investment and other Income

	31 December 2016 (£)	31 December 2015 (£)
Refund of exploration expenditure	1,332,306	-
Profit on foreign exchange	80,547	-
Bargain purchase on acquisition of subsidiary	-	193,425
Other income	1,815	2,890
	1,414,668	**196,315**

The Group recovered £1,332,306 (US$1.8million) relating to previously incurred exploration expenditure specific to the Mbeya Coal project from SEPCO III. During the current financial period the Group entered into a revised agreement with SEPCO III allowing the China based EPC contractor to become the sole bidder for the ECP Contract subject to refunding the Group 50% of the total development cost incurred on the Mbeya Coal project, of which US$1.8million was payable during September 2016.

4. Profit on ordinary activities before taxation

Operating loss is stated after the following key transactions:	**31 December 2016 (£) Group**	**31 December 2015 (£) Group**
Depreciation of property, plant and equipment of Group financial statements	8,228	21,685
Auditors' remuneration for audit of Group and Company financial statements	35,000	35,000
Auditors' remuneration for audit of Sloane Developments Limited	2,500	2,500
Auditors' remuneration for non-audit services:		
Taxation advisory services	1,750	3,200
Other non-audit services	2,000	2,000
Impairment of goodwill on acquisition of Subsidiaries	-	20,057
Bargain purchase on acquisition of subsidiary	-	193,425
Net reversal of impairment of intangible assets	-	(3,182,240)

5. Staff costs (including Directors)

	Group 31 December 2016 (£)	**Group 31 December 2015 (£)**	**Company 31 December 2016 (£)**	**Company 31 December 2015 (£)**
Wages and salaries	709,714	809,223	472,315	378,020
Share based remuneration	-	547,277	-	400,868
	709,714	**1,356,500**	**472,315**	**778,888**

The average monthly number of employees (including executive Directors) during the period was as follows:

	Group 31 December 2016 (£)	**Group 31 December 2015 (£)**	**Company 31 December 2016 (£)**	**Company 31 December 2015 (£)**
Exploration activities	10	10	1	1
Administration	6	6	1	1
	16	16	2	2

6. Directors' emoluments

	Group 31 December 2016 (£)	**Group 31 December 2015 (£)**	**Company 31 December 2016 (£)**	**Company 31 December 2015 (£)**
Basic salary and fees	457,483	375,295	335,695	267,347
Share based payments	-	329,438	-	329,437
	457,483	**704,733**	335,695	**596,784**

The emoluments of the Chairman were £13,011 (2015: £44,743).
The emoluments of the highest paid director were £193,610 (2015: £235,384).

Key management personnel consist only of the Directors. Details of share options and interests in the Company's shares of each director are shown in the Directors' report on page 7. The following table summarises the remuneration applicable to each of the individuals who held office as a director during the reporting period:

31 December 2016	**Salary and fees**	**Share based payments**	**Total**
	£	**£**	**£**
Christian Schaffalitzky	13,011	-	13,011
Louis Coetzee	193,610	-	193,610
Noel O'Keeffe	121,787	-	121,787
Lukas Maree	13,011	-	13,011
Wenzel Kerremans	13,011	-	13,011
Andreas Lianos	103,051	-	103,051
Total	**457,483**	**-**	**457,483**

31 December 2015	**Salary and fees**	**Share based payments**	**Total**
	£	**£**	**£**
Christian Schaffalitzky	8,743	36,000	44,743
Louis Coetzee	156,810	78,574	235,384
Noel O'Keeffe	108,544	71,431	179,975
Lukas Maree	9,166	36,000	45,166
Wenzel Kerremans	9,015	36,000	45,015
Andreas Lianos	83,017	71,432	154,449
Total	**375,295**	**329,438**	**704,733**

7. Taxation

Current tax

	31 December 2016 (£)	**31 December 2015 (£)**
Charge for the period in Ireland, Canada, Republic of South Africa, Cyprus, United Kingdom and Republic of Tanzania	-	-
Total tax charge	-	-

The difference between the total current tax shown above and the amount calculated by applying the standard rate of Irish corporation tax of 12.5% to the loss before tax is as follows:

	2016 (£)	**2015 (£)**
(Loss)/ Profit on ordinary activities before tax	**(3,585,416)**	**177,162**
Income tax expense calculated at 12.5% (2015: 12.5%)	(448,177)	22,145
Income which is not taxable	-	(610,576)
Expenses which are not deductible	209,235	201,508
Losses available for carry forward	238,942	386,923
Income tax expense recognised in the Statement of Comprehensive Income	-	-

The effective tax rate used for the December 2016 and December 2015 reconciliations above is the corporate rate of 12.5% payable by corporate entities in Ireland on taxable profits under tax law in that jurisdiction.

No provision has been made for the 2016 deferred taxation as no taxable income has been received to date, and the probability of future taxable income is indicative of current market conditions which remain uncertain. At the Statement of Financial Position date, the Directors estimate that the Group has unused tax losses of £18,074,432 (2015: £16,574,704) available for potential offset against future profits which equates to an estimated potential deferred tax asset of £2,259,338 (2015: £2,020,396). No deferred tax asset has been recognised due to the unpredictability of the future profit streams. Losses may be carried forward indefinitely in accordance with the applicable taxation regulations ruling within each of the above jurisdictions.

8. Loss of parent Company

As permitted by Section 293 of the Companies Act 2014, the statement of comprehensive income of the parent Company has not been separately disclosed in these financial statements. The parent Company's loss for the financial period was £2,921,634 (2015: £1,482,910).

9. (Loss)/ Earnings per share

Basic (loss)/ earnings per share

The basic (loss)/ earnings and weighted average number of ordinary shares used for calculation purposes comprise the following:

Basic (Loss)/ Earnings per share	**31 December 2016 (£)**	**31 December 2015 (£)**
(Loss)/ Earnings for the period attributable to equity holders of the parent	(3,611,496)	177,162
Weighted average number of ordinary shares for the purposes of basic earnings per share	351,080,645	316,986,334
Basic (loss)/ earnings per ordinary share	**(0.010)**	**0.001**

Basic Dilutive (Loss)/ Earnings per share	**31 December 2016 (£)**	**31 December 2015 (£)**
(Loss)/ Earnings for the period attributable to equity holders of the parent	(3,611,496)	177,162
Weighted average number of ordinary shares for the purposes of basic earnings per share	351,080,645	316,986,334
Basic (loss)/ earnings per ordinary share	**(0.010)**	**0.001**

10. Property, plant and equipment

GROUP

Cost	Furniture and Fittings (£)	Motor Vehicles (£)	Office Equipment (£)	I.T Equipment (£)	Plant & Machinery (£)	Total (£)
Opening Cost as at 1 January 2015	**1,983**	**7,725**	**3,646**	**2,487**	**7,559**	**23,400**
Additions through business combinations	98,438	69,305	16,957	12,965	102	197,767
Disposals of subsidiaries	-	-	-	-	(3,165)	(3,165)
Exchange movements	95	369	175	118	211	968
Closing Cost as at 31 December 2015	**100,516**	**77,399**	**20,778**	**15,570**	**4,707**	**218,970**
Additions	198	-	4,646	4,185	-	9,029
Additions through business combinations	-	126,035	22,513	8,603	-	157,151
Disposals	-	-	(6,501)	-	-	(6,501)
Exchange movements	20,595	15,858	4,257	3,191	965	44,866
Closing Cost as at 31 December 2016	**121,309**	**219,292**	**45,693**	**31,549**	**5,672**	**423,515**

Accumulated Depreciation ("Acc Depr")	Furniture and Fittings (£)	Motor Vehicles (£)	Office Equipment (£)	I.T Equipment (£)	Plant & Machinery (£)	Total (£)
Acc Depr as at 1 January 2015	**1,250**	**7,725**	**2,596**	**2,487**	**5,581**	**19,639**
Additions through business combinations	77,118	66,101	15,676	11,123	76	170,094
Disposals of subsidiaries	-	-	-	-	(1,187)	(1,187)
Depreciation	14,795	3,107	1,984	1,786	13	21,685
Exchange Movements	520	466	186	174	211	1,557
Acc Depr as at 31 December 2015	**93,683**	**77,399**	**20,442**	**15,570**	**4,694**	**211,788**
Additions through business combinations	-	126,035	22,057	8,603	-	156,695
Disposals	-	-	(6,502)	-	-	(6,502)
Depreciation	7,250	-	433	529	15	8,227
Exchange movements	19,906	15,858	4,230	3,243	963	44,200
Acc Depr as at 31 December 2016	**120,839**	**219,292**	**40,660**	**27,945**	**5,672**	**414,408**

Carrying Value	Furniture and Fittings (£)	Motor Vehicles (£)	Office Equipment (£)	I.T Equipment (£)	Plant & Machinery (£)	Total (£)
Carrying value as at 31 December 2015	**6,833**	**-**	**336**	**-**	**13**	**7,182**
Carrying value as at 31 December 2016	**470**	**-**	**5,033**	**3,604**	**-**	**9,107**

11. Intangible assets

Intangible assets consist solely of separately identifiable prospecting assets identified through business combinations, where these separately identifiable intangible assets will be recognised at fair value on acquisition date of said subsidiary.

The following reconciliation serves to summarise the composition of intangible prospecting assets as at period end:

Reconciliation of Intangible Assets

	Pinewood Project (£)	Mbeya Coal Project (£)	Lake Victoria Project (£)	Haneti Project (£)	Total (£)
Valuation as at 1 January 2015	**-**	**12,713,865**	**1,700,000**	**-**	**14,413,865**
Impairment of prospecting licences	-	-	-	-	-
Reversal of impairment of licences	-	3,182,240	-	-	3,182,240
Carrying value as at 1 January 2016	**-**	**15,896,105**	**1,700,000**	**-**	**17,596,105**
Impairment of prospecting licences	-	-	-	-	-
Reversal of impairment of licences	-	-	-	-	-
Carrying value as at 31 December 2016	**-**	**15,896,105**	**1,700,000**	**-**	**17,596,105**

Intangible assets are not amortised, due to the indefinite useful life which is attached to the underlying prospecting rights, until such time that active mining operations commence, which will result in the intangible asset being amortised over the useful life of the relevant mining licences.

Intangible assets with an indefinite useful life are assessed for impairment on an annual basis, against the prospective fair value of the intangible asset. The valuation of intangible assets with an indefinite useful life is reassessed on an annual basis through valuation techniques applicable to the nature of the intangible assets.

In assessing whether a write-down is required in the carrying value of a potentially impaired intangible asset, the asset's carrying value is compared with its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. The valuation techniques applicable to the valuation of the abovementioned intangible assets comprise a combination of fair market values, discounted cash flow projections and historic transaction prices.

The following key assumptions influence the measurement of the intangible assets recoverable amounts, through utilising the value in use method in order to determine the recoverable amount:

- Comparable market value of similar mineral statements;
- Currency fluctuations and exchange movements;
- Expected growth rates;
- Cost of capital related to funding requirements;
- Applicable discounts rates;
- Future operating expenditure for extraction and mining of measured mineral resources; and
- Co-operation of key project partners going forward.

Through review of the project specific financial, operational, market and economic indicators applicable to the above intangible assets, impairment indicators were identified which required impairment of the intangible assets and reversal of impairments recognised in respect of selective exploration projects.

Reversal of impairment

Mbeya Coal Project
Following on from the completion of the DPFS, the Definitive Mining Feasibility Study (DMFS) for the coal mining component of the MCPP was delivered to the Company by mining consultants Minxcon and, as expected, it confirmed the viability of the coal mine evident from the earlier mining prefeasibility report (MPFS) completed in 2014. Headline financial and operational metrics from the DMFS include:

- IRR of 69.2% (15% improvement from 53.9% stated in MPFS);
- Payback period 2.4 years (7% improvement from 2.6 years stated in MPFS);
- Peak funding requirement of USD17 million (reduced by 54% from that identified in MPFS);
- All in cost margin of 39% -reduced from 49% in MPFS (All in cost margins of above 25% are considered healthy);
- Power Station coal requirements reduced by 23% from that identified in MPFS bringing significant environmental and cost benefits; and
- Modified Terrace Mining confirmed as most accurate and cost effective for the coal mine (no blasting/free dig).

As at year end the Group re-assessed the fair value of intangible assets with an indefinite useful life utilising the resource estimation principles applicable to both the Mbeya Coal and Lake Victoria assets, concluding that there is no impairment as the fair value of these intangible assets exceed the carrying value.

The previous impairment performed was based on Resource estimations and not on the net present value determination as these became available from the latest Competent Persons Reports prepared during the current financial period. Based on the updated results of the study, management had re-assessed the related intangible asset which indicated a reversal of the last available previously recognised impairment amounting to £3,182,240.

12. Business Combinations

On 31 December 2016, the Group acquired the entire shareholders interest in Protocol Mining Limited for cash consideration equal to US$1,000 of the ordinary shares in issue, assuming all assets and liabilities fairly valued. On 1 January 2015, the Group acquired the entire shareholders interest in Kibo MXS Limited and Mzuri Exploration Services Limited for cash consideration equal to £450 of the ordinary shares in issue, assuming all assets and liabilities fairly valued.

The fair value of assets acquired and liabilities assumed relating to the above business combinations is subject to change should additional information become available within the 12-month re-measurement period from date of acquisition.

The following table provides detail relating to the fair value from acquisitions:

	Group 2016 (£)	Group 2015 (£)
Property, plant and equipment	457	27,673
Current taxation receivable	-	3,963
Trade and other receivables	-	184,787
Cash and cash equivalents	-	61,492
Trade and other payables	(9,226)	(84,490)
	(8,769)	**193,425**

13. Trade and other receivables

	Group 2016 (£)	Group 2015 (£)	Company 2016 (£)	Company 2015 (£)
Amounts falling due over one year:				
Amounts owed by group undertakings	-	-	**26,998,867**	27,712,269
Amounts falling due within one year:				
Other debtors	**50,633**	550,692	**690**	523,104
	50,633	550,692	**26,999,557**	28,235,373

The nature of amounts owed by Group undertakings is such that the expected recovery thereof is in excess of one year, and is thus classified as amounts falling due after one year.

The carrying value of current trade and other receivables equals their fair value due mainly to the short-term nature of these receivables.

Amounts owed by group undertakings represent inter-company loans between the Company and its subsidiaries. They have no fixed repayment terms, bear no interest and are unsecured, resulting in the recognition of the receivable as a non-current asset due to settlement being extended beyond 12 months.

The net decrease in amounts owed by group undertakings relates to the settlement of the £1.5million Sanderson borrowings during the current financial period, through the issue of shares in Mbeya Coal Development Company Limited, a subsidiary of the Company, resulting in a non-cash based transaction.

Trade and other receivables pledged as security

None of the above stated trade and other receivables were pledged as security at period end. Credit quality of trade and other receivables that are neither past due nor impaired can be assessed by reference to historical repayment trends of the individual debtors.

14. Cash and Cash equivalents

	Group (£)		Company (£)	
Cash and cash equivalents consist of:	**2016**	**2015**	**2016**	**2015**
Short term convertible cash reserves	**382,339**	189,435	**22,082**	3,383
	382,339	189,435	**22,082**	3,383

Cash and cash equivalents have not been ceded, or placed as encumbrance toward any liabilities as at year end.

15. Share capital - Group and Company

	2016	2015
Authorised equity		
1,000,000,000 (2015: 800,000,000) Ordinary shares of €0.015 each	€15,000,000	€12,000,000
3,000,000,000 deferred shares of €0.009 each	€27,000,000	€27,000,000
	€42,000,000	**€39,000,000**
Allotted, issued and fully paid shares		
(2016: 363,976,596 Ordinary shares of €0.015 each)	£4,346,890	-
(2015: 330,928,714 Ordinary shares of €0.015 each)	-	£3,953,213
1,291,394,535 Deferred shares of €0.009 each	£9,257,075	£9,257,075
	£13,603,965	**£13,210,288**

	Number of Shares	Ordinary Share Capital (£) *	Deferred Share Capital (£)	Share Premium (£)	Treasury shares (£)*
Balance at 31 December 2015	**330,928,714**	**3,953,213**	**9,257,075**	**25,782,519**	**(44,464)**
Shares issued during the period	33,047,882	393,677	-	1,535,743	44,464
Balance at 31 December 2016	**363,976,596**	**4,346,890**	**9,257,075**	**27,318,262**	**-**

All ordinary shares issued have the right to vote, right to receive dividends, a copy of the annual report, and the right to transfer ownership of their shares.

The Deferred Shares will not entitle holders to receive notice of, or attend or vote at any general meeting of the Company or to receive a dividend or other distribution or to participate in any return on capital on a winding up other than the nominal amount paid following a substantial distribution to the holders of the Ordinary Shares in the Company. Accordingly, for all practical purposes the Deferred Shares will be valueless, and it is the board's intention at the appropriate time, to purchase the Deferred Shares at an aggregate consideration of €1.

*Included in the ordinary share capital were treasury shares relating to 4,090,000 ordinary shares placed during February 2015 with Hume Capital Securities Plc ("Hume Capital") where Hume Capital was subsequently placed under administration before the monies were received. An administrator was appointed in order to administer the distribution of outstanding monies receivable and shares subscribed to with Hume Capital. During the current financial period the allotment of 4,090,000 was completed and these shares are considered issued share capital trading on the market.

16. Share based payments reserve

The following reconciliation serves to summarise the composition of the share based payment reserve as at period end:

	Group (£)	
	2016	2015
Opening balance of share based payment reserve	**514,279**	**510,978**
Issue of share options and warrants	-	514,279
Reclassification of share based payment reserve on expired share options	-	(510,978)
	514,279	**514,279**

	Company (£)	
	2016	2015
Opening balance of share based payment reserve	**514,279**	**510,978**
Issue of share options and warrants	-	514,279
Reclassification of share based payment reserve on expired share options	-	(510,978)
	514,279	**514,279**

Costs associated with options issued as stated above.

The Group recognised the following expense related to equity settled share based payment transactions:

	2016 (£)	2015 (£)
Fair value of share options issued	-	514,279
Non-executive Directors emoluments settled	-	33,000
Geological expenditure settled	8,822	19,454
Capital raising fees	1,648,004	-
	1,656,826	**566,733**

The Company recognised the following expense related to equity settled share based payment transactions:

	2016 (£)	2015 (£)
Fair value of share options issued	-	296,437
Capital raising fees	1,648,004	-
Non-executive Directors emoluments settled	-	33,000
	1,648,004	**329,437**

At 31 December 2016 the Company had 14,399,331 options and 10,000,000 warrants outstanding detailed below:

	Date of Grant	Exercise start date	Expiry date	Exercise Price	Number Granted	Exercisable as at 31 December 2016
Options						
	02 Jun 15	02 Jun 15	1 Jun 18	5p	14,399,331	14,399,331
Total					**14,399,331**	**14,399,331**
Warrants						
	20 Feb 15	20 Feb 15	20 Feb 18	9p	10,000,000	10,000,000
Total					**10,000,000**	**10,000,000**
Total Contingently Issuable shares					**24,399,333**	**24,399,333**

Reconciliation of the quantity of share options in issue:

	Group		Company	
	2016	**2015**	**2016**	**2015**
Opening balance	**14,399,333**	**1,195,945**	**14,399,333**	**1,195,945**
Issue of share options	-	14,399,333	-	14,399,333
Expiration of share options	-	(1,196,945)	-	(1,196,945)
	14,399,333	**14,399,333**	**14,399,333**	**14,399,333**

Reconciliation of the quantity of warrants in issue:

	Group		Company	
	2016	**2015**	**2016**	**2015**
Opening balance	**10,000,000**	**110,950**	**10,000,000**	**110,950**
Warrants issued	-	20,000,000	-	20,000,000
Warrants exercised	-	(10,000,000)	-	(10,000,000)
Warrants lapsed	-	(110,950)	-	(110,950)
	10,000,000	**10,000,000**	**10,000,000**	**10,000,000**

Weighted average remaining contractual life of warrants is 2.2 years, and options are 2.5 years. The average share price during the year was £0.0557. The weighted average exercise price of the options and warrants outstanding at year end was £0.05 and £0.09 respectively.

Options issued during the prior financial period were valued using the following inputs to the Black-Scholes model:

	Kibo Mining Plc
Share price when options issued	4.88
Expected volatility	127.37%
Expected life	3 years
Risk free rate	0.72%
Expected dividends	-

The fair value of the share-based payment is based upon the Black-Scholes formula, a commonly used option pricing model. The calculation of volatility used in the model is based upon an average of market prices against current market prices of listed companies operating in the mining industry.

The 10,000,0000 warrants exercisable at £0.09 and 14,399,333 options exercisable at £0.05 outstanding as at year end were issued as incentive to joint-venture partners and employees respectively in order to retain fruitful continued financial relationships with these stakeholders respectively. No fair value was allocated to the 10,000,000 warrants in issue at year end as the Directors considered that no services were received in exchange for the issue of warrants.

17. Translation reserves

The foreign exchange reserve relates to the foreign exchange effect of the retranslation of the Group's overseas subsidiaries on consolidation into the Group's financial statements.

	Group		Company	
	2016 (£)	**2015 (£)**	**2016 (£)**	**2015 (£)**
Opening balance	**(384,619)**	**(400,985)**	**52,499**	**39,321**
Movement during the period	99,128	16,366	(5,069)	13,178
Closing balance of foreign currency translation reserve	**(285,491)**	**(384,619)**	**47,430**	**52,499**

18. Non-controlling interest

The non-controlling interest relates to the 2.5% interest held by Sanderson Capital Partners Limited in the Mbeya Coal Development Limited and its subsidiaries with effect from 1 September 2016.

	Group	
	2016 (£)	**2015 (£)**
Opening balance	-	-
Disposal of interest in subsidiary without loss of control	(27,515)	
Profit for the year allocated to non-controlling interest	26,080	-
Closing balance of non-controlling interest	**(1,435)**	-

19. Trade and other payables

	Group 2016 (£)	Group 2015 (£)	Company 2016 (£)	Company 2015 (£)
Amounts falling due within one year:				
Trade payables	146,380	306,797	35,003	166,892
	146,380	**306,797**	**35,003**	**166,892**

The carrying value of current trade and other receivables equals their fair value due mainly to the short term nature of these receivables.

20. Borrowings

	Group 2016 (£)	Group 2015 (£)	Company 2016 (£)	Company 2015 (£)
Amounts falling due within one year:				
Short term loans	**251,928**	500,000	**251,928**	500,000
	251,928	**500,000**	**251,928**	**500,000**

The borrowings relate to the unsecured interest free loan facility from Sanderson Capital Partners Limited which was repayable either through the issue of cash or ordinary shares in the Company. On 1 September 2016, the Company renegotiated the settlement terms where Sanderson Capital Partners Limited agreed to convert the full loan amount outstanding (£1.5million) into a 2.5% equity interest in the Mbeya Development Company Limited which is a 100% held subsidiary of the Group, and holds 100% interest in the Mbeya Coal to Power Project.

21. Provisions

	Group 2016 (£)	Group 2015 (£)	Company 2016 (£)	Company 2015 (£)
Amounts falling due within one year:				
Potential corporate transaction	115,663	-	115,663	-
	115,663	-	**115,663**	-

Under the terms of the heads of terms agreement with Opera Investments Plc ("Opera") on 23 September 2016, the Group agreed to undertake due diligence and incur costs associated with the potential corporate transaction as discussed in the subsequent events Note 25. As at 31 December 2016, the expenses that Opera had incurred but were repayable by the Group totalled £115,641 (2015: £nil).

22. Investment in group undertakings

	Subsidiary undertakings (£)
Investments at Cost	
At 1 January 2015	1,700,000
Additions	-
Disposals	-
At 31 December 2015 (£)	**1,700,000**
Additions	-
Disposals	-
At 31 December 2016 (£) *	**1,700,000**

* The above investment in subsidiaries comprises the carrying value of the investments in Kibo Mining (Cyprus) Limited and Sloane Developments Limited to the value of £1,700,000, and £- respectively.

At 31 December 2016 the Company had the following undertakings:

Description	Subsidiary, associate or Joint Venture	Activity	Incorporated in	Interest held (2016)	Interest held (2015)
Directly held subsidiaries					
Sloane Developments Limited	Subsidiary	Holding Company	United Kingdom	100%	100%
Kibo Mining (Cyprus) Limited	Subsidiary	Treasury Function	Cyprus	100%	100%
Indirectly held subsidiaries					
Kibo Gold Limited	Subsidiary	Holding Company	Cyprus	100%	100%
Savannah Mining Limited	Subsidiary	Mineral Exploration	Tanzania	100%	100%
Reef Miners Limited	Subsidiary	Mineral Exploration	Tanzania	100%	100%
Kibo Nickel Limited	Subsidiary	Holding Company	Cyprus	100%	100%
Eagle Gold Mining Limited	Subsidiary	Mineral Exploration	Tanzania	100%	100%
Mzuri Energy Limited	Subsidiary	Holding Company	Canada	100%	100%
Mbeya Holdings Limited	Subsidiary	Holding Company	Cyprus	100%	100%
Mbeya Development Limited	Subsidiary	Holding Company	Cyprus	100%	100%
Mbeya Mining Company Limited	Subsidiary	Holding Company	Cyprus	100%	100%
Mbeya Coal Limited	Subsidiary	Mineral Exploration	Tanzania	100%	100%
Mzuri Power Limited	Subsidiary	Holding Company	Cyprus	100%	100%
Mbeya Power Tanzania Limited	Subsidiary	Power Generation	Tanzania	100%	100%
Kibo Mining South Africa (Pty) Ltd	Subsidiary	Treasury Function	South Africa	100%	100%
Kibo Exploration (Tanzania) Limited	Subsidiary	Treasury Function	Tanzania	100%	100%
Kibo MXS Limited	Subsidiary	Holding Company	Cyprus	100%	100%
Tourlou Limited	Subsidiary	Holding Company	Cyprus	100%	100%
Mzuri Exploration Services Limited	Subsidiary	Exploration Services	Tanzania	100%	100%
Protocol Mining Limited	Subsidiary	Exploration Services	Tanzania	100%	-%
Other interests held					
Jubilee Resources Limited	Joint Venture	Mineral Exploration	Tanzania	50%	50%
Kibo Jubilee (Cyprus) Limited	Joint Venture	Holding Company	Cyprus	50%	50%
Kibo Uranium Limited	Joint Venture	Mineral Exploration	Cyprus	50%	50%
Pinewood Resources Limited	Joint Venture	Mineral Exploration	Tanzania	50%	50%
Makambako Resources Limited	Joint Venture	Mineral Exploration	Tanzania	50%	50%

The value of the investments is dependent on the discovery and successful development of evaluation and exploration assets. Should the development of the evaluation and exploration assets prove unsuccessful, the carrying value in the statement of financial position will be written off. In the opinion of the Directors' the carrying value of the investments is appropriate.

During the previous financial period, the Company entered into Joint Ventures with Metal Tiger Plc specific to the Uranium and Morogoro assets, where 50% of the ordinary share capital of the Kibo Uranium Group (Kibo Uranium Limited, Pinewood Resources Limited and Makambako Resources Limited) and Kibo Jubilee Group (Kibo Jubilee (Cyprus) Limited and Jubilee Resources Limited) would be disposed of at nominal value, and in turn Metal Tiger would expense US$800,000 over a period of 3 years for each project. A minimum expenditure of US$300,000 but less than US$800,000 would see Metal Tiger's interest in a project revert to a 10% free carried interest, while any expenditure by Metal Tiger less than US$300,000 would see Kibo regain a 100% interest in the project. During the financial period, Metal Tiger contributed USD$57,930 (2015:US$37,665) toward the Morogoro asset and an additional USD$57,966 (2015: US$37,697) toward the Uranium project. The Groups equitable portion of the current period losses from the Morogoro and Uranium projects relating to the Joint Venture operations are Nil (2015: £18,000) and Nil (2015: £26,400) respectively.

The entire interest in the Kibo Uranium Group and Kibo Jubilee Group was disposed of with effect from 1 January 2015 onward, resulting in the recognition of a profit on disposal of these subsidiaries amounting to £5,762 in the comparative financial period.

The aggregate pre-consolidation capital and reserves and results of the subsidiary undertakings for the last relevant financial period were as follows:

Group – 2016 Financial Period	**Net Asset Value/ (Net Liability Value) (£)**	**Profit/(loss) for the period (£)**
Sloane Developments Limited	(13,804)	(10,108)
Kibo Mining (Cyprus) Limited	(23,732,748)	4,179,701
Kibo Gold Limited	(41,065)	(34,928)
Savannah Mining Limited	(904,822)	(29,192)
Reef Mining Limited	(1,059,829)	(120,000)
Kibo Nickel Limited	(7,125)	(2,660)
Eagle Gold Mining Limited	(697,278)	(71,592)
Mzuri Energy Limited	(16,016)	(85)
Rukwa Holdings Limited	(6,225)	(6,527)
Mbeya Development Limited	181,326	(3,110)
Mbeya Mining Company Limited	165,535	(2,537)
Mbeya Coal Limited	(234,268)	327,056
Mzuri Power Limited	(120,186)	(112,858)
Mbeya Power Tanzania Limited	-	-
Kibo Mining South Africa Limited	9,030	(1,316)
Kibo Exploration (Tanzania) Limited	(498,527)	262,499
Kibo MXS Limited	(2,697)	(6,671)
Tourlou Limited	(1,337)	(2,611)
Mzuri Exploration Services Limited	(865,278)	(422,616)
Protocol Mining Limited*	-	-

* The profit and loss pertaining to newly acquired subsidiary undertakings has been included from the date of acquisition so as to prevent distortion of pre-acquisition profit and loss.

Group – 2015 Financial Period	Net Asset Value/ (Net Liability Value) (£)	Profit/(loss) for the period (£)
Sloane Developments Limited	(3,696)	(3,189)
Kibo Mining (Cyprus) Limited	(24,077,092)	(2,091,436)
Kibo Gold Limited	131,996	(2,931)
Savannah Mining Limited	(724,355)	(30,721)
Reef Mining Limited	(770,250)	(69,833)
Kibo Nickel Limited	(3,738)	(2,701)
Eagle Gold Mining Limited	(513,466)	(106,046)
Mzuri Energy Limited	(12,320)	(153,857)
Rukwa Holdings Limited	519	(3,600)
Rukwa Development Limited	158,938	(14,813)
Rukwa Mining Company Limited	144,824	(3,222)
Rukwa Coal Limited	(492 468)	(514,149)
Mzuri Power Limited	(1,830)	(2,110)
Mbeya Power Tanzania Limited	-	-
Kibo Mining South Africa Limited	7,785	2,625
Kibo Exploration (Tanzania) Limited	(631,724)	254,078
Kibo MXS Limited*	(3,925)	(3,239)
Tourlou Limited*	(22,856)	(3,384)
Mzuri Exploration Services Limited*	(333,707)	(406,881)

* The profit and loss pertaining to newly acquired subsidiary undertakings has been included from the date of acquisition so as to prevent distortion of pre-acquisition profit and loss.

23. Related party transactions

Related parties of the Group comprise subsidiaries, joint ventures, significant shareholders, the Board of Directors and related parties in terms of the listing requirements.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation.

Board of Directors/ Key Management

Name	Relationship (Directors of:)
Andreas Lianos	River Group, Boudica Group, Tsitato Trading Limited, Gattonside Trading Limited and Namaqua Management Limited

Other entities over which directors/key management or their close family have control or significant influence:

River Group	River Group provide corporate advisory services and is the Company's Designated Advisor.
Boudica Group	Boudica Group provides secretarial services to the Group.

Kibo Mining Plc is a shareholder of the following companies and as such are considered related parties:

Directly held subsidiaries:	Sloane Developments Limited
	Kibo Mining (Cyprus) Limited
Indirectly held subsidiaries:	Kibo Gold Limited
	Kibo Mining South Africa Limited
	Savannah Mining Limited
	Reef Mining Limited
	Kibo Nickel Limited
	Eagle Gold Mining Limited
	Mzuri Energy Limited
	Rukwa Holdings Limited
	Rukwa Development Limited
	Rukwa Mining Company Limited
	Rukwa Coal Limited
	Mzuri Power Limited
	Kibo Exploration (Tanzania) Limited
	Mbeya Power Tanzania Limited
	Kibo MXS Limited
	Mzuri Exploration Services Limited
	Tourlou Limited
	Protocol Mining Limited
Joint Ventures:	
	Kibo Uranium Limited
	Pinewood Resources Limited
	Makambako Resources Limited
	Jubilee Resources Limited
	Kibo Jubilee (Cyprus) Limited

The transactions during the period between the Company and its subsidiaries included the settlement of expenditure to/from subsidiaries, working capital funding, and settlement of the Company's liabilities through the issue of equity in subsidiaries. The loans to/ from group companies do not have fixed repayment terms and are unsecured.

The following transactions have been entered into with related entities, by way of common directorship, throughout the financial period.

River Group was paid £47,009 (2015: £41,892) for designated advisor services during the year settled through cash. No fees are payable to River Group as at year end. The expenditure was recognised in the Company as part of administrative expenditure.

During the year, Namaqua Management Limited or its nominees, was paid €702,034 (2015: €705,678) for the provision of administrative and management services. No amount was payable at the year-end (2015: Nil).

The Boudica Group was paid €47,095 (2015: €36,000) in cash for corporate services during the current financial period. No fees are payable to Boudica Group at year end.

24. Financial Instruments and Financial Risk Management

The Group and Company's principal financial instruments comprise cash and cash equivalents. The main purpose of these financial instruments is to provide finance for the Group and Company's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

It is, and has been throughout the 2016 and 2015 financial period, the Group and Company's policy not to undertake trading in derivatives.

The main risks arising from the Group and Company's financial instruments are foreign currency risk, credit risk, liquidity risk, interest rate risk and capital risk. Management reviews and agrees policies for managing each of these risks which are summarised below.

	2016 (£)		2015 (£)	
Financial instruments of the Group are:	Loans and receivables	Financial liabilities	Loans and receivables	Financial liabilities
Financial assets at amortised cost				
Trade and other receivables	50,633	-	550,692	-
Cash and cash equivalents	382,339	-	189,435	-
Financial liabilities at amortised cost				
Trade payables	-	146,380	-	306,797
Borrowings	-	251,928	-	500,000
	432,972	**398,308**	**740,127**	**806,797**

	2016 (£)		2015 (£)	
Financial instruments of the Company are:	Loans and receivables	Financial liabilities	Loans and receivables	Financial liabilities
Financial assets at amortised cost				
Trade and other receivables – non current	26,998,867	-	27,712,269	-
Trade and other receivables – current	690	-	523,104	-
Cash and cash equivalents	22,082	-	3,382	-
Financial liabilities at amortised cost				
Trade payables – current	-	35,003	-	166,892
Borrowings	-	251,928	-	500,000
	27,021,639	**286,931**	**28,238,755**	**666,892**

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currencies and exposures to exchange rate fluctuations therefore arise. Exchange rate exposures are managed by continuously reviewing exchange rate movements in the relevant foreign currencies. The exposure to exchange rate fluctuations is limited as the Company's subsidiaries operate mainly with Sterling, Euros, South African Rand, US Dollar and Tanzanian Shillings.

At the period ended 31 December 2016, the Group had no outstanding forward exchange contracts.

Exchange rates used for conversion of foreign subsidiaries undertakings were:

	2016	2015
ZAR to GBP (Spot)	0.0594	0.0438
ZAR to GBP (Average)	0.0506	0.0515
USD to GBP (Spot)	0.8127	0.6745
USD to GBP (Average)	0.7401	0.6541
EURO to GBP (Spot)	0.8563	0.7374
EURO to GBP (Average)	0.8186	0.7263
CAD to GBP (Spot)	0.6033	0.4864
CAD to GBP (Average)	0.5587	0.5126

The executive management of the Group monitor the Group's exposure to the concentration of fair value estimation risk on a monthly basis.

Group Sensitivity Analysis:

If the GBP:EURO/ EURO:USD exchange rate was to increase/decrease by 10%, the effect on foreign currency translation would be £2.5 million (2015: £2.5 million) and £0.42 million (2015: £0.61 million) respectively.

Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. As the Group does not, as yet, have any sales to third parties, this risk is limited.

The Group and Company's financial assets comprise receivables and cash and cash equivalents. The credit risk on cash and cash equivalents is limited because the counterparties are banks with high credit-ratings assigned by international credit rating agencies. The Group and Company's exposure to credit risk arise from default of its counterparty, with a maximum exposure equal to the carrying amount of cash and cash equivalents in its consolidated statement of financial position.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are connected or related entities.

Financial assets exposed to credit risk at period end were as follows:

Financial instruments	**Group (£)**		**Company (£)**	
	2016	**2015**	**2016**	**2015**
Trade & other receivables	50,633	550,692	26,999,557	28,235,373
Cash & cash equivalents	382,339	189,435	22,082	3,383

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group and Company's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Cash forecasts are regularly produced to identify the liquidity requirements of the Group.

The Group and Company's financial liabilities as at 31 December 2016 were all payable on demand, other than the trade payables to other Group undertakings.

Group (£)	**Less than 1 year**	**Greater than 1 year**
At 31 December 2016		
Trade and other payables	146,380	-
Borrowings	251,928	-
At 31 December 2015		
Trade and other payables	306,797	-
Borrowings	500,000	-
Company (£)		
At 31 December 2016		
Trade and other payables	35,003	-
Borrowings	251,928	-
At 31 December 2015		
Trade and other payables	166,892	-
Borrowings	500,000	-

Interest rate risk
The Group and Company's exposure to the risk of changes in market interest rates relates primarily to the Group and Company's holdings of cash and short term deposits.

It is the Group and Company's policy as part of its management of the budgetary process to place surplus funds on short term deposit in order to maximise interest earned.

Group Sensitivity Analysis:

Currently no significant impact exists due to possible interest rate changes on the Company's interest bearing instruments.

Capital risk management
The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust its capital structure, the Group may adjust or issue new shares or raise debt. No changes were made in the objectives, policies or processes during the period ended 31 December 2016. The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained losses as disclosed in the consolidated statement of changes in equity.

Fair values
The carrying amount of the Group and Company's financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair value.

Hedging
At 31 December 2016, the Group had no outstanding contracts designated as hedges.

25. Events after the reporting period

Mbeya Coal to Power Project
The Tanzania National Environmental Management Council ("NEMC") approved and accepted both the Mbeya Coal Mine and Mbeya Power Plant Environmental and Social Impact Assessment ("ESIA") scoping reports.

Furthermore, the Integrated Bankable Feasibility Study has been finalised, which confirms the Directors' assessment that the Mbeya Coal to Power Project is a technically and operationally robust project:
- Capital requirement for the integrated project reduced 21.1 % from the original integrated prefeasibility study;
- MCPP total revenue over an assumed 25-year life of project approximately US$7.5billion;
- Indicative Post Tax Equity IRR between 21% and 22%;
- MCPP can be constructed and commissioned within the previously projected schedule duration of 36 months; and
- Post tax Project IRR ranging between 14.7% and 16%.

Also, the Group signed a strategic Memorandum of Understanding with Mbeya Cement Company Ltd ("Mbeya Cement"), to develop a strategic regional collaboration and reciprocal supply of materials agreement effective from 20 April 2017.

Cessation of Metal Tiger Joint Ventures
The Group has reached agreement with Metal Tiger Plc, the Company's Joint Venture ("JV") partner in Tanzania to cease JV activities at the Pinewood and Morogoro Joint Ventures with immediate effect and relinquish the licences back to the local authorities.

Acquisition by Opera of the Imweru and Lubando Gold Projects
On 23 September 2016, the Group entered into an agreement with Opera Investments Plc ("Opera") relating to the potential corporate transaction whereby Opera Investments PLC ("Opera") conditionally agreed to acquire Kibo Gold Limited ("Kibo Gold"), through which the Imweru and Lubando gold projects in Tanzania are held, from the Group for a total consideration of £3.66 million (the "Acquisition").

The consideration for the Acquisition was satisfied by the allotment and issue of 61,000,000 new ordinary shares in Opera ("Ordinary Shares") ("Consideration Shares") to the Group at a price of 6 pence per Consideration Share.

Opera has also raised gross proceeds of £1.5 million, through the issue of 25,000,000 new Ordinary Shares ("Placing Shares") at 6 pence per Placing Share (the "Placing"). The Group subscribed for 833,333 Placing shares at a cost of £50,000, funded from existing cash reserves.

The Acquisition constituted a reverse takeover of Opera for the purposes of the Listing Rules, for which Shareholder approval was obtained at the General Meeting held on 23 May 2017 form the Opera Shareholders. On 24 May 2017, the re-admission of the Opera Investments plc (Renamed "Katoro Mining PLC") ordinary shared on AIM was successfully completed.

Shares issued
The Company has issued 277,768 new Ordinary Kibo shares of €0.015 par value each in the capital of the Company (the "Settlement Shares") to service providers in settlement of invoices for a total amount of £13,194. The Settlement Shares were issued in respect of invoices for recent geological and investor relations services to the Company and were issued at a price of 4.75p per Kibo share.

26. Going concern

The Group's financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

27. Commitments and Contingencies

The Group does not have identifiable material contingencies or commitments as at the reporting date. Any contingent rental is expensed in the period in which it is incurred.

ANNEXURE 1 – HEADLINE LOSS PER SHARE

Accounting policy

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).

Reconciliation of Headline earnings per share

Headline loss per share

Headline loss per share comprises the following:

Reconciliation of headline loss per share:	**31 December 2016 (£)**	**31 December 2015 (£)**
(Loss)/ Profit for the period attributable to normal shareholders	**(3,611,496)**	177,162
Reversal of impairment of Intangible assets/ (Impairment of Intangible assets)	**-**	(3,182,240)
Loss on disposal of subsidiaries	**-**	5,762
Bargain purchase from acquisition of Subsidiaries	**-**	(193,425)
Adjustment arising from change in non-controlling interest	**-**	-
Impairment of goodwill on acquisition of Subsidiaries	**-**	20,057
Headline loss for the period attributable to normal shareholders	**(3,611,496)**	(3,172,687)
Headline loss per ordinary share	**(0.010)**	**(0.010)**

In order to accurately reflect the weighted average number of ordinary shares for the purposes of basic earnings, dilutive earnings and headline earnings per share as at year end, the weighted average number of ordinary shares was adjusted retrospectively.

Company number 451931

Kibo Mining Public Limited Company

(the Company)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Company will be held at 10 a.m. on Friday 30 June 2017 at the Conrad Hotel, Earlsfort Terrace, St Stephen's Green, Dublin 2, Ireland for the purpose of considering, and if thought fit, passing the following resolutions of which resolutions numbered 1, 2, 3, 4 and 5 will be proposed as ordinary resolutions and resolution numbered 6 will be proposed as a special resolution:

Ordinary Business

1 To receive, consider and adopt the financial statements for the year ended 31 December 2016 together with the Directors and Auditors Reports thereon.

2 To authorise the Directors to fix the remuneration of the Auditors.

3 To re-elect Mr Louis Coetzee as a Director of the Company who retires by rotation in accordance with Regulation 84 of the Articles of Association of the Company.

4 To re-elect Mr Andreas Lianos as a Director of the Company who retires by rotation in accordance with Regulation 84 of the Articles of Association of the Company.

Special business

Ordinary Resolution

5 The Directors be and are hereby generally and unconditionally authorised pursuant to Section 1021 of the Companies Act 2014 ("**2014 Act**"), in substitution for all existing such authorities, to exercise all powers of the Company to allot relevant securities (within the meaning of Section 1021 of the 2014 Act) provided that such power shall be limited to the allotment of relevant securities up to a maximum aggregate nominal value equal to the nominal value of the authorised but unissued ordinary share capital of the Company from time to time. The authority hereby conferred shall expire on the date of the next annual general meeting of the Company held after the date of passing of this resolution, unless previously revoked, renewed or varied by the Company in General Meeting, save that the Company may before such expiry date make an offer or agreement which would or might require relevant securities to be allotted after such authority has expired and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority hereby conferred had not expired.

Special Resolution

6 Subject to the passing of Resolution 5 above that the Directors be and are hereby empowered pursuant to Section 1023 of the Companies Act 2014 ("**2014 Act**"), in substitution for all existing such authorities, to allot equity securities (within the meaning of Section 1023 of the 2014 Act) for cash pursuant to the authority conferred by resolution number 5 above as if Section 1022(1) of the 2014 Act, did not apply to any such allotment provided that this power shall be limited to the allotment of equity securities (including, without limitation, any shares purchased by the Company pursuant to the provisions of the 2014 Act and held as treasury shares) up to a maximum aggregate nominal value equal to the nominal value of the authorised but unissued ordinary share capital of the Company from time to time. The authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company held after the date of passing of this resolution, save that the Company may before such expiry, make an offer or agreement which would or might require relevant securities to be allotted after such authority has expired and the Directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the power hereby conferred had not expired. The authority hereby conferred may be renewed, revoked or varied by special resolution of the Company.

By Order of the Board

Noel O'Keeffe
Director and Company Secretary

Dated: 8 June 2017

Registered Office:
27 Hatch Street Lower
Dublin 2
Ireland

Notes:

a. Any shareholder of the Company entitled to attend and vote may appoint another person (whether a member or not) as his/her proxy to attend, speak and vote on his/her behalf. For this purpose a form of proxy is enclosed with this Notice, an individual copy of which has also been mailed to each shareholder together with an attendance card for admittance to the meeting. A proxy need not be a shareholder of the Company. Lodgement of the form of proxy will not prevent the shareholder from attending and voting at the meeting.

b. Only shareholders, proxies and authorised representatives of corporations, which are shareholders, are entitled to attend the meeting.

c. To be valid, the form of proxy and, if relevant, the power of attorney under which it is signed, or a certified copy of that power of attorney, must be received by the Company's share registrar, Capita Asset Services, Shareholder solutions (Ireland), 2 Grand Canal Square, Dublin 2 not less than 48 hours prior to the time appointed for the meeting.

d. All South African shareholders must send their proxies to the transfer secretaries, Terbium Financial Services, 31 Beacon Road, Florida North 1709, Johannesburg (PO Box 61272 Marshalltown 2107, Johannesburg) or via e-mail at kibo@terbium.global not less than 48 hours prior to the time appointed for the meeting.

e. In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.

f. The Company, pursuant to Section 1095 of the Companies Act, 2014 and regulation 14 of the Companies Act, 1990 (Uncertificated Securities) Regulations 1996 (as amended) specifies that only those shareholders registered in the Register of Members of the Company (the "Register") at the close of business on the day which is two days before the date of the meeting, (or in the case of an adjournment at the close of business on the day which is two days prior to the adjourned meeting), shall be entitled to attend and vote at the meeting or any adjournment thereof in respect only of the number of shares registered in their name at that time. Changes to entries in the Register after that time will be disregarded in determining the rights of any person to attend and/or vote at the meeting.

KIBO MINING PUBLIC LIMITED COMPANY

(the "Company")

FORM OF PROXY

Annual General Meeting

I/We (See Note A below) ____of ______________________________

being a shareholder of the Company, hereby appoint (See Note B below):

(a) the Chairman of the Meeting; or

(b) ______________________________ of ____ as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Friday 30 June 2017 at 10 a.m. in the Conrad Hotel, Earlsfort Terrace, St Stephen's Green, Dublin 2, Ireland and at any adjournment thereof.

Please indicate with an ''X'' in the space below how you wish your votes to be cast in respect of each of the resolutions detailed in the notice convening the Meeting. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

Ordinary Business of the Meeting		For	Against	Vote Withheld
1	To receive, consider and adopt the financial statements for the year ended 31 December 2016 together with the Directors and Auditors Reports thereon.			
2	To authorise the Directors to fix the remuneration of the auditors.			
3	To re-elect Mr Louis Coetzee as a Director.			
4	To re-elect Mr Andreas Lianos as a Director.			
Special Business of the Meeting		For	Against	Vote Withheld
5.	That the Directors be and are hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities.			
6.	That the Directors be and are hereby empowered pursuant to Section 1023(3) of the Companies Act, 2014 to allot equity securities.			

Dated this _______ day of _________ 2017

Signature or other execution by the shareholder (See Note C, turn over):

____

Notes:

(A) A shareholder must insert his, her or its full name and registered address in type or block letters. In the case of joint accounts, the names of all holders must be stated.

(B) If you desire to appoint a proxy other than the Chairman of the Meeting, please insert his or her name and address in the space provided and delete the words “the Chairman of the Meeting or”.

(C) The proxy form must:
   (i) in the case of an individual shareholder be signed by the shareholder or his or her attorney; and
   (ii) in the case of a corporate shareholder be given either under its common seal or signed on its behalf by an attorney or by a duly authorized officer of the corporate shareholder.

(D) In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

(E) To be valid, the form of proxy and, if relevant, the power of attorney under which it is signed, or a certified copy of that power of attorney, must be received by the Company’s share registrar, Capita Asset Services, Shareholder Solutions (Ireland), 2 Grand Canal Square, Dublin 2 at not less than 48 hours prior to the time appointed for the meeting.

All South African shareholders must send their proxies to the transfer secretaries, Terbium Financial Services, 31 Beacon Road, Florida North 1709, Johannesburg (PO Box 61272 Marshalltown 2107, Johannesburg) or via e-mail to kibo@terbium.global not less than 48 hours prior to the time appointed for the meeting.

(F) A proxy need not be a shareholder of the Company but must attend the Meeting in person to represent his/her appointer.

(G) The return of a proxy form will not preclude any shareholder from attending and voting at the Meeting.

(H) The “Vote Withheld” option is provided to enable you to abstain on any particular resolution. It should be noted that a “Vote Withheld” is not a vote in law and will not be counted in the calculation of the proportion of the votes ‘For’ and ‘Against’ a resolution.

(I) Pursuant to Section 1095 of the Companies Act, 2014 and regulation 14 of the Companies Act, 1990 (Uncertificated Securities) Regulations 1996 entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at close of business on the day which is two days before the date of the meeting (or in the case of an adjournment as at close of business on the day which is two days before the date of the adjourned meeting).Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.

SOUTH AFRICAN SHAREHOLDERS

Notes to the Form of Proxy

1. A KIBO shareholder may insert the name of a proxy or the names of two alternative proxies of the KIBO shareholder’s choice in the space/s provided, with or without deleting “the Chairperson of the General Meeting”, but any such deletion must be initialled by the KIBO shareholder concerned. The person whose name appears first on the form of proxy and who is present at the Annual General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.

2. Please insert an "X" in the relevant spaces according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of shares than you own in KIBO, insert the number of ordinary shares held in respect of which you desire to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the Annual General Meeting as he/she deems fit in respect of all the shareholder's votes exercisable thereat. A KIBO shareholder or his/her proxy is not obliged to use all the votes exercisable by the KIBO shareholder or by his/her proxy, but the total of the votes cast and in respect whereof abstentions recorded may not exceed the total of the votes exercisable by the shareholder or by his/her proxy.
3. The date must be filled in on this proxy form when it is signed.
4. The completion and lodging of this form of proxy will not preclude the relevant KIBO shareholder from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof. Where there are joint holders of shares, the vote of the senior joint holder who tenders a vote, as determined by the order in which the names stand in the register of members, will be accepted.
5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the transfer secretaries of KIBO or waived by the Chairperson of the Annual General Meeting of KIBO shareholders.
6. Any alterations or corrections made to this form of proxy must be initialled by the signatory/ies.
7. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries of KIBO.
8. Forms of proxy must be received by the transfer secretaries, Terbium Financial Services, 31 Beacon Road, Florida North 1709, Johannesburg (PO Box 61272 Marshalltown 2107, Johannesburg) or via e-mail to kibo@terbium.global by not later than 10 a.m. on the 28th June 2017.
9. The Chairperson of the Annual General Meeting may accept or reject any form of proxy, in his absolute discretion, which is completed other than in accordance with these notes.
10. If required, additional forms of proxy are available from the transfer secretaries of KIBO.
11. Dematerialised shareholders, other than by own name registration, must NOT complete this form of proxy and must provide their CSDP or broker of their voting instructions in terms of the custody

To be completed and mailed to:
Terbium Financial Services
PO Box 61272
Marshalltown 2107
Johannesburg
OR
To be completed and hand delivered to:
Terbium Financial Services
31 Beacon Road, Florida North 1709
Johannesburg
OR
E-mail: kibo@terbium.global

EXPLANATION OF RESOLUTIONS TO BE PROPOSED AT THE ANNUAL GENERAL MEETING

Resolution 1: Financial statements

The Directors will present the financial statements of the Company for the year ended 31 December 2016. A full copy of the Annual Report is available on www.kibomining.com.

Resolution 2: Auditors' remuneration

The Directors are seeking to renew their authority to fix the remuneration of the Auditors for the year ending 31 December 2017.

Resolutions 3 and 4: Re-election of Directors

Kibo Mining plc is led by a strong and effective Board of Directors. The performance of the Board is reviewed annually, and each of the Directors has made a substantial contribution to the leadership and governance of the Company during the year and continues to contribute effectively and to demonstrate commitment to their respective roles.

Mr Louis Coetzee and Mr Andreas Lianos are retiring as directors of the Company in accordance with Regulation 84 of the Articles of Association of the Company and being eligible, have offered themselves for re-election.

Resolution 5: Allotment of shares

At the Annual General Meeting of the Company held in 2016, shareholders gave the Directors a general authority under Section 1021 of the Companies Act, 2014 to allot shares. That authority will expire at the conclusion of the forthcoming Annual General Meeting. Shareholders are therefore being asked to renew the Directors' authority to allot shares in the Company.

By Resolution 5, the Directors will, at the forthcoming Annual General Meeting, seek authority to issue shares up to a nominal value equal to the authorised but unissued ordinary share capital of the Company from time to time. The authority will, if renewed, expire at the conclusion of the annual general meeting to be held in 2018. The Directors will exercise this authority only if they consider this to be in the best interests of shareholders generally at that time.

Resolution 6: Dis-application of pre-emption rights

The power given to the Directors at the 2016 Annual General Meeting to allot shares for cash otherwise than in accordance with statutory pre-emption rights also expires at the conclusion of the forthcoming Annual General Meeting.

Shareholders are therefore also being asked to renew, until the Annual General Meeting to be held in 2018, the Directors' authority to allot shares for cash otherwise than in accordance with statutory pre-emption provisions in the event of a rights issue or in respect of any other issue of equity securities for cash up to a maximum aggregate nominal value equal to the nominal value of the authorised but unissued ordinary share capital of the Company from time to time. The Directors will exercise this authority only if they consider this to be in the best interests of shareholders generally at that time.

NOTES:

NOTES:

TARGET PROGRAMME FOR 2017/2018

MCPP

- Environmental Impact Assessment (Complete, awaiting certification)
- Negotiation of PPA with TANESCO (Target: Q2 2017 subject to finalization of Tanzania Energy Policy Procurement Review currently underway)
- Financial Close (2017 – dependent on finalizing PPA)

HANETI

- Implement drill programme at Haneti on priority targets at Mihanza and Mwaka Hills contingent on resources being available

KATORO GOLD PLC

IMWERU

- Implement drill programme with objective of expanding and upgrading existing Mineral Resource in order to complete mining Pre-Feasibility Study (PFS)
- Contingent on favourable results from PFS, proceed to completion of definitive bankable feasibility study which will incorporate:
  - Geotechnical & Engineering studies
  - Completion of Environmental and Social Impact Study
  - Mining Licence Application
  - Financial Modelling
- Bring the project to Financial Close
- Commence mine construction
- Implement follow-up exploration programmes on regional targets with the objective of discovering and defining additional gold resources

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KIBOMINING PLC