



KIBOMINING PLC

(Incorporated in Ireland)
(Registration number: 451931)
(External registration number: 2011/007371/10)
Share code on the JSE Limited: KBO
Share code on the AIM: KIBO
ISIN: IE00B61XQX41
("Kibo" or "the Company")

Directors of Kibo:

Christian Schaffalitzky de Muckadell
William James Benedict Payne
Noel Flannan O' Keeffe
Louis Lodewyk Coetzee

Desmond Joseph Burke
Lukas Marthinus Maree

PRE-LISTING STATEMENT

Prepared and issued in terms of the JSE Limited ("JSE") Listings Requirements

This Pre-listing Statement is neither an invitation to the public to subscribe for, nor an offer to purchase ordinary shares in Kibo, but is issued in terms of the Listings Requirements of the JSE for the purpose of providing information to the public in regard to the secondary listing of the ordinary shares of Kibo on the JSE.

The JSE has granted a secondary listing, by way of an introduction, of all of the ordinary shares issued in Kibo, on the AltX, a separate Board of the JSE under the abbreviated name "KIBO" and trading code KBO, with effect from the commencement of trading on the JSE on 30 May 2011.

At the date of the commencement of the listing, the authorised share capital of Kibo will comprise 800 000 000 ordinary shares with a par value of €0,01, each of which there will be 341 259 208 issued and listed ordinary shares. The premium account of the Company is €6 398 224. There are no other classes of shares issued and/or listed on any stock exchange and no shares held in treasury by Kibo.

The shares of Kibo will only be traded on the JSE as dematerialised shares. Accordingly, any person who purchases shares in Kibo and who elects to receive shares in Kibo in certificated form, will be required to dematerialise such certificated shares prior to being in a position to trade such shares on the JSE.

The directors, whose names are disclosed in paragraph 20 of this Pre-listing Statement accept, collectively and individually, full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, no facts have been omitted which would make any statement false or misleading, and that they have made all reasonable enquiries to ascertain such facts and that this Pre-Listing Statement contains all information required by law and the JSE Listings Requirements.

The corporate advisor, sponsor, transfer secretaries and reporting accountant, whose names are included in this Pre-listing Statement, have given and had not, at the date of this Pre-Listing Statement, withdrawn their written consents to the inclusion of their names in the capacities as stated.

SAB&T whose report is included in Annexures 4, 5a and 5b and Venmyn Rand (Proprietary) Limited whose report is included in Annexure 6 have given and had not, at the date of this Pre-Listing Statement, withdrawn their written consents to the inclusion of their reports in the form and context in which they appear.

An abridged version of this Pre-listing Statement will be released on SENS and published in the press on 27 May 2011.

Corporate Advisor and Designated Advisor



Independent Reporting Accountant



Independent Technical Expert



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DEFINITIONS AND INTERPRETATIONS

In this Pre-listing Statement and the annexures hereto, unless the context indicates otherwise, references to the singular include the plural and *vice versa*, words denoting one gender include others, expressions denoting natural persons include juristic persons and associations of persons and *vice versa*, and the words in the first column have the meanings stated opposite them in the second column, as follows:

“Aardvark”	Aardvark Exploration Limited, a company registered in Tanzania with company number 57428, a wholly-owned subsidiary of Sloane;
“Acts”	the Companies Acts, 1963-2000, of the Republic of Ireland (as amended or replaced from time to time);
“African Company”	In terms of the Exchange Control circular D441 dated 17 September 2004, <i>inter alia</i> , companies that are domiciled outside of Africa with the majority of their activities geographically located in countries which are part of the African Union;
“AIM”	the AIM Market of the London Stock Exchange plc;
“AltX”	the Alternative Exchange, a sector of the JSE;
“an emigrant”	an emigrant from the Republic whose address is outside the common monetary area;
“Articles”	Articles of Association of Kibo;
“BEE”	Broad-Based Black Economic Empowerment;
“Board”	the board of directors of Kibo from time to time acting, collectively, as a board;
“the common monetary area”	the Republic of South Africa, the Kingdoms of Swaziland and Lesotho and the Republic of Namibia;
“Computershare” or “transfer secretaries”	Computershare Investor Services (Proprietary) Limited, a company incorporated in South Africa and the transfer secretaries of Kibo in South Africa;
“Certificated shares”	Kibo shares for which Kibo share certificates have been issued;
“CSDP”	Central Securities Depository Participant;
“Cyprus”	the Republic of Cyprus;
“dematerialised shareholders”	Kibo shareholders who elect to receive dematerialised shares;
“dematerialised shares”	Kibo shares which have been incorporated into the STRATE system and which are not evidenced by physical share certificates or other documents of title;
“documents of title”	share certificates, certified transfer deeds in respect of balance of receipts and electronic statements and dematerialised shares or any other documents of title acceptable to Kibo in respect of shares;
“€”	Euro, the currency of the European Union;
“Eagle Gold”	Eagle Gold Mining Limited, a company registered in Tanzania with company number 30477, a wholly-owned subsidiary of Sloane;
“Exchange control”	the Exchange Control Regulations of South Africa as governed by the South African Reserve Bank;
“Ireland”	the island of Ireland, save for Northern Ireland;
“ISIN”	International Securities Identification Number;

“Jubilee”	Jubilee Resource Limited, a company registered in Tanzania with company number 31207, a wholly-owned subsidiary of Morogoro;
“Kibo” or “the Company”	Kibo Mining plc (registration number: 451931), a company duly incorporated in accordance with the laws of Ireland, the ordinary shares of which are listed on AIM;
“Kibo group”	Kibo and its subsidiaries from time to time;
“Kibo shares”	ordinary shares in the capital of Kibo;
“JSE Listings Requirements”	the JSE Listings Requirements, as amended from time to time;
“last practicable date”	20 May 2011, being the last practical date on which information was capable of being included in this Pre-listing Statement prior to its finalisation;
“the listing”	the proposed listing of the Kibo ordinary shares on the “General Mining” sector of the JSE lists on 30 May 2011 under the abbreviated name “KIBO”;
“London Stock Exchange”	London Stock Exchange plc;
“Morogoro”	Morogoro Gold Limited, a company incorporated in Cyprus with registration number HE247089;
“Mzuri”	Mzuri Gold Limited, a company incorporated in the Republic of Cyprus under registration number HE252383 having its registered office at Suite 102, 157 Kolonakiou Street, Limassol, Cyprus 3035;
“MXS”	Mzuri Exploration Services, a company incorporated in Tanzania with registration number 43562;
“non-resident”	a person whose registered address is outside the common monetary area and who is not an emigrant;
“ordinary shares” or “shares”	ordinary shares of €0,01 each in the capital of Kibo;
“Pre-listing Statement ” or “this document” or “PLS”	this bound Pre-listing Statement and its annexures, dated 30 May 2011, prepared in compliance with the JSE Listings Requirements solely for purposes of the listing;
“reporting accountants”	SAB&T Ubuntu Holdings Limited;
“the Republic”, “RSA” or “South Africa”	the Republic of South Africa;
“SARB”	South African Reserve Bank;
“Savannah”	Savannah Mining Limited, a company registered in Tanzania with company number 31216, a wholly-owned subsidiary of Morogoro;
“SENS”	the Securities Exchange News Service of the JSE;
“Shareholders”	the holders of any legal or beneficial interest, whether direct or indirect, in the ordinary shares of Kibo from time to time;
“Shares” or “Kibo shares”	341 259 208 ordinary shares with a par value of €0,01 in the share capital of Kibo;
“Sloane”	Sloane Developments Limited, a company registered in the United Kingdom with company number 4425405, a wholly-owned subsidiary of Kibo;
“STRATE”	STRATE Limited (registration number 1998/022242/06), a public company incorporated in accordance with the laws of South Africa, which is a licensed control securities depository in terms of the Securities Services Act and which is responsible for the electronic clearing and settlement system used by the JSE;

“Subsidiaries”	Morogoro Gold Limited; Jubilee Resource Limited; Savannah Mining Limited; Sloane Developments Limited; Aardvark Exploration Limited; and Eagle Gold Mining Limited;
“Tanzania”	the Republic of Tanzania;
“the JSE”	JSE Limited (registration number: 2005/022939/06), a limited liability public company duly incorporated in South Africa, and a securities exchange licensed in terms of the Securities Services Act, No. 36 of 2004;
“UK”	United Kingdom;
“Venmyn”	Venmyn Rand (Proprietary) Limited (registration number: 1988/004918/07), a private company incorporated in accordance with the laws of South Africa; and
“ZAR” or “R”	the monetary currency of South Africa, the South African Rand.

FORWARD-LOOKING STATEMENTS

The release, publication or distribution of this document in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this document is released, published or distributed should inform themselves about, and observe such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. This document does not constitute an offer to sell or issue, or the solicitation of an offer to purchase or subscribe for, any shares or other securities or a solicitation of any vote or approval in any jurisdiction in which such offer or solicitation would be unlawful.

This document contains statements about the Kibo group that are or may be forward-looking statements. All statements other than statements of historical fact included in this document may be forward-looking statements. Any statements preceded or followed by, or that included the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", or similar expressions or the negative thereof are forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person or industry results to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. All subsequent oral or written forward-looking statements attributable to Kibo or any member of the Kibo group or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Kibo disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein, to reflect any change in their expectations with regard thereto, or any change in events, conditions or circumstances on which any such statement is based.

SALIENT FEATURES

The information set out in this section of this Pre-listing Statement is an overview only and is not intended to be comprehensive. It should be read in conjunction with the information contained in the other sections of this Pre-listing Statement.

1. INTRODUCTION

The JSE has formally approved the secondary listing of Kibo on the AltX, a separate Board of the JSE, from the commencement of trade on 30 May 2011. The shares will trade under the abbreviated name "KIBO", with share code "KBO" and ISIN: IE00B61XQX41. The shares of the Company are currently listed on AIM.

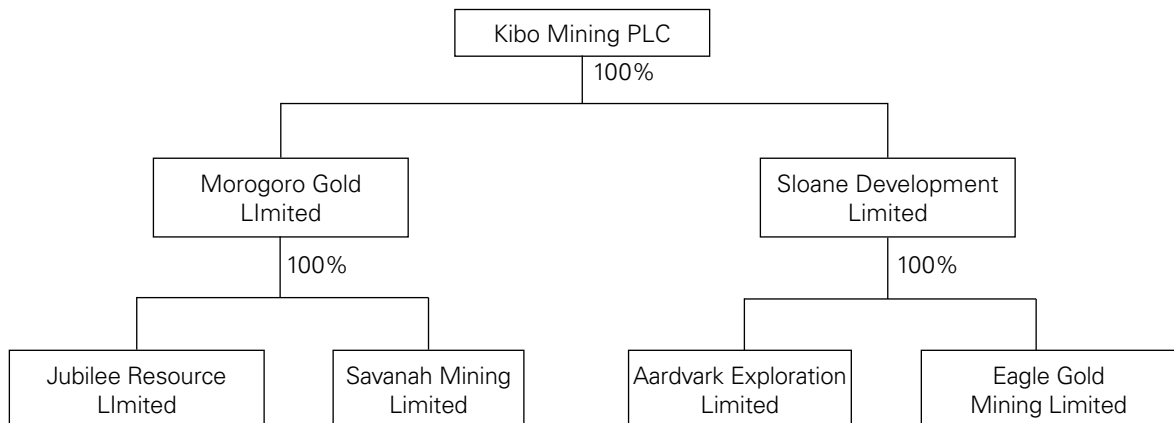
2. INCORPORATION, HISTORY AND GROUP STRUCTURE OF KIBO

2.1 Incorporation and history of Kibo

Kibo Mining plc, a mineral exploration and development company, was incorporated in Ireland on 17 January 2008 under the Companies Acts, 1963 to 2000, as a public company limited by shares with the name Kibo Mining Public Limited Company. The Company was admitted to the AIM Market of the London Stock Exchange plc on 27 April 2010.

Kibo has two wholly-owned subsidiaries, Sloane, which is based in the UK and Morogoro, which is based in Cyprus. Sloane and Morogoro hold the Kibo Group's mineral resource assets in Tanzania through their wholly-owned Tanzanian subsidiaries. Refer to paragraph 15 of this Pre-listing Statement for full disclosure on the Kibo group's subsidiaries.

2.2 The Kibo group structure described above is set out below:



3. NATURE OF BUSINESS

Kibo identifies and evaluates potential mineral exploration and mining projects principally located in Tanzania. The Kibo group's current focus is the identification of gold and nickel deposits. Kibo has moved forward the exploration and potential development plans of its current projects and established a position wherein it can become a major player in the ongoing exploration and development of mineral deposits in Tanzania. Kibo's focus on Tanzania is primarily based upon the Board's recognition and appreciation of Tanzania's stable geopolitical environment, established legal system and mining legislation. The Board also considers that Tanzania has an established mining industry, mining being one of the fastest growing economic sectors in Tanzania.

Please refer to Annexure 6 to this PLS, which forms an integral part of this PLS, for a detailed CPR and for details regarding the current property portfolio of the group, the licenses owned by the group and an explanation of the licenses owned by the group including a detailed valuation report thereon.

4. PROSPECTS OF THE KIBO GROUP

Set out below are, in the opinion of the directors of the Company, the prospects of the business of Kibo:

The Company seeks to increase shareholder value by the systematic exploration and development of the group's existing resource assets as well as the acquisition of suitable exploration and development mineral projects and producing assets. The group will allocate capital to the exploration of its mineral assets and will prioritise these, identifying the potential of each mineral asset to create value for shareholders. The group may use a number of strategies to enhance shareholder value such as developing a mineral asset using its own team, development in partnership with other groups or a disposal of a mineral asset where appropriate. In implementing its strategy, the group will focus activity on those of its mineral assets, which are identified after an initial sampling and drilling programme, as having the greatest potential for enhancing Shareholder value.

5. DIRECTORS

The full names, age and addresses of the directors of Kibo are set out below:

Director	Director	Age	Business address
Christian Schaffalitzky de Muckadell	Non-executive Chairman	56	Suite 139, Grosvenor Gardens House, 35-37 Grosvenor Gardens, London SW1W OBS
William James Benedict Payne	Executive Financial Officer	46	Wilkins Kennedy, Bridge House, London Bridge, London SE1 9QR
Noel Flannan O' Keefe	Chief Executive Officer	47	The Sirius Centre, Northpoint, Tuam Road, Galway, Ireland
Louis Lodewyk Coetzee	Executive Director	46	57 Kolonakiou Street, 1 st Floor, Office 102, Limassol, Cyprus
Desmond Joseph Burke	Non-Executive Director	64	Modeshill, Mullinahone, Co. Tipperary, Ireland
Lukas Marthinus Maree	Non-Executive Director	48	Parc Nouveau Building, 225 Veale Street, Brooklyn, Pretoria, South Africa

6. REASONS FOR LISTING KIBO ON THE JSE

The reasons for the secondary listing of Kibo on the JSE are as follows:

- it provides Kibo with an additional market through which the group's projects may be developed and funded;
- it frees capital to consolidate Kibo's position in the industry by acquisition of other potential mineral assets or companies holding those assets;
- whilst access to capital is not one of the primary reasons for the listing, the Company would like to be in a position where access to capital is facilitated to accommodate future growth;
- it increases the profile of the Company;
- it promotes staff participation, incentivisation, motivation and retention;
- it adds value to Kibo's proposition to clients and to prospective partners and staff. The acquisition of people talent is the key to future sustainability of the Company;
- it will consolidate and improve the managing and reporting structures in place and in use and will challenge Kibo to beat their own expectations of success; and
- it focuses the attention of prospective investors on the merits of investing in Kibo, thereby helping to enlarge the potential investor base for Kibo shares.

7. BEE STATUS

Kibo has no BEE status as it is not a requirement in any of the countries in which it operates. Its securities are available to all and any investors.

8. SHARE CAPITAL

The authorised and issued share capital of Kibo immediately following the listing is set out below:

	Note	On the date of listing €
Authorised		
800 000 000 ordinary shares with a par value of €0,01 each		8 000 000
Issued		
341 259 208 ordinary shares with a par value of €0,01 each	1.	3 412 592

Note:

1. Refer to paragraph 37 for details of share issues.

9. CONTROLLING SHAREHOLDERS

There are no controlling shareholders that are known to the directors of Kibo. Refer to paragraph 19 for shareholders holding 5% or more in the equity of Kibo.

10. FINANCIAL INFORMATION OF KIBO

The historical audited financial statements of Kibo and its subsidiaries and the reporting accountants' report thereon, are set out in Annexures 1 to 4 to this Pre-listing Statement. Annexure 1 contains the Audited Annual Financial Statements of Kibo for the year ended 30 September 2010 which were posted to shareholders and have been approved by shareholders at the AGM; Annexures 2 and 3 are the Annual Financial Statements of Morogoro and Savannah, which were acquired post-year-end. Annexures 1 to 3 have been included in this PLS as additional information, for information purposes, to enable investors to have a complete set of information regarding Kibo.

The *pro forma* effects and the reporting accountants' reports thereon, of the acquisitions of Morogoro and Savannah by Kibo subsequent to its year-end and the financial effects of the resolutions passed at the Board meeting on 4 March 2011 are set out in the *pro forma* balance sheet and income statement as at 30 September 2010 in Annexure 5a to this Pre-listing Statement.

The table below sets out the *pro forma* financial effects of the acquisitions of Morogoro and Savannah, based on Kibo's audited results for the year ended 30 September 2010. The financial effects are presented for illustrative purposes only and, because of their nature, may not give a fair reflection of the Company's results and financial position after the transactions. It has been assumed for purposes of the *pro forma* financial effects that the above transaction took place with effect from 30 September 2010 for balance sheet and income statement purposes. The directors of Kibo are responsible for the preparation of the financial effects:

	Audited Financial Statements 30 September 2010	<i>Pro Forma</i> Adjustments MOROGORO GOLD LTD. and its subsidiaries	<i>Pro Forma</i> Adjustments Other	<i>Pro Forma</i> Post Adjustments
Shares issued	253 925 874	56 666 667	29 166 667	339 759 208
Net asset value (£)	4 626 034	3 084 133	555 458	8 263 625
Net tangible asset value (pence)	0,0014	(0,0257)	0,0190	(0,0021)
Net asset value per share (pence)	0,0182	0,0544	0,0190	0,0243
Weighted average number of shares in issue	210 675 850	56 666 667	29 166 667	296 509 184
Earnings per share (pence)	(0,0023)	0,0244	–	0,0031
Headline (loss)/earnings per share (pence)	(0,0023)	0,0006	–	(0,0017)

Note:

For full and detailed disclosure of all the above information, please refer to Annexures 1 through 5b to this PLS.

11. EXCHANGE CONTROL REGULATIONS

Kibo has obtained SARB approval for the secondary listing of its ordinary shares on the JSE.

The SARB approval specifically provides the following:

- the approval of the inward listing of Kibo on the JSE;
- confirmation that the SARB is not averse to Kibo being regarded as an African Company as defined in Section H.(c)(vii) of the Exchange Control Rulings, with SARB requiring a further application in this respect once Kibo is listed on the JSE; and
- Kibo's South African shareholders will be treated according to the provisions of Section H.(A) of the Exchange Control Rulings following the secondary listing of Kibo on the JSE.

Upon the listing of Kibo's shares on the JSE the Exchange Control Regulations provided for in Section H of the Exchange Control Rulings will apply to the acquisition of Kibo's shares by South African residents.

The following is a summary of the Exchange Control Regulations insofar as they have application to shareholders in relation to the holding of Kibo shares. This summary description is intended as a guide only and is therefore not comprehensive. If you are in any doubt you should consult an appropriate professional advisor immediately.

South African individuals

South African individuals will be able to acquire Kibo shares on the JSE, without restriction. Consequently, the purchase of Kibo shares by a South African individual will not affect such person's offshore investment allowance.

South African individuals will be able to acquire Kibo South African branch register shares via the JSE, without restriction. Consequently, an acquisition of Kibo shares by a South African individual will not affect such person's offshore investment allowance of ZAR2 000 000. A South African individual need not take any additional administrative actions and can instruct its broker to accept, buy and sell common shares on its behalf in Kibo as it would with any other listed security on the JSE.

South African institutional investors

South African retirement funds, long-term insurers, collective investment scheme management companies and investment managers who have registered with the SARB as institutional investors for Exchange Control purposes are entitled to a foreign portfolio investment allowance. In addition to such institutional investors' general foreign portfolio investment allowance, these entities are entitled to invest an additional special allowance of 5% of their total retail assets in the equity securities of African companies that are listed on the JSE. The SARB has indicated that it is not averse to Kibo being regarded as an "African company" and that this should be formalised once Kibo is listed on the JSE. Retail assets refer to assets received by such institutional investors from individuals and other entities such as companies and trusts, but exclude assets held on behalf of other institutional investors.

South African institutional investors may utilise their general foreign portfolio investment allowance to receive Kibo shares in terms of the scheme. If the Kibo holding will be in excess of the South African institutional investors' general foreign portfolio investment allowance, the institutional investor can apply to the SARB for approval to retain same for a period of 12 months before the South African institutional investors will be forced by the SARB to dispose of its excess Kibo holding. Once Kibo has been classified as an African Company as defined in Section H.(c)(vii) by the SARB, the South African institutional investor will be allowed to hold their Kibo holding in terms of their additional African Company specific allowance.

South African institutional investors will have to provide their CSDP or broker with a copy of their South African Exchange Control Approval evidencing that they have registered with South African Exchange Control as institutional investors for Exchange Control purposes and are thus entitled to a foreign portfolio investment allowance.

Member brokers of the JSE

In terms of Section H. (E) of the SARB Exchange Control Rulings, a special dispensation was provided to local brokers to facilitate the trading in shares of African companies. South African brokers are now allowed, as a book-building exercise, to purchase Kibo shares offshore and to transfer them to Kibo's South African share register. This special dispensation is confined to shares of inward listed companies and brokers may warehouse such shares for a maximum period of 30 days only.

South African corporate entities and trusts

An acquisition by a South African corporate entity or trust of Kibo shares on the JSE will be regarded as a foreign investment. For the procedure to obtain regulatory approval for foreign investments, South African corporate entities or trusts should consult their professional advisors or authorised dealer.

Exchange Control provisions applicable to South African residents in respect of acquisition issues and rights issues by African companies that are listed on the JSE.

African companies with listings on the JSE, such as is proposed for Kibo, will be allowed to issue shares to South African residents in consideration for acquisitions. South African institutional investors will, on application, be given 12 months to re-align their portfolios, should they be in excess of their Exchange Control foreign exposure limits as a result of such acquisition issues. South African corporate entities will, on application, also be given 12 months to dispose of such shares. However, should there be: (i) benefits to the continued financial involvement of South African corporate entities in the businesses or assets acquired by African companies with listings on the JSE and (ii) the alignment of interests in the extraction of maximum value from the consolidated companies, SARB will, on application, allow South African corporate entities to retain such shares.

South African institutional investors and corporate entities will be allowed to exercise their rights in terms of any rights offers by African companies with listings on the JSE, such as is proposed for Kibo. South African institutional investors will be given a period of 12 months to re-align their portfolios should they be in excess of their offshore investment allowances as a result of exercising their rights. Corporate entities will also be given 12 months to dispose of shares taken up in terms of such rights issues.

Non-residents of the common monetary area

Non-residents of the common monetary area may acquire Kibo shares on the JSE, provided that payment is received in foreign currency of ZAR from a non-resident account. However, former residents of the common monetary area who have emigrated may not use emigrant blocked funds to acquire Kibo shares.

Movement of Kibo shares between registers

Kibo shares are fully fungible and may be transferred between registers. Eligible South African shareholders, being those described in the scheme, may only acquire Kibo shares, via the JSE, that are already on the South African branch register maintained by Kibo's transfer secretaries. Member brokers of the JSE may acquire shares on foreign exchanges and transfer Kibo shares to the South African register as described above. Non-residents are not subject to Exchange Control Regulations and may freely transfer Kibo shares between branch registers.

12. LISTING ON THE JSE AND TRADING OF THE SHARES OF KIBO

The JSE has granted its approval for the listing of the ordinary shares of Kibo on the AltX, a separate Board of the JSE, under the abbreviated name "KIBO" and share code "KBO", with effect from the commencement of trading on the JSE on 30 May 2011.

At the date of the commencement of the listing, the authorised share capital of Kibo will comprise 800 000 000 ordinary shares of a par value of €0,01 each which there will be 341 259 208 issued and listed ordinary shares.

Shares of Kibo will only be traded on the JSE as dematerialised shares. Accordingly, any person who purchases shares in Kibo and who elects to receive shares in Kibo in certificated form will be required to dematerialise such certificated shares prior to being in a position to trade such shares on the JSE.

13. EXPENSES OF THE LISTING ON THE JSE

The expenses of the listing on the JSE are estimated at R2 287 566,61. All listing expenses will be for the account of Kibo and will be paid out of the existing cash reserves.

Expense	Payable to	R
JSE documentation fee	JSE	62 847,40
JSE listing fee	JSE	1 404 039,00
Designated and Corporate Advisor	River Group	900 000,00
Printing	Ince	500 000,00
Accounting and audit fees	SAB&T	300 000,00
Competent Persons Report	Venmyn	400 000,00
Miscellaneous administrative fees	Various	100 000,00
Legal fees	Various	24 719,21
Total		2 287 566,61

14. COPIES OF THE PRE-LISTING STATEMENT

Copies of this Pre-listing Statement may be obtained at any time during normal business hours as of Monday, 23 May 2011 from the South African representative office of Kibo, River Group and the transfer secretaries, details of which are set out below:

- the Company's representative office – Parc Nouveau Building, 225 Veale Street, Brooklyn, Pretoria, 0181;
- the office of River Group – Parc Nouveau Building, 225 Veale Street, Brooklyn, Pretoria, 0181; and
- the office of Computershare Investor Services (Pty) Ltd – Ground Floor, 70 Marshall Street, Johannesburg, 2001.



(Incorporated in Ireland)
(Registration number: 451931)
(External registration number: 2011/007371/10)
Share code on the JSE Limited: KBO
Share code on the AIM: KIBO
ISIN: IE00B61XQX41
("Kibo" or "the Company")

PRE-LISTING STATEMENT

Prepared and issued in terms of the JSE Limited ("JSE") Listings Requirements

This Pre-listing Statement is neither an invitation to the public to subscribe for, nor an offer to purchase ordinary shares in Kibo, but is issued in terms of the Listings Requirements of the JSE for the purpose of providing information to the public in regard to the secondary listing of the ordinary shares of Kibo on the JSE.

The JSE has granted a secondary listing, by way of an introduction, of all of the ordinary shares issued in KIBO, on the AltX, a separate Board of the JSE under the abbreviated name "KIBO" and trading code KBO, with effect from the commencement of trading on the JSE on 30 May 2011. Kibo is currently listed on AIM.

At the date of the commencement of the listing, the authorised share capital of Kibo will comprise 800 000 000 ordinary shares with a par value of €0,01, each of which there will be 341 259 208 issued and listed ordinary shares. The share premium of the Company is €6 398 224. There are no other classes of shares issued and/or listed on any stock exchange and no shares held in treasury by Kibo.

The shares of KIBO will only be traded on the JSE as dematerialised shares. Accordingly, any person who purchases shares in KIBO and who elects to receive shares in KIBO in certificated form, will be required to dematerialise such certificated shares prior to being in a position to trade such shares on the JSE.

The directors, whose names are disclosed in paragraph 20 of this Pre-listing Statement accept, collectively and individually, full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, no facts have been omitted which would make any statement false or misleading, and that they have made all reasonable enquiries to ascertain such facts and that this Pre-Listing Statement contains all information required by law and the JSE Listings Requirements.

The corporate advisor, sponsor, transfer secretaries and reporting accountant, whose names are included in this Pre-listing Statement, have given and had not, at the date of this Pre-listing Statement, withdrawn their written consents to the inclusion of their names in the capacities as stated.

SAB&T whose report is included in Annexures 4, 5a and 5b and Venmyn Rand (Proprietary) Limited, whose report is included in Annexure 6, have given and had not, at the date of this Pre-listing Statement, withdrawn their written consents to the inclusion of their reports in the form and context in which they appear.

THE BUSINESS

15. INCORPORATION, HISTORY AND BACKGROUND

15.1 Incorporation and history of KIBO

Kibo Mining plc was incorporated in Ireland on 17 January 2008 under the Companies Acts, 1963 to 2000, as a public company limited by shares with the name Kibo Mining Public Limited Company. The Company had an authorised share capital of €4 000 000, divided into 400 000 000 ordinary shares of €0,01 each of which 40 000 were issued, fully paid, to the subscribers to the memorandum of association of the Company. The founding members of Kibo were Mr Noel O’Keeffe and Mr Stephen Aherne, they were also the original Directors of the Company. On 30 December 2010 a resolution was passed by Shareholders to increase the authorised share capital to €8 000 000 by the creation of 400 000 000 new ordinary shares of €0,01. The share capital of the Company is currently €8 000 000, divided into 800 000 000 ordinary shares of €0,01 each.

Kibo acquired 75,19% of the issued share capital of Sloane on 21 April 2008 from the directors and major Shareholders in Sloane. As consideration for this acquisition, Kibo issued one Ordinary Share for each Ordinary Share in issue in Sloane. The offer was extended on the same terms to the remaining Shareholders in Sloane through a letter of offer dated 25 April 2008. Between April 2008 and November 2009, the remaining Shareholders in Sloane accepted the offer, such that Sloane is now a wholly-owned subsidiary of the Company. Subsequent to the acquisition of Sloane, the founding members of Sloane, Mr Christian Schaffalitzky and Mr Richard Speir, became directors of Kibo, followed by Mr William Payne.

Kibo was admitted to trading on the AIM Market of the London Stock Exchange plc on 27 April 2010.

Kibo acquired the entire issued share capital of Morogoro from Mzuri by issuing 56 666 667 ordinary shares of €0,01 each in the capital of Kibo. Refer to paragraph 38 for details of this transaction. The acquisition of Morogoro gives Kibo access to substantial blocks of prospective mineral licences in the gold prolific Lake Victoria goldfields of northern Tanzania and in the newly-emerging goldfields of eastern and central Tanzania that complement its existing projects.

The Company registered as an external company in South Africa on 4 April 2011 with registration number 2011/007371/10.

15.2 Subsidiary companies

15.2.1 Sloane Developments Limited

Sloane Business Ventures Limited was registered on 26 April 2002 in England and changed its name to Sloane Developments Limited on 22 May 2002 by registering a special resolution. The Company’s share capital is £1 000, divided into 1 000 shares of £1 each. During December 2009 Sloane became a 100% subsidiary of Kibo. Refer to paragraph 38.1.2 for details of the acquisition.

The Tanzanian properties held by Sloane consist of two resource-based gold projects, Itetemia and Luhala and the earlier stage Haneti and Morogoro projects. Haneti is prospective for nickel, platinum and gold while Morogoro is prospective for gold. Sloane holds the Itetemia and Luhala project under an option and royalty agreement dated 25 January 2007 with Canadian and American-listed company, Tanzanian Royalty Exploration Limited. Sloane holds the Haneti nickel project through its wholly-owned Tanzanian subsidiaries Eagle Gold and Aardvark and the Morogoro project under an option agreement with a Tanzanian company, Comuta Advertising Limited. Refer to Annexure 6 for details on these projects.

15.2.2 Aardvark

Agrienergy Resources Limited was incorporated in Tanzania on 8 November 2006 with a share capital of 100 shares of TSH10 000 each of which 100 shares are in issue. The name of the company was changed to Aardvark Exploration Limited by registering a special resolution dated 2 November 2006. Aardvark, together, with Eagle, holds the licenses of Kibo’s Haneti project in Tanzania. Refer to Annexure 6 for details on the licenses and projects.

15.2.3 Eagle Gold

Eagle Gold Mining Limited was registered in Tanzania on 20 August 1996 with an authorised share capital of TSH10 000 000, divided into 1 000 shares of TSH10 000. The company was acquired by Sloane in March 2009 pursuant to a share sale agreement dated 31 July 2008. Eagle together with Aardvark holds the licences of Kibo's Haneti project in Tanzania. Refer to Annexure 6 for details on the licences and projects.

15.2.4 Morogoro Gold Limited

Namaqua Management Company Limited was incorporated in Cyprus on 16 March 2009 and changed its name to Mzuri Gold Limited by the registration of a special resolution dated 11 August 2009. On 25 October 2010 the company changed its name to Morogoro Gold Limited by registering another special resolution. Morogoro has an authorised share capital of €5 000 divided into 5 000 ordinary shares of a par value of €1,00 each of which 1 000 ordinary shares are in issue. Morogoro became a 100% subsidiary of Kibo on 2 March 2011.

Morogoro has beneficial interests in a large portfolio of mineral assets in Tanzania through its wholly-owned Tanzanian subsidiaries Savannah and Jubilee. Refer to paragraph 38.1.1 for details of the acquisition. The mineral assets are located in northern and south-eastern Tanzania and comprise early stage exploration projects. Refer to Annexure 6 for details on the licences and projects.

15.2.5 Jubilee

Jubilee Resources Limited was registered in Tanzania on 20 December 1996 with company number 31207 and an authorised share capital of 1 000 shares of which 100 shares are in issue.

The mineral assets held by Jubilee are located between the regional centres of Morogoro and Dodoma in south-eastern Tanzania. These assets cover younger Proterozoic age rocks, which have recently been attracting much attention in Tanzania due to a number of new discoveries by artisanal miners in these non-traditional gold producing areas. The Jubilee tenements can be conveniently divided into two main blocks, the area southwest of the town of Handeni and east of Dodoma and the area south and west of Morogoro. The south-western part of Dodoma Block is contiguous with an area of alluvial and hard rock artisanal gold mining activity and a preliminary stream sediment sampling survey by Jubilee over a portion of the Dodoma Block in this area has returned anomalous gold values. The Morogoro Block, which includes part of the rugged Uluguru Mountains, is contiguous with Kibo's Morogoro project and gives the Company a large strategic ground holding in this newly emerging goldfield in Tanzania.

15.2.6 Savannah

Savannah Mining Limited was registered in Tanzania on 20 December 1996 with company number 31216 and an authorised share capital of 1000 shares of which 100 shares are in issue.

The Mineral Assets held by Savannah are located in Tanzania's principal gold producing and exploration region, the Lake Victoria goldfields. They can be conveniently divided into six license blocks spread over the Mwanza, Shinyanga and Kagera regions. Most of the blocks are close to existing mines and gold occurrences and provide Kibo with a number of strategically located early stage exploration areas in this prolific gold producing region of northern Tanzania. Refer to Annexure 6 for details on the licences and projects.

16. NATURE OF BUSINESS AND PROSPECTS

16.1 Nature of business

Kibo identifies and evaluates potential mineral exploration and mining projects principally located in Tanzania. The Group's current focus is the identification of gold and nickel deposits. Kibo has moved forward the exploration and potential development plans of its current projects and established a position wherein it can become a major player in the on going exploration and development of mineral deposits in Tanzania.

Kibo's focus on Tanzania is primarily based upon the Board's recognition and appreciation of Tanzania's stable geopolitical environment, established legal system and mining legislation. The Board also considers that Tanzania has an established mining industry, mining being one of the fastest growing economic sectors in Tanzania.

There are no government protection or investment encouragement laws affecting the business of Kibo.

Kibo is successfully progressing its active exploration programme and the promising results have led the Board to extend the current exploration programme.

Refer to Annexure 6 to this Pre-listing Statement for details on current projects.

Please refer to Annexure 6 to this PLS, which forms an integral part of this PLS, for a detailed CPR and for details regarding the current property portfolio of the Group, the licenses owned by the Kibo group and an explanation of the licenses owned by the Kibo group including a detailed valuation report thereon.

16.2 Prospects

Set out below are, in the opinion of the directors of the Company, the prospects of the business of Kibo:

The Company seeks to increase shareholder value by the systematic exploration and development of the group's existing resource assets as well as the acquisition of suitable exploration and development mineral projects and producing assets. The group will allocate capital to the exploration of its mineral assets and will prioritise its projects, identifying the potential of each mineral asset to create value for shareholders. The group may use a number of strategies to enhance Shareholder value such as developing a mineral asset using its own team, development in partnership with other groups or a disposal of a mineral asset where appropriate. In implementing its strategy, the group will focus activity on those of its mineral assets, which are identified after an initial sampling and drilling programme, as having the greatest potential for enhancing shareholder value.

17. BEE STATUS WITHIN THE GROUP

Kibo has no BEE status as it is not a requirement in any of the countries in which it operates. Its securities are available to all and any investors.

18. REASONS FOR THE LISTING OF KIBO ON THE JSE AND OF THIS PRE-LISTING STATEMENT

The reasons for the listing of KIBO on the JSE are as follows:

- it provides Kibo with an additional market through which the group's projects may be developed and funded;
- it frees capital to consolidate Kibo's position in the industry by acquisition of other potential mineral assets or companies holding those assets;
- whilst access to capital is not one of the primary reasons for the listing, the Company would like to be in a position where access to capital is facilitated to accommodate future growth;
- it increases the profile of the Company;
- it promotes staff participation, incentivisation, motivation and retention;
- it adds value to Kibo's proposition to clients and to prospective partners and staff. The acquisition of people talent is the key to future sustainability of the Company;
- it will consolidate and improve the managing and reporting structures in place and in use and will challenge Kibo to beat their own expectations of success; and
- it focuses the attention of prospective investors on the merits of investing in Kibo, thereby helping to enlarge the potential investor base for Kibo shares.

19. MAJOR SHAREHOLDERS

The directors are aware of only the following entities/persons who, immediately following the listing, hold or will hold 5% or more of the ordinary share capital of the Company:

Shareholder	Number of shares	Percentage	Notes
Sunvest Corporation Limited	30 765 867	9,02%	1.
Richard Speir	17 057 893	5,00%	2.
Mzuri Gold Limited	63 066 667	18,48%	3.
Christian Schaffalitzky	25 336 976	7,42%	
Sun Mining Limited	17 588 334	5,15%	

Notes:

1. Sunvest Corporation Limited is an Australian-listed investment company.
2. Richard Speir was a director of Kibo and resigned from office during 2010. Other than Messrs Speir and Stephen Aherne, who hold 2 290 150 Shares in the Company, there are no other directors who resigned during the last 18 months and who hold securities in the Company.
3. Mzuri Capital Group Limited is the only shareholder of Mzuri Gold Limited. There are various shareholders in Mzuri Capital Group Limited. Messrs Maree and Coetzee are directors of Mzuri Capital Group Limited and are therefore considered under the JSE Listings Requirements to be indirect and non-beneficial shareholders.

There are no controlling shareholders that are known to the directors.

The Company complies with the relevant JSE and AIM shareholder spread requirements for companies listed on the AltX and AIM.

DIRECTORS

20. DIRECTORS OF KIBO AND SUBSIDIARIES

20.1 KIBO

The full names, ages, addresses, occupations and other directorships and partnerships held by the directors of Kibo are set out below:

20.1.1 Christian Schaffalitzky (56)

Nationality: British

Qualifications: BA (Mod), FIMMM, PGeo, CEng

Designation: Non-executive Chairman

Christian Schaffalitzky is managing director of Eurasia Mining plc, a company admitted to trading on AIM. From 1984 to 1992, he founded and managed the international minerals consultancy, CSA Group, now CSA Global Pty Ltd. With over 30 years' experience in minerals exploration, Christian Schaffalitzky was a founder of Ivernia West plc, where he led the exploration and was instrumental in the discovery and development of the Lisheen zinc deposit in Ireland. More recently, he was 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 is an independent director on the board of the Russian company, Rospadskaya Coal Company.

20.1.2 William James Benedict Payne (46)

Nationality: British

Qualifications: BA (Hons), ACA

Designation: Executive Finance Director

William Payne is a partner of the chartered accountancy firm Wilkins Kennedy and acts for a diverse range of clients across various industry sectors. He provides audit and assurance advice to clients as well as assistance in planning, reporting and compliance. He is a member of the firm's property and construction sector and is also responsible for a number of outsourced accounts and administration functions. Having obtained an accounting degree from Exeter University, William went on to train and qualify as a Chartered Accountant at KPMG in London. He was made partner in WH Payne & Co in 1991, prior to its merger with Wilkins Kennedy in 2003. In addition to being the partner in the firm responsible for the firm's ethics, William is also a director of a number of companies including Sprue Aegis plc, a company listed on the London PLUS Markets. He is also the chief financial officer for Ariana Resources plc, a mining exploration company listed on AIM. William is responsible for the finance function within Kibo.

20.1.3 Noel Flannan O'Keeffe (47)

Nationality: Irish

Qualifications: B.SC.(Hons) Geology, MBA

Designation: Chief Executive Officer

Noel O'Keeffe is the managing director of Kibo and Sloane and a director of Eagle Gold. He has over 20 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 joining Sloane in 2007 worked as a quality co-ordinator with Boston Scientific (Ireland) Ltd, a multi-national 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. As Chief Executive Officer, Mr O'Keeffe is responsible for the day to day business of the Company.

20.1.4 **Louis Lodewyk Coetzee (46)**

Nationality: South African

Qualifications: BA (Law), MBA (Australia)

Designation: Executive Director and Chief Operating Officer

Louis Coetzee has 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 area 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. Louis is currently a Director and Chief Operating Officer of the Mzuri Group, which has coal, uranium, gold and base metal projects in Tanzania. He is also Chairman and acting CEO of East African Resources limited (ASX: AAF), which holds copper and uranium exploration projects in the Democratic Republic of the Congo and Tanzania respectively. Between 2007 and 2009, he also held the position of Vice-President, Business Development with Canadian-listed Great Basin Gold (TSX: CBG). Mr Coetzee is responsible for the Group's operations in Tanzania and executing the exploration programme of the Group.

20.1.5 **Desmond Joseph Burke (64)**

Nationality: Irish

Qualifications: B.Sc. Geology, M.Sc. DIC

Designation: Non-executive director

Des Burke is a geologist with 40 years' experience in resource exploration, promotion and financing with a record of private and public company financings and exploration successes spanning base metals, gold and oil and gas. Most recently he was a founding Director of Petroneft Resources plc (AIM: PTR) and an executive director with responsibility for investor relations until his retirement in 2009. Petroneft is currently developing oil production from its discoveries in the West Siberian Oil Basin in Russia. Prior to this, Des established Ormonde Mining plc (AIM: ORM) in 1995 and was CEO of the company until 2000, during which period he raised funding for gold and base metal projects in Ireland, Mexico and Tanzania. During the mid-nineties, Des was a director of Sipa Resources International NL (ASX: SRI) and he played a central role in the discovery, exploration and financing of a significant new copper-zinc mineral field called the Panorama project in the Pilbara region of Western Australia. During the mid-eighties, Des was founder and CEO of Burmin Exploration and Development Ltd and in the vanguard of promoters who recognised the hitherto untested potential for the discovery of gold mineralisation in Ireland. Exploration success followed with the discovery of the Croagh Patrick gold deposit in Co. Mayo in joint venture with Tara Prospecting Ltd. Des was also part of the exploration team that discovered the giant Navan lead-zinc orebody in Co. Meath in 1970.

20.1.6 **Lukas Marthinus Maree (48)**

Nationality: Dual citizenship in both South Africa and Canada

Qualifications: BLC, LLB

Designation: Non-executive director

Tinus 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 (the ultimate holding company of Mzuri), both of which have successfully developed and sold mineral projects in Tanzania in the last five years. He is also a principal of River Group, who will be Designated Advisors to the Listing of Kibo on the JSE, and is responsible for the North American office of River Group in Vancouver, Canada.

20.2 Directorships of other listed companies held in the last 3 years

Director	Directorship of Listed Entity	Current/Past directorships
Christian Schaffalitzky	Eurasia Mining plc	Current
	Eurasia Mining (UK) Ltd	Current
	Eurasia Investments Ltd	Current
	Tylia Mining Ltd	Current
	Urals Alluvial Platinum Ltd	Current
	Premier Management Holdings plc	Current
	Red Crescent Resources Ltd	Current
	Sloane Developments Ltd	Current
	Eagle Gold Mining Ltd	Current
	East India Devonshire Sports and Public Schools Ltd	Resigned
	Petroceltic International plc	Resigned
	Petroceltic Investments	Resigned
	PetrocelticErris Ltd	Resigned
	Petroceltic plc	Resigned
	Petroceltic African Holdings Ltd	Resigned
	PetrocelticKsarHadada Ltd	Resigned
	PetrocelticIsarene Ltd	Resigned
	Green Orphans Trust Ltd	Resigned
	OAo Dalpolymetal	Resigned
	Mogul of Ireland Ltd	Resigned
	Summit Exploration Ltd	Resigned
	Gostem Ltd	Resigned
	Ardmore Explorations Ltd	Resigned
Africa One Services Ltd	Resigned	
Africa One Services (AU) Ltd	Resigned	
OJSC Chelyabinsk Zinc Plant	Resigned	
William Payne	Marlowe Investments (Kent) Ltd	Current
	Ferensway Ltd	Current
	Millard Estates Ltd	Current
	Millard Properties Ltd	Current
	Sprue Aegis plc	Current
	FireAngel Ltd	Current
	West Bridge Consulting Ltd	Current
	Paynard Investments Ltd	Current
	WH Payne Management Services Ltd	Resigned
	WH Payne Financial Services Ltd	Resigned
Merton Publishing Ltd	Resigned	
Noel O' Keffe	Sloane Developments Ltd	Current
	Eagle Gold Mining Ltd	Current
	Aardvark Exploration Ltd	Current
Louis Coetzee	Savannah Mining Ltd	Current
	Mzuri Resources Ltd	Current
	Mzuri Energy Ltd	Current
	Mzuri Capital Group Ltd	Current
	East African Resources Ltd	Current
	RUSAF Gold Ltd	Resigned
Desmond Burke	Holocene Productions Ltd	Current

Director	Directorship of Listed Entity	Current/Past directorships
Lukas Marthinus Maree	Mayborn Resource Investments 1 (Pty) Ltd	Current
	Mayborn Resource Investments (Pty) Ltd	Current
	Mayborn Resource Investments 2 (Pty) Ltd	Current
	Mayborn Resources (Pty) Ltd	Current
	Slamdunk Investments (Pty) Ltd	Current
	Bellyvest (Pty) Ltd	Current
	River Capital Group (Pty) Ltd	Current
	River Sponsors (Pty) Ltd	Current
	River Capital Partners (Pty) Ltd	Current
	Skytop Capital (Pty) Ltd	Current
	Skytop Corporate Finance (Pty) Ltd	Current
	River Domain (Pty) Ltd	Current
	Africo Resources Ltd	Current
	Goldsource Mines Ltd	Current
	River Capital Partners Ltd	Current
	Mzuri Energy Ltd	Current
	Mzuri Capital Group Ltd	Current
	Mzuri Gold Ltd	Current
	Mzuri Uranium Ltd	Current
	Mzuri Base Metals Ltd	Current
	Adrem (Pty) Ltd	Resigned
	Lion's Head Platinum (Pty) Ltd	Resigned
	Eagle Creek Investments 55 (Pty) Ltd	Resigned
	Kristi Maree and Associates (Pty) Ltd	Resigned
	Lion's Head Platinum II (Pty) Ltd	Resigned
	Midnight Masquerade Properties 84 (Pty) Ltd	Resigned
	Multidirect Investments 181 (Pty) Ltd	Resigned
	Ross en JacobzBeleggings (Pty) Ltd	Resigned
	Royal Anthem Investments 134 (Pty) Ltd	Resigned
	Montilimar (Pty) Ltd	Resigned
	Bateleur Books (Pty) Ltd	Resigned
	Energem Resources Ltd	Resigned
	Rusaf Gold Ltd	Resigned
	GBG Rusaf Gold	Resigned

20.3 The full names, ages, addresses, occupations and other directorships and partnerships held by the directors of the subsidiaries are set out below:

20.3.1 Sloane

Noel Flannan O' Keeffe

Refer to paragraph 20.1.3 above for details.

William Payne

Refer to paragraph 20.1.2 above for details.

Christian Schaffalitzky

Refer to paragraph 20.1. 1 above for details.

20.3.2 **Eagle Gold Mining**

Louis Lodewyk Coetzee

Refer to paragraph 20.1.4 above for details.

Alhussein J. Dhamani (53)

Nationality: Tanzanian

Qualifications: B.Sc. Electrical Engineering. P.Eng. (Canada); Dip Electrical Engineering Design (Canada)

Designation: Director

For the period 1979 to 1981 Alhussein was employed at East Resources Inc. where he was responsible for Electrical Design Drafting. He was involved in the design of Drilling Rigs, the Cold Lake pilot plant for processing Tar sands and the Sub Station on Batteries for oil separation. Stearns & Roger Ltd. employed Alhussein where he assisted in the design of the Red Water Fertilizer Plant and Oil Refinery in Alberta, Canada. Until 1988 Alhussein acted as a consultant to ESSO Resources Inc, in Alberta where he consulted in the Automation of Gas Processing Plant. From 1988 to 1992 Alhussein acted as a director of Usagara Farms Ltd in Tanzania where he was responsible for the plant installation for production Jagery and the development of a plantation of Sugar Cane. After this period he joined Oceanic Seafood's Ltd as Managing Director where he assisted in the upgrading of the plant for approval obtaining to EU standards and managing the plant. Sun Mining Ltd appointed Hussein as Chairman from 1994 to 2008. He created 18 diverse mineral exploration projects, managed 500 prospecting licenses and was involved in the joint ventures with Barrick Exploration Africa Ltd, Resolute Mining Ltd and Currie Rose Ltd. From 2001 to 2008 Alhussein acted as Chairman of Shield Resources Ltd where he consolidated the license portfolio of Shield which was later acquired by Great Basin Gold Ltd. Alhussein also acted as a director of Savannah Diamonds Ltd where he also consolidated the license portfolio of Savannah.

Noel Flannan O'Keeffe

Refer to paragraph 20.1.3 above for details.

Christian Schaffalitzky

Refer to paragraph 20.1.1 above for details.

20.3.3 **Aardvark**

Noel 'O Keeffe

Refer to paragraph 20.1.3 above for details.

Moez Shariff

20.3.4 **Morogoro**

Noel 'O Keeffe

Refer to paragraph 20.1.1 above for details.

20.3.5 **Jubilee**

Louis Lodewyk Coetzee

Refer to paragraph 20.1.4 above for details.

Alhussein Dhanani

Refer to paragraph 20.3.2 above for details.

20.3.6 **Savannah**

Louis Lodewyk Coetzee

Refer to paragraph 20.1.4 above for details.

Alhussein Dhanani

Refer to paragraph 20.3.2 above for details.

The directors of Kibo, the subsidiaries and senior management will manage the day-to-day aspects of the group.

20.4 Public and non-public shareholder spread

On listing, the shareholder base of Kibo will be as set out below:

Public: 225 981 321 ordinary shares (66,5%)

Non-public: 113 777 887 ordinary shares (33,5%)

Refer to paragraph 22 below for full disclosure of directors' interests.

The directors' statement regarding corporate governance is set out in Annexure 8 to this Pre-listing Statement.

21. APPOINTMENT, QUALIFICATION, REMUNERATION AND BORROWING POWERS OF DIRECTORS

The relevant provisions of the Articles of Association of Kibo, providing for the appointment, qualification, remuneration and borrowing powers of its directors are set out in Annexure 7.

The total aggregate remuneration and benefits to be paid to the directors of Kibo for the 12 months ending 30 September 2011 is set out below:

21.1 Proposed remuneration

	O' Keeffe £	Schaffalitzky £	Burke £	Payne €	Coetsee £	Maree €	Total £
Director's Annual fee	0	6 000	6 000	6 000	6 000	6 000	£30 000
Basic Salary per annum	71 250	0	0	0	0	0	€71 250
Bonuses (annual)	0	0	0	0	0	0	
Expense Allowance	Vouched	0	0	0	0	0	
Consulting Fee	0	0	0	0	0	0	
Pension Contribution	0	0	0	0	0	0	
Profit Sharing	0	0	0	0	0	0	
Share options	0	0	0	0	0	0	
Other Benefits	Medical Insurance 2 000	0	0	0	0	0	€2 000
Total							£30 000 €73 250

The remuneration of the directors of Kibo is determined by the Remuneration Committee.

There was no remuneration paid to the directors of Kibo prior to April 2011, with the exception of Noel O'Keeffe as shown below and in the audited annual financial statements of Kibo set out in Annexure 1. There was no remuneration paid to the directors of the subsidiaries.

No director will enjoy a preferential allocation of shares in terms of this Pre-listing Statement.

Included in the above, the Company Secretary's remuneration is GBP 45 000 per year plus incidental expenses and MXS, an independent Tanzanian contractor, which provides tenement compliance management services to the Tanzanian subsidiaries of the applicant in respect of the mineral licenses held by them.

21.2 Historical remuneration

	O'Keeffe	Schaffalitzky	Burke	Payne	Coetzee	Maree	Total
	€	€	€	€	€	€	€
Directors' fees (per meeting)	0	0	0	0	0	N/a	0
Basic Salary per annum	45 000	0	0	0	0	N/a	45 000
Bonuses (annual)	0	0	0	0	0	N/a	0
Expense Allowance	Vouched	0	0	0	0	N/a	0
Consulting Fee	0	0	0	0	0	N/a	0
Pension Contribution	0	0	0	0	0	N/a	0
Profit Sharing	0	0	0	0	N/a	0	
Share options	0	0	0	0	0	N/a	0
Other benefits	0	0	0	0	0	N/a	0
Total							€45 000

No shares were allotted in terms of a share purchase/option scheme for employees, or any other scheme or structure affected outside of the Company which achieves substantially the same objectives as a share purchase/option scheme other than disclosed in paragraph 37 of this document.

There were no fees paid or accrued as payable to a third party *in lieu* of directors' fees.

There will be no variation in the remuneration receivable by any of the directors of Kibo and its subsidiaries as a consequence of the listing.

22. DIRECTORS' INTERESTS

On 19 May 2011, being the last practicable date prior to the finalisation of this document, the directors of Kibo held 37 947 740 Shares, directly and beneficially, and 77 883 480 Shares, indirect non-beneficially. No Shares are held indirect beneficially. There has been no change in the directors' holdings since that date and the date of this document. There is no other shareholder, to the knowledge of the directors, who may be in a position to exercise control over the Company.

At the last practicable date the following directors of Kibo will hold Shares in the issued share capital of the Company:

Director	Notes	Number of shares	Direct	Indirect	Beneficial	Non-Beneficial
Christian Shaffalitzky		15 931 976	X		X	
		9 405 000				X
Noel O' Keeffe		9 349 097	X		X	
		233 480		X		X
Desmond Burke		12 000 000	X		X	
William Payne		666 667	X		X	
Louis Coetzee	1.	5 178,333		X		X
Tinus Maree	2.	63 066 667		X		X
Total		115 831 220				

Notes:

- Mr. Louis Coetzee is a Director of Mzuri Capital Group Ltd and its subsidiaries and Morogoro and Morogoro's subsidiaries. Refer to paragraph 20.2 for details of other directorships.
- Mr. Tinus Maree is a Director of Mzuri Capital Group Ltd as well as other companies within the Muri Group. Refer to paragraph 20.2 for details of other directorships.

Save as otherwise disclosed above, no director has any interest, whether direct or indirect, in any transactions entered into by Kibo during the current or the preceding financial year, and which remain in any respect outstanding or unperformed.

No loans have been made by Kibo to any of its directors or managers and no security has been furnished by Kibo or any subsidiary on behalf of any of its directors or managers.

No amount has been paid to any director in the three years preceding the date of this offer, in cash or securities or otherwise, to induce him to become, or to qualify him as a director.

No director or promoter has had any material beneficial interest, direct or indirect, in the promotion of the company or in any property acquired or proposed to be acquired by the company, or any other issue in the preceding three years to this document, and no amount has been paid during this period, or is proposed to be paid to any promoter other than disclosed in this document.

23. MATERIAL CHANGES

No material changes in the nature of the business of the applicant occurred since inception. The Company has made certain acquisitions, the details of which are disclosed in paragraphs 38.1.1, 38.1.2 and 38.1.4.

No material changes in the business, financial or trading position of Kibo or its subsidiaries have taken place since the date of this document.

24. DIRECTORS' RESPONSIBILITY STATEMENT

The directors of Kibo and the subsidiaries, whose names appear in paragraph 20 hereof:

- collectively and individually, accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Pre-listing Statement contains all information required by law and the JSE Listings Requirements.

The directors of Kibo and the subsidiaries:

- have considered all statements of fact and opinion in this Pre-listing Statement;
- have never been convicted of an offence resulting from dishonesty, fraud and embezzlement;
- have never been adjudged bankrupt or have been sequestered in any jurisdiction;
- have never been party to a scheme of arrangement or have made any other form of composition with their creditors;
- have not at any time assigned their estate, suspended payment or compounded with their creditors;
- have ever been found guilty in disciplinary proceedings by an employer or regulatory authority, due to dishonest activities;
- have never been barred from entry into any profession or occupation;
- have never been convicted in any jurisdiction of any criminal offence;
- have never acted as executive directors of any companies at the time of or within the 12 months preceding any of the following events in relation to such companies: receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company voluntary arrangements or any composition or arrangement with their creditors generally or any class of creditors;
- have never been disqualified by a court from acting as a director of a company, or from acting in the management or conduct of affairs of any company;
- have never been involved in any bankruptcies, insolvencies or individual voluntary compromise arrangements;
- have never been involved in any compulsory liquidations, administrations or partnerships voluntary arrangements of any partnerships where such director was a partner at the time of or within the 12 months preceding such event(s);
- never been the subject of public criticisms by statutory or regulatory authorities, including recognised professional bodies; and/or
- accept, individually and collectively, full responsibility for the accuracy of such statements and the information given.

FINANCIAL INFORMATION

25. PRO FORMA INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

The historical audited financial statements of Kibo and its subsidiaries and the reporting accountants' report thereon are set out in Annexures 1 to 4 to this Pre-Listing Statement. Annexure 1 contains the Audited Annual Financial Statements of Kibo for the year ended 30 September 2010 which were posted to shareholders and have been approved by shareholders at the AGM, Annexures 2 and 3 are the Annual Financial Statements of Morogoro and Savannah, which were acquired post year end. Annexures 1 to 3 have been included in this PLS as additional information, for information purposes, to enable investors to have a complete set of information regarding Kibo.

The *pro forma* effects and the reporting accountants report thereon, of the acquisitions of Morogoro and Savannah by Kibo subsequent to its year-end and the financial effects of the resolutions passed at the board meeting on 4 March 2011 being the *pro forma* balance sheet and income statement as at 30 September 2010 are set out in Annexure 5a to this Pre-Listing Statement in their entirety.

The table below sets out the *pro forma* financial effects of the above acquisitions of Morogoro and Savannah on Kibo Mining's audited results for the year ended 30 September 2010. The financial effects are presented for illustrative purposes only and because of their nature may not give a fair reflection of the Company's results and financial position after the transactions. It has been assumed for purposes of the *pro forma* financial effects that the above transaction took place with effect from 30 September 2010 for balance sheet and income statement purposes. The directors of Kibo Mining plc are responsible for the preparation of the financial effects:

The table below contains the abridged *pro forma* Statement of Comprehensive Income as at 30 September 2010:

Statement of Comprehensive Income

	Audited Financial Statements 30 September 2010 GBP	Pro Forma Adjustments MOROGORO GOLD LTD. and its subsidiaries GBP	Pro Forma Adjustments issue of shares GBP	Pro Forma Post Adjustments GBP
Revenue	–	8		8
Administrative expenditure	(478 047)	(36 649)		(514 696)
Operating loss	(478 047)	(36 641)	–	(514 688)
Bargain Purchase on Acquisition of Investments	–	1 420 623		1 420 623
Finance income	2 957	–		2 957
(Loss)/Profit before taxation	(475 090)	1 383 982	–	908 892
Taxation	–	–		–
Comprehensive (loss)/profit	(475 090)	1 383 982	–	908 892
Equity shareholders of KIBO LTD	(475 090)	1 383 982		908 892
Exchange differences on foreign Operations (Equity)	(3 296)	151		(3 145)
Total Comprehensive Income	(478 386)	1 384 133	–	905 747
Equity shareholders of KIBO LTD	(478 386)	1 384 133		905 747
(Loss)/Earnings attributable to equity holders	(475 090)	908 892		
Less: Profit on sale of property, plant and equipment	–			–
Bargain Purchase on Investments	–			(1 420 623)

	Audited Financial Statements 30 September 2010 GBP	<i>Pro Forma</i> Adjustments MOROGORO GOLD LTD. and its subsidiaries GBP	<i>Pro Forma</i> Adjustments issue of shares GBP	<i>Pro Forma</i> Post Adjustments GBP
Headline loss	(475 090)			(511 731)
Weighted average number of shares in issue	210 675 850	56 666 667	29 166 667	296 509 184
Earnings per share (pence)	(0,0023)	0,0244		0,0031
Headline (loss)/earnings per share (pence)	(0,0023)	0,0006		(0,0017)

Dividends

Due to the nature of the business, it is not the intention of Kibo to distribute dividends at this stage of the Kibo Group's development to Shareholders, subject to the cash requirements of the Kibo group. The Board of directors will, from time to time, in the light of prevailing circumstances and future cash requirements, review this dividend policy.

All unclaimed dividends may be invested or otherwise made use of by the directors for the benefit of the Company until claimed. Dividends unclaimed for two years after the date they were declared or they became due for payment shall, unless the directors otherwise resolve, be forfeited and revert to the Company. There is no arrangement under which future dividends will be waived or agreed to be waived.

No dividends have been declared by the Company since its incorporation or by its subsidiaries in the past three financial years.

26. PRO FORMA BALANCE SHEETS AND STATEMENT OF FINANCIAL POSITION

The historical audited financial statements of Kibo and its subsidiaries and the reporting accountants' report thereon are set out in Annexures 1 to 4 to this Pre-listing Statement. The *pro forma* effects and the reporting accountants report thereon, of the acquisitions Morogoro and Savannah on Kibo subsequent to its year-end and the financial effects of the resolutions passed at the board meeting on 4 March 2011, being the *pro forma* balance sheet and income statement as at 30 September 2010 are set out in Annexure 5a to this Pre-Listing Statement in their entirety.

The table below sets out the *pro forma* financial effects on the statement of financial position of Kibo and its acquisitions of Morogoro and Savannah post-year-end, based on Kibo's audited results for the year ended 30 September 2010. The financial effects are presented for illustrative purposes only and because of their nature may not give a fair reflection of the Company's results and financial position after the transactions. It has been assumed for purposes of the *pro forma* financial effects that the acquisitions of Morogoro and Savannah took place with effect from 30 September 2010 for balance sheet and income statement purposes. The directors of Kibo are responsible for the preparation of the financial effects.

Statement of Financial Position

	Audited Financial Statements 30 September 2010 GBP	<i>Pro Forma</i> Adjustments MOROGORO GOLD LTD and its subsidiaries GBP	<i>Pro Forma</i> Adjustments issue of shares GBP	<i>Pro Forma</i> Post Adjustments GBP
ASSETS				
Non-current assets	4 267 369	4 537 706	–	8 805 075
Property, Plant and Equipment	1 306	–	–	1 306
Intangible Asset	4 266 063	4 537 706	–	8 803 769
Current assets	444 340	207	555 458	1 000 005
Taxation Receivable	–	142	–	142
Cash and Cash Equivalents	421 359	65	555 458	976 882
Trade Receivables	22 981	–	–	22 981
TOTAL ASSETS	4 711 709	4 537 913	555 458	9 805 080
EQUITY AND LIABILITIES				
Equity	4 624 034	3 084 133	555 458	8 263 625
Issued capital	2 132 295	487 798	251 218	2 871 311
Share Premium	3 533 115	1 212 202	304 240	5 049 557
Share Option	32 250	–	–	32 250
Foreign Currency Translation Reserve	(10 508)	151	–	(10 357)
Accumulated loss	(1 063 118)	1 383 982	–	320 864
Non-current liabilities	–	1 397 451	–	1 397 451
Loans Payable	–	9 462	–	9 462
Deferred Taxation	–	1 387 989	–	1 387 989
Current liabilities	87 675	56 329	–	144 004
Trade Payables	85 575	33 942	–	119 517
Shareholders Loans	–	22 387	–	22 387
Taxation Payable	2 100	–	–	2 100
TOTAL EQUITY AND LIABILITIES	4 711 709	4 537 913	555 458	9 805 080
Shares issued	253 925 874	56 666 667	29 166 667	339 759 208
Net asset value per share (pence)	0,0182	0,0544	0,0190	0,0243
Net tangible asset value per share (pence)	0,0014	(0,0257)	0,0190	(0,0021)

27. INDEPENDENT REPORTING ACCOUNTANTS' REPORT

The independent reporting accountants' report on the historical financial information of Kibo, Morogoro and Savannah is set out in Annexure 4. The independent reporting accountants' report on the *pro forma* financial information is set out in Annexure 5b.

28. EXPENSES OF THE LISTING ON THE JSE

The expenses of the listing on the JSE are estimated at R2 287 566,61. All listing expenses will be for the account of Kibo and will be paid out of the existing cash reserves.

Expense	Payable to	R
JSE documentation fee	JSE	62 847,40
JSE listing fee	JSE	1 404 039,00
Designated and Corporate Advisor	River Group	900 000,00
Printing	Ince	500 000,00
Accounting and audit fees	SAB&T	300 000,00
Competent Persons Report	Venmyn	400 000,00
Miscellaneous administrative fees	Various	100 000,00
Legal fees	Various	24 719,21
Total		2 287 566,61

29. CAPITAL COMMITMENTS, LEASE PAYMENTS AND CONTINGENT LIABILITIES

There are no material capital commitments, lease payments, and contingent liabilities other than disclosed in Annexure 1 and paragraph 38 and there have been no material changes to the capital commitments, lease payments and contingent liabilities of the Kibo group.

30. LOANS AND BORROWING POWERS

The Kibo group has neither made nor received any material loans and has no material loans or borrowings.

Kibo and its subsidiaries has not made any loan or furnished security to or for the benefit of any director or manager.

The borrowing powers of the Kibo group have not been exceeded during the three years preceding the date of this Pre-listing Statement and no debentures were created and/or issued.

31. PROPERTY AND SUBSIDIARIES ACQUIRED, OR TO BE ACQUIRED, AND SHARES ISSUED OTHERWISE THAN FOR CASH

There have been no properties or subsidiaries acquired within the past three years, or to be acquired or Shares issued, other than disclosed in paragraphs 37 and 38 of this Pre-listing Statement.

No Shares were or have been issued or agreed to be issued by Kibo or any of its subsidiaries otherwise than disclosed in paragraph 37 of this Pre-listing Statement.

32. PROPERTY AND SUBSIDIARIES DISPOSED OF OR TO BE DISPOSED OF

No property or subsidiaries have been disposed of during the past three years as at the date of this Pre-listing Statement or are to be disposed of by the Company or any of its subsidiaries in the first six months after the commencement of the listing.

33. PRINCIPAL IMMOVABLE PROPERTY OWNED AND LEASED

The Kibo group does not own any immovable property and does not currently intend to purchase additional immovable property within the first six months after commencement of the listing.

SHARE CAPITAL

34. CAPITAL STRUCTURE

The authorised and issued share capital of Kibo at the date of this Pre-listing Statement is:

	Note	On the date of listing €
Authorised		
800 000 000 ordinary shares of €0,01 each		8 000 000
Issued		
341 259 208 ordinary shares of €0,01 each	1.	3 412 592
Share premium		6 398 224
Total share capital and premium		9 810 816

Note:

1. Refer to paragraph 37 for details of share issues.

All the authorised and issued Shares are of the same class and rank *pari passu* in every respect. No other classes of securities are listed on the JSE or any other stock exchange.

In accordance with Kibo's Articles of Association, at any general meeting every person present in person or by proxy (or, if a body corporate duly represented by an authorised representative) shall have one vote for each share of the class of which he is the holder.

Any variation in rights attaching to Shares will require the consent of shareholders in a general meeting in accordance with Kibo's Articles of Association.

The unissued Shares will be under the control of the directors in accordance with the Articles of Association of Kibo and subject to the provisions of the Listings Requirements of the JSE.

Except as set out in paragraph 37, no offer has been made for the subscription or sale of Shares.

At the date of this Pre-listing Statement, the Company had no loan capital outstanding and no commissions were paid or are payable in respect of any underwriting.

35. ADEQUACY OF CAPITAL

The directors of Kibo are of the opinion that the working capital available to the Company and its subsidiaries is sufficient for the Kibo group's present requirements, that is, for at least the next 12 months from the date of issue of the Pre-listing Statement. The directors are also of the opinion that the Company has sufficient capital to proceed with the exploration programme as discussed in Annexure 6 and will raise additional capital as required over the next 12 to 18 months to complete the current exploration programme.

36. OPTIONS AND PREFERENTIAL RIGHTS IN RESPECT OF SHARES

There are no contracts or arrangements, either actual or proposed, whereby any option or preferential right of any kind has been, or will be, given to any person to subscribe for any shares in the Company or its subsidiaries other than disclosed in Annexure 9 and paragraph 37 of this Pre-listing statement.

37. ALTERATIONS TO SHARE CAPITAL AND PREMIUM ON SHARE ISSUES

The authorised share capital and alterations to share capital are set out below:

Share capital account	At Incorporation	Note	On listing
Authorised Share Capital	€4 000 000	1.	€8 000 000
Authorised Shares	400 000 000		800 000 000
Par value of Shares	€0,01		€0,01

Note:

1. On 30 December 2010 the shareholders passed a resolution to increase the authorised share capital of the Company.

Alterations to the share capital of Kibo during the three years preceding the date of this document and share issues are set out below:

Date	Ordinary Shares Issued	Issue price £	Share Capital €	Share Premium €	Total €	Reason for issue
2008/01/17	40 000	€1	400	–	400,00	Shares issued to founding members
2008/02/09	3 960 000	€0,01	39 600	–	39 600	Bonus issue, 1 for 99
2008/02/19	2 645 645	0,034	26 456	93 544	120 000,00	Shares issued for Sloane shares to the Sloane shareholders for the acquisition of Sloane. Refer to paragraph 38.1.2
2008/03/11	2 826 084	0,034	28 261	94 127	122 387,84	Shares issued for Sloane shares to the Sloane shareholders for the acquisition of Sloane. Refer to paragraph 38.1.2
2008/04/21	78 566 96	0,025	785 670	1 667 401	2 453 071,08	Issue of shares for cash
2008/04/28	2 855 074	0,034	28 551	95 156	123 706,54	Shares issued for Sloane shares to Sloane shareholders for the acquisition of Sloane. Refer to paragraph 38.1.2
2008/05/08	30 453 933	0,034	304 539	1 014 381	1 318 919,84	Shares issued for Sloane shares to Sloane shareholders for the acquisition of Sloane. Refer to paragraph 38.1.2
2008/05/29	16 280 000	0,025	162 800	350 020 512	512 820,00	Issue of shares for cash
2008/06/20	2 925 000	0,025	29 250	62 888	92 138,00	Issue of shares for cash
2008/06/27	550 000	0,025	5 500	11 825	17 325,00	Issue of shares for cash
2009/07/24	1 425 000	0,025	14 250	30 994	45 243,75	Issue of shares for cash
2008/09/19	1 650 000	0,025	16 500	35 698	52 197,75	Issue of shares for cash
2008/11/10	2 600 000	0,025	26 000	53 666	79 665,95	Issue of shares for cash
2008/12/29	200 000	0,025	2 000	3 110	5 109,60	Issue of shares for cash
2009/03/30	12 500 000	0,025	125 000	213 606	338 606,25	Shares issued for Eagle Gold Mining shares to Eagle Gold shareholders for the acquisition of Eagle Gold. Refer to paragraph 38.1.4
2009/11/06	300 000	0,025	3 000	6 491	9 490,50	Shares issued for cash
2010/03/09	13 737 533	0,015	137 375 330	91 710 829	229 086 159	Shares issued for Sloane shares to Sloane shareholders for the acquisition of Sloane. Refer to paragraph 38.1.2
2010/03/15	53 035 624	0,015	530 356 240	354 062,181	884 418 421	Shares issued for Sloane shares to Sloane shareholders for the acquisition of Sloane. Refer to paragraph 38.1.2
2010/03/23	14 531 821	0,015	145 318 210	97 013 430	242 331 640	Shares issued for Sloane shares to Sloane shareholders for the acquisition of Sloane. Refer to paragraph 38.1.2
2010/03/30	1 800 000	0,015	18 000 000	12 016 676	30 016 676	Shares issued for Sloane shares to Sloane shareholders for the acquisition of Sloane. Refer to paragraph 38.1.2
2010/03/30	200 000	0,010	2 000 000	223 457	2 223 457	Shares issued for cash
2010/03/30	200 000	0,020	2 000 000	2 446 915	4 446 915	Shares issued for cash
2010/03/30	150 000	0,034	1 500,000	4 169,817	5 669 817	Shares issued for cash
2010/03/30	10 493 200	0,015	104 932 000	70 01 880	174 983 880	Issue of shares for debt
2010/10/1	12 500 000	0,020	125 000	160 812	285 812,28	Shares issued for cash
2011/03/02	16 666 667	0,030	166 667			Issue of shares for cash
2011/03/02	56 666 667	0,030	566 667			Issue of shares for Morogoro to Morogoro shareholders for the acquisition of Morogoro. Refer to paragraph 38.1.1
2011/03/09	1 500 000	0,015	15 000	11 193	26 193	Exercise of warrant by Alexander David Securities Limited

Total **341 259 208** **3 412 592** **6 398 224** **9 810 816**

Notes:

- Where shares are issued at a premium, funds are raised at market related rates. Where shares are issued at a premium, they are issued above par value.
- Where shares are issued for an acquisition, refer to paragraph 38 of this document for details.
- Kibo has not to date acquired any assets for cash out of the proceeds raised from issue of shares.
- To date no shares were repurchased by the Company.
- There have not been any consolidations and/or subdivisions of securities during the preceding three years.

KIBO MINING PLC - Share Options and Warrants Outstanding at 3 May 2011

Holder	Type	Position	Options	Strike	Granted	Expiry
Daniel Stewart & Company Limited	Option	Nomad	2 539 258	£0.015	27-Apr-10	27-Apr-15
Loeb Aron & Company Limited	Warrant	Joint Broker	500 000	£0.015	27-Apr-10	27-Apr-15
Alexander David Securities plc	Warrant	Joint Broker	*2 539 259	£0.015	27-Apr-10	27-Apr-15
Alexander David Securities Limited	Warrant	Joint Broker	125 000	£0.020	21-Oct-10	21-Oct-15
Christian Schaffalitzky	Option	Chairman	1 500 000	£0.0388	28-Apr-11	31-Mar-16
Noel O'Keefe	Option	CEO	1 500 000	£0.0388	28-Apr-11	31-Mar-16
Des Burke	Option	Director	1 500 000	£0.0388	28-Apr-11	31-Mar-16
William Payne	Option	Director	1 500 000	£0.0388	28-Apr-11	31-Mar-16
Lukas Marthinus Maree	Option	Director	1 500 000	£0.0388	28-Apr-11	31-Mar-16
Louis Lodewyk Coetzee	Option	Director	1 500 000	£0.0388	28-Apr-11	31-Mar-16
Wenzel Kerremans	Option	Director	1 500 000	£0.0388	28-Apr-11	31-Mar-16
Mzuri Exploration Services Ltd	Option	Contractor	1 500 000	£0.0388	28-Apr-11	31-Mar-16
Mayala E Nkuli	Option	Employee	100 000	£0.0388	28-Apr-11	31-Mar-16
Veronica Malunde	Option	Employee	100 000	£0.0388	28-Apr-11	31-Mar-16
Elias Mussa	Option	Employee	100 000	£0.0388	28-Apr-11	31-Mar-16
Michael Chanilla	Option	Employee	100 000	£0.0388	28-Apr-11	31-Mar-16
Mary Mayugu	Option	Employee	100 000	£0.0388	28-Apr-11	31-Mar-16
Kessy Meshack	Option	Employee	100 000	£0.0388	28-Apr-11	31-Mar-16
Masengwa Shitaliha	Option	Employee	100 000	£0.0388	28-Apr-11	31-Mar-16
Halawa Kanjikalulu						
Nyanda	Option	Employee	100 000	£0.0388	28-Apr-11	31-Mar-16
Marco Reo	Option	Employee	100 000	£0.0388	28-Apr-11	31-Mar-16

* Warrant exercised for 1 500 000 of these shares on 21 Jan 2011 and shares issued on 8 March 2011.

38. MATERIAL CONTRACTS

38.1 Material contracts

Material contracts, which have been entered into by the Kibo group during the two years preceding the date of this document or at the date of this document, other than in the ordinary course of business, are:

38.1.1 **the Agreement, between Kibo and Mzuri** dated 30 December 2010 pursuant to which Mzuri will subscribe for the Subscription Shares ("the 16 666 667 new ordinary shares") in Kibo at an issue price of 3p per Share, Kibo will acquire the entire issued share capital of Morogoro for the issue of the Acquisition Shares ("the 56 666 667 ordinary shares of €0,01 each in the capital of Kibo issue to Mzuri to acquire the entire issued share capital of Morogoro") in Kibo and Kibo will apply to list on the JSE. The Initial Completion ("completion of the Subscription by Mzuri for the Subscription Shares and the Acquisition of the Morogoro Shares by Kibo in accordance with this Agreement and by no later than 28 February 2011 or such later date as the parties agree in writing") of the Agreement is conditional, *inter alia*, on

the Subscription Shares being admitted to trading on AIM, the truth and accuracy of certain warranties given by Mzuri in relation, *inter alia*, to its ownership of Morogoro and, through Morogoro, of Jubilee and Savannah and the Mineral Assets ("prospecting licenses, prospecting license applications, prospecting license with reconnaissance period and prospecting license with reconnaissance period applications in which any Group Company has a beneficial interest"). Following the Initial Completion Kibo has agreed to do all things necessary in its power and control to undertake the Listing of Kibo shares on the JSE and an underwritten placing of not less than ZAR12 000 000. In addition, effective at the Initial Completion Date, Mr. Maree shall be appointed as an additional member of the Board of the Company.

Mzuri Gold Limited is a company incorporated in the Republic of Cyprus and whose only Shareholder is Mzuri Capital Group Limited with registered address at 57 Kolonakiou Street, Limassol, Cyprus. Mzuri Capital Group Limited has in excess of 20 Shareholders, none of which have a controlling interest, or more than 14 Mzuri did not guarantee book debts or other assets and normal warranties were given. The agreement entered into between the parties does not preclude Mzuri from carrying on business in competition with Kibo or any of its subsidiaries, or impose any other restrictions.

38.1.2 Sloane Acquisition Agreement

An agreement dated 21 April 2008 between the Kibo, the directors of Sloane and major Shareholders in Sloane pursuant to which the Company acquired 75,19% of the issued share capital of Sloane. The offer was extended on the same terms to the remaining Shareholders in Sloane through a letter of offer dated 25 April 2008. Between April 2008 and December 2009, the remaining Shareholders in Sloane accepted the offer such that Sloane is now a wholly-owned subsidiary of the Company.

38.1.3 Tanzanian Royalty Agreement

An option agreement dated 25 January 2007 between Tanzanian Royalty and Sloane, pursuant to which Sloane was granted an option to acquire an interest in the licenses specified in the option agreement, through the assumption of all rights and obligations under the underlying agreements which Tanzanian Royalty's subsidiaries are party to. This agreement was amended on 22 August 2009 and again on 8 March 2010 and the drilling requirement of 15 000m to be completed by 25 January 2010 does not now need to be completed until 25 January 2013 and the option payment due by the 25 January 2011 is now due to be paid on or before the 1 October 2011.

38.1.4 Eagle Gold Acquisition Agreement

An agreement dated 31 July 2008 between the Company, Sun Mining, Boulder Mining, Sloane and Eagle Gold, pursuant to which Sloane acquired 100% of the issued share capital of Eagle Gold from Sun Mining and Boulder Mining ("the vendors") in consideration of the issue to the Vendors of 12 500 000 fully paid Ordinary Shares in the Company ("Consideration Shares") at a price of £0,025 per share subject to the terms and conditions of the Acquisition Agreement. This agreement was modified by a deed of variation dated 31 January 2009, which provided for a reduction in the number of tenements to be transferred to Eagle Gold and deed of assignment dated 13 March 2010 which provided for the transfer of two granted PLAs registered in the name of Frontier Resources to Eagle Gold once license documents are issued by the Ministry. Pursuant to these agreements the Vendors have given various warranties in relation to Sloane. The Company has given warranties in relation to the Consideration Shares.

38.1.5 Placing Agreement

The Company, the Directors and Alexander David Securities Limited, Loeb Aron & Company Limited (the "Joint Brokers"), entered into a placing agreement dated 10 March 2010, pursuant to which the Joint Brokers agreed to use reasonable endeavours to procure subscribers for 13 737 533 Ordinary Shares at the Placing Price. Under the terms of an engagement letter, the Company agreed to pay Alexander David an engagement fee of £10 000 and a 6% commission on funds raised by Alexander David. The Company and the Directors provided customary warranties and indemnities to the Joint Brokers subject, among other things, to limitations as to the time in which claims may be brought and the amount that can

be recovered.

38.1.6 Introduction Agreement

An agreement dated 20 April 2010 between the Company, Daniel Stewart and the Directors, pursuant to which Daniel Stewart has agreed to apply to the London Stock Exchange to admit the Company to AIM ("Introduction"). The introduction Agreement provides that the Company will pay Daniel Stewart a corporate finance fee of £55 000, together with any applicable VAT thereon, of which £30 000 is conditional upon Admission. The Company agreed to pay all other fees, costs and expenses relating to the Introduction and Admission. The Introduction Agreement is conditional, *inter alia*, on Admission having occurred on or before 27 April 2010 or such later date as the Company and Daniel Stewart may agree but in any event not later than 31 May 2010. The introduction Agreement contains certain warranties given by the Company and the Directors and indemnities given by the Company, in each case in favour of Daniel Stewart. Daniel Stewart is entitled to terminate the Introduction Agreement prior to Admission in certain specific circumstances, including where there has been a change of circumstance that may affect the business, financial position or prospects of the Group taken as a whole, or render the Introduction or Admission temporarily or permanently impracticable or inadvisable, or where there has been a material breach of warranty.

38.1.7 Deeds of Novation

- (a) A deed dated 24 March 2010 between the Company, Sloane and Richard Speir, pursuant to which Sloane's obligation to pay Richard Speir £37 000 in respect of unpaid salary and expenses owing to Richard Speir was novated to the Company. The Company agreed to allot and issue 2 493 200 Ordinary Shares to Richard Speir in consideration of the release of this debt.
- (b) A deed dated 26 March 2010 between the Company, Sloane and African Eagle pursuant to which Sloane's obligation to pay the £120 000 debt which arose under an agreement dated 1 September 2007 between Sloane and African Eagle, pursuant to which Sloane agreed, *inter alia*, to carry out exploration work on selected mineral interests in Tanzania and to expend a minimum of USD1 000 000 in carrying out such exploration work (the "2007 Agreement") was released under the terms of this deed. Under the 2007 Agreement, in the event of any shortfall by Sloane in complying with its obligations under the 2007 Agreement with respect to minimum spend on exploration work, the extent of any such shortfall would be treated as a debt due and owing by Sloane to African Eagle which would be convertible into shares in the capital of the Company. The extent of the shortfall was £120 000 at the date of this deed. Accordingly, Sloane's obligation to pay this debt under the 2007 Agreement was released and discharged by African Eagle in consideration of the issue and allotment to African Eagle of 8 000 000 Ordinary Shares.

38.1.8 Warrant Agreements

- (a) A deed dated 20 April 2010 (the "AD Warrant Instrument") pursuant to which the Company had granted to Alexander David warrant to subscribe at the Placing Price for 2 539 258 Ordinary Shares as part of the consideration due to Alexander David under the agreement referred to in paragraph 6.2(a) above (the "AD Warrants"). The exercise of the AD Warrants is conditional upon Admission. The AD Warrants are excisable by Alexander David for a period of five years from the date of Admission, after which the subscription rights lapse. The AD Warrants may only be transferred to its holding company, its subsidiaries or any subsidiary of its holding company. The AD Warrant Instrument provides for an adjustment mechanism pursuant to which Alexander David is entitled to maintain the proportion of equity share capital represented by the AD Warrants prior to any sub-division, consolidation or allotment by way of capitalisation of profits or reserves.

- (b) A deed dated 20 April 2010 (“the LA Warrant Instrument”), pursuant to which the Company had granted to Loeb Aron warrants to subscribe at the Placing Price for 500 000 Ordinary Shares as part of the consideration due to Loeb Aron under the agreement referred to in paragraph 6.2(b) above (the “LA Warrants”). The exercise of the LA Warrants is conditional upon Admission. The LA Warrants are exercisable by Loeb Aron for a period of five years from the date of Admission, after which the subscription rights lapse. The LA Warrants may only be transferred to its holding company, its subsidiaries or any subsidiary of its holding company. The LA Warrant Instrument provides for an adjustment mechanism, pursuant to which Loeb Aron is entitled to maintain the proportion of equity share capital represented by the LA Warrants prior to any sub-division, consolidation or allotment by way of capitalisation of profits or reserves.

38.1.9 Option Agreement

An agreement dated 20 April 2010 between the Company and Daniel Stewart pursuant to which the Company has granted an option to Daniel Stewart to subscribe at the Placing Price for 2 539 258 Ordinary Shares. The exercise of the option is conditional upon Admission. Following Admission the option is exercisable by Daniel Stewart for a period of five years from the date of Admission, after which it lapses. The rights of Daniel Stewart under this deed may be assigned without the prior written consent of the Company. The Agreement includes an adjustment mechanism pursuant to which Daniel Stewart is entitled to maintain the proportion of equity share capital represented by its option shares prior to any sub-division, consolidation or allotment by way of capitalisation of profits or reserves.

Other than disclosed above, there is no material contract entered into by Kibo or any of its subsidiaries which contains an obligation or settlement that is material to the group at the date of this Pre-Listing Statement.

38.1.10 Technical or Secretarial Fees

No material technical or secretarial fees have been paid by Kibo and its subsidiaries during the three years preceding the issue of this document other than disclosed in Annexure 1 to this Pre-Listing Statement, being fees paid to Mr O’Keeffe and fees paid to MXS. MXS is an independent Tanzanian contractor which provides tenement compliance management services to the Tanzanian subsidiaries of the applicant in respect of the mineral licenses held by them.

38.2 Commission paid

No commission or consideration, other than that in the normal course of business, has been paid by Kibo or any of its subsidiaries during the three years preceding the date of this document, other than disclosed in paragraph 38.

38.3 Promoters’ agreements

Kibo has not entered into any promoters’ agreements during the three years preceding the issue of this Pre-listing statement other than disclosed in paragraph 38.

GENERAL INFORMATION

39. LITIGATION STATEMENT

There are no legal or arbitration proceedings, including any proceedings that are pending or threatened of which the company or any of its subsidiaries are aware, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the group's financial position.

40. ADVISORS' INTEREST

None of the advisors, whose names are set out on the inside front cover, hold any shares in or have agreed to acquire any Shares in Kibo at the date of this Pre-listing Statement other than disclosed in paragraphs 37 and 38.

41. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection from Monday, 23 May 2011 to Thursday, 26 May 2011, at the representative office of Kibo, Parc Nouveau Building, 225 Veale Street, Nieuw Muckleneuk, any time during normal business hours:

- the Pre-listing Statement dated 23 May 2011 and all reports included in this document;
- the memoranda and articles of association of Kibo and the subsidiary companies;
- the signed reports by the independent reporting accountants and the competent person, the texts of which are set out in Annexures 4, 5a, 5b and 6;
- the written consents of the independent reporting accountant, corporate attorneys, transfer secretary, commercial banker, corporate advisors, competent person and sponsor named in this Pre-listing Statement, to act in those capacities, which consents have not been withdrawn prior to publication;
- Competent Persons Report by Venmyn;
- the audited annual financial statements in respect of the financial year ended 30 September 2010;
- all the financial statements of KIBO and its subsidiaries since inception of the business; and
- all other material contracts referred to in paragraph 38.

42. EXPERTS' CONSENTS

River Group, Venmyn, SAB&T and Computershare Investor Services (Pty) Ltd, whose reports are included in this Pre-listing statement, have given and had not, prior to registration, withdrawn their written consent to the inclusion of their reports in the form and context in which they appear.

43. LISTING ON THE JSE AND TRADING OF THE SHARES OF KIBO

The JSE has granted its approval for the listing of the ordinary shares of Kibo on the AltX board of the JSE under the abbreviated name "KIBO" and share code "KBO", with effect from the commencement of trading on the JSE on 30 May 2011.

At the date of the commencement of the listing, the authorised share capital of Kibo will comprise 800 000 000 ordinary shares of a par value of €0,01 each, of which there will be 341 259 208 issued and listed Ordinary Shares.

Shares of Kibo will only be traded on the JSE as dematerialised shares. Accordingly, any person who purchases Shares in Kibo and who elects to receive Shares in Kibo in certificated form, will be required to dematerialise such certificated shares prior to being in a position to trade such shares on the JSE.

44. CORPORATE GOVERNANCE STATEMENT OF KIBO

The Corporate Governance Statement of Kibo is detailed in Annexure 8 to this Pre-listing Statement.

Kibo is fully compliant with the corporate governance codes of the UK and European Union as required by the AIM listings requirements and, in the opinion and best knowledge of the board, there are no practices that are contrary to or in conflict with King III and its principles.

45. COPIES OF THE PRE-LISTING STATEMENT

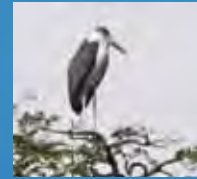
Copies of this Pre-listing Statement may be obtained at any time during normal business hours as of Monday, 23 May 2011 from the South African representative office of Kibo, River Group and the transfer secretaries, details of which are set out below:

- the Company's representative office – Parc Nouveau Building, 225 Veale Street, Brooklyn, Pretoria, 0181;
- the office of River Group – Parc Nouveau Building, 225 Veale Street, Brooklyn, Pretoria, 0181; and
- the office of Computershare Investor Services (Pty) Ltd – Ground Floor, 70 Marshall Street, Johannesburg, 2001.

Signed at Pretoria for and on behalf of the directors of Kibo on Thursday, 17 May 2011.



ANNUAL
REPORT & ACCOUNTS
KIBO MINING PLC
FOR THE YEAR ENDED 30TH SEPTEMBER
2010



HIGHLIGHTS 2010

ADMISSION TO THE LONDON ALTERNATIVE INVESTMENT MARKET APRIL 2010

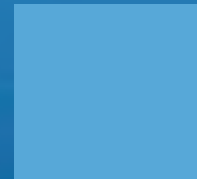
£1.2 MILLION RAISED PRE IPO

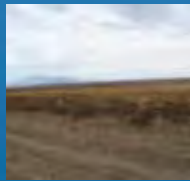
£0.25 MILLION RAISED IN SEPTEMBER

DETAILED MINING EVALUATION OF ITETEMIA GOLD PROJECT

SUCCESSFUL DRILLING ON LUHALA GOLD PROJECT

TRENCHING OF GOLD TARGET AT HANETI





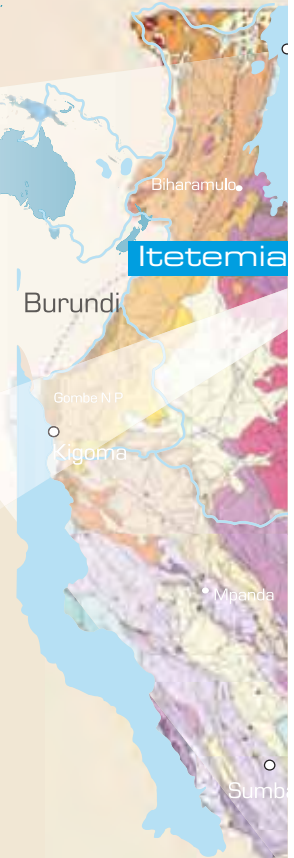
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LAKE VICTORIA GOLDFIELD

Golden Horseshoe Reef, Gold Deposit, Itetemia
Luhala Gold Project



PLANS FOR 2011

Finalisation of development potential for Itetemia

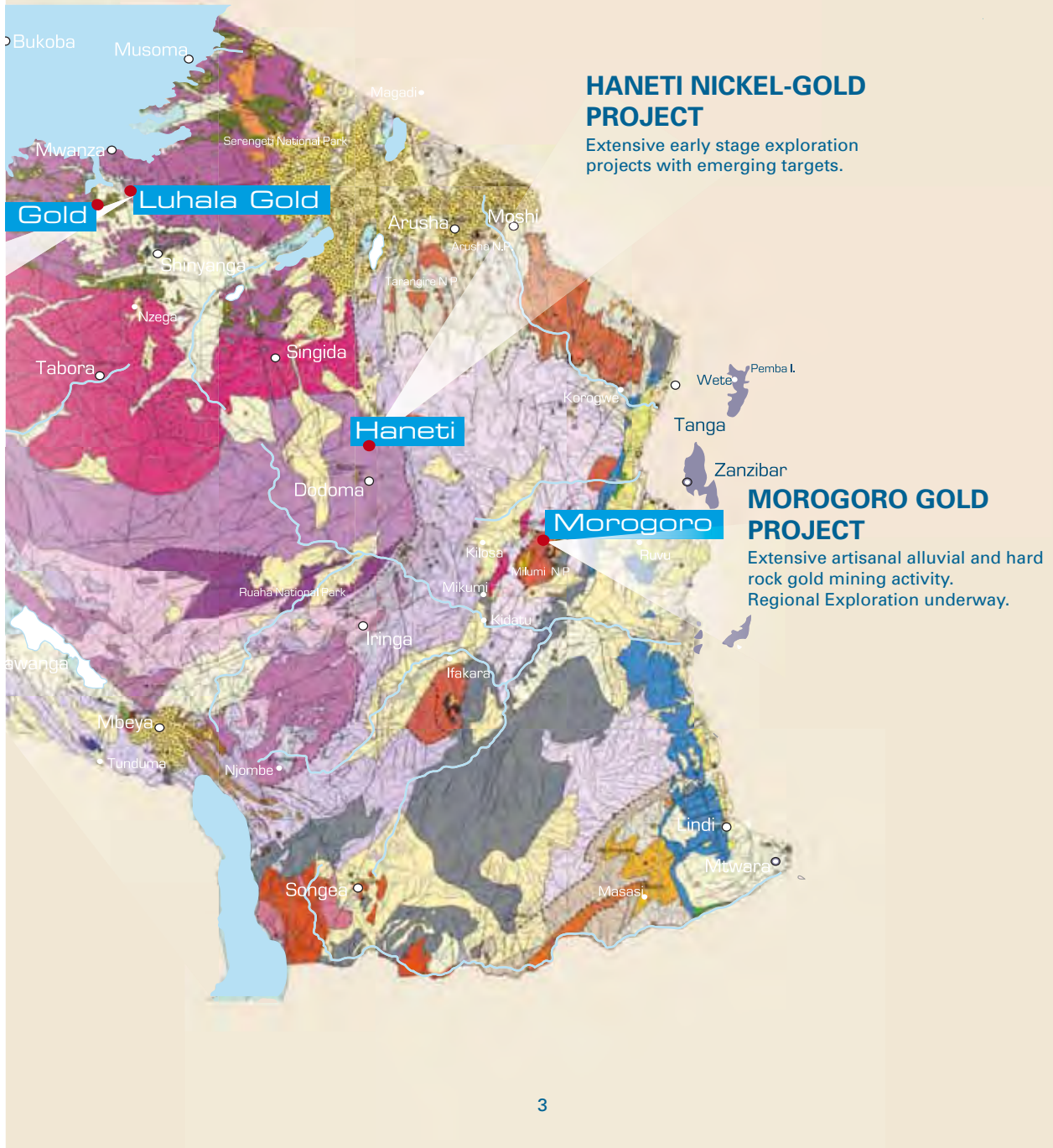
Continued drilling at Luhala

Expansion of ground position in Tanzania to establish large ground holdings
on quality exploration ground

Continued early stage exploration on expanded ground position

GEOLOGY OF TANZANIA

• Kibo Mining Projects





CHAIRMAN'S REPORT



Dear Shareholder,

It gives me great pleasure to report on the excellent progress made by Kibo during the past year and to outline plans to develop the Company's assets over the coming 12 months. 2010 has been a good year for your Company. Despite the continuing global financial volatility, a number of major breakthroughs have been made. During 2010 Kibo succeeded in gaining admission to the AIM Market of the London Stock Exchange, raising funds pre and post IPO and consolidating its financing position for the future. As you will see in the Review of Activities, it has moved forward the exploration and potential development plans of its current projects. It has also established a position wherein it can become a major player in the ongoing exploration and development of mineral deposits in Tanzania. It has access to an experienced and enthusiastic staff, which is an important factor in successful exploration. High quality exploration work and access to extensive good quality exploration ground are seen as the best way to increase the value of the Company's assets. Over the next year an expanded exploration programme on its current ground, acquisition of new projects and increased access to funding will allow the Company to expand its programmes and make for an exciting year of progress.

During 2010 two Directors, Stephen Aherne and Richard Speir, retired from the Board. I would like to thank both for their valuable contribution in the development of the Company and in bringing the Company to the market. We appreciate their vital contribution. Two new Directors, Louis Coetzee and Des Burke have joined the Board.

Louis, with his extensive experience in the resource business in Tanzania, is a major addition to the Company in helping to advance its business in the country. Des has more than 40 years experience in the mining business worldwide and will make a significant contribution to the financial and geological development of the Company. Both are welcome to the Board.

Kibo is active in Tanzania for a number of reasons. Firstly, the country has stable legal and political regimes and an expanding exploration expertise, making it an easy place to operate in. Secondly, there is a proven track record of major mineral discoveries, albeit in a limited number of geological settings. Thirdly, the cycle of exploration for mineral deposits in Tanzania is still at a very early stage, giving high potential for the discovery of new economic deposits. Fourthly, the country has a variety of diverse geological settings, many unexplored, that have potential to host a diversity of ore deposits. However, a major problem for exploration in Tanzania is the difficulty in acquiring sufficiently large tracts of ground, with suitable geology on which to explore. Licence blocks are small, often with mining leases within them. Joint venture deals can be expensive and complex. During 2011 Kibo plans to seek ground where larger and more contiguous blocks of licences can allow extensive low cost exploration programmes focused on clearly defined targets. This in turn will put the company in a position to expand its options for further development, including farm outs to major companies, while extending and diversifying its financing options.



Kibo staff at Mwanza office



Tanzania is at a relatively early stage in the development of its natural resources. The geology of country is very similar to that of Western Australia, where, since the first discoveries of gold in 1897, over 100,000,000 ounces of gold have been produced. This production has been mainly from Archaean Greenstone belts, similar to those in Tanzania. However, since those early days, discoveries of gold have also been made in a variety of rocks of different ages and composition. Rock types of similar ages and composition also occur in Tanzania and are largely unexplored. The range of metals being produced in Western Australia has also increased and now includes copper, lead, zinc, nickel, bauxite and iron ore. Exploration techniques have been constantly evolving both in terms of working exploration models for different types of mineral deposit and in establishing new ways of 'seeing' through the complex weathered cover. Tanzanian exploration will follow the Western Australian development cycle and during 2011 Kibo intends to put itself in a position to be a major participant in the use of new ideas and technologies.

On behalf of all at Kibo I would also like to thank the shareholders for their sustained interest in the Company. In conclusion I would like to thank the Board and the Tanzanian staff of the Company for their valuable contributions over the last year and look forward to their continued support.

I believe, 2011 will be a significant year of development for Kibo.

Christian Schaffalitzky
Chairman



REVIEW OF ACTIVITIES



INTRODUCTION

Kibo's mineral projects are located in Tanzania, East Africa. They range from JORC-compliant mineral resources at Itetemia and Luhala to early stage projects at Morogoro and Haneti. Activities during 2010 have included an economic study of the mining potential of the Itetemia project, a drilling programme on the Luhala project, trenching and soil sampling on the Haneti project and initial stream and rock sampling surveys at Morogoro.

Itetemia & Luhala

Both projects are located in Tanzania's main gold mining district, the Lake Victoria Goldfield, close to large operating mines and projects at various stages of development, from exploration to advanced feasibility. Kibo's interest in Itetemia and Luhala is established through an Option & Royalty Agreement with Canadian and American listed, Tanzanian Royalty Exploration Ltd. (TREC). Kibo can earn a 90% to 100% interest in Itetemia and 100% interest in Luhala through option payments and exploration expenditure, subject to the retention of a 2% royalty by TREC on any commercial development.

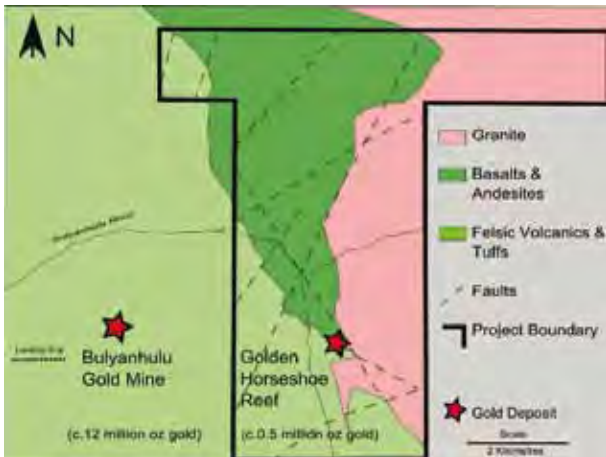


Location of Company Projects

Itetemia

Itetemia consists of a contiguous block covering an area of 53 square kilometres located 60 kilometres southwest of the regional city of Mwanza. The Golden Horseshoe Reef ("GHR") gold deposit is located in the southern part of the block and has been the subject of a number of drilling programmes since its discovery in the late nineties. The most recent independent resource estimate for the deposit by CSA Global Pty. Ltd was completed in 2009 and reported a resource of 4,230,000 tonnes at 3.1 grams per tonne gold at a cut-off grade of 1 gram per tonne (equivalent to 422,250 oz of contained gold to a depth of 700 metres). The mineralisation is hosted in a northwesterly trending shear

Itetemia Project Geology



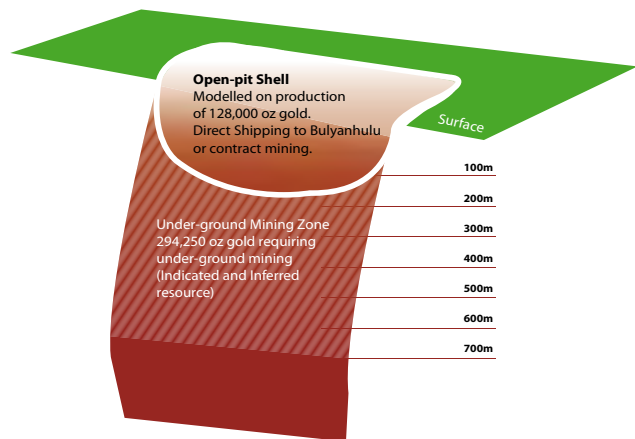
zone that dips steeply to the southwest at the contact between basic and intermediate volcanic rocks. The deposit is located 5 kilometres from African Barrick's, Bulyanhulu mine.

Itetemia is a small gold deposit by international standards and whereas its shape is ideal for underground mining, the grade and resource base would not support the capital cost involved. On that basis, during 2010, Kibo focused on the open pit mining potential of the deposit, which contains 128,000 ozs of gold. This near surface portion of the resource has already been drilled to a robust JORC-compliant Indicated category and the Company believes it prudent to defer further drilling to allow time to assess mining development options of this section of the deposit more thoroughly.

To this end the Company commissioned an economic assessment study from Saint Barbara LLP, a London based geological consultancy company. The purpose of the study was to establish base line capital development and operating costs for an initial open-pit mine development at GHR and to generate discounted cash flow models for the project. This work built on an earlier optimisation study carried out on behalf of Kibo by Auralia Mining Pty Ltd in 2009 that indicated good potential for the development of an open-pit mine on GHR. The Saint Barbara study shows that the project is robust at a gold price of US\$1,300 and a discount rate of 12%, as shown on table 1.

Its economic viability improves if second hand mining plant is used, and further improves should an agreement be possible to process the ore at the nearby Bulyanhulu plant.

Golden Horseshoe Reef Gold Deposit



	Net Present Value (NPV)	Internal Rate of Return (IRR)
	\$US M	%
Base Case	11.01	24
Using second-hand equipment	17.47	34.7
Toll mill or sale to Bulyanhulu	28.72	84.8

Table 1: GHR valuation based on Saint Barbara discounted cashflow models.

Further increase in the gold price would have a significantly positive impacts in all three cases. The Company is also looking at the potential of using a professional contract mining company to develop the deposit.

As a result of a decision to focus on the open pit potential of the deposit, Kibo's plan to carry out in-fill drilling on GHR during 2010 was deferred in favour of desktop studies to further evaluate the mining options for the deposit and to assist with exploratory talks with African Barrick on a mutually beneficial arrangement for the mining of the gold resource. The Company is organising bulk sample metallurgical tests on the open pit zone to establish the gold recovery rates from GHR, using the extraction process already in use at Bulyanhulu.

As a starting point, in co-operation with TREC and the Tanzanian authorities, Kibo is currently securing the mining site at GHR. It is anticipated that this will be achieved quickly and peacefully with the co-operation of the artisanal miners who have always recognised Kibo's and TREC's ownership of the mineral rights on the deposit.



2010 Drilling Luhala Project

Luhala

Luhala consists of a contiguous block covering an area of 28 square kilometres. It is located 65 kilometres south of Mwanza and 50 km east of Itetemia. Similar to Itetemia, it is predominantly underlain by prospective Archaean age greenstone rocks. Gold mineralisation has been identified in the central part of the block at Luhala Hills and occurs in three areas at Kisunge Hill, Shilalo South Hill and Shilalo West Hill. Based on historical drilling on these areas up to 2009, a resource of 1,860,000 tonnes at a grade of 1.9 grams per tonne (111,900 oz.) has been established from five gold mineralised zones within these areas. (Table 2)

During 2010 Kibo undertook a drill programme of 12 reverse circulation (RC) holes at the Kisunge East mineralised zone (Kisunge Hill area) to test for down-dip continuity of the gold mineralisation. Results showed significant and encouraging gold values in six of the 12 holes drilled. (Table 3) The remaining holes intersected abundant dolerite dykes and unweathered mafic volcanic rocks, which carried low or no gold values. This is the first of a number of drill target areas at Luhala that the Company has identified for follow-up drilling from which it believes it can significantly increase the current resource.

Table 2: Luhala Resource

Ore Zone	Tonnes	Au (g/t)	Inferred Ounces
Kisunge Central Zone (Zone 1)	870,000	1.7	48,900
Kisunge Eastern Zone (Zone 2)	240,000	2.2	16,800
Kisunge Southern Zone (Zone 3)	120,000	1.7	6,300
Shilalo South Hill southern edge (Zone 4)	200,000	2.5	15,900
Shilalo West Hill western edge (Zone 5)	430,000	1.7	23,900
Total	1,860,000	1.9	111,900

Note: The Mineral Resource was estimated using cut-offs of > 0.7g/t Au within designated wireframes. Resource quoted for blocks > 1 g/t Au. Difference may occur due to rounding errors.

Table 3: Luhala Drilling July 2010, significant drill intersections

Hole No	Dip	Azimuth	From (m)	To (m)	*Interval (m)	**Gold (g/t)
LRC-132	-50	295	27	30	3	0.59
			48	53	5	0.81
			71	73	2	1.05
			74	76	2	2.03
LRC-134	-65	270	83	87	4	0.72
			63	71	8	2.99
LRC-135	-65	270	91	92	1	0.53
			96	97	1	0.67
LRC-136	-50	270	39	40	1	3.81
LRC-137	-50	270	66	69	3	2.54
LRC-138	-50	270	57	59	2	1.26
			70	72	2	2.02

Following these encouraging results, the Company plans additional drilling during 2011 to test down-dip and on-strike continuations of the gold mineralisation at the other mineralised zones on the project. Strong geochemical and geophysical targets adjacent to the known

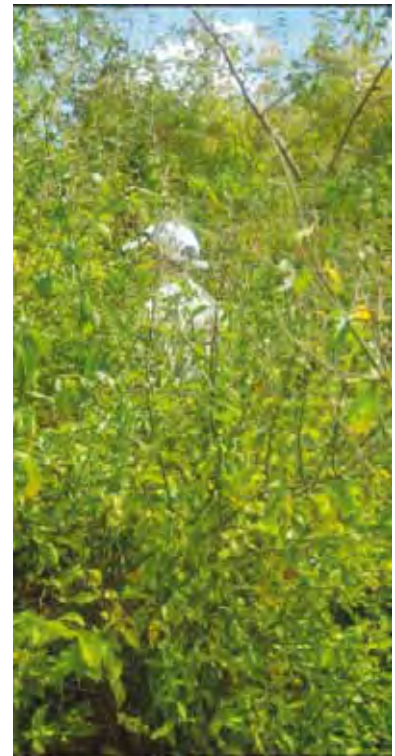
mineralised zones will also be considered for drill testing during 2011. It is anticipated, following this next drilling campaign, that there will be sufficient drill hole data to generate a new resource model resulting in an increase in the current resource of ~112,000 oz.



Luhala Core Store

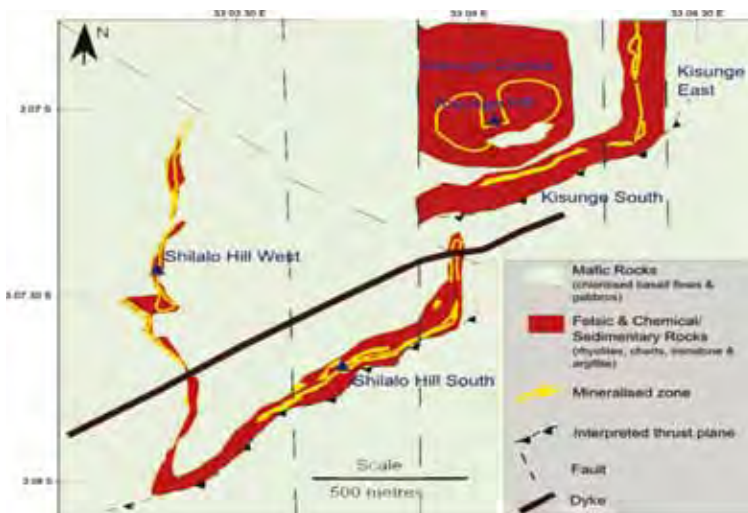


Luhala Drilling

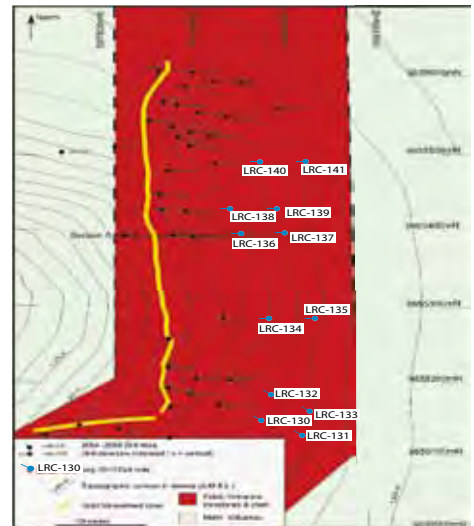


Prospecting Luhala

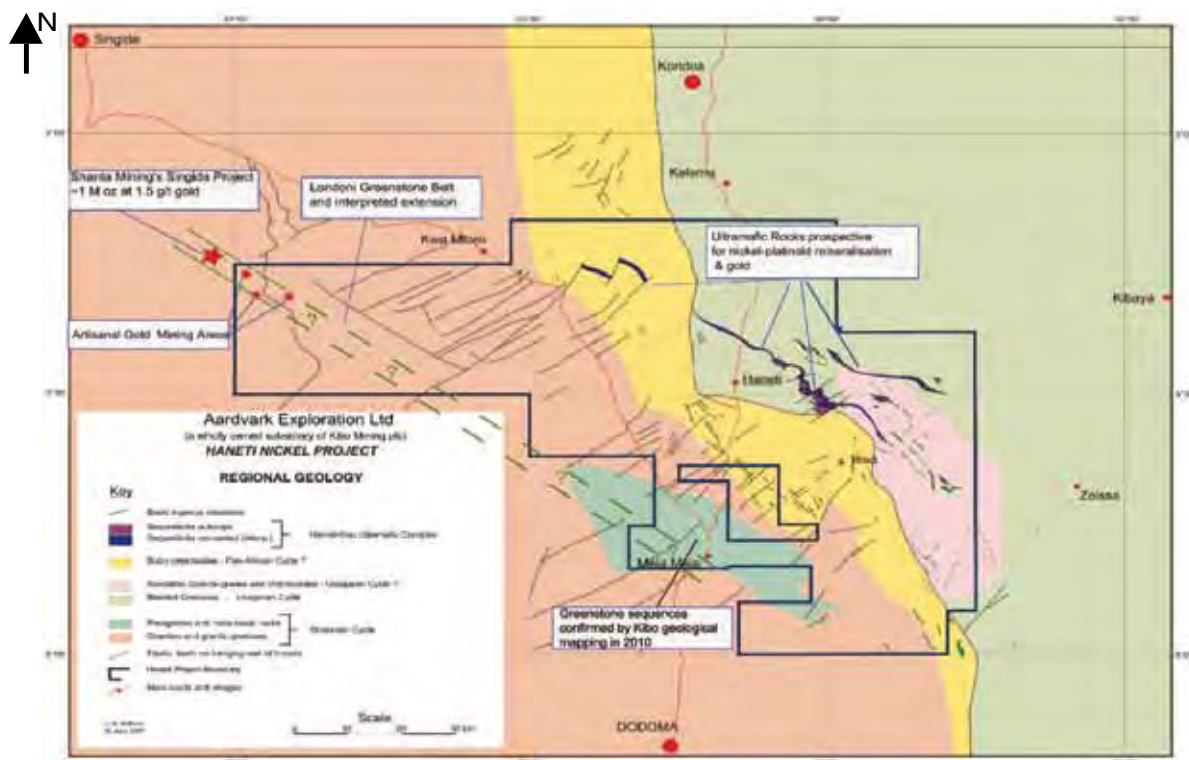
Luhala Project



Drilling at Kisungu Hill



Haneti Project Geology



Haneti Project

The Haneti project is a contiguous block covering an area of ~7,000 square kilometres. It is located just north of Dodoma in central Tanzania. The area has varied geology, prospective for both nickel- platinoid mineralisation and mesothermal vein-shear hosted gold mineralisation.

The project is bisected by a major contact zone separating Proterozoic rocks of the Usagaran System to the east and rocks of the Archaean Dodoman System to the west. In recent years a new greenstone belt, the Londoni Greenstone Belt, has been discovered on the western border of the Haneti block within the Dodoman System, southeast of the regional town of Singida. Shanta Mining plc have discovered new gold bearing quartz reefs on this Belt and have published a resource of ~ 1 M oz at 1.5 grams per tonne from drilling programmes carried out during 2008.

The Londoni Greenstone Belt continues southeastwards into the western part of the Haneti block where there is major artisanal gold mining activity. This activity has delayed completion of the issue of mineral licences to the Company from long standing offers from the Tanzanian Ministry of Energy and Minerals that have

been paid for and accepted. Kibo will continue to work with the Tanzanian authorities to resolve this problem and enable it to commence prospecting operations in these areas.

Recent geological mapping by the Company has confirmed occurrences of greenstone rocks much further to the southeast near the village of Meia Meia, (see graphic) where Kibo's mineral title is fully established. This suggests a continuation of the gold bearing Londoni Greenstone Belt further to the southeast from where it is currently known and where it appears to traverse the hitherto poorly explored southwest portion of the Haneti block. During 2011 the Company will focus on these extensions of the Londoni Greenstone Belt along the southwestern border of the project block. The recently identified greenstones in this area provide prospective targets for mesothermal vein / shear hosted type gold mineralisation similar to that being mined by artisanal miners in the extreme northwest of the project.

The target for nickel-platinoid mineralisation is an 80 kilometre long belt of ultramafic rocks, the Haneti-Itiso Ultramafic Complex and the results from Kibo's exploration



Sanato Hills, Haneti Project

work to date support excellent potential for the discovery of both primary nickel-platinoid mineralisation and lateritic nickel on this Complex. The Kabanga deposit in western Tanzania and the more recent Dutwa deposit discovery in northeastern Tanzania support the potential for discovery of large nickel deposits in the Country and both these deposits are currently the subject of feasibility studies.

Exploration work by Kibo during 2007 and 2008 established the prospectivity of the Haneti - Itiso Ultramafic Complex. Anomalous nickel, platinoid and gold values were obtained from soil and rock geochemistry and a number of areas were defined for follow up work. Exploration during 2010 concentrated on hill outcrops of the Complex east of Haneti Village (Haneti Hills) where targets at Mwaka Hill, Mihanza Hill and Kwahemu Hill were established. A multi-element geochemical anomaly at Mwaka Hill was trenched and sampled. Similarly at Mihanza, trenching and pit sampling were carried out. At Mihanza and Kwahemu Hill, in-fill soil sampling was undertaken over areas of anomalous gold-in-soils from previous surveys. Regional geological mapping and rock sampling distal from Haneti Hills over other areas of the licence block also commenced. At the time of writing, Kibo is awaiting the results from this recent field

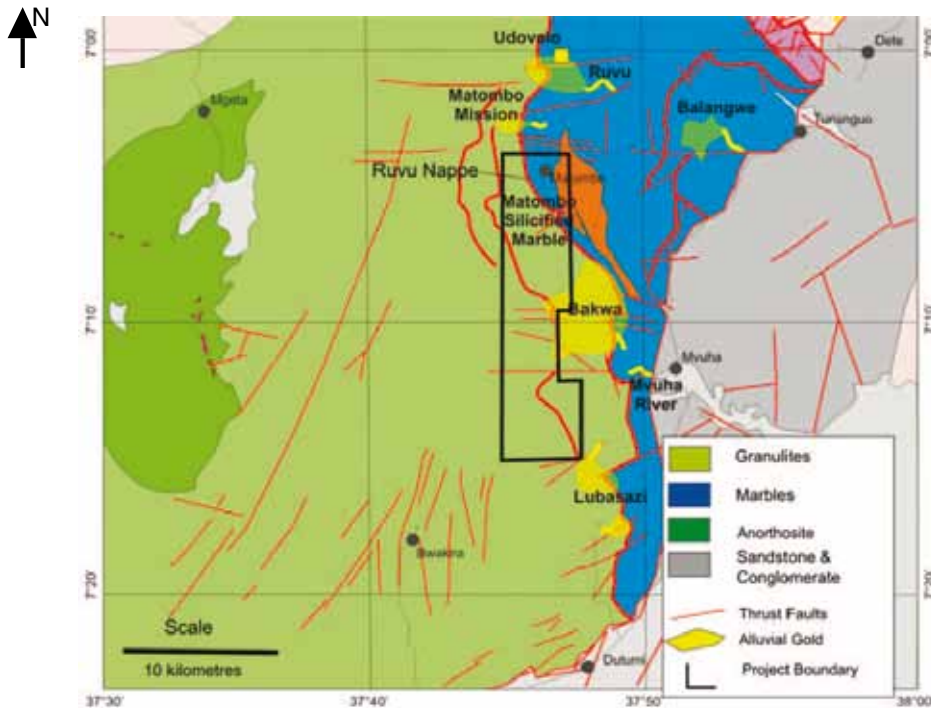


Haneti Village

programme and contingent on continuing encouraging results intends to follow-up with a drilling programme at Haneti Hills in early 2011.

This drilling will be undertaken at Haneti Hills to test anomalous soil and rock geochemical targets at Mwaka and Mihanza Hills and to acquire geological data to gain with a better understanding of the ultramafic rock sequence, the host to nickel and platinoid mineralisation in the area. Geological mapping, soil & rock sampling and geophysical surveys will be carried out over the remainder of the project block to establish additional drill targets. Discussions will continue with the Tanzanian Ministry of Energy officials on approaches to securing the Company's full mineral rights entitlement over the active artisanal areas in the northwestern area of the licence block.

Morogoro Geology



Morogoro

The Morogoro exploration block covers an area of 87 square kilometres and is located approximately 170 kilometres west of Dar es Salaam (Tanzania's commercial capital) and 30 kilometres south of the regional town of Morogoro. The project is held under option from a local Tanzanian company, Comuta Advertising Ltd, the terms of which allow Kibo earn a 90% interest in the mineral right (prospecting licence) in return for annual option payments and committed exploration expenditure over a 3 year period.

The Morogoro project is located in the Uluguru Mountains, an area of rugged terrain comprising Proterozoic age schists and marbles. The project was acquired following a regional geological reconnaissance survey of the Uluguru mountains by the Company in 2007 during which evidence of a hitherto unrecognised and unexplored gold mineralised district was discovered where artisanal alluvial and hard rock gold mining activity is wide spread. This survey identified a major northwest-southeast trending thrust fault system, the Ruvu nappe as being the probable source of the gold mineralisation in the region and the Morogoro project covers part of this regional structure.

A regional stream sediment sampling orientation survey is currently underway on the northern part of the Morogoro licence and the results from this will be used to design a more extensive follow up regional stream sediment survey. During 2010, the Company has also been in negotiation on a number of mineral rights adjacent to the Morogoro licence that cover areas along and adjacent to the Ruvu Nappe. The Company is confident of securing an interest in these areas over the next few months.

During 2011 the Company will continue its regional stream sediment sampling surveys covering both the current Morogoro prospecting licence and any adjacent ground that it may acquire. Anomalous gold-in-stream anomalies will be followed up with detailed mapping and prospecting surveys, soil sampling surveys and ground geophysics where appropriate. Robust targets emerging from these surveys will be drilled at the earliest opportunity.



Uluguru Mountains, Morogoro Project

PROGRAMME FOR 2011



Finalisation of development potential for Itetemia

Continued drilling at Luhala

Expansion of ground position in Tanzania to establish large ground holdings on quality exploration ground

Continued early stage exploration on expanded ground position



Report of DIRECTORS



The Directors present their annual report together with the audited financial statements for the year ended 30 September 2010 of Kibo Mining Plc ("the Company") and its subsidiaries (collectively "the Group").

This set of financial statements is for a twelve month period, the previous reporting period was for a six month period and as a result the amounts presented in the financial statements are not directly comparable.

Principal Activity

Kibo Mining Plc (the "Company") is a holding company which owns 100% of the share capital of Sloane Developments Limited, a UK registered company (together the "Group"). The primary activity of the Group is the acquisition, exploration and development of gold and other mineral resources in Tanzania.

Review of Business and Future Developments

The Group maintained its exploration ground holdings in Tanzania during the period and also investigated a number of new opportunities in gold and other mineral resources in a number of locations in Tanzania. The Group will advance the projects in its portfolio through direct exploration and through joint ventures. In addition the Group will pursue other projects in gold and other mineral resources.

The future plans for the Group are set out in the Chairman's Statement.

Principal Risks and Uncertainties

The realisation of exploration and evaluation assets is dependent on the discovery and successful development of economic ore reserves and is subject to a number of significant potential risks including:

- Price fluctuations;
- Foreign exchange risks;
- Uncertainties over development and operational costs;
- Political and legal risks, including arrangements with governments for licences, profit sharing and taxation;
- Currency exchange fluctuations and restrictions;

- Foreign investment risks including increases in taxes, royalties and renegotiation of contracts; and
- Liquidity risks.

In addition to the above there can be no assurance that 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 Group to raise additional financing, if necessary, or alternatively upon the company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying value of the Group's assets.

Results and Dividends

The result for the period after providing for depreciation and taxation amounted to a loss of £475,090 (30 September 2009 - Loss £41,255). The Company listed on AIM in April 2010, and the costs associated with this amounted to £280,000. The remaining expenditure related to general corporate expenses not directly attributable to the Group's mining concessions.

Costs attributable to furthering the Group's exploration assets amounted to £438,054 (6 months to 30 September 2009 £72,745), which have been capitalised within intangible fixed assets.

No dividends are proposed.

Post Balance Sheet Events

There have been no material post balance sheet events other than those disclosed in note 18 to the financial statements. Please refer to the Chairman's Statement for information on the Company's current and future developments.

Directors and Secretary

At the next Annual General Meeting to be held, in accordance with the Articles of Association, William Payne will be retiring by rotation, and Desmond Burke and Louis Coetzee will be retiring at their first general meeting after appointment, and all being eligible, offer themselves for re-election.

Directors Interests

The interests of the Directors and Secretary and their families who held office at the date of approval of the Annual Report and at 30 September 2010 in the share capital of the Company are as follows:

	Ordinary Shares		
	06/12/10	30/9/10	01/10/09
Directors			
Christian Schaffalitzky	25,336,976	25,336,976	22,336,976
Noel O'Keeffe	9,582,577	9,582,577	3,223,844
Richard Speir (resigned on 19/7/10)	17,057,893	17,057,893	17,564,693
Stephen Aherne (resigned on 19/7/10)	2,290,150	2,290,150	2,290,150
William Payne	666,667	666,667	-
Desmond Burke (appointed 19/7/10)	12,000,000	12,000,000	-
Louis Coetzee (appointed 19/7/10)	3,125,000	3,125,000	3,125,000
Secretary			
Noel O'Keeffe	9,582,577	9,582,577	3,223,844

Transactions Involving Directors

There have been no contracts or arrangements of significance during the period in which Directors of the Company were interested other than as disclosed in Note 17 to the financial statements.

Substantial Shareholdings

The Company has been informed that, in addition to the interests of the Directors, at 30 September 2010 and the date of this report, the following shareholders own 3% or more of the issued share capital of the Company:

	Percentage of issued share capital		
	06/12/10	30/09/10	01/10/09
Sunvest Corporation	12.12%	12.12%	17.2%
Richard Speir	6.72%	6.72%	11.01%
Sun Mining Limited	3.69%	3.69%	5.88%
African Eagle Resources	3.15%	3.15%	-

The Directors are not aware of any other holding of 3% or more of the share capital of the Company.

Subsidiary Undertakings

Details of the Company's subsidiaries are set out in Note 9 to the financial statements.

Political Donations

No political donations were made during the period (30 September 2009: 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 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.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Group and Company financial statements in accordance with applicable law and Regulations.

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 (IFRSs) as adopted by the European Union (EU IFRS) and have elected to prepare the Company financial statements in accordance with EU IFRS, as applied in accordance with the provisions of the Irish Companies Acts, 1963 to 2009 ('the Companies Acts').

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.

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 books of account 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 Acts, 1963 to 2009, 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.

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 five Directors, comprising one executive Director and four non-executive Directors. The Board met formally on twelve occasions during the year ended 30 September 2010. 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.

Audit Committee

The Audit Committee comprises William Payne and Christian Schaffalitzky. It may examine any matters relating to the financial affairs of the Group and the Group's audits. This includes reviews of the annual financial statements and announcements, internal control procedures, accounting procedures, accounting policies, the appointment, independence, objectivity, terms of reference and fees of external auditors and such other related functions as the Board may require.

Remuneration Committee

The Remuneration Committee comprises Christian Schaffalitzky, Desmond Burke and Louis Coetzee. It determines the terms and conditions of employment and annual remuneration of the

executive directors. It consults with the Managing Director, takes into consideration external data and comparative third party remuneration and has access to professional advice outside the Company.

The key policy objectives of the Remuneration Committee in respect of the Company's executive directors and other senior executives are:

- to ensure that individuals are fairly rewarded for their personal contribution to the Company's overall performance; and
- to act as the independent committee ensuring that due regard is given to the interest of the Company's shareholders and to the financial and commercial health of the Company.

Nominations Committee

The Nominations Committee comprises Christian Schaffalitzky, Noel O'Keeffe and William Payne and considers the selection and reappointment of directors. It will identify and nominate candidates to fill Board vacancies and review regularly the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the board with regard to any changes.

Books of account

The measures taken by the directors to ensure compliance with the requirements in Section 202 of the Companies Act 1990, 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 Sirius Centre, Northpoint, Tuam Road, Galway.

Auditors

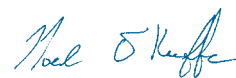
The auditors, LHM Casey McGrath, have indicated their willingness to continue in office in accordance with Section 160(2) of the Companies Act, 1963.

On behalf of the board



Christian Schaffalitzky
Director

Date: 6 December 2010



Noel O'Keeffe
Director



Independent AUDITORS REPORT



We have audited the Group and Company financial statements of Kibo Mining Plc for the year ended 30 September 2010 which comprise of the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Cash Flows, Company Statement of Cash Flows, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity and the related notes. These financial statements have been prepared under the accounting policies set out on pages 19 to 22.

This report is made solely to the Company's members as a body in accordance with Section 193 of the Companies Act, 1990. 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 the audit 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 or 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

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards as adopted by the European Union (IFRSs), are set out in the Statement of Directors' Responsibilities on page 15.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the Group financial statements give a true and fair view, in accordance with International Financial Reporting Standards as adopted by the European Union and are properly prepared in accordance with the Companies Acts 1963 to 2009. We also report to you whether in our opinion: proper books of account have been kept by the Company; whether at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the Company; and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the financial statements are

in agreement with the books of account.

We report to the shareholders if, in our opinion, any information specified by law regarding Directors' remuneration and Directors' transactions is not given and, where practicable, include such information in our report.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report and the Chairman's Statement and Review of Activities. We consider the implications for our audit report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's and Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the Group financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the Group's affairs as at 30 September 2010 and of its loss for the period then ended;

- the Company financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU and as applied in accordance with the provisions of the Companies Acts, 1963 to 2009, of the state of the Company's affairs as at 30 September 2010 ; and
- the financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2009.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Company. The company balance sheet is in agreement with the books of account.

In our opinion, the information given in the Directors' Report is consistent with the financial statements.

The net assets of the Company, as stated in the Company Statement of Financial Position on page 25, are more than half of the amount of its called up share capital and, in our opinion, on that basis there did not exist at 30 September 2010 a financial situation which under Section 40(1) of the Companies (Amendment) Act, 1983, may require the convening of an extraordinary meeting of the Company.

Emphasis of Matter - Realisation of Assets

Without qualifying our opinion, we draw your attention to notes 8, 9, and 11 to the financial statements concerning the valuation of intangible assets, investments in subsidiaries and amounts due from group undertakings. The realisation of intangible assets of £4,266,063 (30 September 2009 : £3,828,009), investments in subsidiaries £2,626,511 (30 September 2009: £ 2,618,079) and amounts due from group undertakings of £2,300,422 (30 September 2009 : £1,606,833) included in the Company Statement of Financial Position is dependent on the discovery and successful development of economic reserves including the ability of the Group to raise sufficient finance to develop the projects.

LHM Casey McGrath

Chartered Certified Accountants
& Registered Auditors
6 Northbrook Road
Dublin 6, Ireland

6 December 2010



Statement of ACCOUNTING POLICIES



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”). From the 27th April 2010 the company’s shares are listed on the AIM Market. The principal activities of the company and its subsidiaries are related to the exploration for and development of gold and other minerals in Tanzania.

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

Statement of Compliance

As permitted by the European Union, the Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) 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, 1963 to 2009 which permits a company, that publishes its company and group financial statements together, to take advantage of the exemption in Section 148(8) of the Companies Act, 1963, from presenting to its members its company Income Statement and related notes that form part of the approved company financial statements.

The IFRSs 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 30 September 2010.

Standards and amendments to existing standards effective 1 January 2009

The following standards, amendments and interpretations, which became effective in 2009, are of relevance to the Group:

Standard /interpretation	Content	Applicable for years beginning on/after
IAS 1	Presentation of financial statements	1 January 09
IFRS 7	Amendment: Improving disclosures about financial instruments	1 January 09
IFRS 8	Operating segments	1 January 09

Adoption of IAS 1, ‘Presentation of financial statements’

A revised version of IAS 1 was issued in September 2007. The revised standard prohibits the presentation of items of income and expenses (that is, ‘non-owner changes in equity’) in the statement of changes in equity, requiring ‘non-owner changes in equity’ to be presented separately from owner changes in equity in a statement of comprehensive income. As a result, the Group presents in the consolidated statement of changes in equity all owner changes in equity; all non-owner changes in equity are presented in the consolidated statement of comprehensive income. The adoption of this revised standard impacts only presentation aspects; therefore, it has no impact on profit or earnings per share.

Adoption of Amendment to IFRS 7, ‘Improving disclosures about financial instruments’

The IASB published amendments to IFRS 7 in March 2009. The amendment requires enhanced disclosures about fair value measurements and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a three-level fair value measurement hierarchy. In addition to that, the amendment clarifies that the maturity analysis of liabilities should include issued financial guarantee contracts at the maximum amount of the guarantee in the earliest period in which the guarantee could be called; and secondly requires disclosure of remaining contractual maturities of financial derivatives if the contractual maturities are essential for an understanding of the timing of the cash flows. The entity has to disclose a maturity analysis of financial assets it holds for managing liquidity risk, if that information is necessary to enable users of its financial statements to evaluate the nature and extent of liquidity risk. The adoption of the amendment results in additional disclosures but does not have an impact on profit or earnings per share.

Adoption of IFRS 8, ‘Operating segments’

IFRS 8 replaces IAS 14, ‘Segment reporting’, and is effective for annual periods beginning on or after 1 January 2009. The new standard requires a ‘management approach’, under which segment information is presented on a similar basis to that used for internal reporting purposes. The effects of adoption by the Group are disclosed in note 1.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group.

Standard/interpretation	Content	Applicable for years beginning on/after
IFRS 9	Financial instruments: Classification and measurement	1 January 2011
IAS 24*	Related party disclosures	1 January 2011
IAS 32*	Classification of rights issues	1 February 2010
IAS 39*	Financial instruments: Recognition and measurement – Eligible hedged items	1 July 2009
IFRS 1*	First-time adoption of International Financial Reporting Standards	1 July 2009
Amendment: IFRS 1*	Additional exemptions for first-time adopters	1 January 2010
Amendment: IFRS 2*	Group cash-settled share-based payment transactions	1 January 2010
IAS 27*	Consolidated and separate financial statements	1 July 2009
IFRIC 17*	Distribution of non-cash assets to owners	1 July 2009
IFRIC 18*	Transfers of assets from customers	1 July 2009
IFRS 7	Transfer of financial assets	1 July 2011
IFRS 19	Financial liabilities and equity instruments	1 July 2010
IAS 7*	Statement of cash flows	1 January 2010
IAS 17*	Leases	1 January 2010
IFRS 3*	Business combinations	1 July 2010
IAS 27*	Consolidated and separate financial statements	1 July 2010

*Not expected to be relevant to the Group.

IFRS 9, 'Financial instruments: Classification and measurement' In November 2009, the Board issued the first part of IFRS 9 relating to the classification and measurement of financial assets. IFRS 9 will ultimately replace IAS 39. The standard requires an entity to classify its financial assets on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, and subsequently measures the financial assets as either at amortised cost or fair value. The new standard is mandatory for annual periods beginning on or after 1 January 2013.

Improvements to IFRS (issued in April 2009) The improvements project contains numerous amendments to IFRS that the IASB considers non-urgent but necessary. 'Improvements to IFRS' comprise amendments that result in accounting changes for presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS standards. Most of the amendments are effective for annual periods beginning on or after 1 January 2010 respectively, with earlier application permitted. No material changes to accounting policies are expected as a result of these amendments.

In 2010, the Group did not early adopt any new or amended standards and do not plan to early adopt any of the standards issued but not yet effective.

Basis of Preparation

The Group and Company financial statements are prepared on the historical cost basis, except for available-for-sale assets, which are carried at fair value. The accounting policies have been applied consistently by Group entities.

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:

- Measurement of the recoverable amounts of intangible assets
- Utilisation of tax losses

Revenue Recognition - Interest Revenue

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 30 September 2010.

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. 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.

Exploration & Evaluation Assets

In accordance with International Financial Reporting Standard 6 - Exploration for and Evaluation of Mineral Resources, the Group uses the cost method of recognition. Exploration costs include licence costs, survey, geophysical and geological analysis and evaluation costs, costs of drilling and project-related overheads.

Exploration expenditure in respect of properties and licences not in production is deferred and is carried forward in the balance sheet under intangible assets in respect of each area of interest where:-

- (i) the operations are ongoing in the area of interest and exploration or evaluation activities have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves; or
- (ii) such costs are expected to be recouped through successful development and exploration of the area of interest or alternatively by its realisation.

When the Directors decide that no further expenditure on an area of interest is worthwhile, the related expenditure is written off or down to an amount which it is considered representative of the residual value of the Group's interest therein.

Impairment

The carrying amounts of the Group's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that is expected to generate cash flows that largely are independent from other assets and groups. Impairment losses

are recognised in the Income Statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Research and development

Research expenditure is written off to the Statement of Comprehensive Income in the year in which it is incurred.

Property, Plant and Equipment

Property, Plant and Equipment are stated at cost or valuation, less accumulated depreciation. 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

The residual value and useful lives of the property, plant and equipment are reviewed annually and adjusted if appropriate at each balance sheet date.

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.

Taxation

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 a 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.

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 balance sheet presented are presented at the closing rate at the date of that balance sheet. Non-monetary items are measured at the exchange rate in effect at the historical transaction date and are not translated at each balance sheet 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.

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 *Cash and Cash Equivalents*

Cash and Cash Equivalents in the Balance Sheet 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 cashflows.

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.

Share based payments

For such grants of share options, 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.

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 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 Capital

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

Consolidated Statement of Comprehensive Income



for the year ended 30 September 2010

Continuing Operations	Notes	1 October 2009 to 30 September 2010 £	1 April 2009 to 30 September 2009 £
Administrative expenses		(478,047)	(57,511)
Write back / (down) of exploration projects		-	14,876
Finance Revenue	3	2,957	1,380
		<hr/>	<hr/>
Loss for the year before tax		(475,090)	(41,255)
Income tax expense	6	-	-
		<hr/>	<hr/>
Loss for the year from continuing operations		(475,090)	(41,255)
Other Comprehensive Income			
Exchange differences on translating foreign operations		(3,296)	(16,206)
		<hr/>	<hr/>
Total Comprehensive Income for the year		(478,386)	(57,461)
		<hr/>	<hr/>
Loss attributable to:			
Owners of the Company		(475,090)	(41,255)
		<hr/>	<hr/>
		(475,090)	(41,255)
		<hr/>	<hr/>
Total Comprehensive Income attributable to:			
Owners of the Company		(478,386)	(57,461)
		<hr/>	<hr/>
		(478,386)	(57,461)
		<hr/>	<hr/>
Earnings per share from continuing operations			
Basic and Diluted loss per share	7	(0.23)	(0.03)
		<hr/>	<hr/>

The accompanying notes on pages 29 to 40 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 6 December 2010 and signed on its behalf by:


Christian Schaffalitzky
 Director
 Date: 6 December 2010


Noel O'Keefe
 Director

Consolidated Statement of Financial Position

as at 30 September 2010



Assets	Notes	30 September 2010 £	30 September 2009 £
Non-Current Assets			
Intangible assets	8	4,266,063	3,828,009
Property, Plant and Equipment	10	1,306	1,419
Total Non-Current Assets		4,267,369	3,829,428
Current Assets			
Trade and other receivables	11	22,981	2,059
Cash and cash equivalents	12	421,359	66,500
Total Current Assets		444,340	68,559
Total Assets		4,711,709	3,897,987
Equity and Liabilities			
Capital and Reserves			
Called up share capital	14	2,132,295	1,282,767
Share premium account	14	3,533,115	2,983,803
Share options	14	32,250	-
Foreign currency translation reserve	16	(10,508)	(7,212)
Retained Loss	15	(1,063,118)	(588,028)
Equity Attributable to owners of the Company		4,624,034	3,671,330
Liabilities			
Current Liabilities			
Trade and other payables	13	85,575	224,579
Current tax liabilities	13	2,100	2,078
Total Liabilities		87,675	226,657
Total Equity and Liabilities		4,711,709	3,897,987

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Christian Schaffalitzky
Director

Date: 6 December 2010

Noel O'Keeffe
Director

Company Statement of Financial Position

as at 30 September 2010



Assets	Notes	30 September 2010	30 September 2009
		£	£
Non-Current Assets			
Financial assets	9	2,626,511	2,618,079
		<hr/>	<hr/>
Total Non-Current Assets		2,626,511	2,618,079
		<hr/>	<hr/>
Current Assets			
Trade and other receivables	11	2,313,743	1,606,833
Cash and cash equivalents	12	235,521	35,798
		<hr/>	<hr/>
Total Current Assets		2,549,264	1,642,631
		<hr/>	<hr/>
Total Assets		5,175,775	4,260,710
		<hr/>	<hr/>
Equity and Liabilities			
Capital and Reserves			
Called up share capital	14	2,132,295	1,282,767
Share premium account	14	3,533,115	2,983,803
Share options	14	32,250	-
Other reserves		(9,255)	(8,310)
Retained Loss	15	(572,930)	(154,276)
		<hr/>	<hr/>
Equity Attributable to the owners of the Company		5,115,475	4,103,984
		<hr/>	<hr/>
Current Liabilities			
Trade and other payables	13	58,200	154,649
Current tax liabilities	13	2,100	2,077
		<hr/>	<hr/>
Total Liabilities	13	60,300	156,726
		<hr/>	<hr/>
Total Equity and Liabilities		5,175,775	4,260,710
		<hr/>	<hr/>

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Christian Schaffalitzky
Director
Date: 6 December 2010

Noel O'Keeffe
Director

Consolidated Statement of Cash Flows



for the year ended 30 September 2010

	Notes	1 October 2009 to 30 September 2010 £	1 April 2009 to 30 September 2009 £
Cash flows from operating activities			
Loss for the year before taxation		(475,090)	(41,255)
Adjustments for:			
Foreign exchange (loss) / gain		(3,296)	(16,329)
Depreciation		426	1,449
Investment revenue		(2,957)	(1,380)
Share based payments		32,250	-
		<u>(448,667)</u>	<u>(57,515)</u>
Movement in working capital			
(Increase) / Decrease in debtors		(20,922)	594
(Decrease) / Increase in creditors		(138,982)	(167,327)
		<u>(608,571)</u>	<u>(224,248)</u>
Cash used by operations			
		<u>(608,571)</u>	<u>(224,248)</u>
Net cash used in operating activities			
		<u>(608,571)</u>	<u>(224,248)</u>
Cash flows from financing activities			
Proceeds of issue of share capital		1,398,840	-
		<u>1,398,840</u>	<u>-</u>
Cashflows from investing activities			
Expenditure on exploration activities		(438,054)	(72,745)
Purchase of property, plant and equipment		(313)	-
Interest received		2,957	1,380
		<u>(435,410)</u>	<u>(71,365)</u>
Net cash from investing activities			
		<u>(435,410)</u>	<u>(71,365)</u>
Net Increase in Cash and Cash Equivalents			
Cash and Cash Equivalents at beginning of year	12	66,500	362,113
		<u>66,500</u>	<u>362,113</u>
Cash and Cash Equivalents at end of year			
	12	421,359	66,500
		<u>421,359</u>	<u>66,500</u>

The accompanying notes on pages 29 to 40 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 6 December 2010 and signed on its behalf by:

Christian Schaffalitzky
Director
Date: 6 December 2010

Noel O'Keefe
Director

Company Statement of Cash Flows



for the year ended 30 September 2010

	Notes	1 October 2009 to 30 September 2010 £	1 April 2009 to 30 September 2009 £
Cash flows from operating activities			
Loss for the year before taxation		(418,654)	(23,076)
Foreign currency translation reserve		(945)	(12,817)
Investment revenue		(2,930)	(1,367)
Share based payments		32,250	-
		<u>(390,279)</u>	<u>(37,260)</u>
Movement in working capital			
(Increase) in debtors		(706,910)	(318,255)
(Decrease) / Increase in creditors		(96,426)	146,826
		<u>(1,193,615)</u>	<u>(208,689)</u>
Cash flows from financing activities			
Proceeds of issue of share capital		1,398,840	-
Cashflows from investing activities			
Cost of Investment in subsidiary		(8,432)	-
Interest received		2,930	1,367
		<u>(5,502)</u>	<u>1,367</u>
Net cash (used in)/ generated by investing activities			
		<u>(5,502)</u>	<u>1,367</u>
Net Increase/(Decrease) in Cash and Cash Equivalents			
Cash and Cash Equivalents at beginning of year	12	35,798	243,120
		<u>235,521</u>	<u>35,798</u>
Cash and Cash Equivalents at end of year	12	<u>235,521</u>	<u>35,798</u>

The accompanying notes on pages 29 to 40 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 6 December 2010 and signed on its behalf by:

Christian Schaffalitzky
Director
Date: 6 December 2010

Noel O'Keeffe
Director

Consolidated Statement of Changes in Equity

for the year ended 30 September 2010



	Share Capital £	Share Premium £	Share based payment Reserve £	Foreign Exchange Reserve £	Retained Losses £	Total £
Balance at 1 April 2009	1,282,767	2,983,803	-	8,994	(546,771)	3,728,793
Loss for the period	-	-	-	-	(41,257)	(41,257)
Other comprehensive income – exchange differences on translating foreign operations	-	-	-	(16,206)	-	(16,206)
Balance at 30 September 2009	1,282,767	2,983,803	-	(7,212)	(588,028)	3,671,330
Balance at 1 October 2009	1,282,767	2,983,803	-	(7,212)	(588,028)	3,671,330
Loss for the year	-	-	-	-	(475,090)	(475,090)
Other comprehensive income – exchange differences on translating foreign operations	-	-	-	(3,296)	-	(3,296)
Proceeds of share issue	849,528	549,312	-	-	-	1,398,840
Share based payments	-	-	32,250	-	-	32,250
Balance at 30 September 2010	2,132,295	3,533,115	32,250	(10,508)	(1,063,118)	4,642,034

Company Statement of Changes in Equity

for the year ended 30 September 2010



	Share Capital £	Share Premium £	Share based payment Reserve £	Foreign Exchange Reserve £	Retained Losses £	Total £
Balance at 1 April 2009	1,282,767	2,983,803	-	4,505	(131,200)	4,139,875
Loss for the period	-	-	-	-	(23,076)	(23,076)
Other comprehensive income – exchange differences on translating foreign operations	-	-	-	(12,815)	-	(12,815)
Balance at 30 September 2009	1,282,767	2,983,803	-	(8,310)	(154,276)	4,103,984
Balance at 1 October 2009	1,282,767	2,983,803	-	(8,310)	(154,276)	4,103,984
Loss for the year	-	-	-	-	(418,654)	(418,654)
Other comprehensive income – exchange differences on translating foreign operations	-	-	-	(945)	-	(945)
Proceeds of share issue	849,528	549,312	-	-	-	1,398,840
Share based payments	-	-	32,250	-	-	32,250
Balance at 30 September 2010	2,132,295	3,533,115	32,250	(9,255)	(572,930)	5,115,475

The accompanying notes on pages 29 to 40 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on the 6 December 2010 and signed on its behalf by:

Christian Schaffalitzky

Director

Date: 6 December 2010

Noel O'Keefe

Director

Notes to the Consolidated Financial Statements



for the year ended 30 September 2010

1. Segmented Information

Segment Review and Results

The following is an analysis of the Group's reportable segments as presented below:

	Segment Revenue		Segment Loss	
	30/09/10	30/9/09	30/9/10	30/09/09
	£	£	£	£
Exploration – Tanzania	-	-	(478,047)	(42,635)
<hr/>				
Total for continuing operations	-	-	(478,047)	(42,635)
<hr/>				
Investment revenue			2,957	1,380
Loss before tax (continuing operations)			(475,090)	(41,255)

Segment assets and liabilities

Segment Assets

	30 September 2010	30 September 2009
	£	£
Exploration - Tanzania	4,711,709	3,897,987
Consolidated assets	4,711,709	3,897,987

Segment Liabilities

Exploration - Tanzania	87,675	226,657
Consolidated liabilities	87,675	226,657

Other segment information

	Depreciation and amortisation		Additions to non-current assets	
	30/09/10	30/9/09	30/9/10	30/09/09
	£	£	£	£
Exploration – Tanzania	426	1,450	438,054	72,745

Revenue from major products and services

The only revenue that the Group received during the year related to bank interest, which has been allocated to Tanzania.

Notes to the Consolidated Financial Statements



for the year ended 30 September 2010

1. Segmented Information - continued

Geographical information

The Group operates in three principal geographical areas - Ireland (Country of residence of Kibo Mining Plc), United Kingdom (Country of residence of Sloane Developments Limited) and Tanzania (Country of residence of Eagle Gold Mining Limited and Aardvark Exploration Limited).

The Group does not have revenue from external customers. Information about its non-current assets by geographical location are detailed below:

	30 September 2010 £	30 September 2009 £
Tanzania	4,267,369	3,829,428
	<hr/>	<hr/>

	1 October 2009 to 30 September 2010 £	1 April 2009 to 30 September 2009 £
Operating loss is stated after charging:		
Depreciation of property, plant and equipment	426	1,450
Auditors' remuneration	17,500	22,434
Admission expenses to AIM	280,000	-
Share based payments	32,250	-
	<hr/>	<hr/>
and after crediting:		
Profit / (loss) on foreign currencies	(12,667)	24,314
	<hr/>	<hr/>

As permitted by Section 148 (8) of the Companies Act 1963, the Income Statement of the Company has not been separately disclosed in these financial statements.

	1 October 2009 to 30 September 2010 £	1 April 2009 to 30 September 2009 £
Interest Revenue:		
Bank deposits	2,957	1,380
	<hr/>	<hr/>

Notes to the Consolidated Financial Statements



for the year ended 30 September 2010

4. Employees

1 October 2009 to
30 September 2010

1 April 2009 to
30 September 2009

Number of employees

The average monthly numbers of employees (including the Directors) during the year were:

	Number	Number
Exploration Activities	5	4
Administration	6	3
	<hr/>	<hr/>
	11	7
	<hr/>	<hr/>

Employment costs

	£	£
Wages and salaries (including directors)	79,745	36,490
	<hr/>	<hr/>

5. Directors' emoluments

1 October 2009 to
30 September 2010

1 April 2009 to
30 September 2009

	£	£
Remuneration and other emoluments	38,846	27,328
	<hr/>	<hr/>

Directors remuneration of £29,598 (30 September 2009: £15,996) was capitalised within exploration and evaluation assets.

Notes to the Consolidated Financial Statements



for the year ended 30 September 2010

6. Income Taxes

	1 October 2009 to 30 September 2010 £	1 April 2009 to 30 September 2009 £
Current tax		
Charge for the year	-	-
Total tax charge	<u>-</u>	<u>-</u>

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax of 21% to the loss before tax is as follows:

	1 October 2009 to 30 September 2010 £	1 April 2009 to 30 September 2009 £
Loss from continuing operations	(475,090)	(41,255)
Income tax expense calculated at 21% (2009: 21%)	(99,769)	(8,664)
<i>Effects of:</i>		
Expenses that are not deductible in determining taxable profits	40,651	435
Different tax rates of subsidiaries operating in other jurisdictions	29,350	4,038
Investment Income taxable at a different rate	374	342
Losses utilised	-	(6,453)
Unused tax losses not recognised as deferred tax assets	-	10,302
Losses available for carry forward	29,394	-
Income tax expense recognised in the profit or loss	<u>-</u>	<u>-</u>

The tax rate used for the September 2010 and 2009 reconciliations above is the corporate rate of 21% payable by small corporate entities in the United Kingdom on taxable profits under tax law in that jurisdiction.

At the balance sheet date, the Group had unused tax losses of £963,847 (30 September 2009: £794,390) available for offset against future profits which equates to a deferred tax asset of £202,609 (30 September 2009: £173,215). No deferred tax asset has been recognised due to the unpredictability of the future profit streams. Losses may be carried forward indefinitely.

Notes to the Consolidated Financial Statements



for the year ended 30 September 2010

7. Loss per share

Basic earnings per share

The basic and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	1 October 2009 to 30 September 2010	1 April 2009 to 30 September 2009
	£	£
Loss for the year attributable to equity holders of the parent	(475,090)	(41,255)
Weighted average number of ordinary shares for the purposes of basic earnings per share	210,675,850	159,477,696
Basic loss per ordinary share	(0.23)	(0.03)

Diluted earnings per share

There is no dilutive effect of share options or warrants on the basic loss per share.

8. Intangible assets – Group

	30 September 2010	30 September 2009	31 March 2009
	£	£	£
Cost	4,266,063	3,828,009	3,755,264
Accumulated amortisation and impairment	-	-	-
	4,266,063	3,828,009	3,755,264

Exploration and Evaluation Assets	30 September 2010	30 September 2009	31 March 2009
	£	£	£
Cost			
At beginning of year	3,828,009	3,755,264	-
Acquisitions of business entities	-	-	3,023,509
Additions	438,054	72,745	731,755
At end of year	4,266,063	3,828,009	3,755,264

Expenditure on exploration and evaluation activities is deferred on areas of interest until a reasonable assessment can be determined of the existence or otherwise of economically recoverable reserves. No amortisation has been charged in the period. The Directors have reviewed the carrying value of the exploration and evaluation assets and consider them to be fairly stated and not impaired at 30 September 2010. The recoverability of the intangible assets is dependent on the future realisation or disposal of the gold and other mineral resources.

In order to retain its interest in certain prospecting licences, the Group is required to make option payments over the next three years of US \$1.06 million, and incur exploration and capital expenditure sufficient to commence commercial production before January 2013, and on one other licence area incur further exploration expenditure of \$220,000 before October 2011.

Notes to the Consolidated Financial Statements



for the year ended 30 September 2010

9. Financial assets – Company

	Subsidiary Undertakings Shares £	Total £
Cost		
At 1 April 2009	2,618,079	2,618,079
Additions	-	-
	-----	-----
At 30 September 2009	2,618,079	2,618,079
	-----	-----
At 1 October 2009	2,618,079	2,618,079
Additions	8,432	8,432
	-----	-----
At 30 September 2010	2,626,511	2,626,511
	-----	-----
Net book values		
At 30 September 2010	2,626,511	2,626,511
	-----	-----
At 30 September 2009	2,618,079	2,618,079
	-----	-----

At 30 September 2010 the Company had the following subsidiary undertakings:

Subsidiary	Activity	Incorporated in	Proportion of ownership interest and voting power held	
			2010	2009
Sloane Developments Limited	Holding Company	England	100%	99.7%
Sub-Subsidiaries				
Aardvark Exploration Limited	Gold and Other Mineral Exploration	Tanzania	100%	99.7%
Eagle Gold Mining Limited	Gold exploration	Tanzania	100%	99.7%

During the year Kibo Mining Plc acquired the remaining 0.3% of the share capital of Sloane Developments Limited. The results for the year have not been allocated between the equity holders of the parent and the non-controlling interests, as the parent had effective control for the year.

The value of the investments is dependent on the discovery and successful development of evaluation and exploration assets, as set out in Note 8. 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. No impairment has been recognised to date in respect of the above investments.

Notes to the Consolidated Financial Statements



for the year ended 30 September 2010

10. Property, Plant and Equipment – Group

	30 September 2010 £	30 September 2009 £	31 March 2009 £
Cost or Valuation	9,302	8,989	8,867
Accumulated depreciation and impairment	(7,996)	(7,570)	(6,120)
	<hr/>	<hr/>	<hr/>
Net book value	1,306	1,419	2,747
	<hr/>	<hr/>	<hr/>
		Office Equipment £	Total £
Cost or Valuation			
At 1 April 2009		8,867	8,867
Additions		122	122
		<hr/>	<hr/>
At 30 September 2009		8,989	8,989
		<hr/>	<hr/>
At 1 October 2009		8,989	8,989
Additions		313	313
		<hr/>	<hr/>
At 30 September 2010		9,302	9,302
		<hr/>	<hr/>
Accumulated Depreciation and Impairment			
At 1 April 2009		6,120	6,120
Depreciation expense		1,450	1,450
		<hr/>	<hr/>
At 30 September 2009		7,570	7,570
		<hr/>	<hr/>
At 1 October 2009		7,570	7,570
Depreciation expense		426	426
		<hr/>	<hr/>
At 30 September 2010		7,996	7,996
		<hr/>	<hr/>

Notes to the Consolidated Financial Statements



for the year ended 30 September 2010

11. Trade and other receivables	Group 30 Sept 2010 £	Group 30 Sept 2009 £	Company 30 Sept 2010 £	Company 30 Sept 2009 £
<i>Amounts falling due within one year:</i>				
Amounts owed by group undertakings	-	-	2,300,422	1,606,833
Other debtors	22,981	2,059	13,321	-
	<hr/> 22,981 <hr/>	<hr/> 2,059 <hr/>	<hr/> 2,313,743 <hr/>	<hr/> 1,606,833 <hr/>

12. Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	Group 30 Sept 2010 £	Group 30 Sept 2009 £	Company 30 Sept 2010 £	Company 30 Sept 2009 £
Cash at bank	421,042	63,156	235,521	35,798
Petty cash	317	3,344	-	-
	<hr/> 421,359 <hr/>	<hr/> 66,500 <hr/>	<hr/> 235,521 <hr/>	<hr/> 35,798 <hr/>

Notes to the Consolidated Financial Statements



for the year ended 30 September 2010

13. Trade and other payables	Group 30 Sept 2010	Group 30 Sept 2009	Company 30 Sept 2010	Company 30 Sept 2009
	£	£	£	£
Trade payables	24,160	141,215	14,010	125,604
Other taxes and social welfare costs	2,100	2,078	2,100	2,077
Directors' accounts	-	37,766	-	604
Other creditors	2,378	5,856	2,378	5,698
Accruals and deferred income	59,037	39,742	41,812	22,743
	<u>87,675</u>	<u>226,657</u>	<u>60,300</u>	<u>156,726</u>

Other taxes and social welfare costs:

	Group 30 Sept 2010	Group 30 Sept 2009	Company 30 Sept 2010	Company 30 Sept 2009
	£	£	£	£
P.A.Y.E./P.R.S.I.	2,100	2,078	2,100	2,077
	<u>2,100</u>	<u>2,078</u>	<u>2,100</u>	<u>2,077</u>

14. Share capital - Group and Company

Fully paid ordinary shares

	Number of shares	Share Capital £	Share Premium £
Balance at 31 March 2009	159,477,696	1,282,767	2,983,803
Balance at 30 September 2009	159,477,696	1,282,767	2,983,803
Shares issued in year (net of expenses):			
Issued for acquisition of remaining shares in Sloane Developments Limited	300,000	2,665	5,767
Issued for cash	83,654,978	752,477	480,533
Issued for settlement of director's loan account	2,493,200	22,426	14,972
Issued for settlement of liability under Option Agreement	8,000,000	71,960	48,040
Balance at 30 September 2010	<u>253,925,874</u>	<u>2,132,295</u>	<u>3,533,115</u>

Fully paid ordinary shares, which have a par value of €0.01, carry one vote and carry a right to dividends.

Notes to the Consolidated Financial Statements



for the year ended 30 September 2010

14. Share capital - Group and Company - continued

Potential issue of ordinary shares

Share options and warrants

At 30 September 2010 the company had 2,539,258 options and 3,039,258 warrants outstanding for the issue of ordinary shares as follows:

Options Date of Grant	Exercisable From	Exercisable To	Exercise Price	Number Granted	Number at 30 September 2010
20 April 2010	20 April 2010	20 April 2015	1.5p	2,539,258	2,539,258
Total				2,539,258	2,539,258
Warrants					
20 April 2010	20 April 2010	20 April 2015	1.5p	2,539,258	2,539,258
20 April 2010	20 April 2010	20 April 2015	1.5p	500,000	500,000
Total				3,039,258	3,039,258
Total Contingently Issuable shares				5,578,516	5,578,516

Costs associated with options issued during the period.

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

	1 October 2009 to 30 September 2010	1 April 2009 to 30 September 2009
	£	£
Share based payments	32,250	-
	—	—

Options issued during the year have been valued using the following inputs to the Black-Scholes model:

	1 October 2009 to 30 September 2010	1 April 2009 to 30 September 2009
Share price when options issued	1.5p	-
Expected volatility	125%	-
Expected life	5 years	-
Risk free rate	2.75%	-
Expected dividends	Zero	-
	—	—

Notes to the Consolidated Financial Statements

for the year ended 30 September 2010



15. Retained Losses

	Group 1 October 2009 to 30 September 2010 £	Group 1 April 2009 to 30 September 2009 £	Company 1 October 2009 to 30 September 2010 £	Company 1 April 2009 to 30 September 2009 £
Deficit at beginning of year	(588,028)	(546,771)	(154,276)	(131,200)
Loss for the year/period	(475,090)	(41,255)	(418,654)	(23,076)
Deficit at end of year	(1,063,118)	(588,026)	(572,930)	(154,276)

In accordance with the provisions of the Companies (Amendment) Act 1986, the Company has not presented an Income Statement. A loss for the year of £418,654 has been dealt with in the Statement of Comprehensive Income of the Company.

16. Group Foreign Exchange Reserves

	30 September 2010 £	30 September 2009 £	31 March 2009 £
Foreign currency translation	(10,508)	(7,212)	8,994
Balance at beginning of the year	(7,212)	8,994	-
Exchange differences arising on translating the net assets of foreign operations	(3,296)	(16,206)	8,994
Balance at end of year	(10,508)	(7,212)	8,994

17. Related party transactions

Details of subsidiary undertakings are shown in note 9. In accordance with International Accounting Standard 24 - Related Party Disclosures, transactions between group entities that have been eliminated on consolidation are not disclosed. Details of transactions between the Group and the related parties are disclosed below.

Richard Speir

At the beginning of the year Richard Speir, a former director, was owed £37,398 by Sloane Developments Limited (March 2009 £37,398). This was settled by the issue of 2,493,200 ordinary shares at an issue price of £0.015. At the year end he was also owed £3,000 for consultancy services supplied to the Group.

Wilkins Kennedy

William Payne is a director of Kibo Mining Plc, and is also a partner in a firm of chartered accountants, Wilkins Kennedy. That firm charged the Kibo Group £35,500 during the year for accountancy, taxation and directorial services.

18. Post Balance Sheet events

Subsequent to the year end the Company raised £250,000 by the issue of 12,500,000 new ordinary shares at a price of 2p per share. 125,000 warrants at a price of £0.02 were issued coincident with this share issue.

19. 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 receivables and trade payables, which arise directly from its operations.

It is, and has been throughout 2010 and 2009 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.

Notes to the Consolidated Financial Statements



for the year ended 30 September 2010

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed by continuously reviewing the exchange rate movements in the foreign currencies, that the Group has exposure to. The exposure to exchange rate fluctuations is limited as the Company's subsidiaries operate mainly with sterling, euro and Tanzanian dollars.

At the year ended 30 September 2010, the Group had no outstanding forward exchange contracts.

Credit risk

Credit risk refers to the risk that a counterparty 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 balance sheet.

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.

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. To date, the Group has relied on shareholder funding to finance its operations. The Group had no borrowing facilities at 30 September 2010.

The Group and Company's financial liabilities as at 30 September 2010 were all payable on demand.

The expected maturity of the Group and Company's financial assets (excluding prepayments) as at 30 September 2010 was less than one month.

The Group expects to meet its other obligations from operating

cash flows with an appropriate mix of funds and equity instruments.

The Group had no derivative financial instruments as at 30 September 2010.

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 disciplined management of the budgetary process to place surplus funds on short term deposit in order to maximise interest earned.

The effect of a 10% fall in interest rates obtainable on cash and short term deposits would be to increase the loss before tax by £105.

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 30 September 2010. 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 30 September 2010, the Group had no outstanding contracts designated as hedges.

20. Approval of financial statements

The financial statements were approved by the Board on 6 December 2010.



CORPORATE INFORMATION

Directors	Christian Schaffalitzky - Non-Executive Chairman Noel O'Keeffe - Managing Director Desmond Burke - Non-Executive Director Louis Coetzee – Non-Executive Director William Payne - Non-Executive Financial Director	
Registered Office	Suite 3 One Earlsfort Centre Lower Hatch Street Dublin 2	
Secretary	Noel O'Keeffe	
Auditors	LHM Casey McGrath Chartered Certified Accountants & Registered Auditors 6 Northbrook Road Dublin 6 Ireland	
Business Address	Sirius Centre Northpoint Tuam Road Galway	www.kibomining.com +353 (0)91 384 562
Bankers	Allied Irish Bank Tuam Road Galway	
Solicitors	Eversheds O'Donnell Sweeney One Earlsfort Centre Earlsfort Terrace Dublin 2 Ireland	
UK Solicitors	Ronaldson's LLP 55, Gower Street, London WC1E 6HQ	
Registered Number	451931	
Date of Incorporation	17 January 2008	

AUDITED FINANCIAL STATEMENT ON SAVANNAH MINING LIMITED

SAVANNAH MINING LIMITED**BALANCE SHEET AS AT 31ST DECEMBER, 2010**

	NOTE	2010 \$	2009 \$
ASSETS EMPLOYED			
<u>Non Current Assets</u>			
Property, Plant and Equipment		0	0
<u>Current Assets</u>			
Cash and Bank Balance		<u>101</u>	<u>161</u>
		101	161
TOTAL ASSETS		<u>101</u>	<u>161</u>
EQUITY AND LIABILITIES			
<u>Equity</u>			
share Capital	2	1	1
Retained Loss		<u>-35,290</u>	<u>-35,229</u>
TOTAL		<u>-35,289</u>	<u>-35,228</u>
<u>Current Liabilities</u>			
Creditors and Accruals		0	0
Inter Company Loans	3	35,390	35,390
TOTAL EQUITY AND LIABILITIES		<u>101</u>	<u>161</u>



DIRECTOR

10th JANUARY 2011
DATE

SAVANNAH MINING LIMITED

INCOME STATEMENT FOR PERIOD ENDED 31ST DECEMBER, 2010

	NOTE	2010 \$	2009 \$
Revenue		12	0
<u>OPERATING EXPENSES</u>			
Bank Charges		72	341
Annual Licence fees		0	34,670
		<u>72</u>	<u>35,011</u>
Operating Loss		-60	-35,011
Tax		0	0
Retained Loss		<u>-60</u>	<u>-35,011</u>


.....
DIRECTOR

10th JANUARY 2011
.....
DATE

SAVANNAH MINING LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST DEC. 2010

Particulars	Share Capital	Retained Loss	Total
Balance 1.1.2010	1	-35,230	-35229
Loss for the period	0	-60	-60
Balance as at 31.12.2010	1	-35,290	-35,289

SAVANNAH MINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD OF NINE MONTHS ENDED 31ST DECEMBER, 2010

- NOTE: 1.0** **Principal Accounting Policies.**
The principal accounting policies adopted in the preparation of these Financial Statements are set out below.
- 1.1** **Basis of Accounting.**
These Financial Statements are prepared under the historical cost convention, and in accordance with International Financial Reporting Standards.
- 1.2** **Revenue Recognition.**
Revenue which represents income accrued by the company net of taxes is recognized services have been delivered / rendered to and accepted by the customer.
- 1.3** **Exploration Expenditure.**
Exploration expenditure, which is defined as expenses incurred until an ore body is considered commercially recoverable is expensed.
- 1.4** **Machinery, Plant and Equipment.**
The cost of an item of property, plant and equipment is recognized as assets only if it is probable that future economic benefits associated with the item will flow back to the Company, and cost of item be measured reliably.
- 1.5** **Translation of Foreign Currencies.**
The Financial Statements has been prepared in United States Dollars (US\$). Transactions in other currencies are translated to US\$ at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities denominated in other currencies at the balance sheet date are translated to US& at the exchange rate ruling on that date. Exchange difference arising on transaction are recognized in the profit and loss account.
- 1.6** **Cash and Cash Equivalents.**
For the purposed of the cash flow statements cash and cash equivalents comprise cash in hand, current accounts and deposits held at call with the bank.

2.0 **SHARE CAPITAL**

The Authorised Share Capital in Tshs. 10,000,000

Composed of 10,000 ordinary shares of Tshs. 1,000/= each.

		2010	2009
3.0 <u>INTER COMPANY LOANS</u>			
National Gold Exchange Limited	\$	35,390	35,390

REPORT AND FINANCIAL STATEMENT OF MOROGORO GOLD LTD

MOROGORO GOLD LTD

Consolidated Statement of financial position
As at 31 December, 2010

	Notes	2010 €	2009 €
ASSETS			
Non-current assets			
Current assets			
Trade and other receivables	5	---	3.450
Taxation	10	165	---
Cash in hand and at bank	6	1	1.000
		<u>166</u>	<u>4.450</u>
Total assets		<u>166</u>	<u>4.450</u>
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	7	1.000	1.000
Reserves		(51.256)	(8.751)
		<u>(50.256)</u>	<u>(7.751)</u>
Non-current liabilities			
Borrowings	8	10.992	11.491
		<u>10.992</u>	<u>11.491</u>
Current liabilities			
Trade and other payables	9	39.430	710
		<u>39.430</u>	<u>710</u>
Total equity and liabilities		<u>166</u>	<u>4.450</u>

The accounts have been approved by the Director on
24 February, 2011 and signed by:

Andreas Lianos
Director

The notes following the cash flow statement form an integral part of these financial statements.
Auditors report on pages 3 - 4.

MOROGORO GOLD LTD

Consolidated Statement of financial position
As at 31 December, 2010

	Notes	2010 €	2009 €
ASSETS			
Non-current assets			
Current assets			
Trade and other receivables	5	---	3.450
Taxation	10	165	---
Cash in hand and at bank	6	1	1.000
		<u>166</u>	<u>4.450</u>
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		<u>(50.256)</u>	<u>(7.751)</u>
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		<u>10.992</u>	<u>11.491</u>
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The accounts have been approved by the Director on
24 February, 2011 and signed by:

Andreas Lianos
Director

The notes following the cash flow statement form an integral part of these financial statements.
Auditors report on pages 3 - 4.

MOROGORO GOLD LTD

Consolidated Statement of changes in equity
For the year ended 31 December, 2010

	Share Capital €	Revenue reserve €	Total €
Balance at 31 December, 2010	1.000	(8.751)	(7.751)
Issue of shares	---	---	---
Loss for the year	---	(42.505)	(42.505)
31 December	1.000	(51.256)	(50.256)

From 1 January 2003 onwards, companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defense at 1.5% will be payable on such deemed dividends to the extent that the shareholders (companies and individuals) are Cyprus tax residents. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defense is payable for the account of the shareholders.

The notes following the cash flow statement form an integral part of these financial statements.
Auditors report on pages 3 - 4.

MOROGORO GOLD LTD

Consolidated Statements of Cash Flow
For the year ended 31 December, 2010

	Notes	2010 €	2009 €
Cash flow from operating activities			
Net Loss before taxation		(42.505)	(5.332)
Adjustments for:			
Operating Loss before working capital changes		<u>(42.505)</u>	<u>(5.332)</u>
Decrease/(increase) in trade debtors and other receivables		3.450	(3.450)
Increase in trade creditors and other payables		38.720	710
Cash (used in) operating activities		<u>(335)</u>	<u>(8.072)</u>
Tax paid		(165)	---
Net cash (used in) operating activities		<u>(500)</u>	<u>(8.072)</u>
Cash flow from financing activities			
Receipts from issue of share capital		---	1.000
(Payment)/Receipts from new interest bearing liabilities		(499)	11.491
Increase in Related Company Transactions		---	(3.419)
Net cash (used in)/from financing activities		<u>(499)</u>	<u>9.072</u>
Net Decrease/Increase in cash and cash equivalents		<u>(999)</u>	<u>1.000</u>
Cash and cash equivalents at the beginning of the year		1.000	---
Cash and cash equivalents at the end of the year	11	<u><u>1</u></u>	<u><u>1.000</u></u>

The notes following the cash flow statement form an integral part of these financial statements.
Auditors report on pages 3 - 4.

MOROGORO GOLD LTD

Consolidated notes to the financial statements For the year ended 31 December, 2010

1. General

Formation and major activity

The Company is registered in Cyprus as a private limited liability company in accordance with the Companies Law, Cap 113.

The major activity of the Company is exploration holding company.

The registered office of the company is at Kolonakiou 57, Agios Athanasios, P.C. 4103 Limassol, Cyprus.

2. Principal accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with International Financial Reporting Standards as adopted by the European Union. In addition the financial statements have been prepared in accordance with the requirements of the Cyprus Companies Law, Cap. 113. The following is a summary of the most important accounting policies used by the Company.

Adoption of new and revised IFRS

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2008. These adoptions did not have a material effect on the accounting policies of the Company.

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Director expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company except for the application of International Accounting Standard 1 (Revised) "Presentation of Financial Statements" which will have a material effect on the presentation of the financial statements.

Comparative amounts

When necessary the comparative figures and the presentation of the financial statements have been adjusted to comply with the presentation and current year changes.

Investment in subsidiary companies

Subsidiary companies are companies in which the company, directly or indirectly has an interest of more than one half of the voting rights or otherwise has power to exercise control over their operations. Investment in subsidiary companies is stated at cost. The carrying value of investment is reviewed for impairment when events or changes in circumstances indicate that the carrying value exceeds the estimated recoverable amount. In that case the investments is written down to its recoverable amount.

Impairment of assets

Property, plant and equipment and other non-current assets, including goodwill and other intangible assets are reviewed for impairment losses 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 carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

Trade receivables

Trade and other receivables are carried at the original invoice value less an estimate made for doubtful debts based on review of all outstanding amounts at the year-end. Bad debts are written off when identified.

Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and balances with banks. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

MOROGORO GOLD LTD

Consolidated notes to the financial statements For the year ended 31 December, 2010

Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are initially recorded at the proceeds received net of any transaction costs incurred. The total finance cost represents the interest on the outstanding amount of the debt and is charged to the statement of comprehensive income as it accrues.

Amounts payable after one year are shown as long term loans.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Foreign currency translation

(a) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Euro which is the Company's functional and presentation currency.

(b) Transactions and balances

The financial statements are expressed in Euro which is the functional currency of the Company. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies and are retranslated at the rate of exchange ruling at the balance sheet. Any differences are taken to the statement of income. The Company is using Euro as its main currency because most of the transactions are in Euro.

3. Financial risk management

Financial risk factors

Amounts receivable on financial statements consist of cash in hand and at bank, investments, trade debtors and other amounts receivable. Amounts payable consist of loans, bank overdraft, trade and other creditors.

Credit risk

The Company's exposure to credit risk is as indicated by the carrying amounts of its assets.

Interest rate risk

Interest rate risk arises from the likelihood of adverse movements in the interest rates of bank overdrafts. The Company monitors on a continuous basis interest rate fluctuations.

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Company's policy is not to enter into any hedging transactions.

Fair values

The fair values of the Company's financial assets and liabilities approximate their carrying amount at the balance sheet date.

Liquidity risk

Liquidity risk is defined as the risk when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimizing such losses.

MOROGORO GOLD LTD

Consolidated notes to the financial statements For the year ended 31 December, 2010

4. Profit from operations

	2010 €	2009 €
Profit/(Loss) is stated after charging:		
Legal fees	17	---
Audit fees	500	500
	<u>517</u>	<u>500</u>

5. Trade and other receivables

	2010 €	2009 €
Prepayments	---	3,450
	<u>---</u>	<u>3,450</u>

6. Cash in hand and at bank

	2010 €	2009 €
Cash in hand	1	1,000
	<u>1</u>	<u>1,000</u>

7. Share capital

	2010 €	2009 €
Authorised		
1,000 Ordinary shares of €1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Issued and fully paid		
1,000 Ordinary shares of €1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Movement in share capital account:		
Ordinary		
1 January	1,000	---
New issued	---	1,000
	<u>1,000</u>	<u>1,000</u>
31 December	<u>1,000</u>	<u>1,000</u>

MOROGORO GOLD LTD

Consolidated notes to the financial statements For the year ended 31 December, 2010

8. Long term loans

	2010 €	2009 €
Long term installments:		
Loans payable more than 5 years-Mzury Gold Ltd	10.992	11.491
	<u>10.992</u>	<u>11.491</u>

9. Trade and other payables

	2010 €	2009 €
Trade Creditors	39.430	710
	<u>39.430</u>	<u>710</u>

The above amounts are payable within one year.

10. Taxation

	2010 €	2009 €
Corporation tax	(165)	---
	<u>(165)</u>	<u>---</u>

11. Cash and cash equivalents

Cash and cash equivalents that are presented in the cash flow statement comprise of the following balance sheet amounts:

	2010 €	2009 €
Cash in hand	1	1.000
	<u>1</u>	<u>1.000</u>

12. Post balance sheet events

There were no material post balance sheet events which have a bearing on the understanding of the financial statements.

MOROGORO GOLD LTD

Consolidated detailed statement of comprehensive income
For the year ended 31 December, 2010

	2010	2009
	€	€
Operating and other administrative expenses		
Municipal rates and taxes	37.988	82
Legal fees	17	---
Book-keeping fees	378	---
Audit fees	500	500
Formation expenses	---	3.000
Professional services	3.622	1.750
	<u>42.505</u>	<u>5.332</u>
Loss from operations	<u>(42.505)</u>	<u>(5.332)</u>
Loss before taxation	<u>(42.505)</u>	<u>(5.332)</u>

MROGORO GOLD LTD

Consolidated computation of corporation tax
For the year ended 31 December, 2010

	2010 €
Loss for the year as per the financial statements	(42.505)
	<hr/>
Loss for the year	(42.505)
Loss brought forward	(2.332)
	<hr/>
Loss carried forward	(44.837)
	<hr/>

MOROGORO GOLD LTD

Consolidated computation of special contribution for defence
For the year ended 31 December, 2010

	2010 €
Estimate distribution of dividends	
Accounting profits/(Losses)	(42.505)
Income available for distribution/(Loss carried forward)	<u>(42.505)</u>

MOROGORO GOLD LTD

Consolidated Certificate
For the year ended 31 December, 2010

We certify that:

All income for the year has been posted in the books of the company, which were given to Messrs Anthimos Leonidou & Partners Ltd.

All expenses and purchases for the year have been incurred for the whole purpose of generating income for the company and have been posted in the books, which were given to Messrs Anthimos Leonidou & Partners Ltd.

All transactions that affect the position of the company for the year have been posted in the books and relevant documentation and evidences were given to Messrs Anthimos Leonidou & Partners Ltd.

At 31 December, 2010 all reserves were posted correctly and all the necessary provisions were made in the books and records which were given to Messrs Anthimos Leonidou & Partners Ltd.

All items of assets and liabilities are posted in the books as at 31 December, 2010 which were given to Messrs Anthimos Leonidou & Partners Ltd.

There were no capital liabilities as at 31 December, 2010, other than those reported in the Financial Statements.

The Company had no major liabilities derived from legal or other similar matters.

There are no post balance sheet events that could have a material effect in the true and fair view of the financial statements as at 31 December, 2010.

Andreas Lianos
Director

24 February, 2011



**INDEPENDENT REPORTING ACCOUNTANTS REPORT ON THE HISTORICAL FINANCIAL STATEMENTS OF
KIBO MINING PLC AND MOROGORO GOLD LIMITED**

11 May 2011

The Directors
Kibo Mining Plc
Suite 3
One Earlsfort Centre
Lower Hatch Street
Dublin 2
Ireland

Dear Sirs

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE
HISTORICAL FINANCIAL INFORMATION OF KIBO MINING PLC,
MOROGORO GOLD LIMITED AND SAVANNAH MINING LIMITED RELATING
TO THE ACQUISITION OF MOROGORO GOLD AND THE LISTING ON THE JSE**

We have performed our limited assurance engagement in respect of the historical financial information set out in the pre-listing statement dated on or about 16 May 2011. The historical financial information has been prepared in accordance with the requirements of the JSE Limited (JSE) Listings Requirements.

Directors' responsibility

The directors are responsible for the compilation, contents and presentation of the historical financial information contained in the circular and for the financial information from which it has been prepared. Their responsibility includes determining that: the historical financial information has been properly compiled on the basis stated; the basis is consistent with the accounting policies of *Kibo Mining Plc, Morogoro Gold Limited and Savannah Mining Limited*; and the historical adjustments are appropriate for the purposes of the historical financial information disclosed in terms of the JSE Listings Requirements.

Reporting accountant's responsibility

Our responsibility is to express our limited assurance conclusion on the historical information included in the pre listing statement to *Kibo Mining Limited's* shareholders. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements applicable to *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the *Guide on Pro Forma Financial Information* issued by SAICA.

This standard requires us to obtain sufficient appropriate evidence on which to base our conclusion.

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Offices: Bloemfontein, Cape Town, Centurion, Durban, Kimberley, Nelspruit, Polokwane, Port Elizabeth, Rustenburg
London (UK)

Directors: *B Adam (CEO) CA(SA), *A Darmalingam CA(SA), T J de Kock CA(SA), Y M Hassen CA(SA), N Hassim CA(SA),
S Ismail CA(SA), H Kajie CA(SA), S Kleovoulou CA(SA), S Makamure CA(SA), T M Mayet CA(SA), D R Nathoo CA(SA)
P L Popat CA(SA), *R Rajah CA(SA), *K Rama CA(SA), Z Sonpra CA(SA), M F Sulaman CA(SA), I Theron CA(SA)
H van der Merwe CA(SA), J M Wessels CA(SA), Associate Director: L A D Hoosen

* Executive Committee

SAB&T Chartered Accountants Incorporated
Co. Reg no.1997/018869/21



We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the historical financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Sources of information and work performed

Our procedures consisted primarily of comparing the unadjusted financial information with the published and reviewed financial statements of *Kibo Mining Limited*, considering the pro forma adjustments in light of the accounting policies of *Kibo Mining Limited* the issuer and the requirements of IFRS and considering the provisions of underlying agreements.

In arriving at our conclusion, we have relied upon financial information prepared by the directors of *Kibo Mining Limited*, *Morogoro Gold Limited*, *Savannah Mining Limited* and other information from various industry sources.

While our work performed has involved an examination of the historical published audited financial information and other information provided to us, our assurance engagement does not constitute an audit or review of any of the underlying financial information conducted in accordance with *International Standards on Auditing or International Standards on Review Engagements* and accordingly, we do not express an audit or review opinion.

In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. We believe our evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our examination of the evidence obtained, nothing has come to our attention, which causes us to believe that:

- ❑ the historical financial information has not been properly compiled on the basis stated,
- ❑ such basis is inconsistent with the accounting policies of the issuer, and
- ❑ the adjustments are not appropriate for the purposes of the historical financial information as disclosed in terms of the section 8.17 and 8.30 JSE Listings Requirements.

Yours faithfully



B Adam
Director
SAB&T Incorporated
Chartered Accountants (SA)
Registered Accountants and Auditors



PRO FORMA

KIBO MINING LIMITED**FINANCIAL EFFECTS OF RESOLUTIONS PAST FROM THE GENERAL MEETING ON 4 MARCH 2011.****PRO FORMA BALANCE SHEET AND INCOME STATEMENT as at 30 September 2010.**

The table below sets out the *pro forma* financial effects of the above transactions, based on KIBO MINING's audited results for the year ended 30 September 2010. The financial effects are presented for illustrative purposes only and because of their nature may not give a fair reflection of the Company's results and financial position after the transactions. It has been assumed for purposes of the *pro forma* financial effects that the above transaction took place with effect from 30 September 2010 for balance sheet and for the period 1 October 2009 to 30 September 2010 for income statement purposes. The directors of KIBO MINING LIMITED are responsible for the preparation of the financial effects:

Statement of Financial Position

	Audited Financial Statements 30 September 2010 (N1) GBP	Pro Forma Adjustments MOROGORO GOLD LTD and its subsidiaries GBP	Pro Forma Adjustments Issue of shares GBP	Pro Forma Post Adjustments GBP
ASSETS				
Non-current assets	4 267 369	4 537 706	–	8 805 075
Property, Plant and Equipment	1 306	–	–	1 306
Intangible Asset	4 266 063	4 537 706 N2	–	8 803 769
Current assets	444 340	207	555 458	1 000 005
Taxation Receivable	–	142 N2	–	142
Cash and Cash Equivalents	421 359	65 N2	555 458 N3	976 882
Trade Receivables	22 981	–	–	22 981
TOTAL ASSETS	4 711 709	4 537 913	555 458	9 805 080
EQUITY AND LIABILITIES				
Equity	4 624 034	3 084 133	555 458	8 263 625
Issued capital	2 132 295	487 798 N2	251 218 N3	2 871 311
Share Premium	3 533 115	1 212 202 N2	304 240 N3	5 049 557
Share Option	32 250	–	–	32 250
Foreign Currency Translation Reserve	(10 508)	151 N2	–	(10 357)
Accumulated loss	(1 063 118)	1 383 982 N2	–	320 864
Non-current liabilities	–	1 397 451	–	1 397 451
Loans Payable	–	9 462 N2	–	9 462
Deferred Taxation	–	1 387 989 N2	–	1 387 989
Current liabilities	87 675	56 329	–	144 004
Trade Payables	85 575	33 942 N2	–	119 517
Shareholders Loans	–	22 387 N2	–	22 387
Taxation Payable	2 100	–	–	2 100
TOTAL EQUITY AND LIABILITIES	4 711 709	4 537 913	555 458	9 805 080
Shares issued	253 925 874	56 666 667	29 166 667	339 759 208
Net asset value per share (cents)	0.0182	0.0544	0.0190	0.0243
Net tangible asset value per share (cents)	0.0014	(0.0257)	0.0190	(0.0021)

Statement of Comprehensive Income

	Audited Financial Statements 30 September 2010 (N1) GBP	Pro Forma Adjustments MOROGORO GOLD LTD and its subsidiaries GBP	Pro Forma Adjustments Issue of shares GBP	Pro Forma Post Adjustments GBP
Revenue	–	8 N2	–	8
Administrative expenditure	(478 047)	(36 649) N2	–	(514 696)
Operating (loss)/profit	(478 047)	(36 641)	–	(514 688)
Bargain Purchase on Acquisition of Investments	–	1 420 623 N2	–	1 420 623
Finance income	2 957	–	–	2 957
(Loss)/Profit before taxation	(475 090)	1 383 982	–	908 892
Taxation	–	–	–	–
Comprehensive (loss)/profit	(475 090)	1 383 982	–	908 892
Equity shareholders of KIBO LTD	(475 090)	1 383 982 N2	–	908 892
Exchange differences on foreign Operations (Equity)	(3 296)	151 N2	–	(3 145)
Total Comprehensive Income	(478 386)	1 384 133	–	905 747
Equity shareholders of KIBO LTD	(478 386)	1 384 133 N2	–	905 747

	Audited Financial Statements 30 September 2010 (N1) GBP	Pro Forma Adjustments MOROGORO GOLD LTD GBP	Pro Forma Adjustments Issue of shares GBP	Pro Forma Post Adjustments GBP
(Loss)/Earnings attributable to equity holders	(475 090)			908 892
Less: Profit on sale of property, plant and equipment	–	–	–	–
Bargain Purchase on Investments	–	–	–	(1 420 623)
Headline (loss)/earnings	(475 090)	–	–	(511 731)
Weighted average number of shares in issue ('000)	210 675 850	56 666 667 N2	29 166 667 N3	296 509 184
Earnings per share (cents)	(0.0023)	0.0244	–	0.0031
Headline (Loss)/earnings per share (cents)	(0.0023)	0.0006	–	–0.0017

Notes to the above mentioned financial information:

Note 1:

Presented above are extracts from KIBO Mining Limited's (hereafter referred to as "the Company") audited Financial Statements, consisting of the Statement of Financial Positions and the Statement of Comprehensive Income, for the period ended 30 September 2010.

Note 2:

Acquisition of Morogoro Gold Ltd and its subsidiaries;

In accordance with the signed Agreement between Mzuri Gold Limited and KIBO Mining Limited, dated 30 December 2010, KIBO Mining Limited will acquire 100% of the securities in Morogoro Gold Limited, the sole shareholder of Savannah Gold Limited, and its subsidiaries, through the issue of 56 666 667 ordinary shares at the par value of €0.01 per share.

The acquisition will be accounted for as follows:

Shares to be issued in KIBO Mining Limited securities measured at fair value		56 666 667
Fair Value Per Share	EUR	0.03
Total Value of Shares to be issued	EUR	566 666.67
<hr/>		
Consideration paid for the Acquisition of Morogoro (In GBP) represented as follows:	GBP	1 700 000.00
<hr/>		
Share Capital		487 798
Share premium		1 212 202

In accordance with the requirements of IFRS 3: Business Combinations, all assets and liabilities of the acquired entity shall be measured at the Fair Value on the acquisitions date, along with additional Assets and/or Liabilities which are identifiable in the acquired entity on the acquisition date;

“The acquirer shall, at the acquisition date, allocate the cost of a business combination by recognising the acquiree’s identifiable assets, liabilities and contingent liabilities that satisfy the recognition criteria in paragraph 37 at their fair values at that date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, which shall be recognised at fair value less costs to sell. Any difference between the cost of the business combination and the acquirer’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities so recognised shall be accounted for goodwill or a bargain purchase on acquisition.”

The following assets and liabilities were identified from the Morogoro Gold Limited Financial Statements and its related subsidiaries as per the audited financial statements for the year ending 31 December 2010:

(In GBP)

	Assets GBP	Liabilities GBP
Prepaid Taxation	GBP142	
Cash and Cash Equivalents	GBP65	
Foreign Currency Translation Reserve		GBP151
Non-current Loans Payable		GBP9 462
Trade Payables		GBP33 942
Shareholders loans		GBP22 387
Current Period Profit/(loss)	GBP36 641	

Prospecting Assets - As per Valuation Report

As per the Competent Persons Report compiled by VENMYN, a valuation company based in South Africa, the Morogoro Gold Limited Group has a significant identifiable Prospecting Asset in the form of the Morogoro Gold Prospecting licences currently operational in South-eastern Tanzania, which should be accounted for as part of the acquisition assets in accordance with the requirements of IFRS 3: Business Combinations;

“The acquirer shall recognise separately the acquiree’s identifiable assets, liabilities and contingent liabilities at the acquisition date only if they satisfy the following criteria at that date:

1. in the case of an asset other than an intangible asset, it is probable that any associated future economic benefits will flow to the acquirer, and its fair value can be measured reliably;
2. in the case of a liability other than a contingent liability, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and its fair value can be measured reliably;
3. in the case of an intangible asset or a contingent liability, its fair value can be measured reliably.”

Morogoro Gold Limited – Gold Prospecting Intangible Asset

Morogoro Gold Limited's wholly-owned subsidiary, Jubilee Resources Limited, holds an extensive portfolio of prospecting licences within South-eastern Tanzania.

As per the VENMYN Competent Persons Report, Morogoro Gold Limited has 90% ownership in the Prospecting Rights, which will allow for the capitalisation of the Net Asset Value on the Prospecting Right at acquisition date in terms of IFRS 3; Business Combinations. The Report states that no mineral resources relating to the Prospecting area have been defined, which, read in conjunction with the VENMYN Report, will advise that the lower Preferred Market Value is used for the valuation of the Intangible asset.

Savannah Mining Limited – Gold Prospecting Intangible Asset

Savannah Mining Limited, a wholly-owned subsidiary of Morogoro, is currently in possession of Prospecting Rights in the Greenfields, Luhala and Itetemia areas in Tanzania. Due to defined Mineral Resources in the Luhala and Itetemia regions, VENMYN was able to carry out a market valuation on the basis that recent market values of a similar nature provide the proxy.

In accordance with the requirements of the International Financial Reporting Standards, Savannah Mining Limited will be accounted for as a subsidiary, as control vests with Morogoro Gold Limited through ownership of all securities within Savannah Mining Limited.

As per the VENMYN Competent Persons Report, Savannah Mining Limited has ownership in certain Prospecting Rights, which will allow for the capitalisation of these assets at their Net Value in terms of IFRS 3; Business Combinations. The Report states that Luhala and Itetemia's mineral resources relating to the individual prospecting areas have been defined, which, read in conjunction with the VENMYN Report, will advise that the identifiable Preferred Market Value is used for the valuation of the Intangible Assets. However, Savannah only has ownership in 90% of the Prospecting Rights in Itetemia. Additionally, the Greenfields Prospecting does not have defined Gold resources to date, which, read in conjunction with the VENMYN Report, will advise that the lower Preferred Market Value is used for the valuation of the Intangible asset;

In accordance with the above, ALL Prospecting Rights over which Morogoro has control, including Savannah, are taken into consideration at fair value, in accordance with the CPR value, to determine the fair value of the assets being acquired by KIBO. It is the fair value of the underlying Prospecting Rights which give rise to the Intangible Asset and additional equity on acquisition.

The Prospecting Rights are identifiable between Morogoro and its wholly owned subsidiary Savannah Mining Limited as follows:

Morogoro Gold Prospecting Right

VENMYN Report Market Asset Value on Prospecting Rights (Allocated on the basis of land mass and subsequently converted to GBP)	GBP	1 161 225
Deferred Taxation recognised as per the requirements of IFRS (Tanzanian Tax Rate – 30%)	GBP	348 367
Additional Equity Value on Acquisition date of Morogoro Gold Limited	GBP	812 857

Savannah Mining Prospecting Rights

VENMYN Report Market Asset Value on Prospecting Rights
(Converted to GBP):

Total Value of Prospecting Rights	GBP	3 376 481
Deferred Taxation recognised as per the requirements of IFRS (Tanzanian Tax Rate – 30%)	GBP	1 039 622
Additional Equity Value on Acquisition date of Savannah Mining Limited	GBP	2 336 859
Total Fair Value Increase of Intangible Assets at Acquisition date	GBP	4 537 706
Total Deferred Tax recognised at Acquisition date	GBP	1 387 989
Intangible Fair Value less deferred tax	GBP	3 149 716

Calculation of the Goodwill/Bargain purchase on Acquisition of Morogoro Gold Limited and its subsidiaries;

"Excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost

1. if the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised in accordance with paragraph 36 exceeds the cost of the business combination, the acquirer shall:
2. reassess the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the combination; and
3. recognise immediately in profit or loss any excess remaining after that reassessment."

The bargain purchase on acquisition was calculated as follows:

Net Asset Value as per the Financial Statements	GBP	(29 094)
Identifiable Net Asset Value in the Prospecting Right less deferred tax	GBP	3 149 716
Net Asset Value at Acquisition	GBP	3 120 622
Consideration paid	GBP	1 700 000
Bargain purchase on Acquisition (Profit)	GBP	(1 420 622)

Note 3:

Subscription to KIBO Mining Limited Ordinary Shares:

As per the KIBO-MZURI Agreement dated 30 December 2010, MZURI GOLD Limited will acquire 16 666 667 ordinary shares in KIBO Mining at the issue price of GBP0.03 per share (par value EUR0.01). The issue of these shares are to assist with the listing on the Johannesburg Stock Exchange, as well as associated costs thereto. These shares have equal right to normal purchased securities of KIBO Mining Limited. The following share reconciliation was performed;

Reconciliation of the Share issued through subscription at 3 pence;

Subscription Shares		16 666 667
Subscription Price in GBP		0.03
Total Subscription price	GBP	500 000
Ordinary Share Price at par Value in EURO		0.01
Subscription Price in GBP		0.03
Conversion rate from EURO to GBP on subscription date		0.86132
Par Value of Shares in EURO	EUR	166 667
Par Value of Shares in GBP	GBP	143 553
Share Premium in GBP	GBP	356 447

- **Listing expenditure:**

The costs associated with the listing of KIBO Mining Limited on the JSE were calculated to be GBP172 000.00. These costs have been offset against the share premium arising on the issue of the 16 666 667 shares referred to above for the purposes of the *pro formas*.

- **Significant Post-Balance sheet transactions (IAS 10):**

An additional 12 500 000 shares were issued subsequent to 30 September 2010. The JSE Listings Requirements state that all significant shares issued/corporate transactions which affect the user of this financial information will should be disclosed and accounted for in the *pro forma* adjustments. The subscription value of these shares are indicated to be GBP227 458.00, represented by share capital of GBP107 665 and share premium of GBP119 793.

Reconciliation of the Share Premium;

Share Premium in GBP through subscription at 3 pence	GBP	356 447
<i>Less:</i> Listing expenses	GBP	(172 000)
<i>Plus:</i> Significant Post-balance sheet transactions	GBP	119 793
	GBP	304 240

The increase in the cash and cash equivalents resulted in the issue of shares less the listing fees that have been recognised. This movement can be reconciled as follows:

Reconciliation of the Cash and Cash Equivalents;

Issue of shares subscription at 3 pence including share capital	GBP	500 000
<i>Less:</i> Listing expenses	GBP	(172 000)
<i>Plus:</i> Significant Post-balance sheet transactions including share capital	GBP	227 458
	GBP	555 458



**INDEPENDENT REPORTING ACCOUNTANTS' LIMITED ASSURANCE REPORT
ON THE PRO FORMA FINANCIAL INFORMATION OF KIBO MINING PLC**

11 May 2011

The Directors

Kibo Mining Plc
Suite 3
One Earlsfort Centre
Lower Hatch Street
Dublin 2
Ireland

Dear Sirs

**INDEPENDENT REPORTING ACCOUNTANTS' LIMITED ASSURANCE
REPORT ON THE PRO FORMA FINANCIAL INFORMATION OF KIBO
MINING PLC ("KIBO") RELATING TO THE SUBSCRIPTION OF SHARES,
ACQUISITION OF MOROGORO GOLD LIMITED ("MOROGORO") AND THE
LISTING ON THE JSE**

Introduction

We have performed our limited assurance engagement in respect of the pro forma financial information set out in Annexure 5a of the Prelisting Statement to be dated on or about 16 May 2011 issued in connection with subscription of shares, acquisition of Morogoro and the listing on the JSE ("the transactions") that is the subject of this Prelisting statement.

The pro forma financial information has been prepared in accordance with the requirements of the JSE Limited (JSE) Listings Requirements, for illustrative purposes only, to provide information about how the corporate action(s) might have affected the reported historical financial information presented, had the corporate action been undertaken at the commencement of the period or at the date of the pro forma balance sheet being reported on.

Directors' responsibilities

The directors of Kibo are responsible for the compilation, contents and preparation of the unaudited pro forma financial information contained in the Prelisting statement and for the financial information from which it has been prepared. Their responsibility includes determining that: the unaudited pro forma financial information has been properly compiled on the basis stated; the basis is consistent with the accounting policies of Kibo; and the pro forma adjustments are appropriate for the purposes of the unaudited pro forma financial information disclosed in terms of the JSE Listings Requirements.

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S Ismail CA(SA), H Kajie CA(SA), S Kleovoulou CA(SA), S Makamure CA(SA), T M Mayet CA(SA), D R Nathoo CA(SA)
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H van der Merwe CA(SA), J M Wessels CA(SA), Associate Director: L A D Hoosen

* Executive Committee

SAB&T Chartered Accountants Incorporated
Co. Reg no.1997/018869/21



Reporting accountants' responsibility

Our responsibility is to express our limited assurance conclusion on the unaudited pro forma financial information included in the information to Kibo's shareholders. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements applicable to Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the Revised Guide on Pro Forma Financial Information issued by The South African Institute of Chartered Accountants. This standard requires us to obtain sufficient appropriate evidence on which to base our conclusion.

We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information, beyond that owed to those to whom those reports were addressed at their dates of issue.

Sources of information and work performed

Our procedures consisted primarily of comparing the unadjusted financial information with the financial statements, considering the pro forma adjustments in light of the accounting policies of Kibo, the issuer, considering the evidence supporting the pro forma adjustments and discussing the adjusted pro forma information with the directors of the company in respect of the corporate actions.

In arriving at our conclusion, we have relied upon financial information prepared by the directors of Kibo and other information from various industry sources.

While our work performed has involved a review of the historical published audited financial information and other information provided to us, our assurance engagement does not constitute an audit or review of any of the underlying financial information conducted in accordance with International Standards on Auditing or International Standards on Review Engagements and accordingly, we do not express an audit or review opinion.

In a limited assurance engagement the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. We believe that our evidence obtained is sufficient and appropriate to provide a basis for our conclusion.



Conclusion

Based on our examination of the evidence obtained, nothing has come to our attention, which causes us to believe that:

- the pro forma financial information has not been properly compiled on the basis stated,
- such basis is inconsistent with the accounting policies of the issuer, and
- the adjustments are not appropriate for the purposes of the pro forma financial information as disclosed in terms of the section 8.17 and 8.30 JSE Listings Requirements.

Yours faithfully



B Adam
Reporting Accountant Specialist
For SAB&T Chartered Accountants Incorporated



**COMPETENT PERSONS REPORT (CPR) ON THE MINERAL ASSETS OF
KIBO MINING PLC (KIBO) IN TANZANIA BY VENMYN**



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**COMPETENT PERSONS REPORT
(CPR)
ON THE MINERAL ASSETS OF
KIBO MINING PLC
(KIBO)
IN TANZANIA
BY
VENMYN RAND (PTY) LIMITED
(VENMYN)**

SR1.1A(i), (ii)

**COMPILED BY:-
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**OUR REFERENCE:- D946R
FIRST DRAFT:-28 FEBRUARY 2011
FINAL REPORT:-15 MARCH 2011
EFFECTIVE DATE : - 8 MARCH 2011 12.9A**

**COMPETENT PERSONS REPORT
(CPR)
THE MINERAL ASSETS OF
KIBO MINING PLC
(KIBO)
IN TANZANIA
BY
VENMYN RAND (PTY) LIMITED
(VENMYN)**

The Directors
Kibo Mining plc
The Sirius Centre
Northpoint
Tuam Road
Galway, Ireland

Dear Sirs

SYNOPSIS SV2.1

Note: This CPR is submitted in full. In terms of JSE Listings Requirements Section 12.9(h) , a CPR must be included in the relevant JSE document either in full or as an Executive Summary. In this case no separate Executive Summary has been prepared. This Synopsis is a concise summary of the CPR, but does not purport to be a Section 12.9(h) Executive Summary.

Introduction

The directors of Kibo Mining plc (Kibo) requested that Venmyn prepare an independent SAMREC Code compliant Technical Report in the form of a Competent Person's Report (CPR) on the mineral assets of Kibo in Tanzania.

Kibo has consolidated an extensive portfolio of mineral rights in three project areas (the Projects) within Tanzania, namely:-

- the Lake Victoria Projects in the well known Lake Victoria Goldfield (LVG) of northern Tanzania, which includes:-
 - the Itetemia gold deposit, for which Mineral Resources have been estimated;
 - the Luhala gold deposit, for which Mineral Resources have been estimated;
 - and
 - an extensive portfolio of greenfields gold exploration proprieties in the LVG.
- the Morogoro Projects, which include an extensive portfolio of greenfields exploration properties in a recently discovered gold region of southeastern Tanzania; and
- the Haneti Projects, which include an extensive portfolio of greenfields Ni-Cu-PGE and gold exploration properties in central Tanzania.

Venmyn understands that Kibo, which is currently listed on the AIM Market of the London Stock Exchange PLC (AIM), is subject to a proposed dual listing on the JSE Limited (JSE). This CPR forms part of the technical documentation in support of the requirements of the proposed listing on the JSE.

The CPR has been prepared in compliance with and to the extent required by the SAMREC Code for the reporting of exploration results, Mineral Resources and Mineral Reserves. The CPR will be submitted to the JSE in fulfilment of the JSE Listings Requirements. The effective date of the CPR is the 8th March 2011.

The Lake Victoria Projects

The Lake Victoria Projects comprise the Mineral Resources of the Itetemia and Luhala gold deposits as well as an extensive portfolio of greenfields gold exploration licences within the LVG of northern Tanzania. The Lake Victoria Projects are located within a traditional gold prospecting geological environment in Tanzania, comprised of a number of east-west trending linear, greenstone belts separated by granite-gneiss terrains.

The Itelesia gold deposit includes the Mineral Resources of the Golden Horseshoe Reef (GHR), and is an advanced stage exploration project focussing on the development of the GHR. The area is currently being prospected by Kibo under an Option Agreement with Tanzanian Royalty Corporation (TanRoyalty).

Significant amounts of drilling and sampling have been conducted over the GHR and surrounding area with logging and geological interpretation by SLR Consulting (SLR, previously the CSA Group) which has culminated in the estimation, by CSA Australia Pty (Ltd) (CSA), of the following Mineral Resources for the GHR as at 8th March 2011 using a cut-off grade of 1.0g/t:-

DOMAIN	CLASSIFICATION	VOLUME (m ³)	TONNES (t)	GRADE (g/t)	OUNCES oz
Main Lode	Indicated	816,000	2,390,000	3.14	241,000
	Inferred	355,000	1,053,000	3.68	125,000
TOTAL MAIN LODE		1,171,000	3,443,000	3.31	366,000
Footwall Lode	Indicated	141,000	409,000	1.92	25,000
	Inferred	128,000	380,000	2.57	31,000
TOTAL FOOTWALL LODE		269,000	789,000	2.23	57,000
TOTAL INDICATED		957,000	2,799,000	2.96	266,000
TOTAL INFERRED		483,000	1,433,000	3.39	156,000
GRAND TOTAL		1,440,000	4,232,000	3.11	422,000

Rounding results in computational discrepancies

Venmyn conducted a preliminary review of the orebody modelling and Mineral Resource estimation undertaken by previous workers on the GHR, including CSA's estimates, and are satisfied that the estimates are appropriate and valid.

The GHR has been considered for both underground and opencast mining, with a preliminary, high level optimisation document, prepared by Auralia Pty Limited (Auralia, a CSA Associate Company) in August 2009, indicating that opencast mining is technically feasible. No recent studies have been conducted on the underground potential, although various methods could be applied to the steeply dipping orebody. A Preliminary Assessment, by Saint Barbara LLP (Saint Barbara) in September 2010, of potential open pit mining of the GHR is presented in this CPR in the interests of transparency and in order to further demonstrate 'prospects for eventual economic extraction'. This assessment considered the open pit mining of the near surface part of the deposit using a local earth moving contractor and the processing of the material through a heap leach/carbon in column (CIC) facility as the Base Case. Two options to this Base Case were also presented:-

- Option 1 considered the project on the basis of second hand process equipment; and
- Option 2 considered the sale of mined material to African Barrick Gold (Barrick) at their Bulyanhulu Mine, approximately 5km to the west of GHR.

Saint Barbara ran a series of DCF analyses, one for each of the various options, at a 12% discount and a gold price of USD1,000/oz. Kibo have adjusted the Saint Barbara DCF models for the current gold price of ~USD1,400/oz. The affect of this gold price, as well as the results from Saint Barbara's Preliminary Economic Assessment are summarised below:-

CASE	SAINT BARABARA (USD1,000/oz)		KIBO (USD1,400/oz)	
	Pre-Tax NPV ₁₂ (USDm)	IRR (%)	Pre-Tax NPV ₁₂ (USDm)	IRR (%)
Base	(9.4)	0.20	17.8	30.9
Option 1	(2.9)	7.70	24.3	42.5
Option 2	12.7	46.40	34.1	96.7

It is Venmyn's general opinion that the GHR represents a small, yet robust, medium-grade, near surface gold deposit, that warrants further feasibility investigations. While the resource is relatively small, and the potential extractable resource (by opencast mining) is small, Venmyn consider the ability to increase the resource base limited. Nevertheless, preliminary economic studies do indicate the feasibility of a small opencast operation, at the current high gold prices. At lower gold prices, studies show the possibility of toll treating the GHR ore at the neighbouring Bulyanhulu Mine.

The Luhala Gold Deposit is an advanced stage exploration project focussing on the development of the Luhala Project which consists of five anomalous hilltops. The area is currently being prospected by Kibo under an Option Agreement with Tanzanian Royalty Corporation (TanRoyalty).

The rocks have been divided into three geologic packages, namely:-

- a lower mafic package of fine grained chlorite-rich ferruginised basalt with local semi-massive to massive pyrite assemblages (not carrying grade);
- a felsic package of silicified or porphyritic rocks and commonly flow banded and brecciated rhyolite flows, cherts and argillites which are weathered to kaolinite-sericitic clay assemblages which may or may not be ferruginous; and
- an upper intrusive package of dolerite/gabbro.

The mineralisation is stratabound shear-zone hosted gold mineralisation (stratigraphic and structural control) within a distinct unit of felsic rocks with associated ferruginised mafics and felsics.

The Kisunge Hill and both Shilalo West and Shilalo South Hills are of primary economic interest and have Inferred Resources declared for them.

Varying amounts of drilling and sampling has been conducted over the various deposits at Luhala, which has to-date resulted in the estimation, by CSA, of the following Mineral Resources for Luhala as at 8th March 2011 using a cut-off grade of 1.0g/t:-

DOMAIN / ZONE	CLASSIFICATION	VOLUME (m ³)	TONNES (t)	GRADE (g/t)	OUNCES oz
Kisunge Central	Inferred	410,000	870,000	1.76	48,900
Kisunge East		110,000	240,000	2.15	16,800
Kisunge South		60,000	120,000	1.68	6,300
Shilalo South		100,000	200,000	2.47	15,900
Shilalo West		200,000	430,000	1.73	23,900
TOTAL LUHALA PROJECT		880,000	1,860,000	1.87	112,000
TOTAL INFERRED		880,000	1,860,000	1.87	112,000
GRAND TOTAL		880,000	1,860,000	1.87	112,000

Rounding results in computational discrepancies

Venmyn have conducted a preliminary review of the orebody modelling and Mineral Resource estimation undertaken by previous workers at Luhala, including CSA's estimates, and are satisfied that the estimates are valid. A number of issues may require future revision. It is Venmyn's opinion that the estimates are reasonable given the low level of confidence with which the estimates are reported.

It is Venmyn's opinion that the full potential of the Luhala Gold Deposit has not yet been adequately tested, and that potential exists to extend the current small, low-grade, near surface gold deposits already identified.

Of concern is the geological interpretation of the area and the sequence stratigraphy in particular. Conflicting geological interpretations may have a profound effect on the potential resource size and future economics of the project. Venmyn recommends that the exploration programme includes an element of detailed geological and structural mapping, further re-logging of cores and detailed sequence stratigraphy.

The remainder of the licences within the Lake Victoria Projects area comprise an extensive portfolio of greenfields gold exploration properties, scattered over a large area across the LVG. The recent acquisition of Morogoro Gold by Kibo has considerably increased Kibo's exploration footprint within the LVG and has added significant greenfields exploration properties to its portfolio along with its options over Itetemia and Luhala. These licences have been variably sampled in order to identify first pass geochemical anomalies. While some licences have generated follow-up targets, a number of licences still require first pass sampling and assessment. Exploration to-date has focussed on pitting, soil sampling and trenching within some of the licences at a reconnaissance level only.

Future work should be oriented towards a better understanding the local geological and structural environments, identification of mineralised targets and re-prioritisation of the licence portfolio. This should include geological reconnaissance visits to all licences followed by re-prioritisation of licences, detailed geological and structural mapping on top priority licences including rock chip, trenching and infill soil geochemical sampling and soil geochemistry on all other licences.

The Morogoro Projects

The Morogoro Projects comprise an extensive portfolio of licences within southeastern Tanzania, between the regional centres of Morogoro and Dodoma, within the Morogoro Province. The recent acquisition of Morogoro Gold by Kibo has considerably increased Kibo's exploration footprint within the Morogoro Projects area, and has added significant greenfields exploration properties to its current option over a single licence (PL5625/2009) in the area.

The Morogoro Projects represent early stage exploration projects, with only limited reconnaissance stream sampling. While a few of the sampled licences have generated follow-up targets, the majority of the licences still require first pass stream sampling and assessment.

Unlike the Lake Victoria Projects, the Morogoro Projects are located within a non-traditional gold prospecting geological environment in Tanzania, dominated by Proterozoic, high-grade metamorphic rocks. The area has only recently begun to receive the attention of mineral exploration companies, and it follows that very little is known of the regional geology, specifically as it relates to gold mineralisation. While no commercial mines are present within the area, artisanal mining has increased in the area, exploiting both alluvial and hard rock sources. The hard rock artisanal mining focuses on wide quartz veins and/or altered and sheared gneisses.

Future work should be orientated towards better understanding the local geological and structural environments, identification of mineralised targets and prioritisation of the licence portfolio. This should include geological reconnaissance visits to all licences followed by prioritisation of licences, detailed geological and structural mapping on top priority licences including rock chip, trenching and infill stream and soil geochemical sampling and stream and soil sampling on all other licences.

Increased artisanal activities, and a number of new mineral rights applications and exploration activities in the area points to the significance of the area in terms of establishing itself as a new Tanzanian goldfield. The Morogoro Projects offer an attractive opportunity to conduct exploration in a prospective area in which very little previous systematic exploration has been undertaken.

The Haneti Projects

The Haneti Projects comprise an extensive portfolio of licences within central Tanzania, that are variably prospective for Ni-Cu-PGE and gold. The Haneti Projects represent early stage exploration projects, with only limited reconnaissance soil and trench sampling having been conducted over a few of the anomalies to-date. While a number of anomalies require follow-up sampling, the most significant results to-date are from Mwaka Hill, where anomalous Ni rocks have been sampled over a Ni anomaly within a trench, dug over a nickel-in-soil anomaly, in late 2010. The elevated Ni values signify further exploration potential for the Haneti Ultramafic Complex (HUC), and that Mwaka Hill represents an immediate target for additional exploration.

Regional scale exploration should also continue in order to better assess the extent of the HUC and its origins as well as to better assess its Ni-Cu-PGE potential. Venmyn consider it too early to define the potential of the HUC to host magmatic nickel sulphide deposits, as this has only been superficially explored to-date. Nevertheless the exploration that has been conducted shows that nickel occurs in elevated concentrations throughout the ultramafics, with a number of Ni, Au and PGE anomalies having been identified from soil geochemical samples.

The potential for nickel laterite deposits is most likely to be restricted to hilltops, however there remains the possibility of preserved laterite beneath the flat areas away from the hills. Given that the hills are limited in aerial extent, it will be important to establish the laterite potential in the flat areas.

It is important to establish whether the HUC is intrusive or structurally emplaced, as this will impact on and determine the future exploration strategy. A structural emplacement model would direct exploration towards contact-related Ni-Cu-PGE mineralisation while an intrusive model would direct exploration towards a feeder-related or stratiform Ni-Cu-PGE deposit.

The presence of significant artisanal workings within PLA1162, suggest that the western portion of the Haneti Projects area has potential for gold mineralisation within the Archaean Dodoman terrain. It follows that this should become a high priority target for Kibo.

Mineral Asset Valuation (MAV)

Kibo's mineral assets were valued on the basis of available exploration data using methods appropriate for the development status of each project. Venmyn's valuation considered the prospectivity of the respective projects and attached a value range consistent with that assessment. The methods applied are industry accepted methods, which aim to reduce subjectivity by assessing the relevance and effectiveness of historical exploration work, as well as the value that has been added by recent studies. The MAV has presented a range of values from Zero to USD39.56m:-

VALUATION METHOD	LOWER PROJECT VALUE (USDm)	MEAN PROJECT VALUE (USDm)	UPPER PROJECT VALUE (USDm)	PREFERRED KIBO MAV (USDm)
Cost Approach	0.00	9.46	18.92	9.04
Market Approach	22.64	31.10	39.56	28.51
PREFERRED VALUE	28.51			

The range of values derived from the Cost Approach and the Market Approach are not mutually supportive and it is clear that Market Approach results in higher values. This is primarily a result of the Option Agreement over Itetemia and Luhala. Since Kibo only gained access to Itetemia and Luhala in 2007, the majority of the historical costs associated with the development of these projects could not be attributed to Kibo, and consequently their PEM values are disproportionately low.

As a consequence, Venmyn consider the Fair Value of the mineral assets of Kibo to be represented by the values derived from the Market Approach valuations. In addition, the Market Approach is considered a more appropriate valuation technique. In this case, it considers the full resource base and the actual transactions and market values, and allows for a thorough review of the logistical, infrastructural and strategic merits of the projects. In addition, Venmyn's transaction databases provide a comprehensive and reliable benchmark for recent relevant transactions in the gold and nickel industries in general and those of Tanzania in particular.

In Venmyn's opinion, the attributable Fair Value of the mineral assets of Kibo at the effective date, is USD28.51m.

Conclusion

Kibo has access to an extensive, well balanced portfolio (greenfields to advanced exploration stage projects) of prospecting licences within a number of prospective project areas within Tanzania.

While the GHR should be rapidly moved to a development project stage, the majority of Kibo's portfolio of licences will require a persistent and systematic approach to prospecting and development as well as a thorough understanding of the local geology and regional structural environments of each of the project areas. Future exploration programmes should be aligned with this objective, taking into account the mineralisation potential of each area. Kibo are well placed in Tanzania to take advantage of the renewed demand for mineral projects, specifically within Africa, and prioritising those projects/targets with the greatest potential will be key to Kibo's success.

Approximately USD6.98m has been budgeted, over the next 12 to 18 months, for the continuing exploration of Kibo's licences within Tanzania.

DISCLAIMER AND RISKS

Venmyn has prepared this full CPR and, in so doing, has utilised information provided by Kibo. Where possible, this information has been verified from independent sources with due enquiry in terms of all material issues that are a prerequisite to comply with the SAMREC Code and the JSE Listings Requirements. Venmyn and its directors accept no liability for any losses arising from reliance upon the information presented in this report.

The authors of this CPR are not qualified to provide extensive commentary on legal issues associated with Kibo and/or its subsidiaries' right to the mineral properties. Kibo, as well as their advisors, have provided certain information, reports and data to Venmyn in preparing this CPR which, to the best of Kibo's knowledge and understanding is complete, accurate and true. Kibo acknowledge that Venmyn has relied on such information, reports and data in preparing this CPR. No warranty or guarantee, be it express or implied, is made by the authors with respect to the completeness or accuracy of the legal aspects of this document.

OPERATIONAL RISKS

The businesses of mining and mineral exploration, development and production, by their nature, contain significant operational risks. The business depends upon, amongst other things, successful prospecting programmes and competent management. Profitability and asset values can be affected by unforeseen changes in operating circumstances and technical issues.

POLITICAL AND ECONOMIC RISKS

Factors such as political and industrial disruption, currency fluctuation, increased competition from other prospecting and mining rights holders and interest rates could have an impact on Kibo and its subsidiaries' future operations, and potential revenue streams can also be affected by these factors. The majority of these factors are, and will be, beyond the control of Kibo or any other operating entity.

FORWARD LOOKING STATEMENTS **SV2.10**

The following report contains forward-looking statements. These forward looking statements are based on opinions and estimates of Kibo management and Venmyn at the date the statements are made. They are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in our forward-looking statements. Factors that could cause such differences include changes in world gold markets, equity markets, costs and supply of materials relevant to the projects, and changes to regulations affecting them. Although Venmyn believe the expectations reflected in our forward-looking statements to be reasonable, Venmyn does not guarantee future results, levels of activity, performance or achievements.

**COMPETENT PERSONS REPORT
(CPR)
ON THE MINERAL ASSETS OF
KIBO MINING PLC
(KIBO)
IN TANZANIA
BY
VENMYN RAND (PTY) LIMITED
(VENMYN)**

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1. INTRODUCTION **JSE12.9(A), SR1.1A(ii), SV2.2**

The directors of Kibo Mining plc (Kibo) requested that Venmyn prepare an independent SAMREC Code compliant Technical Report in the form of a Competent Person's Report (CPR) and SAMVAL Code compliant Mineral Asset Valuation (MAV), on the mineral assets of Kibo in Tanzania. This was used as a basis for identifying the current value of the contributing assets. This report describes each mineral asset in terms of its historical and recent exploration data, which would have a bearing on the techno-economic value of the contributing properties.

Kibo has consolidated an extensive portfolio of mineral rights in three project areas (the Projects) within Tanzania, namely:-

- the Lake Victoria Projects, in the well known Lake Victoria Goldfield (LVG) of northern Tanzania, which includes numerous greenfields exploration projects and two gold deposits with classified Mineral Resources;
- the Morogoro Projects, in the newly discovered gold region of southeastern Tanzania, in which greenfields gold exploration is being conducted; and
- the Haneti Projects, in central Tanzania, focussing on greenfields nickel (Ni), copper (Cu) and platinum group elements (PGE) exploration.

Venmyn understands that Kibo, which is currently listed on the AIM Market of the London Stock Exchange PLC (AIM), is subject to a proposed dual listing on the JSE Limited (JSE). This CPR forms part of the technical documentation in support of the requirements of the proposed listing on the JSE.

The CPR has been prepared in compliance with and to the extent required by the SAMREC Code for the reporting of exploration results, Mineral Resources and Mineral Reserves. The CPR will be submitted to the JSE in fulfilment of the JSE Listings Requirements (Section 12). The effective date of the CPR is 8th March 2011.

Venmyn consent to Kibo using this CPR as part of the Circular to be published and to reference this CPR in any applicable disclosure document, provided that no portion be used out of context or in such a manner as to convey a meaning which differs from that set out in the whole.

2. COMPETENT PERSONS DECLARATION **JSE12.9(C), SR1.1A(ii), SR8A(ii), SR11A(ii), SV2.2, SV2.14**

Venmyn is an independent advisory company. Its consultants have extensive experience in preparing Qualified Persons, Technical Advisors and Valuation reports for mining and exploration companies. Venmyn's advisors writing this report have, collectively, more than 50 years of experience in the assessment and evaluation of precious metals mining and exploration projects worldwide and are members in good standing of appropriate professional institutions.

Neither Venmyn nor its staff have or have had any interest in Kibo or their subsidiaries' capable of affecting their ability to give an unbiased opinion, and, have not and will not, receive any pecuniary or other benefits in connection with this assignment, other than normal consulting fees. Neither Venmyn, nor any of the authors of the CPR, hold any share capital in Kibo or their subsidiaries.

This report was prepared by Mr Andrew Clay, Mr Neil Mc Kenna and Mr Richard Tayelor all of whom have relevant and appropriate experience and independence to appraise the Projects. To this end, Qualified Persons Certificates are presented in Appendix 11. Mr Andrew Clay is considered a "Competent Person", and has more than 5 years relevant experience in the assessment and evaluation of the types of mineral exploration properties discussed in this report. Mr Neil Mc Kenna is considered a "Competent Valuator", and has the necessary qualifications, ability and experience in valuing mineral assets, and is registered with SACNASP in the practice of Geological Science (400199/04).

A site visit to Kibo's material properties was conducted by the authors of this report in November 2010 and February 2011. These site visits have substantiated the existence of Kibo's gold resources which are supported by the exploration results detailed in the relevant sections to follow.

This document has been compiled in order to incorporate all currently available and material information that will enable potential investors to make a reasoned and balanced judgement regarding the economic merits of the Projects. This work has been based upon commercial, mining, environmental and financial information, which has been independently due diligence by the Competent Person.

3. SCOPE OF THE OPINION **JSE12.9(E), SR1.1(i-iii), SV2.2**

In the execution of the mandate, Venmyn undertook a technical review, in order to identify all the factors of a technical nature that would impact the prospectively and future viability of the projects. Venmyn considered the strategic merits of each asset on an open and transparent basis.

This CPR has been compiled in accordance with the SAMREC Code, 2007 and SAMVAL Code, 2008. In addition, this CPR has been compiled in accordance with the JSE Limited Listing Requirements (Section 12).

Reference numbers are indicated in red in the section headings and are denominated with the prefixes JSE, SR1 and SV2 to indicate the relevant items required in terms of the JSE Listings Requirements (Section 12), the SAMREC Table 1 and SAMVAL Table 2, respectively. Full checklists, have been referenced to this document and are provided in Appendix 12.

Venmyn's primary obligation in preparing Mineral Asset reports in the public domain is to describe the Mineral Projects in compliance with the reporting codes applicable under the jurisdiction in which the company operates. In this case, it is the South African Institute of Mining and Metallurgy (SAIMM) and its South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code, 2007) and the South African Code for the Reporting of Mineral Asset Valuation (SAMVAL Code, 2008, amended July 2009).

These guidelines are considered by Venmyn to be a concise recognition of the best-practice due-diligence methods for this type of Mineral Project and accord with the principles of open and transparent disclosure that are embodied in internationally accepted Codes for Corporate Governance.

Accordingly, this CPR has been compiled in order to incorporate all currently available and material information that will enable potential investors to make a reasoned and balanced judgement regarding the economic merits of the Projects.

Venmyn's professional advisors are Competent Persons as defined by the SAMREC Code. Venmyn's advisors are, therefore, internationally accredited. They are also members of the Australasian Institute of Mining and Metallurgy (AusIMM) which embodies the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports 2005 (The Valmin Code). The Competent Persons involved in this report are members in good standing with their respective professional institutions.

In the execution of the mandate, Venmyn undertook a full technical assessment of the contributing assets and also considered the strategic merits of each of the mineral assets. This work has been based upon technical information which has been supplied by Kibo and its subsidiary companies, and which has been independently due diligenced by Venmyn, where possible. Kibo has warranted in writing that it has openly provided all material information to Venmyn which, to the best of its knowledge and understanding, is complete, accurate and true.

4. SOURCES OF INFORMATION

The CPR has been based upon the following information supplied by Kibo and their subsidiaries to Venmyn:-

- exploration databases;
- geological models;
- block models;
- exploration reports from previous workers;
- in-house exploration results from exploration undertaken on the Projects;
- technical reviews undertaken by Kibo and/or its subsidiaries on the Projects;
- technical reports produced by independent consultants;
- copies of material agreements; and
- Venmyn has inspected the licences for the Projects, but has not independently verified the legal status of the licences nor is it qualified to do so.

A list of public and internal documents related to the Projects has been referenced in the compilation of this document, as detailed in Appendix 9.

5. RELIANCE ON OTHER EXPERTS **SR1.3A(i) SV2.11, SV2.13**

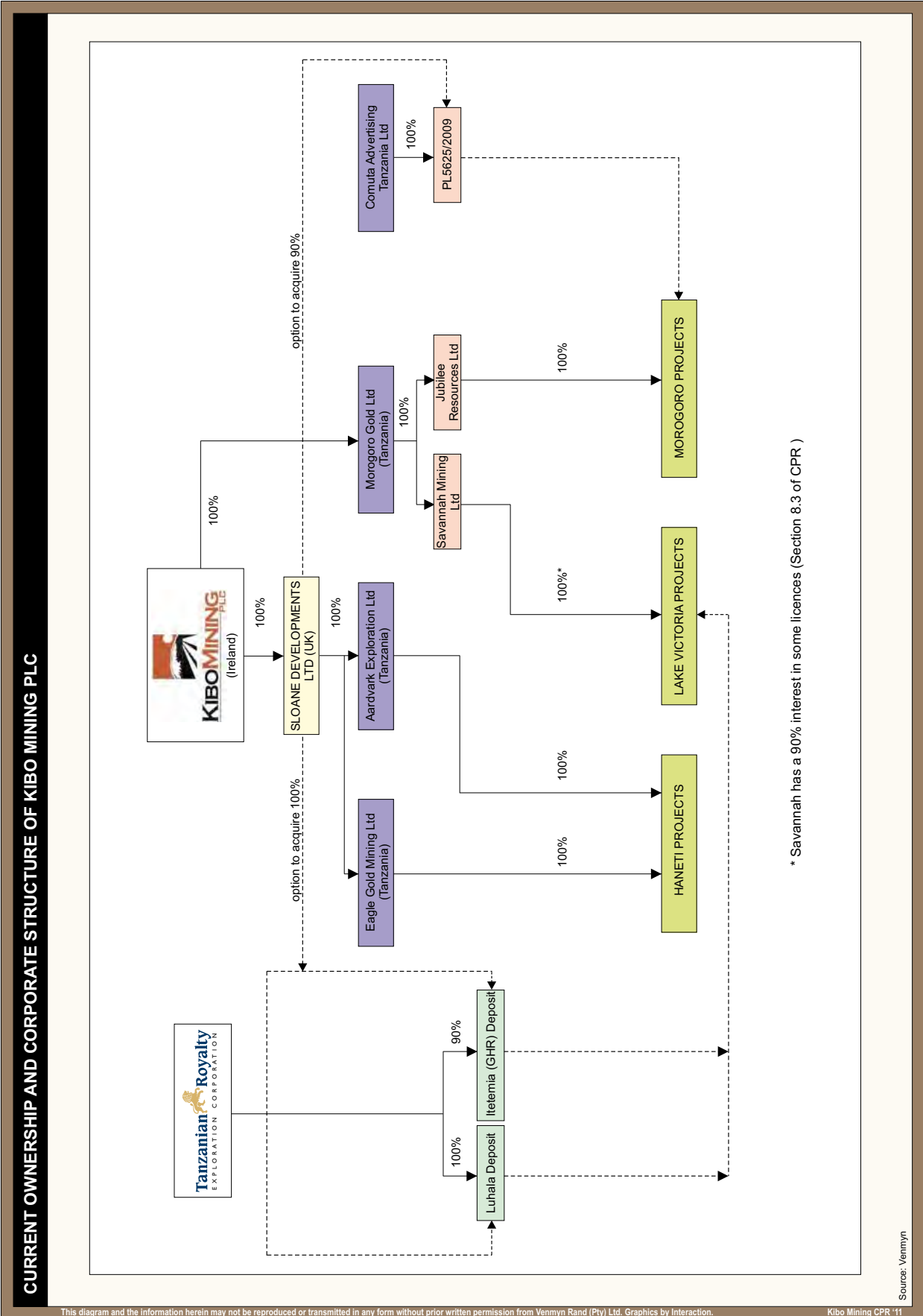
Venmyn has relied upon the independent opinion of CSA Australia Pty (Ltd) (CSA) for their assessment and estimation of the Mineral Resources of the Itetemia and Luhala gold deposits. These have been reported in Section 9.5.9 and Section 9.6.9, respectively. These Mineral Resources have been used in the Mineral Asset Valuation presented in Section 14. Venmyn have reviewed the Mineral Resource estimates of CSA and have satisfied ourselves that the estimates are reasonable. CSA has provided a letter acknowledging Venmyn's reliance on their Mineral Resource estimates of this report and have consented to the inclusion of the estimates and discussion thereof as they appear in this report.

6. NATURE OF THE TRANSACTION AND CORPORATE STRUCTURE

Kibo is currently listed on the AIM Market of the London Stock Exchange PLC (AIM). It is Venmyn's understanding that Kibo intend seeking a dual listing on the JSE. The current corporate structure of Kibo is illustrated in Figure 1.

Kibo, through its various subsidiaries has consolidated an extensive portfolio of mineral assets by:-

- entering into an option agreement with Tanzanian Royalty Corporation over the Itetemia and Luhala deposits (Section 8.3) in the Lake Victoria Projects area;
- entering into an option agreement with Comuta Advertising Tanzania Limited over PL5625/2009 in the Morogoro Projects area;
- entering into various third party agreements (Section 8.3);
- applying for its own mineral licences; and
- acquisition. In July 2008, Kibo's acquired 100% of the share capital of Eagle Gold Mining Limited (Eagle Gold Mining), thereby acquiring access to an extensive portfolio of greenfields Ni-Cu-PGE exploration licences in the Haneti Projects area. In March 2011, Kibo acquired 100% of the share capital of Morogoro Gold Limited (Morogoro Gold) from Mzuri Gold Limited (Mzuri Gold), thereby acquiring access to an extensive portfolio of greenfields gold exploration licences, via Morogoro Gold's wholly owned subsidiaries, Savannah Mining Limited (Savannah) and Jubilee Resources Limited (Jubilee), in the Lake Victoria Projects area.



7. COUNTRY PROFILE **SR1.5A(i)**

7.1. Locality, General Infrastructure and Accessibility of Tanzania

Tanzania is located in eastern Africa along the Indian Ocean, and bordered by Kenya, Uganda, Rwanda, Burundi, Zambia, Malawi and Mozambique (Figure 2). Tanzania includes the islands of Mafia, Pemba and Zanzibar. The administrative capital, Dodoma, is located near the centre of the country and Dar es Salaam (the financial and economic centre) is located on the coast. Tanzania measures 945,040km², with a population of approximately 43.7 million people.

The country is divided into 26 administrative regions, of which 21 are on the mainland and 5 in Zanzibar. Tanzania is mountainous in the northeast, where Mt Kilimanjaro is situated. To the north and west are Lake Victoria and Lake Tanganyika. Central Tanzania comprises a large plateau, with plains and arable land. The eastern shore is hot and humid, with the island of Zanzibar just lying off-shore.

Infrastructure and accessibility in Tanzania is reasonable. There is an international airport at Dar es Salaam and numerous other manned and unmanned airstrips at regional centres throughout the country.

National roads are generally in good repair, facilitated by a Road Fund and Road Agency structure and fuel levy. Secondary and dirt roads are in various states of repair, but Venmyn found that the access routes to the Projects were reasonable. Dirt tracks to specific project areas were only passable by 4X4 vehicles.

Domestic air transport is reasonable, and connects all the major regional centres within the country.

The port of Dar es Salaam is a significant regional port in East Africa, however often represents a serious bottleneck for both imports and exports. Privatisation of certain sectors of the port in recent years has assisted in improving the efficiency of the port. Significant growth in shipping traffic continues to exceed the capacity of this port.

Power supply in Tanzania is characterised by very low consumption, low coverage and poor reliability, with frequent outages, even in major centres. Significant investment in the power generation capacity of Tanzania is required to improve this situation.

Water supply is poor and access to clean and safe water is low.

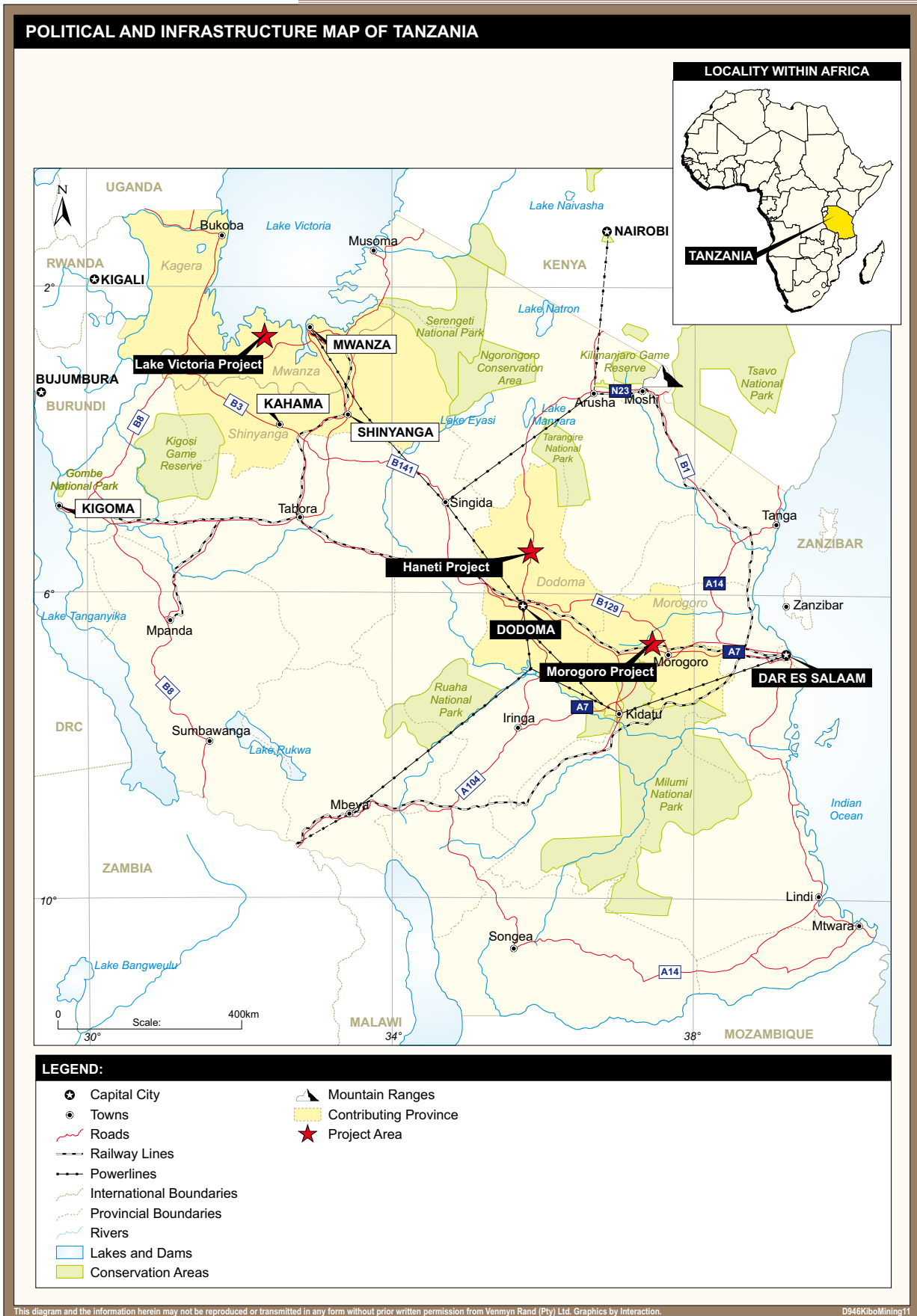
The telecommunications network is based on microwave radio relay stations and is available in all major towns. This is supplemented by a mobile cellular system, operated by a number of different private service providers and is available throughout most of the country.

7.2. Topography, Vegetation and Climate of Tanzania

The Tanzanian climate is primarily controlled by altitude. The narrow coastal plain in the east is tropical (i.e.: very hot and humid). The high lying inland plateau is generally temperate, whilst the mountainous areas at very high altitudes exhibit alpine climates. The Projects are located in geographically disparate locations and their specific topographic, vegetation and climatic characteristics are detailed in Section 9, Section 10 and Section 11 for the Lake Victoria, Morogoro and Haneti projects respectively.

7.3. Socio-Political Climate of Tanzania

Following World War I, the League of Nations passed the German colony of Tanganyika over to British administration. It gained independence from Britain in 1961, and initially followed a British parliamentary form of government. In 1962, a presidential form of government replaced it. Julius Nyerere was elected as president in 1964, and took steps to form a unified state and his efforts led to the adoption of the Interim Constitution of the United Republic of Tanzania and a union between the former Tanganyika colony and the islands of Zanzibar. The union was cemented in 1977 with the merger of Tanzania's ruling party, the Tanzanian African National Union and the main representatives of Zanzibar's Afro Shirazi Party to form a new party called the Chama Cha Mapinduzi (CCM). The adoption of a permanent constitution with the provision that allowed Zanzibar to elect representatives to the National Assembly further strengthened these ties.



Ndugu Ali Hassan Mwinyi became president in 1985 and started a process of political and economic reform moving away from the socialist economic policies of President Nyerere. One of the political reform objectives was realised in 1992 when the constitution was amended and a multi-party system was introduced. Benjamin William Mkapa was elected president in 1995 and continued with these reforms and presided over a relatively stable political environment. He promoted a culture of human rights and non-racial policies and freedom of speech, and is recognised as the driving force behind Tanzania's economic liberalisation. Mkapa was re-elected in 2000. In 2005, Jakaya Kikwete of the ruling party won the presidential elections by a landslide (over 80%) margin, and undertook to continue the economic reforms set in motion by Mkapa. In 2010 he was re-elected as president for his second term, by another overwhelming vote. Elections and transitions have continued to progress peacefully.

The population of the mainland of Tanzania is approximately 42 million and Zanzibar is 1 million, of which 99% are African and 1% consists of Europeans, Asians and Arabs. The Africans are divided into more than 120 ethnic groups. Approximately 80% of the population in the mainland live in rural areas. Each ethnic group has its own language but are unified by the official languages Kiswahili and English.

Approximately 62% of women and 77% of men are literate. Life expectancy is low, standing at 50 years for men and 53 years for women.

7.4. Economic Climate and Fiscal Regime of Tanzania

Despite a number of economic reforms over the years, Tanzania remains one of the poorest economies in the world, depending heavily on agriculture (~40% of GDP), which accounts for 85% of all exports and 80% of the work force.

Tanzania is still dependent on multilateral and bilateral aid, in order to support infrastructural development and to alleviate poverty. It is a member of the East African Community and this assists in regional trade ties.

Estimates for GDP in 2010 stand at approximately USD22.4bn, with the real growth rate of the economy in excess of 5%, for the past 5 years. Inflation during 2010 has averaged approximately 7%, with public debt in excess of approximately 40% and a deficit of approximately 7%. The country's PPP (purchasing power parity) is estimated as USD61.9bn for 2010.

The local currency is the Tanzanian Shilling (TZS).

Natural resources in Tanzania include hydro-electric potential, coal, iron, gemstones, gold, natural gas, nickel, diamonds, crude oil potential, forest products, wildlife and fisheries. Agriculture produces, *inter alia*; coffee, cotton, tea, tobacco, cloves, sisal, cashew nuts, maize livestock, sugar cane, rice, wheat and pyrethrum.

7.5. Exploration and Mining in Tanzania

Tanzania has a long history of gold production, with the precious metal being mined long before the arrival of the Europeans. The early 1990s saw the rapid increase in exploration by international companies, searching for gold deposits within the granite-greenstone belts of the LVG. The success of this exploration has led to the opening of numerous large gold mines in the area producing an average of in excess of 40,000kg of gold a year for the past 5 years, with a peak of in excess of 52,000kg in 2005. Production decreased in 2008 as a consequence of the Global Economic Crisis, but exploration has been ongoing, albeit at a slower pace, and new discoveries continue to occur.

The LVG is characterised by gold mineralisation associated with banded-iron formations (BIF), tuffs, and volcano-sedimentary exhalatives. Notable developments in the past 10 years include the commissioning of large-scale mines at Geita, Bulyanhulu, Nzega, North Mara, Buhemba and Tuluwaka. Gold has also been discovered and mined (to a far lesser extent) in the southern and south-western parts of the country.

In addition to gold, the following commodities are mined and actively explored for within Tanzania:-

- base metals, in a belt running from Kagera, through Kigoma, to the Mbeya, Ruvuma and Mtwara regions and in northwest Tanzania; and

- gemstones in eastern and western belts running from the Kenyan border in the north to Mozambique in the south. Tanzania is particularly well known for its diamonds (specifically from the Mwadui Mine) and Tanzanite (blue zoisite).

The country has one of the highest levels of exploration in Africa due to its overall prospectivity, political stability and investor friendly policies. Gold, specifically within the LVG presently attracts the majority of the investment and is host to all of the country's major gold mines (Figure 3).

7.6. Mineral Policy in Tanzania **SR5.2A(i)**

Tanzania's first attempt at regulating the mineral industry was recorded in the Mineral Policy of Tanzania, October 1997. This led to the development of the Mining Act of Tanzania, 1998. In April 2010, a revised Mining Act was passed by Parliament. This legislation imposes higher royalties (from 3% to 4% for precious and base metals, 5% to 6% for diamonds and gemstones, and 7% for uranium), requires mining companies to list on the Dar es Salaam Stock Exchange and gives the State a stake in future projects. According to the government, the State ownership of future mining projects in Tanzania will be based on the level of investment.

The new act prescribes that Primary Mining Licences (PMLs) will be reserved exclusively to Tanzanian citizens and corporate bodies under the exclusive control of Tanzanian citizens. None of the other categories of mineral rights (see below) are subjected to this restriction. Licences to mine for gemstones are, however, only to be granted to Tanzanians, regardless of the size of the operation. It is understood that agreements/licences currently in force with non-Tanzanian controlled mining companies remain unchanged.

Salient features of the Mining Act are as follows:-

- the right to trade in mineral rights;
- simplification and consolidation of past statutes on mining and mineral trading;
- improved security of tenure through removal of most past ministerial discretionary powers and introducing a mining advisory committee responsible of advising the Minister on decisions to ensure:-
 - enhanced clarity and transparency;
 - fair, streamlined and non-discriminatory licensing procedures; and
 - environmental management.

The Mining Act, is aimed to deter information hoarding on new discoveries, freezing of exploration acreage for speculative purposes, transfer pricing and tax evasion. The fiscal incentives provided to exploration and mining activities include the following among other incentives:-

- exemption of import duty and Value Added Tax (VAT) on equipment and essential materials up to the anniversary of start of production, thereafter 5% seal applies;
- depreciation allowances of 100%; and
- repatriation of capital of capital and profit directly related to mining.

Under the new Mining Act, Tanzania issues three basic categories of licences:-

- Prospecting Licence, granted for an initial period of three years and for two successive periods of renewal, neither of which can exceed two years and both of which require a 50% reduction in land area. The portion returned to the State can be reapplied for as a new application under a different company name. Currently a subsidiary company under the same parent umbrella may apply for the new application;
- Retention Licence, granted to the holder of a Prospecting Licence on which mineral deposits of commercial significance have been discovered but which cannot be exploited or developed immediately. These licences are granted for a maximum of five years; and
- Mining Licence, granted to the holder of a Prospecting Licence over the area and gives the holder the exclusive right to prospect and mine minerals. These are valid for 25 years (or the life of mine), with an option to renew for a further 25 years.

The turn-around time for renewals and applications is generally between 6 and 24 months. Before a renewal or application is formally granted, however, a so called "Letter of Offer" (Offer) is received which all but guarantees the applicant's licence once the licence fee has been paid. It then takes a minimum of 3 months before the licence is formally issued. In the case of a renewal, the applicant may commence ground work as soon as the Letter of Offer has been received. However, in the case of new licence applications, exploration can only commence once the new licence has been formally issued.

The State reserves its rights to revoke any Reconnaissance, Prospecting, Retention and/or Mining rights in terms of the Tanzanian Mining Act.

In terms of security of tenure, there are recorded cases of explorers 'loosing' ground during a renewal process, mainly as a result of the granting of PMLs or claims over a pre-existing Prospecting Licences. However, Kibo's Dar es Salaam office have personnel that are dedicated to the management of their licences, applications and renewals and have a track record of efficient management thereof. As a result of these dedicated resources, Kibo have not, to-date, had any significant issues concerning the security of their licences or the granting of applications and/or renewals, other than those discussed in Section 8.6.

If licences fall within a Forest Reserve and Game Controlled Area, additional authorization must be sought from the Ministry of Natural Resources and Tourism (MNRT). In the case of Kibo, several of the westernmost licences within the Savannah UN Road Block fall within a Forest Reserve (Kigosi Forest Reserve). Venmyn are advised that such authorisations have been granted and annual fees paid to cover the period of exploration. Since no exploration is currently being conducted on these licences no authorisations are required.

7.6.1. Royalties, Fees and Taxes

With respect to the Prospecting Licences no royalties or taxes are payable to the State, and normal exploration expenditures will be subjected to tax regulations as set out by the Tanzania Revenue Authority (TRA). Table 1 summarises the fees associated with Prospecting Licences, and are payable to the Ministry of Energy and Minerals:-

Table 1: Schedule of Licence Fees

PERIOD	FEES PAYABLE (USD/km ²)
Initial Option Period (3yrs)	40
First Renewal Period (2yrs)	50
Second Renewal Period (2yrs)	60

7.6.2. Impact of the Projects on the Environment

Tanzania has a large number of protected areas devoted to wildlife conservation including National Parks (National Ordinance Cap 412), Game Reserves, Game Controlled Areas (Wildlife Conservation Act No.12 of 1974) and Forest Reserves (Forest Reserves Cap 389). These are gazetted areas and cover approximately 30% of the country's landmass. Several of the westernmost licences within the Savannah Project UN Road Block are situated within the northern reaches of the Kigosi Forest Reserve and Game Controlled Area (Figure 2).

Exploration is not permitted within National Parks and Game Reserves. However, exploration is permitted in Forest Reserves and Game Controlled Areas subject to authorization and payments of annual fees. It is pertinent to note that the Tulawaka Mine is located within the Biharamulu Forest Reserve and is currently carrying out authorised mining operations.

No exploration is currently being conducted by Kibo within the Kigosi Forest Reserve, but once exploration recommences the effect on the environment would be very limited in the early phases of exploration (pitting and drilling).

It should be noted that the border of the Kigosi Game Reserve has changed in recent years, moving north and eastwards by approximately 25km in both directions (Figure 2). Official records only show the previous boundary, and not the recent modifications to this. Clarity on the current official reserve boundary has not been forthcoming.

8. LEGAL TENURE AND AGREEMENTS OF THE PROJECTS SR1.7A(i), SR5.1A(i), SR5.2B(i), SV2.3

Venmyn understand that all governmental requirements and permits required for the current operations have been approved and that there is a reasonable basis to believe that all future authorisations required for the Projects can be obtained.

8.1. Prospecting Licences

Kibo's portfolio of mineral rights within Tanzania, have been divided into the three main project areas (the Projects):-

- the Lake Victoria Projects;
- the Morogoro Projects; and
- the Haneti Projects.

These project areas each contain various licences at different stages of application, offer and activation (successfully granted). The full list of licences and status can be viewed in Appendix 1 including the third party licences. A summary of the licences within each of the Projects is shown below in Table 2 - Table 4.

Table 2: Summary of the Lake Victoria Projects' Licence Status

PROJECT AREA	LICENCE STATUS	NUMBER OF LICENCES	CURRENT AREA (km ²)
Lake Victoria Projects	Active	11	104.79
	TOTAL ACTIVE	11	104.79
	Under Offer	12	171.26
	TOTAL UNDER OFFER	12	171.26
	Applications for Relinquished Licences	85	1,940.11
	Applications for New Licences	21	499.94
	TOTAL APPLICATIONS	106	2,440.05
GRAND TOTAL LICENCES		129	2,716.10

Note: Excludes areas held under Option

Table 3: Summary of the Morogoro Projects Licence Status

PROJECT AREA	LICENCE STATUS	NUMBER OF LICENCES	CURRENT AREA (km ²)
Morogoro Project	Active	15	1,937.69
	TOTAL ACTIVE	15	1,937.69
	Under Offer	2	617.60
	TOTAL UNDER OFFER	2	617.60
	Applications for Relinquished Licences	7	3,547.20
	Applications for New Licences	9	2,803.60
	TOTAL APPLICATIONS	16	6,350.80
GRAND TOTAL LICENCES		33	8,906.09

Note: Excludes areas held under Option

Table 4: Summary of the Haneti Projects Licence Status

PROJECT AREA	LICENCE STATUS	NUMBER OF LICENCES	CURRENT AREA (km ²)
Haneti Project	Active	8	1,240.91
	TOTAL ACTIVE	8	1,240.91
	Under Offer	7	3,225.43
	TOTAL UNDER OFFER	7	3,225.43
	Applications for Relinquished Licences	7	2,549.49
	Applications for New Licences	1	176.00
	TOTAL APPLICATIONS	8	2,725.49
GRAND TOTAL LICENCES		23	7,191.83

Within the Projects are further subdivisions into 'Blocks' based primarily on location, geology and historical activity conducted on the licences.

The lake Victoria Projects have been sub-divided as follows (Figure 3):-

- the Itetemia Deposit;
- the Luhala Deposit;
- the Mhangu Block;
- the Geita East Block;
- the Geita North Block;
- the Geita West Block;
- the Central Block; and
- the UN Road Block.

The Morogoro Projects have been sub-divided as follows (Figure 26):-

- the Morogoro Block; and
- the Dodoma Block.

The Haneti Projects have been sub-divided as follows (Figure 33):-

- the Haneti Ultramafic Complex;
- the Betete Prospect; and
- the PLA1162 Gold Prospect.

8.2. Mining Rights

No Mining Rights have been issued with respect to the Projects.

8.3. Material Agreements **SR1.7A(ii)**

Kibo, through its various subsidiary companies (Figure 1), are subject to a number of 3rd Party Agreements, which together with their own licences, offers and applications have resulted in the consolidation of an extensive portfolio of licences in Tanzania.

Savannah Mining Limited (Savannah), have entered into a number of Vend-In Agreements with third parties (Table 5) over certain prospective licences in the Lake Victoria Projects area, in addition to making its own applications for licences in the Projects. In general the terms of the various Vend-In Agreements are similar, providing for, *inter alia*:-

- 100% of rights to be vended into Savannah;
- various cash payments from Savannah up front, on the first and second anniversary of the agreement and a percentage of net smelter revenue from any future mine production or mining activity that could result from the respective properties; and
- Savannah assumes all operational control and expense commitments.

The exceptions to this are the Vend-In Agreements with State Mining Corporation and Ms. Tabitha Timothy, in which Savannah has acquired an initial 90% interest in certain licences. At later developmental stages of these projects (Economic Assessment and Mining), the vendors may be required to dilute further based on their funding contributions with a prescribed minimum free carry interest.

Table 5: Summary of the Savannah Vend-In Agreements

VENDOR	ORIGINAL LICENCE INFORMATION			LOCATION	EFFECTIVE DATE OF VEND-IN AGREEMENT
	PL NO	GRANTED DATE	EXPIRED DATE		
Adam Fadhili	PL 3012/2005	28-Jan-05	27-Jan-08	Mulele River - Bukombe	4 th April 2005
Chubwa Vitas & Salma Mgalula	PL 3017/2005	28-Jan-05	27-Jan-08	Muhuruma - Bukombe	6 th April 2005
Daudi Fadhili	PL 3154/2005	21-Apr-05	20-Apr-08	Buzirayombo - Geita	24 th June 2005
Dismas Calist	PL 3046/2005	10-Feb-05	09-Feb-08	Kwimba - Kwimba	4 th April 2005
Elizabeth Mbaga	PL 2772/2004	08-Oct-04	07-Oct-07	Kirumwa - Geita	4 th April 2005
Emmanuel Jengo	PL 3015/2005	28-Jan-05	27-Jan-08	Geita - Geita	4 th April 2005
	PL 3016/2005	28-Jan-05	27-Jan-08	Kaniha - Bukombe	4 th April 2005
Gorge Athanas & Hussien Ally	PL 3007/2005	28-Jan-05	27-Jan-08	Misungwi - Kwimba	4 th April 2005
Jaha Investment Limited	PL 2593/2004	16-Jul-04	15-Jul-07	Kikiliji - Kwimba	6 th April 2005
John Fadhili	PL 2067/2002	20-Nov-02	19-Nov-05	Bwanga - Biharamulo	8 th April 2005
	PL 2736/2004	08-Oct-04	07-Oct-07	Igengi - Magu	8 th April 2005
Kikare Mining & Prospecting Limited	PL 2315/2003	05-Sep-03	04-Sep-06	Bukwimba - Geita	4 th April 2005
	PL 2316/2003	05-Sep-03	04-Sep-06	Buzimba - Geita	4 th April 2005
Kuruthum H. Kiumbe	PL 2823/2004	30-Oct-04	29-Oct-07	Kitongo - Magu	4 th April 2005
	PL 2824/2004	30-Oct-04	29-Oct-07	Kitongo - Magu	4 th April 2005
Manyama Makweba & Gasper Kusundwa	PL 2057/2002	19-Nov-02	18-Nov-05	Nyehunge - Geita	12 th April 2005
Martedo investment Limited	PL 3011/2005	28-Jan-05	27-Jan-08	Rwamagaza - Geita	4 th April 2005
Mineral Resources Company Limited	PL 1874/2002	21-Feb-02	20-Feb-05	Nyamalimbe - Geita	4 th April 2005
Jonas Mrichiwa & Eustance Albert	PL 2049/2002	18-Nov-02	17-Nov-05	Nundu - Kwimba	6 th April 2005
Rehema Buzohera	PL 2509/2004	10-May-04	09-May-07	East geita - Geita	4 th April 2005
	PL 2650/2004	01-Sep-04	31-Aug-07	Ushirombo - Bukombe	4 th April 2005
Remi Materu & Justina Matera	PL 3010/2005	28-Jan-05	27-Jan-08	Mwamagala - Kahama	4 th April 2005
Sammy M. Abdala	PL 3071/2005	17-Feb-05	16-Feb-08	Buzirayombo - Biharamulo	8 th April 2005
State Mining Corporation	PL 2397/2003	16-Dec-03	15-Dec-06	Geita - Geita	23 rd December 2003
Thabatha Timothy	HQ-P2045	n/a	n/a	Geita - Geita	2 nd November 2009
	HQ-P2046	n/a	n/a	Geita - Geita	2 nd November 2009
Thadei Francis Moshly	PL 3004/2005	28-Jan-05	28-Jan-08	Bukondo - Geita	4 th April 2005
Widescope Promotion Limited	PL 3049/2005	10-Feb-05	09-Feb-08	Fukalo - Magu	6 th April 2005
Ziko Farm Limited	PL 1959/2002	26-Aug-02	25-Aug-05	Geita North - Geita	6 th April 2005

Eagle Gold Mining, have entered into a Vend-In Agreement with a third party (Table 6) over two prospective licences in the Haneti Projects area, in addition to making its own applications for licences in the Projects. In general the terms of the Vend-In Agreement are similar, providing for, *inter alia*:-

- 100% of rights to be vended into Eagle Gold Mining;
- payment in ordinary shares in Kibo;
- 1% of net smelter revenue from any future mine production or mining activity that could result from the respective properties; and
- Eagle Gold Mining assumes all operational control and expense commitments.

Table 6: Summary of the Eagle Gold Mining Vend-In Agreements

VENDOR	ORIGINAL LICENCE INFORMATION			LOCATION	EFFECTIVE DATE OF VEND-IN AGREEMENT
	PL NO	GRANTED DATE	EXPIRED DATE		
Manyama Makweba	PL5457/2008	18-Dec-08	17-Dec-11	Bubu - Kondo	2 nd May 2008
Manyama Makweba	PL4383/2007	02-Apr-07	01-Apr-10	Kwamtoro - Kondo	2 nd May 2008

Venmyn understands that all payments to the respective vendors and the State have been made and that Savannah and Eagle Gold Mining have maintained the licences in good order. Evidence of this (in the form of filed licences, agreements, invoices, copies of cheques and receipts) were provided for all licences, and while Venmyn have reviewed these for completeness. Venmyn have not validated the licences or payments, nor are we qualified to do so.

In addition to the above, Kibo, through its various subsidiaries, have entered into the following Option Agreements:-

- an option for Sloane Developments Limited (Sloane) to acquire a 100% interest in the Luhala Project and a 90% interest in the Itetemia Project from Tanzanian Royalty Exploration Corporation (TanRoyalty), in the Lake Victoria Projects area. TanRoyalty are currently in a joint venture with State Mining Corporation (Stamico), in which TanRoyalty have a 90% interest and Stamico (the licence holder) retain a 10% interest in the Itetemia Project. Kibo's option is exercised by Sloane making cash payments to TanRoyalty at various anniversaries of the agreement, undertaking to carry out all exploration work on the area up to a minimum of USD1.0m within 2 years, completing 30,000m of diamond drilling within 3 years, funding a feasibility study within 5 years, and commencing production within 7 years. Should Sloane decide to progress to mining, TanRoyalty will be entitled to a Royalty of up to 2% of net smelter revenue from any future mine production or mining activity that could result from the respective properties. The royalty is defined on a scale based on gold price. The royalty for a gold price above USD380/oz is 2%. This Option Agreement was executed on 25th January 2007; and
- an option for Sloane to acquire up to 90% of the right, title and interest in licence PL5625/2009 from Comuta Advertising Tanzania Limited (Comuta), in the Morogoro Projects area. The option is exercised by Sloane undertaking to carry out all exploration work on the area up to a minimum of USD250,000 within 3 years, and funding any future feasibility studies, as well as various cash payments at various anniversaries of the agreement. Should Sloane decide to progress to mining, Comuta can opt to either contribute 10% of the costs of the development of the mining project, or convert its 10% interest into a royalty equivalent to 3% of net smelter revenue. This Option Agreement was executed on 10th October 2008.

Venmyn understands that all payments and commitments, to the respective grantors have been made, and that the licences have been maintained in good order.

Venmyn are not aware of any other material agreements with respect to the licences.

8.4. Environmental Impact Assessment (EIA) Report

No EIAs have been conducted on the licences at this stage, nor are any required at present. Tanzania has established a National Environment Management Council and is drafting a general environmental legislation. At the moment, the only consideration known to Venmyn is the proximity of 'Forest Reserves' to several Prospecting Licences of the Projects (Section 7.6).

However, the Forests Ordinance Code permits mining in both reserved forest areas and on unreserved forest lands. Chapter 4.5 of the Environmental Handbook for Business for Tanzania as published by the Lawyers' Environmental Action Team (LEAT), highlights the current key environmental issues associated with exploration and mining. Requirements are currently addressed in each Mining Licence awarded but there are none for Prospecting and Reconnaissance Licences.

8.5. Environmental Provision and Environmental Issues **SR5.2A(i), SR5.2B(ii)**

No environmental provisions have been made for the licences at this stage nor are any required at present. Should application for a Mining Licence be made however, the applicant must submit a feasibility report including environmental and health safeguards, plans for local sourcing of goods, services, employment and training of Tanzanians. The licence holder must submit regular reports according to regulations.

Venmyn are not aware of any environmental factors that could have a material effect on the likelihood of eventual economic extraction on any of the licences.

8.6. Other Legal Issues **SR1.7A(iii-iv)**

Venmyn understand that Kibo is currently not engaged in, or subject to any legal disputes in relation to any of its ground holdings in Tanzania, or in relation to any other matter. Venmyn understand that there are no known impediments to obtaining the right to operate in any of the project areas, other than within PLA1162 and PLA1163 Gold Prospect of the Haneti Projects area (discussed below).

Kibo have been involved in intermittent discussion with the Ministry of Energy and Minerals over the years who recognise Kibo's rights in the PLA1162 and PLA1163 Gold Prospect (Section 11.6.2) of the Haneti Projects area. However, the licences have not been issued as there was an artisanal discovery on them after the letters of offer were received (and payment of acceptance fees paid), and the Ministry subsequently issued mining claim PMLs over the same ground. As there is a large artisanal presence on the ground, the Ministry has been slow to resolve the issue. Kibo have not escalated this issue to a legal dispute as Kibo would prefer resolving the issue amicably.

9. LAKE VICTORIA PROJECTS AREA

9.1. Location and Access **SR1.2A(i), SR1.5A(i), SR1.6A(i), SV2.3, SV2.4**

The Lake Victoria Projects comprise an extensive portfolio of licences within the LVG of northern Tanzania (Figure 3). These licences are scattered over a large area across the LVG and occur within the Mwanza, Shinyanga and Kagera provinces. The Itetemia and Luhala deposits represent advanced stage exploration projects on which mineral resources have been estimated (Section 9.5.9 and 9.6.9). The remainder of the Lake Victoria Projects area licences represent early stage exploration properties, with licences having been variably sampled in order to identify first pass geochemical anomalies. While some of these licences have generated follow-up targets, a number of licences still require first pass sampling and assessment.

The licences can be accessed by a network of tarred and gravel roads, in varying states of repair. However, Venmyn found that consistent with the general development of the LVG, the regional infrastructure appears well maintained.

The southern and eastern licence areas are best accessed from the regional centre of Mwanza, by taking the national road south from Mwanza to Mabuki. At Mabuki a tarred road to the west leads to the Mhangu Block licence area and continuing to Mhangu will lead to a branch to the west from which the UN Road Block licences can be accessed.

The northern, central and western licence areas can be accessed from Mwanza by crossing the Mwanza Gulf by ferry at either Mwanza or at Busisi and a number of tarred roads branching from Sengerema. While some licences can be accessed from the primary tarred roads, most must be accessed from secondary dirt roads branching from the primary roads or even dirt tracks.

Low lying areas are often covered with thick deposits of black cotton soils ('mbuga'), which require four wheel drive vehicles to pass over in wet conditions, or which may be temporarily impassable.

There is a regional airport located at Mwanza, with daily flights to Dar es Salaam. Smaller airstrips are also located across the LVG.

9.2. Topography and Vegetation **SR1.6A(i)**

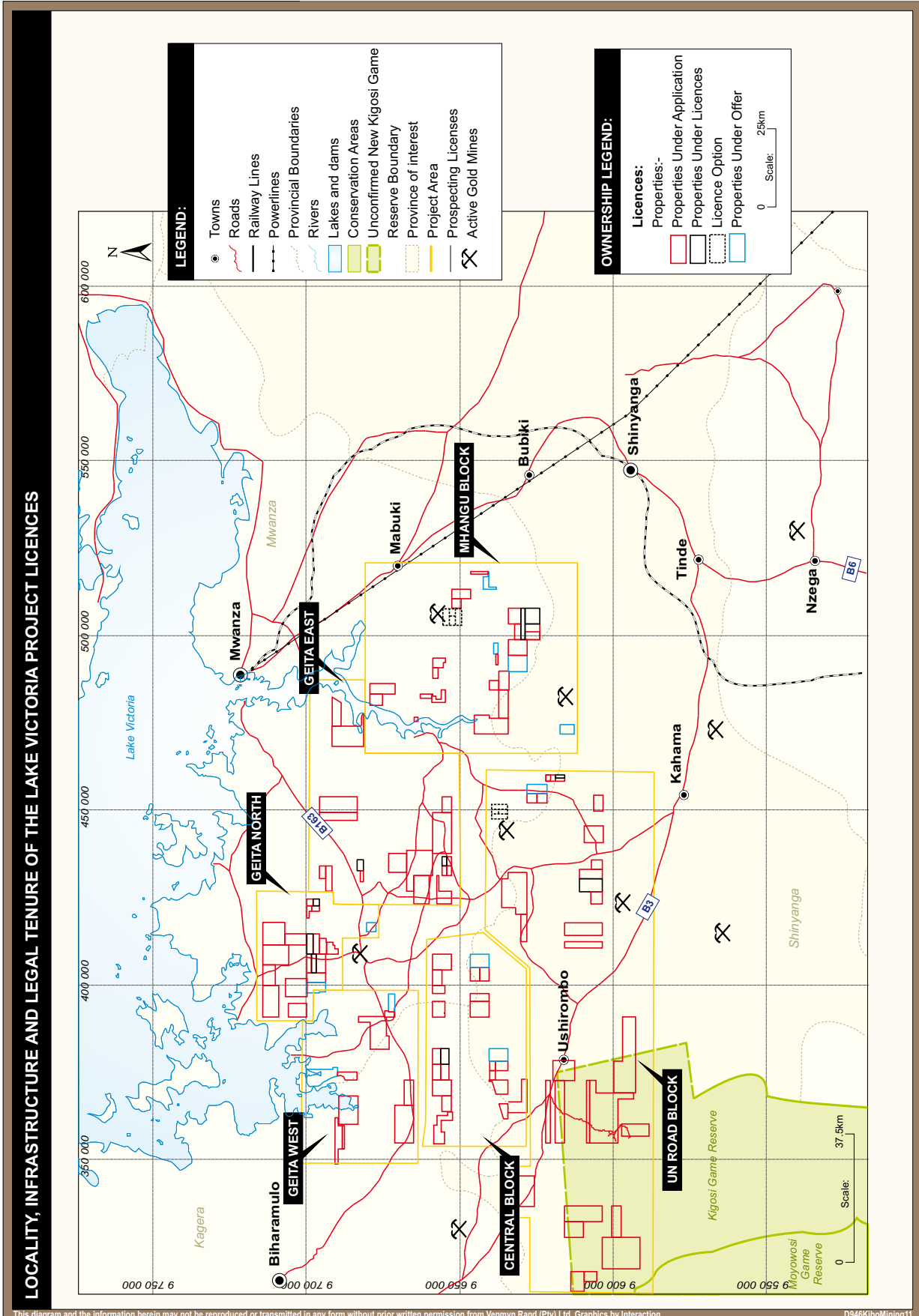
The topography of the majority of the Lake Victoria Projects area is characterised by low lying granite hills and more prominent greenstone ridges set between intervening flat stretches of grass covered mbuga (Figure 4 and Appendix 2). The low lying areas are extensively cultivated and grazed. Woodland and thick bush occur over the granite and greenstone hills where this has not been cleared for farming. Perennial streams bisect the mbuga landscape and drain into Lake Victoria.

The southwesternmost licences occur in an area of indigenous forest comprised of Miombo Woodland, within the Kigosi Forest Reserve. This area is generally flat lying with shallow drainage depressions which drain into Lake Tanganyika. Small granite hills are present but these only represent 5% of the project area. Mbugas are formed along the majority of the rivers and their tributaries in the area.

9.3. Climate **SR1.6A(i), SR1.6B(i)**

This area is situated on the inland plateau and has a temperate climate with a single rainy season between November and April. Most rainfall is associated with thunderstorms. The average midday temperatures range from 26°C in April to 32°C in January and the average monthly rainfall figures vary from 5mm in July to a maximum of 190mm in April.

Exploration activities can be carried out year round, however, access to the wetland or marshy areas (and areas covered by mbuga) cannot be achieved during the rainy seasons posing a potential exploration risk.



INFRASTRUCTURE OF THE LAKE VICTORIA PROJECT AREA

DIRT ROAD TO MASISI



DIRT ROAD TO MAHENGA



FERRY ACROSS SMITH SUND



FERRY TERMINAL



TARRED ROAD NEAR BULYANHULU



FERRY ACROSS SMITH SUND



DIRT ROAD TO ITETEMIA PROJECT



TARRED ROAD NEAR BULYANHULU



TOPOGRAPHY AND VEGETATION OF THE LAKE VICTORIA PROJECT AREA

METASEDIMENTARY RIDGE WITH MBUGA FLATS AND GREENSTONE HILLS IN BACKGROUND



GENERAL TOPOGRAPHY OF LVG - GREENSTONE HILLS



BIF HILL, MBUGA IN FLATS



GENERAL TOPOGRAPHY AT LUHALA



BLACK COTTON SOILS (MBUGA)



LAKE VICTORIA OVER SMITH SUND



GENERAL TOPOGRAPHY AT LUHALA



IRON FORMATION RIDGE AT LUHALA



9.4. Regional Geology and Mineralisation in the Lake Victoria Projects Area **SR1.2A(ii), SR4.1A(i), SV2.5**

The Lake Victoria Projects area is situated within the greater Lake Victoria Goldfield (LVG) of northern Tanzania, which consists of a number of east-west trending linear, greenstone belts (Figure 6). The greenstone belts of the LVG are separated by granite-gneiss terrains. The Lake Victoria Projects licences surround, straddle and occur within all the major greenstone belts in the LVG:-

- the Geita Belt in the Geita West, Geita North and Geita East blocks;
- the Buhungukira Belt in the Mhangu Block;
- the Sarama-Rwamagaza belt in the Central Block; and
- the Ushirombo Belt in the UN Road Block.

The general prospectivity of the Lake Victoria Projects licences is improved further by the proximity of a number of the licences to known gold deposits and operating large-scale mines and artisanal workings.

The LVG is considered the third largest gold producing area of Africa, surpassed only by the Witwatersrand in South Africa and the Tarkwa region of Ghana. Numerous gold occurrences have been identified in the LVG, and new discoveries continue to be made. Since 1998, when the first mine (Golden Pride) was commissioned, five additional large scale mines (Geita, Bulyanhulu, North Mara, Buzwagi and Tuluwaka) have begun production. Geita and Bulyanhulu are considered world-class deposits, together comprising in excess of 35Moz of gold resources.

The greenstone belts comprise mafic volcanic rocks, pyritic sediments, tuffs, banded iron formation (BIF) and iron formation, chert, and felsic volcanics (in sequence). Collectively these rocks are known as the Nyanzian Group. Metamorphism of Nyanzian Group rocks is generally of lower to middle greenschist facies, and two major deformational episodes have been interpreted. Amphibolite facies metamorphic rocks are exposed in the western portions of the belt near Tulawaka Mine, but in general higher grade metamorphic complexes are rare.

The greenstone rocks are considered to be of Achaean age having geological and structural similarities to major gold districts in the Canadian Shield (Val d'Or, Kirkland Lake) and the Yilgarn Craton in Western Australia (Kalgoorlie, Laverton, Leonora, Kambalda & Southern Cross).

Gold mineralisation within the LVG occurs in a number of geological environments, including:-

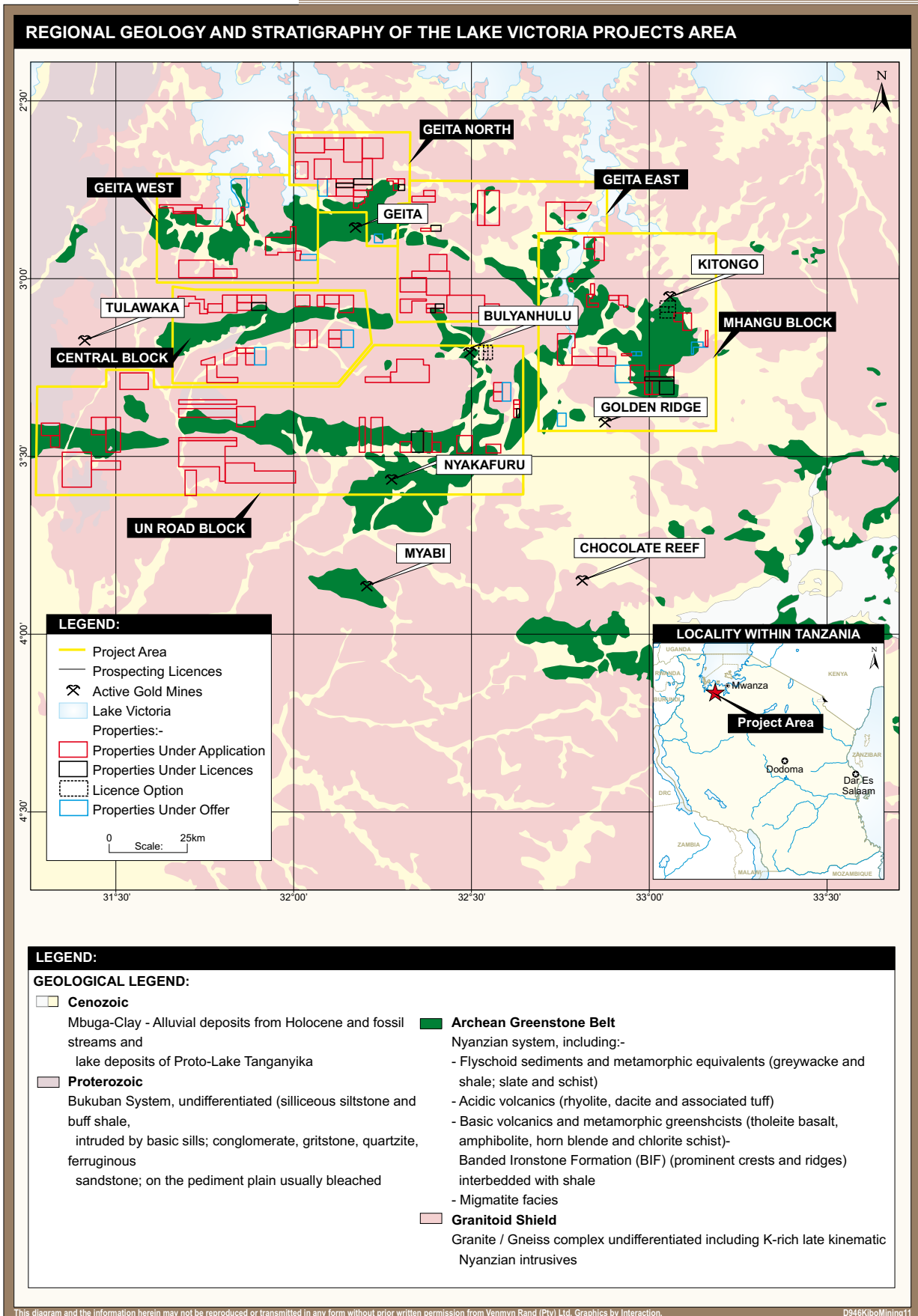
- quartz veins within minor brittle lineaments, most commonly worked on a small scale by artisanal workers due to their limited extent and erratic gold distribution;
- major ductile shear zones, such as at Bulyanhulu;
- replacement of BIF and ferruginous sediments, such as at Golden Pride and Golden Ridge; and
- felsic (porphyry) hosted mineralisation, such as within the Rwamagaza Greenstone Belt.

Regardless of the geological environment, it is accepted that structural control on the emplacement of the mineralisation is critical. The following structural features have proven to be important targets for gold mineralisation:-

- structural lineaments trending at 120°;
- flexures and splays to the 120° trend (such as at Golden Pride);
- structural lineaments at 70° (such as at Golden Ridge); and
- granite-greenstone contacts (such as at the Ushirombo and Rwamagaza Greenstone belts).

It follows that key aspects to any exploration programme within the LVG, are identifying high potential geological and structural environments consistent with the above.

Figure 7 illustrates some of the geological formations and features that were encountered by Venmyn during their site visit to the Lake Victoria Projects area (within the Mhangu Block).



PHOTOGRAPHS OF THE GEOLOGY OF THE LAKE VICTORIA PROJECTS AREA

METAVOLCANICS AT SMITH SUND



METASEDIMENTARY RIDGE AT SMITH SUND



METASEDIMENTS AT SMITH SUND - CONGLOMERATE



BANDED IRON FORMATION (BIF) - TIGHTLY FOLDED



LATERITE WITH BIF FRAGMENTS



BIF WITH QUARTZ VEINING



BIF OUTCROP



TRENCH ON TOP OF BIF RIDGE - ANOMALOUS GOLD VALUES FROM SOIL SAMPLING



9.5. The Itetemia Gold Deposit SR1.2A(i)

The Itetemia Gold Deposit is an advanced stage exploration project focussing on the development of the Golden Horseshoe Reef (GHR).

9.5.1. Local Geology and Mineralisation of the GHR SR1.2A(ii)

The GHR is located on a near vertical, sheared, west-facing fold limb oriented at 315°, with auriferous zones interpreted to plunge to the northwest at -50° / -55°. It is hosted within a mafic-to-felsic volcanoclastic sequence. Mapping and drilling indicate two distinctive, closely parallel or anastomosing auriferous zones (Figure 8 and Figure 9). The easterly zone does not come to surface, while the westerly zone either outcrops or sub-crops and is being worked quite extensively by artisanal miners (Figure 10). Drilling to-date has 'followed' this model of steep northwest-pitching gold zones, by defining 'pierce-point' targets, which have been successful for the most part.

Mylonitic shear fabrics are observed at the surface workings, with black silica observed in the mylonite and as clasts in breccias. Gold is finely disseminated through highly siliceous, translucent quartz veins (recrystallised) at the artisanal workings, but has not yet been observed in core. Shear zones are interpreted to lie within a dilatant, dextral shear zone, roughly along the contact of mafic/intermediate units to the west with felsic/intermediate units to the east (although the shear transcends this contact) and is bounded to the southeast by granite.

The main contact may be an oblique strike-slip structure along a regional fold. The regional structure forms a dextral jog (Z-shaped) within an enclave in the granites, creating sufficient space for dilation and mineralisation. A dilatational jog in a strike slip fault is suspected to have created this steep shear zone, which fits the evidence for mineralisation at GHR.

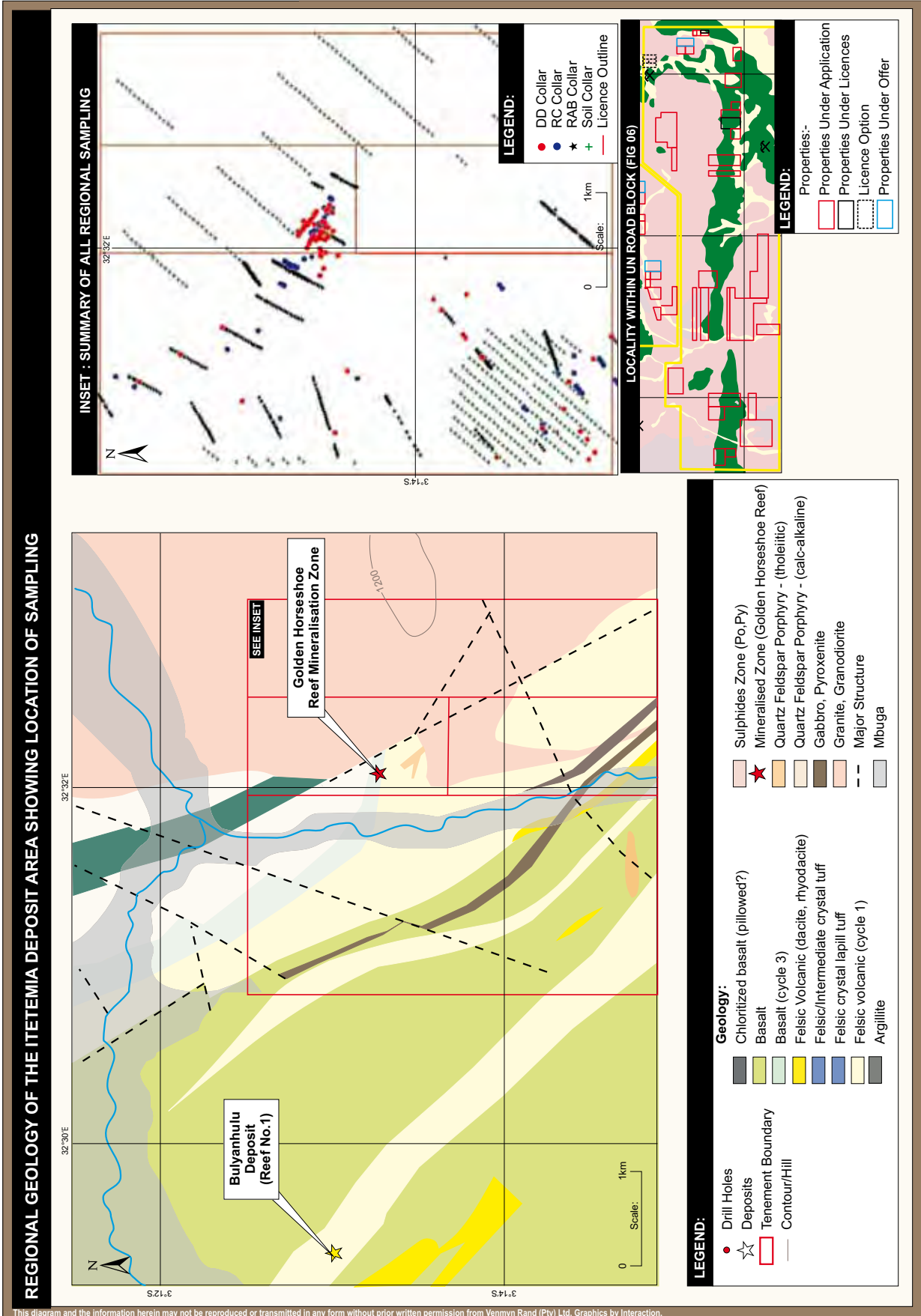
9.5.2. Historical Exploration SR1.3A(i-ii), SR1.3B(i)

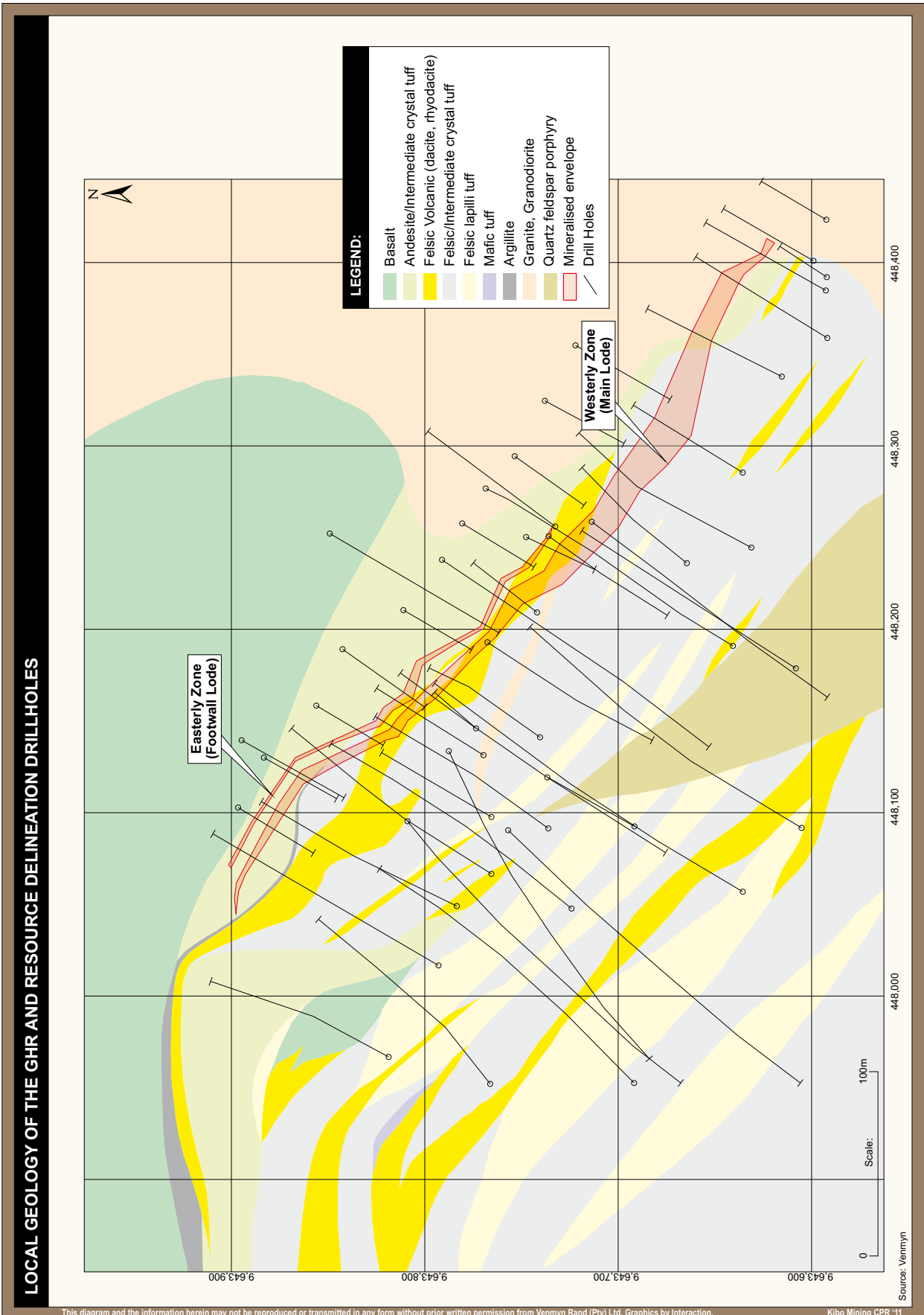
Historical exploration at the Itetemia Deposit began with substantial regional activities by government operator State Mining Corporation (Stamico) and later by Tancan Mining Company Limited (Tancan), a subsidiary of TSX listed Tanzanian Royalty Exploration Corporation (TanRoyalty) until discovery of the GHR by artisanal miners in 1997 (Table 7 and Figure 10). Exploration activities were also focused on finding a mineralised extension to the adjacent Bulyanhulu Mine which is currently operational.

Several estimates of the Mineral Resources have been conducted over the life of the project as summarised in Table 7:-

Table 7: Historical Exploration, Results and Development of the Itetemia Project

DATE	ACTIVITY	OPERATOR	RESULTS/COMMENTS
1992-1995	Regional mapping, gridding, soil sampling, ground geophysics, trenching and aerial photo interpretations.	Stamico	North-South trending Gossan outlined in northern part of area. Results not available.
1995 - 1996	Regional mapping, soil sampling, cutlines, complete ground and HLEM surveys. Regional RC and DD anomaly drilling.	Tancan - Stamico JV	110 RC holes - Best intersections: 9.5g/t and 8.5g/t over 1.0m. 12 DC holes - Best intersection: 0.9g/t over 3m.
1997	Discovery of GHR by artisanal miners.		
1997	Gridding, MMI soil survey and sampling of artisanal pits. Ground Magnetics and IP conducted over GHR.	Tancan - Stamico JV	Reported good mineralisation in pits over 300m.
	RC drilling on GHR		11 RC holes - 648m. Northwest-southeast extension confirmed.
	DC drilling on GHR		20 DC holes - 2,032m. Tested depth to 100m. Significant intersections.
1998	Resource/Reserve Estimation. Metallurgical testwork. (Minestart Management)		116,000oz at 2.0 g/t cut off. 511,000t @ 7.1g/t.
1999 - 2001	DC drilling on GHR	Tancan - Barrick JV	9 DC holes - 4,607m. Tested depth extension. Significant intersections.
	Follow Up soil sampling, Ground TEM survey.		
	Independent Report (2001, SRK)		
2004	Resource estimate (2004, Price)		689,700oz – unknown tonnes @ 2.5 g/t cut off.
	Optimisation study (2004, Fotakis)		Negative report on economic viability of GHR.
2004 - 2006	Mineral Potential re-evaluation (2005 Savage)	Tancan (TanRoyalty)	250,000oz. 1.7Mt @ 4.6g/t.
	Re-evaluation (2006, Chadwick).		Rejected Fotakis study. Recommended further drilling.
	DC drilling		4 DC holes - 1,597m. Tested depth extension. Significant intersections.





PHOTOGRAPHS OF GEOLOGY AND ARTISINAL MINING AT THE ITETEMIA PROJECT



These estimates were further supported by metallurgical testwork (Section 9.5.13) as well as several optimisation and economic studies (Section 9.5.11). The most recent JORC Code compliant estimates are discussed in detail in Section 9.5.9.

9.5.3. Recent Exploration SR2.3A(ii)

Recent exploration on the Itetemia (GHR) Deposit has been considered by Venmyn to include all work subsequent to the Sloane – TanRoyalty Joint Venture in 2007, see (Table 8). The recent exploration commenced with a re-examination of all work compiled to that date, and a Resource Estimation in 2007. Based on recommendations from a CSA report, a further 10 Reverse Circulation (RC) and 8 Diamond Core (DC) holes were drilled and another Resource Estimation was completed by CSA in 2008 and updated in 2009.

Figure 8 shows the positions of all sampling at Itetemia to-date. Figure 9 shows the positions of all Resource delineation drilling conducted on the GHR.

Table 8: Recent Exploration, Results and Development of the Itetemia Project

DATE	ACTIVITY	OPERATOR	RESULTS/COMMENTS
2007	Resource estimate (2007, CSA)	Sloane - TanRoyalty JV	448,000oz. 3.9Mt @ 3.6g/t
	RC drilling		10 RC holes - 1,477m. Infill drilling. Significant intersections.
	DC drilling		8 DC holes - 2,287m. Infill drilling. Significant intersections.
2008	Resource estimate (CSA 2008)		304,000oz. 3.4Mt @ 3.0g/t
2009	Resource estimate (CSA 2009)		422,000oz. 4.2Mt @ 3.1g/t.

The most recent JORC Code compliant estimates are discussed in detail in Section 9.5.9.

9.5.4. Sampling Methodology, QA/QC and Security SR2.1A(i), SR2.3A(i), SR3.1A(i), SR3.2A(i-iii);v-vi), SR3.2B(i), SR3.3A(iii), SR9A(i-ii), SR9B(i)

Venmyn could not review or verify the physical exploration and sampling of the GHR by TanRoyalty or Aardvark Exploration Ltd (Aardvark), as no such drilling or sampling was being undertaken at the time of Venmyn's site visit. However, Venmyn has interviewed relevant staff, reviewed all internal and independent reports and has, in recent years, conducted several drilling, sampling and laboratory audits for TanRoyalty on its other LVG projects, and is familiar with their sampling procedures and operations. All drilling prior to 2007 was performed by TanRoyalty. Since 2007, drilling was conducted by Aardvark (Table 7 and Table 8).

Venmyn, based on discussions with TanRoyalty, have confirmed that the same procedures as audited and witnessed by Venmyn in the past were applied at GHR. Venmyn has audited and found these procedures to be suitable for the declaration of Minerals Resources. Venmyn has not witnessed the drilling by Aardvark, although, the procedures have been reviewed by Venmyn and are considered suitable for the declaration of Mineral Resources. The methodologies for TanRoyalty and Aardvark are very similar, with one exception with regards to RC drilling, discussed below.

The sampling methodologies for DC drilling were as follows:-

- the extracted core run was laid out directly from the core barrel for measuring and documenting of sample recovery and placed into pre-labelled metal core trays. Sampling intervals, especially for the highly weathered material, made use of the various drilling runs as recorded by the driller, and marked on wooden blocks. Core trays are transported by 4x4 with the geologist to the offices/core-yard, daily, for eventual logging, photographing and sampling. Core recovery for the various campaigns was very good in fresh rock and acceptable in the saprock;
- holes were collared using PQ-size core, and core was recovered using a triple tube core barrel. Where ground conditions were suitable, holes were reduced to HQ size, and further reduced to NQ size as a cost-effective measure;

- logging was performed by laying core out in downhole order on core racks at the core-yard where a geologist performs the logging and RQD while accompanied by technical staff who will metre mark core for cutting and sampling at the geologist's instruction and mark the start and end sections of core. Venmyn has reviewed TanRoyalty log sheets and the digital drillhole logs and notes that geological, structural lithological, alteration and data collected is of sufficient detail to support Mineral Resource estimation; and
- sampling was performed at 1.5m or shorter during earlier campaigns (till end 2001) and at 1.0m intervals for later campaigns. Sampling was on split core using suitable core saws and techniques or else for highly weathered core, a simple hammer and chisel were used to split the core. Samples are placed in plastic bags, labelled inside and out, sealed and documented on a register. Certified process verification (QA/QC) standards, blanks and duplicates at an appropriate level to support Mineral Resource classification, were also inserted during this stage and recorded on the register, the details of which are discussed in Section 9.5.5. Standards, blanks and duplicates were inserted sequentially in the sample stream every 20th sample, although, including the re-sampling of the quarter cores and actual QAQC performed on the data that was used for modelling, the QAQC to samples ratios are 1:10.3. Plastic sample bags were sealed in larger bags as batches and kept in a locked office or core-shed until transportation to a laboratory. The remaining half/quarter core was retained in a locked shipping container in the marked core-trays at the driller's field base in Tanzania. On the Venmyn site visit, it was discovered that the container had been recently broken into and core trays stolen, with several holes having been upended into other trays destroying the record. Given the detailed marking, some information may be salvaged, but the confidence in future audits of these several holes would be low. However given that this damage was incurred after CSA's audit of the core, this has no material impact on their resource estimates. Venmyn does recommend however, that an audit to document the holes affected is conducted in order to determine what salvaging can be done.

The sampling methodology for the RC drilling were as follows:-

- pre-labelled large plastic bags were used for collection of each 1.0m sample of drilling and are only removed from the cyclone once blow-out is complete and the airflow cut and/or cyclone valve closed. The bag is weighed immediately for measuring and documenting of sample recovery. 1.0m intervals are painted on the drill-boom to guide drillers accurately as to sample lengths;
- for TanRoyalty, splitting is done in three stages through a suitable riffle and overseen by the geologist resulting in a ~2.5-3.0kg sample. Splitting was originally done straight from the bag into the splitter, a practice since corrected. The split samples were poured into a plastic sample bag, labelled inside and out, sealed and placed in order in a cardboard box or larger bag, marked on a register and transported to offices. Aardvark differs somewhat in that they sample each 1.0m interval and then homogenise that portion for a single 3.0m composite, the logic being, that if mineralisation is assayed in the 3.0m composite, they will return to the individual 1.0m large bags and test them individually. While this process has financial benefits, Venmyn has confirmed that the 3.0m composites have not been used for modelling or resource estimation purposes and stresses that it never should be;

- for both TanRoyalty and Aardvark, a representative chip sample was taken from the last stage reject split for logging by the geologist, rinsed in a sugar sieve, logged and placed in labelled chip boxes. Geological, structural lithological, and alteration data was collected in sufficient detail to support Mineral Resource estimation. All subsequent reject material was poured back into the original large bag for retention and once no longer needed, discarded; and
- duplicates were prepared at the drill site at the geologist's discretion by using the last reject split (usually 1:20) and standards/blanks were pre-prepared and labelled at the office (usually 1:20) and inserted in the field and marked on the register, the details of which are discussed in Section 9.5.5. The process verification (QA/QC) standards, blanks and duplicates were at an appropriate level to support Mineral Resource classification. Standards, blanks and duplicates were inserted sequentially in the sample stream every 20th sample, although, including the re-sampling of the quarter cores and actual QAQC performed on the data that was used for modelling, the QAQC to samples ratios are 1:10.3. Plastic sample bags were sealed in larger bags as batches and kept in a locked office or core-shed until transportation to a laboratory.

Aardvark prepares its own blanks which are sourced from a known barren granite outcrop at a locality next to the Mwanza office and crushed to sand sized particle size to ~1.5 kg and packed in plastic bags.

Venmyn is aware of various audits conducted and documented by CSA on the GHR work including comparative re-logging of drillholes, QAQC analysis, re-interpretation of results and validation of data. The detailed findings of these with recommendations, many of which have already been conducted, are mainly included in the CSA CPR and recent Resource Estimation reports from 2007 to 2009. No material short-comings have been identified as a result of these audits.

The geometry of the ore body (GHR) has been known for some time and has informed all recent operations since Aardvark commenced exploration. As such, true widths are known from drillhole intercepts and have been accounted for in modelling.

9.5.5. Sample Preparation, QA/QC, Sample Analysis and Data Verification **SR2.1A(i), SR3.1A(i-ii), SR3.2A(ii;v-iv) SR3.3A(i-v), SR3.4A(i-iv), SR9A(i-ii), SR9B(i)**

Several laboratories were used for the various phases of drilling on the GHR, namely, Acme Analytical Laboratories Ltd (AcmeLabs) in Vancouver, Canada, SGS Tanzania Superintendence Co. Ltd (SGS) and Humac Laboratories Ltd, formerly a division of the global Alex Stewart Laboratories Limited (Humac) in Mwanza Tanzania. Accreditation status and numbers are tabulated in Table 9. SGS has applied for and are in the process of receiving ISO accreditation, AcmeLabs, has been ISO accredited since 1996, while Humac does ship certain samples to the Stewart Global OMAC lab in Ireland which has full ISO17025 accreditation but is itself not accredited and it is thought that accreditation is not being sought. However, Humac does participate in the Round Robin exercises organised by Geostats Australia. Venmyn recommends that a fully accredited laboratory be used for future campaigns.

Table 9: Laboratory Accreditation Status

LABORATORY	ACCREDITATION STATUS	ACCREDITATION / CERTIFICATE No.
SGS	ISO17025 Pending (ISO 9001:2008)	Reference Number: T 0470
Humac	None	NA
AcmeLabs	ISO 9001:2008 and ISO/IEC17025 Granted	FM 63007

All three laboratories used a fire assay technique with an AAS finish with detection levels of 0.01ppm for gold. While SGS and Humac used a 50g prepared sample, ACME used a 30g prepared sample. Sample sizes are appropriate to the grain size of the material being sampled and expected mineralisation.

Fire assay is an appropriate technique for the elements assayed (Au for all samples, Ag, Cu and Zn for an unknown number of selected samples). Both Humac and SGS laboratories have been audited by Venmyn at least once in recent years. These audits were found to be satisfactory. Commentary and reconciliation of laboratory performance, activities and techniques was made in recent CSA Resource Estimation Reports, the results of which was a satisfactory performance by laboratories and QAQC measures. A commonly accepted and appropriate sample preparation technique was used for all sample types (RC and DC) and internal quality assurance practices performed by all laboratories to verify results. Failed batches were retested at the laboratories expense, the inconsistency recorded and the client notified. A brief of the sampling methodologies is as follows:-

- samples received with accompanying submission forms at the laboratory facility and sorted for preparation. Samples were transferred into previously washed stainless steel trays, placed on trolleys and dried at 105°C;
- dried samples are crushed (generally jaw crusher) to 85% <2mm and split using a table top Jones Riffle Splitter. Crush duplicates are retained and stored;
- split samples are pulverized with a rotary disk mill for ~3 minutes till 85% passes <75µm. The pulp is mat rolled onto a grid and random scooped portions totalling ~500g are collected into envelopes and packed in sample cartons. Pulp duplicates are retained and stored;
- crush and pulp quality is checked by screening every 20 samples. Remedial action is taken when failure occurs;
- compressed air is used for cleaning equipment in between samples and a barren quartzite flush is pulverised after every 20 samples; and
- internal QA/QC includes portions of the pulverised silica cleaning material labelled as “samples preparation blanks” for every 20th sample as well as laboratory blanks and duplicated pulps. Additionally, every 50th sample is taken at splitting stage and treated from that point as an individual sample as a crush duplicate.

Sample sizes are appropriate to the grain size of the material being sampled and having reviewed the procedures and laboratories, Venmyn considers it is unlikely that inadequate or non-representative sampling was performed. Acceptable levels of accuracy (i.e. lack of bias) and precision have been established at these laboratories by their internal levels of QA/QC and any failed batches were re-tested and recorded for the client.

Laboratories were checked extensively by TanRoyalty's own external QA/QC methodology including standards, blanks, duplicates and referee laboratory checks. Venmyn has been presented with the results of 165 standards (including blanks), 117 crush and pulp duplicates (including 17 triplicate samples to a third laboratory) and 98 re-sampled (quarter core) samples. The results of which are summarised as follows:-

- 16 standards performed very well, two performed moderately and two performed poorly. The sixteen standards achieved 93% of results falling within accepted limits with most standards falling entirely 100% within the three standard deviation limit. Standards MS2 and PM-403, representing the two worst standards and only 3 actual instances of use, are both very low grade standards with small variations but this translates into 17%-32% above specified grades. Standards GS-3 and GS-6, representing 32 actual instances of use are a low grade and high grade standard respectively. 8 instances in total fall outside the three standard deviation limit but not by much. Venmyn considers that given the good success of the standards in general, these failures are acceptable;
- 117 pulp and crush duplicates/triplicates were used. Both crush and pulp duplicates showed a good repeatability and were reported by CSA as having a good correlation and a R2 error of 0.975;

- in the first phase of drilling, AcmeLabs was used as the referee laboratory for SGS, later campaigns had both SGS and Humac alternating between primary and secondary laboratories; and
- complete re-samples were done on quarter core of which CSA quotes 112 examples but Venmyn was only able to find 98. Re-sampling was conducted by CSA and illustrated an acceptable correlation and R2 error, however, this was after the exclusion of a distinct erroneous population of 11 values derived mostly from drillhole ITDD-032 and ITDD-056W (wedge) where it was suggested that the lack of correlation was due the specific lithology and/or sulphide content.

Assay plots for normal and log-normal space grade histograms, modelled data comparisons to drillhole data and regression plots are attached in Appendix 8.

Sample analysis was performed by fire assay with an AAS finish at all the laboratories. The procedures adopted are similar for the Humac and AcmeLabs laboratories to the SGS procedure documented by Venmyn in November 2010, below. Earlier samples would not have benefited from the automatic LIMS system:-

- the sample was weighed to 30/50g using a tared and regularly calibrated digital laboratory scale and captured automatically (minimising transcription, input or other errors) and digitally into LIMS. Standards, methods blanks, blanks and duplicates are inserted at this stage. CuSO_4 was added to selected samples to ensure sequential arrangement is maintained;
- the sample was mixed with a flux in a ratio of 1:4 and additives added depending on the matrix of the sample;
- fusion was carried out in a refractive crucible at 1,100°C for 50-60 minutes;
- slags were knocked from the lead button and placed in a pre-heated cupel;
- the button was oxidised at a temperature of ~950°C for an hour in a cupellation furnace; and
- the 'prill' was digested with aqua regia at 80°C in a test tube with distilled water added to make the final volume and mixed for AAS elemental determination on LIMS at which point results were automatically captured into LIMS for concentration calculations (minimising transcription, input or other errors).

Internal QA/QC results are examined and flagged by the laboratories and if erroneous, the entire batch is then re-tested and the client notified of such an occurrence.

Following digital receipt of results from the laboratory, the project geologist reviews and graphically analyses the analytical results for the standards, blanks and duplicates. Standards results are expected to be within 3 standard deviations of the quoted value. Should the results of the quality review indicate unacceptable variation, the issues are brought to the laboratory's attention and resolution methods discussed.

This validation and verification method has been illustrated to Venmyn who is confident it is taking place suitably. The level and results of blanks, duplicates standards and re-sampled core gives Venmyn reasonable confidence in the sampling campaign and processes, to ensure good sample and data quality and representivity of samples. Sample recoveries have been properly recorded and results assessed, the level of detail collected by logging and sampling has been captured with a reasonable degree of confidence and reported on further in Section 9.5.7.

9.5.6. Specific Gravity **SR2.4A(i-ii), SR2.4B(i-iii)**

Two separate campaigns for Specific Gravity (SG) were completed on the GHR by independent laboratory Humac, in Mwanza. The first comprised of 19 whole and half NQ core taken from DC drillholes GHDD-030, 038 and 040.

These were representative of the several principal lithologies and states of weathering (argillite, dacite, crystalline tuff, rhyolite and the porphyry). Based on recommendations by CSA in 2007, a second campaign of SG determination was included with an additional 24 whole and half NQ core samples taken from DC drillholes GHDD-033, 035, 037 and 039 representing the same principal lithologies. The final results and values chosen for modelling are presented in Table 10.

Notably, the density applied to the transitional material was marginally (0.15-0.20g/cm³) higher than the tested values. No reasoning is provided by CSA for this.

Table 10: SG Results and Applied Values for Modelling

DOMAIN	ROCK TYPES	MEASURED (g/cm ³)	AVERAGE / APPLIED (g/cm ³)
Soil / Alluvium	-	-	1.40
Laterite / Saprolite	-	-	1.60
Oxidised	W5	2.44 - 2.63	2.56
Transitional	W2 - W3	2.60 - 2.65	2.80
Fresh Rock	W1	2.67 - 3.72	2.97
	Low S	2.67 - 2.80	2.73
	High S	2.98 - 3.72	3.32

The method of bulk density determination used by Humac was a weight in air versus weight in water method. Core was not sealed for this purpose and takes into account void spaces. Results were averaged based on the relevant weathering and lithology. Given the selection of weathered and altered samples taken, and the non-sealed nature of the testing, these samples are believed to be representative. Soil/alluvium and laterite were assigned standard values of 1.40g/cm³ and 1.60g/cm³ respectively.

While Venmyn considers the representivity of the SG measurements suitable for the declaration of Mineral Resources (taking cognisance of their confidence level), Venmyn would suggest that the frequency of SG samples will need to be increased for a Measured Resource and/or Reserve Classification, and that using assumed values for the over-burden alluvium and laterites will not be sufficient.

9.5.7. Database Management SR2.1A(i), SR2.1B(i), SR2.2A(i), SR2.3A(i-ii), SR3.2A(i), SR9A(i-ii), SR9B(i)

Kibo maintains an exploration database on Microsoft Access on its exploration office server in Mwanza. This includes all primary data elements and metadata (sample number, sample mass, collection date, spatial location etc.). The database was inherited from TanRoyalty and transferred digitally to Kibo. Venmyn understands that the various hard copies of primary data (log sheets, laboratory certificates sampling positions etc.) are also available between the Kibo and TanRoyalty offices. This digital database has since been updated with additional, recently captured drilling, sampling and exploration results and is currently maintained by Kibo who perform the validation, integration, control, storage, retrieval and backup processes.

This database is uploaded with exploration results as soon as they become available from the field or laboratory. This is done manually from field logs and digitally from laboratory emailed workbooks.

Additionally, Kibo uses MapInfo™ and Discover™ Software together to form its GIS system for analysing, interpreting and plotting its exploration results and other interpreted data elements such as modelled surface outcrops of GHR and extensions etc. The database is backed up on a daily basis onto a separate hard drive and is also backed up regularly on the project geologist's computer and other employee's computers for use. CSA has performed and documented audits on the Itetemia database, with no material flaws or deficiencies noted.

The Datamine™ databases and interpreted 3D model for Itetemia are also stored on the exploration database and separate hard drive.

Additionally, all the respective models, maps, cross sections (actual or interpreted) 2D and 3D illustration of results are stored on this database, showing location of samples, accurate drill hole collar positions, down hole surveys, exploration pits, relevant geological data, etc.

Drillhole location coordinates were supplied in UTM and were retained in full (double precision) in the database and Datamine models. All collars were surveyed using a Differential GPS or theodolite system. Expected accuracies are approximately 0.2° and 0.5° for dip and azimuth readings respectively for magnetic/gravimetric survey instruments. A recognisance exercise to find the collars and confirm their positions with a Differential GPS (accuracy better than 1.0m) was undertaken with some success as reported by CSA with 2.0-3.0m variations in northing and easting. Unfortunately many concrete collar markers had been removed by farmers or overgrown subsequent to drilling.

Downhole surveys for the various drilling campaigns were conducted primarily with a Sperry Sun and Reflex EzShot system. Unfortunately, which apparatus was used for each of the 258 survey points was not always recorded. Expected accuracies of both these methods should, however, be reasonable. Soil-sampling and trenching have all been surveyed at least with handheld GPS, expected accuracy <10.0m.

9.5.8. Orebody Modelling and Interpretation SR4.1A(ii-iii); SR4.1B(i-iv); SR4.2B(i-vi), SR5.7B(ii-iii)

Venmyn conducted a preliminary review of the orebody modelling and Mineral Resource estimation undertaken by CSA. Venmyn's review included the following:-

- interpretation of models;
- construction of wireframes;
- standard Datamine import validation/verification checks;
- confirmed data statistics where available;
- confirmed variography and ellipsoid search parameters where available;
- check on correct and suitable compositing of data for modelling;
- checked block size suitability for drill spacing and volume declarations;
- examined effects of top-cutting and confirmed appropriateness;
- commented on suitability of classification techniques and drill spacing;
- examined appropriateness of estimation techniques for datasets available; and
- commented on other aspects that arose based on the independent review.

The following sections summarise Venmyn's findings subsequent to the review of the orebody modelling and Mineral Resource estimation.

The geological model of the GHR was first developed by Dr Deirdre Lewis of SLR Consulting (SLR) who was familiar with the project and also on the CSA appointed team for re-logging of core. Mr John Kelly of SLR carried out the data assimilation and integration for Ms Deirdre Lewis. Mr Steve Le Brun of LBC Resources (Pty) Ltd (LBC) was responsible for the geostatistical analysis and Resource Estimation reporting.

Mr Steve Le Brun utilised the drillhole logs, collar, survey, lithology (including re-logged holes), assay and geotechnical data in the construction of the wireframe modelling of two ore zones in Datamine, Studio 3.0. All original files are stored at CSA's offices in Australia. Additionally, Mr Steve Le Brun completed the compositing of assay data to 1.0m samples within domains; application of top-cuts on domain by domain basis; Ordinary Kriging (OK) block model estimations to infer grade and tonnages and lastly, a results validation by visual assessment and moving window statistics (grade profiles).

The model used two assumptions apart from those of SG already discussed in Section 9.5.6. A top cut was imposed at 50g/t and 20g/t for the Main and Footwall Lode respectively, and a zero-grade application to un-sampled or below detection limit data was applied.

Venmyn consider that these are perfectly acceptable assumptions for this level of data, although, top-cutting may have a potential underestimating effect. Setting a ceiling value may be more appropriate, although, only a low impact would be expected. The model comprises 3D surveyed drillholes, ground and limit of oxidation surfaces, wireframes of the hanging and footwall zones (termed the Main Lode and Footwall Lode in the model) and the porphyry dyke lithology, an OK grade block model and supporting statistics for the top-cut and un-cut data sets with accompanying variography. The level of investigation was to define JORC compliant resources and inferences made from this model were the Mineral Resources estimates quoted by CSA in the 2009 report.

Data density can best be described by the drilling grid dimensions and sample lengths of drilling RC and DC. Drilling was conducted at approximately a 40m x 40-100m spacing with denser drilling targeting the shallower lode extension (i.e. above 800m RL) with and wider drilling targeting the deeper lode extension (i.e. above 650m RL).

Sampling length of drilling, as discussed in Section 9.5.4, was originally as 1.5m for earlier campaigns, although the bulk of sampling was conducted at 1.0m for most of the drilling. A 1.0m composite was used for modelling purposes. All drillholes were surveyed with Differential GPS or Theodolite systems for collar locations and Sperry Sun or EzShot for systems for downhole surveys.

Given the density and distribution of sampling and the reliability of the surveying techniques, Venmyn consider the quality and quantity of information sufficient to support statements made or inferred, concerning the estimation and classification procedures applied to the GHR. Additionally, the data results, density and intersection frequency of the GHR are sufficient to assure continuity of mineralisation and geology and provide an adequate basis for the classification and estimation procedures applied. The 3D orebody model and representative cross-sections with drillhole distribution and intersections is shown in Figure 11 and Figure 12, respectively.

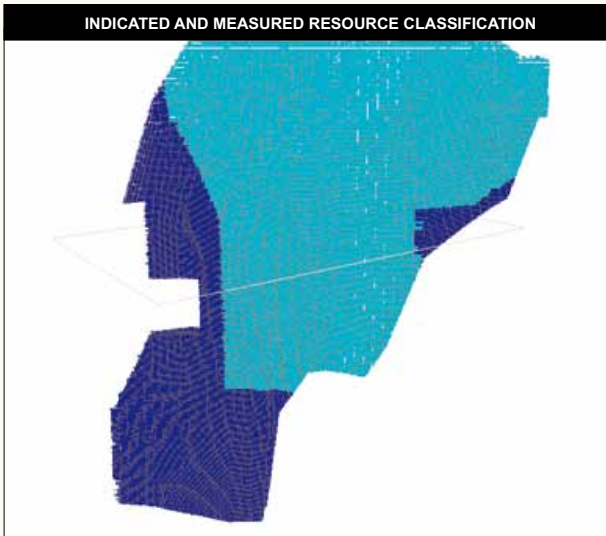
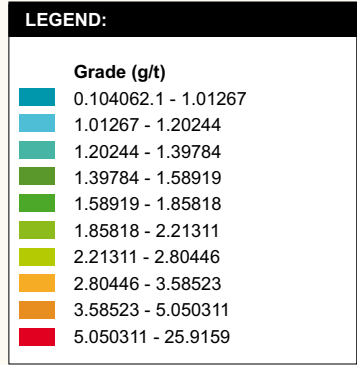
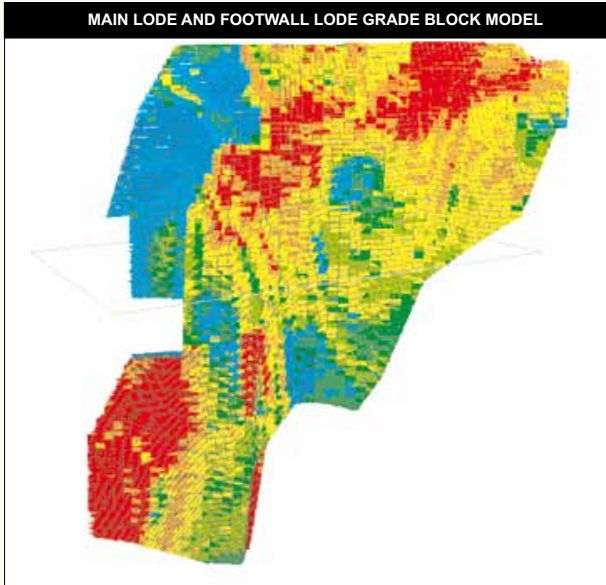
The current database is robust and contains 2,283 logged intervals on lithology, weathering, colour, texture, alteration vein and sulphide proportions. As various logging regimes were used over the years, 506 intervals (518.03m) were re-logged by Dr Deirdre Lewis in holes GHDD-029 to GHDD-040 and this logging scheme was used for the model. No material irregularities were documented by CSA in the re-logging exercise, giving confidence as to the accuracy for the database as a whole.

The interpretation of the model is that of CSA's original interpretations of a VMS or Bulyanhulu type deposit were considered for this orebody, however, successive drilling and review indicated that a silicified shear hosted deposit was indeed correct with mineralisation related to disseminated pyrrhotite-pyrite and trace sphalerite. No further interpretations are considered, nor is there reasonable possibility that the current interpretation is unfounded or poses potential risks to the project.

Indirect geological discounts were applied to the model during construction of the wireframes which included, in places, interstitial lower grade domains within a Lode. There is no evidence of inclusion of un-mineralised or low grade domains between the Main and Footwall Lodes. Appendix 8 demonstrates an example of included low grade domain in the Main Lode.

Geostatistical estimation techniques were carried out on the two interpreted mineralisation domains (Main and Footwall Lode). Variography was carried out on the mineralised zone using the Snowden Supervisor software and the parameters imported back into Datamine for estimation with variography indicating ranges of around 150m. Block sizes of 2.5m x 10m x 5.0m were selected. Block grades were estimated using OK on 1.0m composites with the applied top-cuts.

3D OREBODY MODEL OF GHR



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The block size was selected as around half the spacing of the infill drilling, with a parent cell size of 2.5m x 10m x 5.0m for the grade estimation. Sub-blocks to a minimum of 0.625m x 1.0m x 0.25m were set to replicate the wireframe volumes. Venmyn consider that the block size fits suitably to the average sample spacing and given the narrow near-vertical geometry of the orebody, is considered appropriate. Inverse Distance Squared (ID²) estimates were also carried out as a general cross-check, with no irregularities documented.

Variograms were modelled using Normal Scores transforms and the resulting parameters then back transformed into normal space. Directional variography for the main lode produced good interpretable variograms, although, the minor axis did not produce reliable variograms due to the narrow nature of the orebody so the downhole variogram model was applied to the minor axis model. No correlations were made between variables nor subsequently used to interpolate values, nor were any assumptions or inclusions made regarding by-products or deleterious elements. The processes of checking and validating were conducted by CSA in several ways:-

- cross-checks were made to ensure that the block model volumes were not significantly different from the ore zone wireframes;
- visual checks were made of the block model grades against the drillhole composites; and
- block model-composite grade profiles were generated for the main estimated grade.

Venmyn conducted a reconciliation of the estimated model results against the project database and found the results to be closely correlated. See Appendix 8 for the comparison of model information to sample data

9.5.9. Mineral Resource Statements SR1.1A(iii), SR1.3B(i-ii), SR2.3B(i), SR5.7B(ii,v); SR9A(i-ii), SR9B(i), SV2.6

As described in Sections 9.5.2 and 9.5.3, several Mineral Resource estimates have been completed on the GHR shear hosted gold deposit. The previous and current Resource Estimates presented below have not had modifying factors applied, are inclusive of reserves and are quoted in-situ. The GHR has been considered for both underground and opencast mining, a preliminary high level optimisation document indicates that opencast mining is technically feasible (Section 9.5.11). No recent studies have been completed on the underground potential.

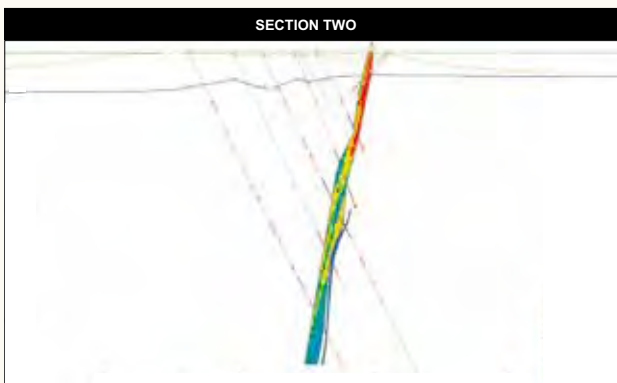
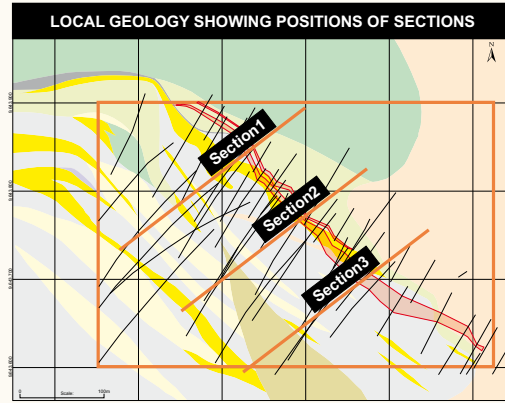
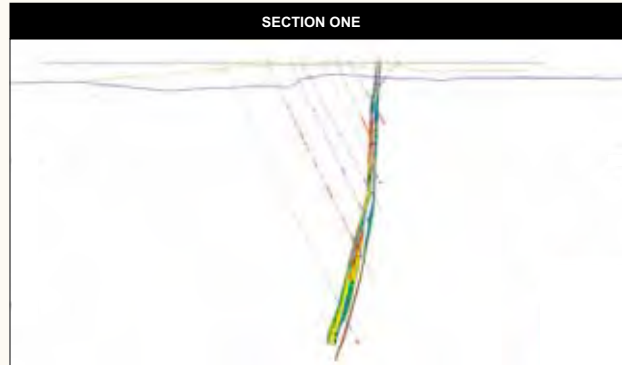
Venmyn consider that there is no known geological data that could materially influence the estimated quantity and quality of the Mineral Resource. The reliability of the current geological model, resource model key assumptions and reliability of the classifications are believed to be high.

The most pertinent and recent external and independent reviews/audits, apart from Venmyn's current review, would be those conducted by CSA over the preceding several years of involvement. These reviews included, but were not limited to:-

- geological, structural, geochemical and physical re-interpretations;
- compilation of historical information into MapInfo for re-interpretation;
- re-logging of some 518m of core and RC chips to establish clearer paragenesis, alteration and naming nomenclature of lithologies;
- re-surveying of historical drillhole collars with differential GPS;
- examination of SG results and instigation of an additional SG sampling campaign;
- compilation of historical QA/QC and interpretation of results; and
- elementary database analysis and checks.

Overall conclusions for the most part were positive, recommendations for remedial actions such as re-logging and additional SG determination have already been carried out and are no longer material shortcomings in Venmyn's view. The majority of these reviews were carried out by SLR's Dr Deirdre Lewis and CSA's Mr Steve Le Brun who compiled the documents presented to Venmyn by Kibo.

REPRESENTATIVE CROSS SECTIONS THROUGH THE GHR



LEGEND:	
GEOLOGY	
	Basalt
	Andesite/Intermediate crystal tuff
	Felsic Volcanic (dacite, rhyodacite)
	Felsic/Intermediate crystal tuff
	Felsic lapilli tuff
	Mafic tuff
	Argillite
	Granite, Granodiorite
	Quartz feldspar porphyry
	Mineralised envelope
	Project Area
	Drill Holes
	Cross Section Profile
	Surface
	Depth of Oxidation
	Depth of fresh Rock
GRADE (g/t)	
	0.104062.1 - 1.01267
	1.01267 - 1.20244
	1.20244 - 1.39784
	1.39784 - 1.58919
	1.58919 - 1.85818
	1.85818 - 2.21311
	2.21311 - 2.80446
	2.80446 - 3.58523
	3.58523 - 5.050311
	5.050311 - 25.9159

Previous Mineral Resource Statement

CSA declared a JORC compliant Mineral Resource on the GHR as at 31st August 2009. This Mineral Resource Statement was re-issued and published in February 2010. This statement was based upon the sampling, drilling and QA/QC results described in Section 9.5.4 and the subsequent geological modelling and block modelling completed by CSA, described in Section 9.5.8. The Mineral Resource Estimate was conducted by Competent Person, Mr Steve Le Brun (MAusIMM). The previous Mineral Resource Statement is presented in Table 11:-

Table 11: JORC Mineral Resource Statement – 1.0g/t cut-off at 1st February 2010

DOMAIN	CLASSIFICATION	VOLUME (m ³)	TONNES (t)	GRADE (g/t)	OUNCES oz
Main Lode	Indicated	816,000	2,390,000	3.14	241,000
	Inferred	355,000	1,053,000	3.68	125,000
TOTAL MAIN LODE		1,171,000	3,443,000	3.31	366,000
Footwall Lode	Indicated	141,000	409,000	1.92	25,000
	Inferred	128,000	380,000	2.57	31,000
TOTAL FOOTWALL LODE		269,000	789,000	2.23	57,000
TOTAL INDICATED		957,000	2,799,000	2.96	266,000
TOTAL INFERRED		483,000	1,433,000	3.39	156,000
GRAND TOTAL		1,440,000	4,232,000	3.11	422,000

Rounding results in computational discrepancies

Current Mineral Resource Statement

The previous Mineral Resource Statement was independently verified and data preliminarily validated by Venmyn as part of this review. This statement was based upon the sampling, drilling and QA/QC results described in Section 9.5.4 and the subsequent geological modelling and block modelling completed by CSA described in Section 9.5.8. Venmyn is comfortable that having performed necessary reviews and checks on the GHR model and Mineral Resource estimation techniques and results, that the previous JORC Mineral Resource Statement is SAMREC compliant (with the JORC and SAMREC codes essentially comparable). Given that there have been no material changes since the issue of the previous Mineral Resource Statement, the previous Mineral Resource Statement can be considered the current Mineral Resource Statement which is additionally SAMREC compliant.

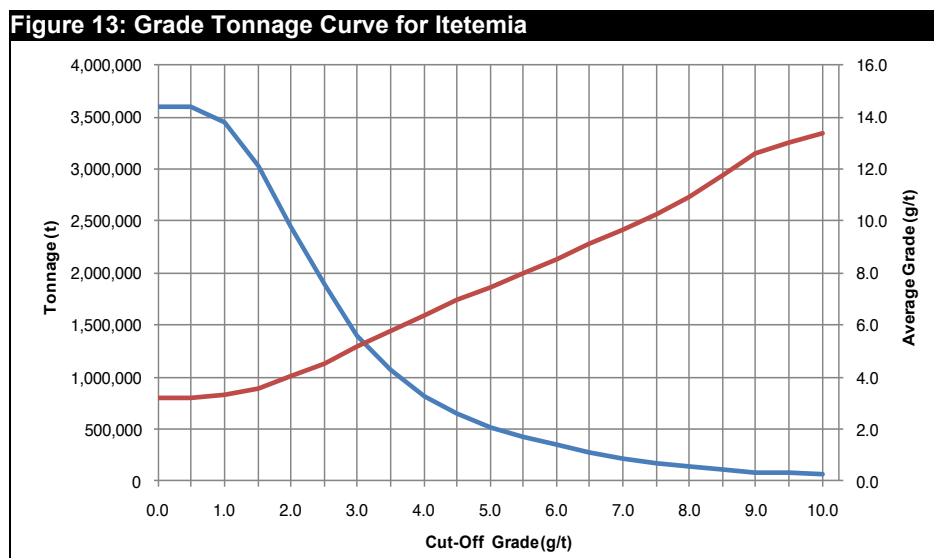
Venmyn has documented this examination by applying, marking up and referencing the 'SAMREC Table 1: Checklist and Guidelines of Reporting' which is included in Appendix 12. No changes were made to the Mineral Resource estimate. The current, SAMREC compliant Mineral Resource Estimate is presented in Table 12:-

Table 12: SAMREC Mineral Resource Statement – 1.0g/t cut-off at 8th March 2011

DOMAIN	CLASSIFICATION	VOLUME (m ³)	TONNES (t)	GRADE (g/t)	OUNCES oz
Main Lode	Indicated	816,000	2,390,000	3.14	241,000
	Inferred	355,000	1,053,000	3.68	125,000
TOTAL MAIN LODE		1,171,000	3,443,000	3.31	366,000
Footwall Lode	Indicated	141,000	409,000	1.92	25,000
	Inferred	128,000	380,000	2.57	31,000
TOTAL FOOTWALL LODE		269,000	789,000	2.23	57,000
TOTAL INDICATED		957,000	2,799,000	2.96	266,000
TOTAL INFERRED		483,000	1,433,000	3.39	156,000
GRAND TOTAL		1,440,000	4,232,000	3.11	422,000

Rounding results in computational discrepancies

The sensitivity and nature of the resource for Itetemia can be illustrated by the grade tonnage curve in Figure 13. The curve is moderately robust for cut-offs up to 1.5g/t at which point tonnage drops moderately with successive cut-off increases and flattens out. The average grade at this point is >3.0g/t.



9.5.10. Mineral Resource Classification **SR5.7B(ii), SR7B(i-iv), SR8B(i-iv)**

The criteria and methodology used as the basis for classification of the Mineral Resources into varying confidence categories was based upon the data density, and supported by geostatistical applications and checking of results. Based on these confirmations, resource category allocation was effectively:-

- Indicated Resource: material drilled on a 40m x 40m drill spacing above ~800 RL; and
- Inferred Resource: material drilled on >40m x 40m drill spacing above ~650 RL (noting that an “Unclassified” category was declared on drill spacing greater than ~40m x 100m).

Material deeper than ~650 RL, despite suitable drilling densities, was delineated “Unclassified” and does not form part of the Mineral Resource. No material exceptions to this classification scheme exist.

The Mineral Resource Estimate results appropriately reflect the Competent Persons view of the deposit. It is Venmyn’s opinion that appropriate account has been taken of all relevant factors, including (but not limited to) relative confidence in tonnage/grade computations, density, and distribution of primary data and information, confidence in continuity of the geological and mineralisation models.

9.5.11. Modifying Factors **SR1.2B(i), SR5.4A(i), SR5.7A(i), SR5.7B(ii), SR10A(i), SR10B(i)**

While a Mineral Reserve has not been declared for the GHR, and no formal Modifying Factors have been applied, a Preliminary Assessment, by Saint Barbara LLP (Saint Barbara) in September 2010, of potential open pit mining of the GHR is presented in this section in the interests of transparency and in order to further demonstrate ‘prospects for eventual economic extraction’.

This assessment considered the open pit mining of the near surface part of the deposit using a local earth moving contractor and the processing of the material through a heap leach/carbon in column (CIC) facility as the Base Case. Two options to this Base Case were also presented:-

- Option 1 considered the project on the basis of second hand process equipment; and
- Option 2 considered the sale of mined material to African Barrick Gold (Barrick) at their Bulyanhulu Mine, approximately 5km to the west of GHR.

Saint Barbara based their Preliminary Assessment on a pit optimisation conducted by Auralia Mining Consultancy Pty Limited (Auralia) in August 2009, based on CSA’s block model.

The Auralia optimised pit allowed for the extraction of only 128,186oz of gold from the upper most portion of the Mineral Resource. The inputs used in the Auralia optimisation are summarised in Table 13. No capital costs were used in the optimisation.

Table 13: Preliminary Optimisation Parameters

INPUT	UNIT	QUANTUM
Pit Slope Angle	Degree	50
Mining Cost (Ore and Waste)	USD/t	2.19
Ore Haulage Cost	USD/t	0.54
Process Cost	USD/t	12.67
G&A	USD/t	2.16
Mining Dilution	%	5
Mining Recovery	%	95
Royalty	%	3
Gold Price	USD/oz	900
Dore Transport/Refining	USD/oz	1.5
Gold Marketing	USD/oz	1.0

The optimised pit contains 1.22Mt of ore at a diluted grade of 3.45g/t gold. The waste is 14.6Mt giving a strip ratio of 12.0. The pit has dimensions of 440m in length, 250m width and 150m depth. While the input parameters are preliminary, Saint Barbara did not consider it necessary to refine them further given the level of their study. However Saint Barbara did note that royalties at the time of their report were in fact 4% and that other royalties are payable to TanRoyalty, and that the gold price at the time of the Saint Barbara study was USD1,270/oz. Venmyn note that the gold price at the time of this CPR was ~USD1,400/oz.

Saint Barbara defined a 4 year life-of-mine (Table 14) using manual methods and noted that waste mining had not been optimised, and assumed a 92.5% recovery of gold.

Table 14: Conceptual Mine Schedule

INPUT	UNIT	YEAR -1	YEAR 1	YEAR 2	YEAR 3	YEAR 4	TOTAL/ AVE
ROM	000t	0	300	300	300	300	1,200
Grade	g/t		3.45	3.45	3.45	3.45	3.45
Waste	000t	3,500	4,000	4,000	3,100	-	14,600
Waste Ore Ratio			13.3	13.3	10.3	0	12.2
Total Tonnes Moved	000t	3,500	4,300	4,300	3,400	300	15,800
Contained Gold	kg		1,035	1,035	1,035	1,035	4,140
Recovered Gold	kg		957	957	957	957	3,828
Recovered Gold	oz		30,780	30,780	30,780	30,780	123,120

Saint Barbara estimated the following fleet size for the mining contractor:-

Table 15: Conceptual Mining Fleet

VEHICLE	NO.
40t Articulated Haul Truck	6
4m ³ Bucket Hydraulic Excavator	4
Blasthole Drill	1
D8 Track Dozer	1
CAT824 Wheel Dozer	1
CAT12H Motor Grader	1
Water Cart	1
Service Truck	1
Explosive Truck	1
General Truck	1
Tyre Handler	1
40t Crane	1
Supervisors Pick Up	3
General Pick Up	2

Saint Barbara estimated the following mine operating costs:-

Table 16: Conceptual Mine Operating Costs

ITEM	COST (USD)
Total Contract Operating Cost Per Year (USD)	5,697,459
Contractor's Capital Retrieval Per Year (USD)	2,500,000
Owner's Personnel Costs Per Year (USD)	262,080
Owners General Costs Per Year (USD)	250,000
TOTAL PROJECT OPERATING COSTS PER YEAR (USD)	8,709,539
Total Variable Operating Cost (USD/t Rock)	1.04
Total Variable Operating Cost (USD/t Ore)	14.89
Total Mine Fixed Costs Per Year (USD)	4,242,000

Although Saint Barbara has assumed that a mining contractor will be used for the open pit mining, they assumed the following start up costs:-

Table 17: Conceptual Owners Capital Cost

ITEM	NO.	COST (USD)
Operations Set Up, Offices and Equipment Etc	1	200,000
Owners Vehicles	3	150,000
Contract Charges and Mobilisation	1	300,000
TOTAL		650,000

Saint Barbara estimated the following processing and infrastructure costs:-

Table 18: Conceptual Processing and Infrastructure Costs

ITEM	COST
Capital Cost (USDm)	25.50
Variable Operating Cost (USD/t)	15.04
Fixed Cost, Labour (USD/Mpa)	4.37

Saint Barbara reviewed the metallurgical testwork results reported by Minestart Management Incorporated (Minestart) (Section 9.6.13), and applied a process recovery of 92.5%.

Option 1 considered the use of second-hand equipment in order to reduce the process plant capital, by assuming that second-hand equipment costs between 25%-33% of the new item, and that the cost of an operating plant is 2.4 times the landed purchase price of the installed equipment. Using the average of these factors, Saint Barbara used a revised capital cost for the process plant of 70% of the new equipment.

Option 2 considered the value of sending the ROM from GHR to the neighbouring Bulyanhulu Mine for treatment in order to save the capital cost of designing and building a process plant. In this case, the capital costs of the process plant were removed, except for a rehandling area, and an additional operating cost was input to reflect the haulage costs from GHR to Bulyanhulu. Saint Barbara assumed that Barrick would accept an income of 20% of the gold revenue from the delivered ore less their process variable costs, which were assumed to be the same as the variable process costs of Kibo's potential operation.

Saint Barbara ran a series of DCF analyses, one for each of the various options using the inputs summarised above, a 12% discount and a gold price of USD1,000/oz. Kibo have subsequently modified the Saint Barbara DCF models to adjust for the current gold price and have assumed a gold price of USD1,400/oz. The affect of the gold price, as well as the results from Saint Barbara's Preliminary Economic Assessment are summarised below:-

Table 19: Summary of Conceptual DCF Results

CASE	SAINT BARABARA (USD1,000/oz)		KIBO (USD1,400/oz)	
	Pre-Tax NPV ₁₂ (USDm)	IRR (%)	Pre-Tax NPV ₁₂ (USDm)	IRR (%)
Base	(9.4)	0.20	17.8	30.9
Option 1	(2.9)	7.70	24.3	42.5
Option 2	12.7	46.40	34.1	96.7

From their results, Saint Barbara concluded that:-

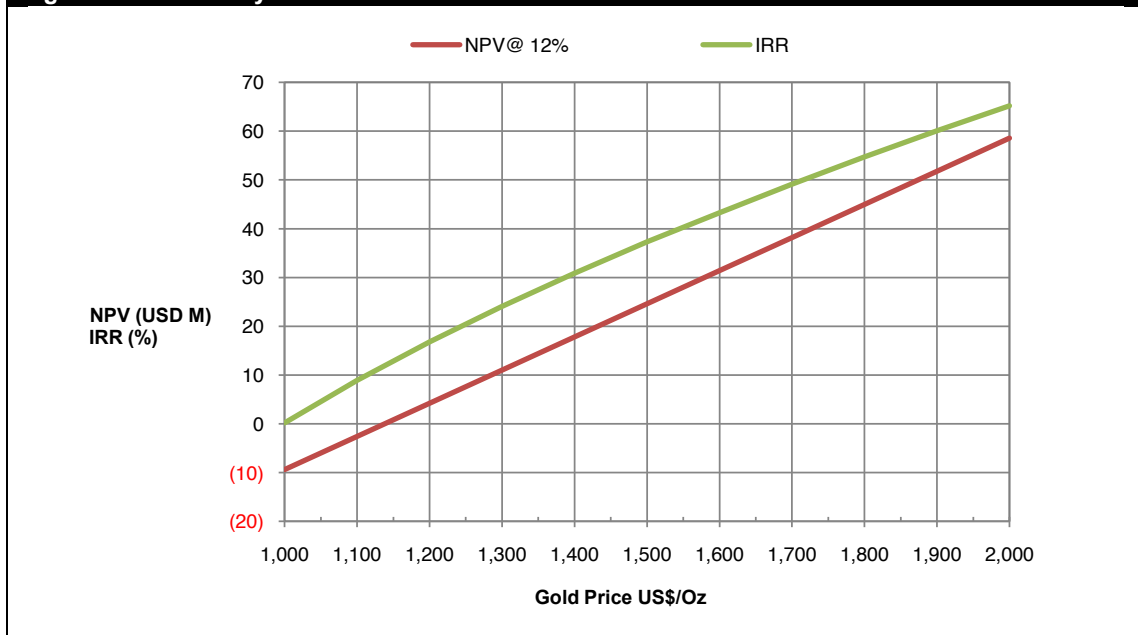
- the open pit project is technically feasible; and
- that the only case worth considering, at the time, was Option 2 (supply of ore to Barrick).

It must be noted that Saint Barbara only considered a gold price of USD1,000/oz. Table 19 demonstrates, however, that at current gold prices, the economics of all three scenarios become significantly more favourable, and demonstrate that at current gold prices there is no specific reliance on Option 2. The sensitivity of the potential project economics to gold price is further illustrated in Figure 14. The full dynamics of the various DCF models for the Base Case, Option 1 and Option 2, at a gold price of USD1,400/oz are presented in Appendix 7 for completion.

Given the current gold prices' potential to improve project economics, Venmyn recommend that the Saint Barbara study is formally updated.

In addition Venmyn recommend, given the potentially favourable economics of Option 2, that metallurgical testwork be commissioned from GHR in order to more definitely establish the possible ore characteristics and to test for the suitability of feeding ore to the Bulyanhulu Mine. In addition, formal negotiations with Barrick are recommended. This should be done in conjunction with further exploring Kibo's ability to establish a small operation without reliance on processing at Bulyanhulu.

Figure 14: Sensitivity of NPV and IRR to Gold Price



9.5.12. Mining

The only mining taking place at GHR is small-scale artisanal mining (Figure 10). A conceptual mine plan has been considered by Saint Barbara as discussed in Section 9.5.11.

9.5.13. Mineral Processing and Metallurgical Testing **SR3.2B(i), SR5.5A(i), SR5.5B(i-iii)**

Minestart reported on the preliminary metallurgical testwork done in 1998. The test samples were made of six lab crush rejects from six different drillhole intersections of the GHR, weighing 60-70g each and ranging from 0.87g/t to 4.79g/t. It was concluded that grinding and agitated tank cyanide leaching would be best to maximise gold recovery and that particle size distributions were crucial to achieving suitable gold extractions. Flotation tests were less successful.

A fine grind bottle roll leaching test returned a 98.4% recovery at a grind size of 95% passing 400mesh (38 μ). Venmyn recommends that more comprehensive metallurgical testwork be completed.

9.5.14. General Opinion on the Itetemia Gold Deposit and Recommendations for Further Work

It is Venmyn's general opinion that the GHR represents a small, yet robust, medium-grade, near surface gold deposit, that warrants further feasibility investigations. While the resource is relatively small, and the potential extractable resource (by opencast mining) is small, Venmyn consider the ability to increase the resource base limited. While extension at depth may be possible, it would not necessarily improve the potential economics of the project (unless underground mining is technically feasible) and there is limited, if no scope, for an increase in resource along strike. Nevertheless, preliminary economic studies do indicate the feasibility of a small opencast operation, at the current high gold prices. At lower gold prices, studies show the possibility of toll treating the GHR ore at the neighbouring Bulyanhulu Mine.

Given the current gold prices' potential to improve project economics, Venmyn recommend that the Saint Barbara study is formally updated and that the level of study progresses to Pre-Feasibility level. In addition, Venmyn recommend, given the potentially favourable economics of Option 2, that metallurgical testwork be commissioned from GHR in order to more definitely establish the possible ore characteristics and to test for the suitability of feeding ore to the Bulyanhulu Mine. In addition, formal negotiations with Barrick are recommended. This should be done in conjunction with further exploring Kibo's ability to establish a small operation without reliance on processing at Bulyanhulu. Venmyn consider the benefit of additional drilling and sampling at Itetemia, at this stage to be limited.

9.6. The Luhala Gold Deposit **SR1.2A(i)**

The Luhala Gold Deposit (see Figure 15 and Figure 16) is an advanced stage exploration project focussing on the development of the Luhala property which consists of five anomalous hilltops, namely:-

- Kisunge Hill;
- Shilalo West Hill;
- Shilalo South Hill;
- Kiging West Hill; and
- Kiging East Hill.

The Kisunge Hill and both Shilalo hills are of primary economic interest and have Inferred Resources declared on them (Section 9.6.9). The mineralisation was historically misunderstood until the diamond and RC holes were re-logged consistently and then the information tidied up and remodelled in Micromine early in 2006. Subsequent drilling and a Dipole-Dipole IP survey tested/relied on this theory, of stratabound and shear-zone hosted gold mineralisation (stratigraphic and structural control) within a distinct unit of felsic rocks, and results were consistent with expected intersections and anomalous extensions.

9.6.1. Local Geology and Mineralisation of the Luhala Gold Deposit **SR1.2A(ii)**

The rocks have been divided into three geologic packages, namely:-

- a lower mafic package of fine grained chlorite-rich ferruginised basalt with local semi-massive to massive pyrite assemblages (not carrying grade);
- a felsic package of silicified or porphyritic and commonly flow banded and brecciated rhyolite flows, cherts and argillites which are weathered to kaolinite-sericitic clay assemblages which may or may not be ferruginous; and
- an upper intrusive package of dolerite/gabbro.

The rocks have been further cross-cut by Karoo-aged dykes. The rocks are all deeply weathered exhibiting abundant limonite-haematite stained kaolin alteration as well as local silica-carbonate alteration. The units are cross-cut by north-south trending faults as well as regional west-northwest/east-southeast faults (Figure 16).

One of these north-south faults separates Kisunge Hill from Shilalo West and South hills. The rocks are relatively flat lying on the eastern side of this fault, but in the west, there is clear evidence that the package is part of a fold with its nose plunging to the southwest and sides dipping at approximately 40° to the southeast. Discussions as to whether this fold is anticlinal or a synclinal have been discussed historically and with Venmyn on-site, who believe the anticlinal version better represents the lithological sequence of a lower mafic package followed by the felsics.

Mineralisation at Luhala occurs in five areas, namely:-

- Kisunge Central Zone (Zone 1) with surface mineralisation of ~400m strike and ~30m depth on top of the Kisunge Hill;
- Kisunge Eastern Zone (Zone 2) with surface mineralisation of <30m deep dipping 25° east on the eastern flank of Kisunge Hill;
- Kisunge Southern Zone (Zone 3) which dips at 40°-50° south over ~200m strike on the southeast flank of Kisunge Hill;
- Shilalo South (Zone 4) dipping at ~40° south; and
- Shilalo West (Zone 5) dipping at 70° degrees to the southeast.

9.6.2. Historical Exploration **SR1.3A(i-ii), SR2.3A(i-ii), SR1.3B(i)**

Remaining evidence of small pits and historical documentation suggests that Kisunge Hill was prospected by the Germans some 100 years ago and an unknown quantity of gold produced. Sporadic artisanal workings have occurred since that time, although no workings are currently occurring.

Historical commercial exploration at the Luhala Deposit began with various regional activities on the five hills by Tancan (Table 20) with early results directing more attention towards the Shilalo and Kisunge hills. Exploration activities were focused on identifying similar mineralisation potential to the Barrick Geita Mine which also forms part of the Buhungukira Greenstone Belt on which the Luhala Project is located.

No early Mineral Resource Estimates were conducted on the Luhala Deposit during the period described in Table 20. The most recent JORC Code compliant estimates are discussed in detail in Section 9.6.9.

Table 20: Historical Exploration, Results and Development of the Luhala Project

DATE	ACTIVITY	OPERATOR	RESULTS/COMMENTS
1995-1997	Mapping, trenching, and DC drilling of West Shilalo. Geodass regional Aeromag survey	Tancan	3 DC holes - 505m. No significant intersections.
1997	Regional MMI Geochem and IP survey, mapping and grab sampling, DC drilling on West Shilalo	Tancan - JCI JV	4 DC holes - 549m. Best intersection: 1.63g/t over 26.4m
2000	Regional RAB drilling	Tancan - Newmont JV	106 RAB holes. Numerous significant intersections.
	Kisunge Hill RAB drilling		135 Kisunge Hill RAB holes. Numerous significant intersections.
2001-2002	Trenching Shilalo South and West Hill	Tancan	36 trenches - 3,348m - Numerous significant intersections
	DC drilling Shilalo South		3 DC holes- 361m. Best intersection: 29.6g/t over 1m
	DC drilling Kisunge plus 1 RC twin		8 DC holes- 1,293m. Best intersection: 5.7g/t over 14.4m
	Trenching Kisunge		15 trenches - 3,528m - Numerous significant intersections
	Regional RAB drilling		49 RAB holes. 1,969m - Numerous significant intersections. Follow-up soil anomalies
	RC drilling Shilalo South and West Hill		17 RAB holes. 979m - Numerous significant intersections. Follow-up trenching anomalies
2004-2006	RC drilling Kisunge 25m x 40m grid	Tancan (TanRoyalty)	120 RC holes - ~7,000m. Outlined in detail the geometry and grade of gold mineralisation at Kisunge.
	DC drilling Kisunge		9 DC holes. Best intersection: 4.4g/t over 8.4m
	Regional and detailed mapping, regional conventional soil survey, re-logging of holes and soil logs		Confirmed MMI.

* 'Regional' in this context means across all five Luhala Hills.

9.6.3. Recent Exploration **SR2.3A(i)**

Recent exploration on the Luhala Deposit has been considered by Venmyn to include all work subsequent to the Sloane – TanRoyalty Joint Venture in 2007, as summarised in Table 21. The recent exploration commenced with a re-examination of all work compiled to-date and a Resource Estimation in 2007.

Table 21: Recent Exploration, Results and Development of the Luhala Project

DATE	ACTIVITY	OPERATOR	RESULTS/COMMENTS
2007	Review of all previous exploration work and field visit by CSA	Sloane - TanRoyalty JV	Refined structural model with recommendations for further drilling.
	Resource estimate (2007, CSA)		111,900oz. 1.86Mt @ 1.9g/t and a 1.0g/t cut-off.
2010	RC drilling Kisunge East		12 RC holes. Numerous significant intersections.

PHOTOGRAPHS OF THE GEOLOGY OF THE LUHALA PROJECT



BOREHOLE CORE FROM LKD-01



BOREHOLE CORE FROM LKD-8A



MINERALISED IRONSTONE -LKD-01



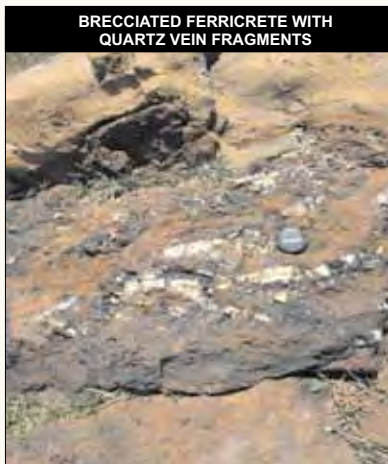
FRESH IRONSTONE



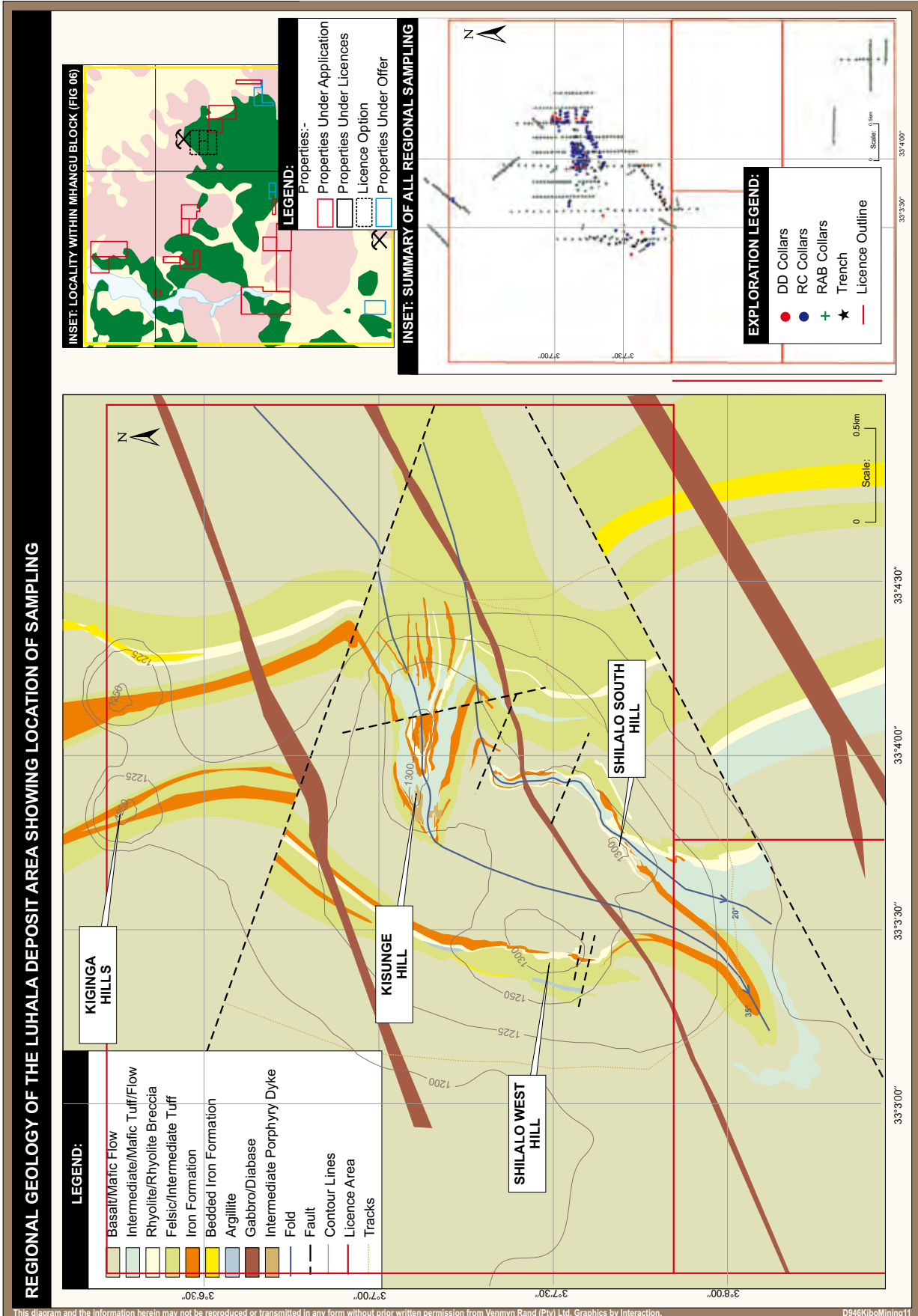
FELSIC ROCKS (UNMINERALISED)



FERRICRETE



BRECCIATED FERRICRETE WITH QUARTZ VEIN FRAGMENTS



Based on recommendations from the CSA reports, an internal drill proposal plan was compiled in 2008 with proposed positions for RC testing of Kisunge East and South as well as Shilalo South. However, only Kisunge East has been followed up to-date in line with these proposals. In mid 2010, 12 RC holes were drilled to the east of previous drilling at Kisunge East to test depth and extension of this zone. These results are not included in the current Resource Model. Figure 16 shows the location of all sampling and drilling at the Luhala Project hills to-date.

9.6.4. Sample Preparation, QA/QC, Sample Analysis and Data Verification SR2.1A(i), SR2.3A(i), SR3.1A(i), SR3.2A(i-iii;v-vi), SR3.2B(i), SR3.3A(iii), SR9A(i-ii), SR9B(i)

Venmyn could not review or verify the physical exploration and sampling of the Luhala Deposit by TanRoyalty or Aardvark, as no such drilling or sampling was being undertaken at the time of Venmyn's site visit. However, Venmyn has interviewed relevant staff, reviewed all internal and independent reports and has, in recent years, conducted several drilling, sampling and laboratory audits for TanRoyalty on its other LVG projects, and is familiar with their sampling procedures and operations. All drilling prior to 2007 was performed by TanRoyalty. Since 2007 drilling was conducted by Aardvark (Table 20 and Table 21).

Venmyn, based on discussions with TanRoyalty, have confirmed that the same procedures as audited and witnessed by Venmyn in the past were applied at Luhala. Venmyn has audited and found these procedures to be suitable for declaration of Minerals Resources. Venmyn has not witnessed the drilling by Aardvark, although, the procedures have been reviewed by Venmyn and are considered suitable for the declaration of Mineral Resources. The methodologies for TanRoyalty and Aardvark are very similar. The details of these procedures are described in Section 9.5.4 with the following exceptions:-

- DC drilling from the start of exploration through to and including 2001 (first three phases totalling 18 holes) made additional use of sludge samples as a QA technique by placing a 20l plastic bucket (with an overflow cut into the base of the bucket), in the flow path of the return drill water leading to the sump. Sludge samples were retrieved for each core run, bagged into porous manila bags and hung up to drain. The ratio of these bags sampled, methodology and results thereof is undocumented;
- four commercial standards were originally used at a rate of one every 40 samples, with duplicate samples being submitted every 20 samples translating into a ratio of 7.5% QA/QC samples; and
- RC drilling from the start of exploration through to and including 2001 (first two phases totalling 18 holes) collected samples on a 1.0m basis for target mineralised material and a 2.0m or 3.0m composite for less prospective material. Standards and duplicates were submitted on the same basis as the con-current DC campaign.

Venmyn is aware of various audits conducted and documented by CSA on the Luhala work including comparative re-logging of drillholes, attempted QA/QC analysis, re-interpretation of results and validation of data. The detail and findings of these with recommendations, many of which have already been conducted, are mainly comprised in the CSA CPR and Resource Estimation report of 2007. The result of these audits found no material irregularities, although, made minor recommendations.

The geometry of the orebody and mineralisation constraints has only recently been resolved. It was previously uncertain what was controlling the mineralisation and this is reflected in numerous drillholes drilled at odds with each other. Since Aardvark commenced exploration and subsequent to the re-interpretation of data, true widths are now known from drillhole intercepts and have been accounted for in modelling.

The interpretation is that of stratabound and shear-zone hosted gold mineralisation (stratigraphic and structural control) within a distinct unit of felsic rocks in a ferruginised mafic to felsic sequence.

9.6.5. Sample Analysis, QA/QC and Data Verification SR2.1A(i), SR3.1A(i-ii), SR3.2A(ii;v-iv), SR3.3A(i-v), SR3.4A(i-iv), SR9A(i-ii), SR9B(i)

As with Itetemia, several laboratories were used for the various phases of drilling and sampling on the Luhala Project, namely, SGS and Humac in Mwanza Tanzania. Accreditation status and numbers are tabulated in Table 9.

The assay techniques, preparation and procedures are documented in Section 9.5.5 for these two laboratories. Sample sizes are appropriate to the grain size of the material being sampled and having reviewed the procedures and laboratories, Venmyn feels it is unlikely that inadequate or non-representative sampling was performed. Acceptable levels of accuracy (i.e. lack of bias) and precision have been established at these laboratories by their internal levels of QA/QC and any failed batches were re-tested and recorded for the client.

According to internal documentation, these laboratories were checked extensively by TanRoyalty's own external QA/QC methodology including standards, blanks, and duplicates. Although these reports provide summaries and commentary on the QA/QC performance for early stages of sampling, the datasets are not all available and only a portion could be verified and are presented in Appendix 8. Recent drilling by Aardvark, was however, extensively documented and therefore reviewed and ratified by Venmyn (see Appendix 8). The data available to Venmyn from the pre-Aardvark drilling included 75 pulp duplicates of which 65 were also represented by RC rejects (140 total duplicates) and 58 instances of commercial standards being used representing 10 standards ranging from low to high grades. The Aardvark drilling consisting of 26 blanks, 25 pulp crush duplicates and 26 instances of standards being used representing four standards ranging from low to medium range. The results of these QAQC samples are as follows:-

- 13 standards out of the 14 used performed very well (84 instances in total) all falling within accepted limits prescribed with very few exceptions or instances of tested standards falling outside. Standard WCM PM-403 performed the worst, relatively speaking, this being the lowest grade standard with an expected assay result of 0.17g/t +/- 0.02g/t. Of the four instances used, two assayed at 0.2g/t or 0.01g/t above suggested assays. The general performance of the other standards and small error with regards to WCM PM-403 gives Venmyn confidence in the standards used;
- of the 75 pulp duplicates and 80 reject duplicates, both crush and pulp duplicates showed a good repeatability and have a good correlation and acceptable R2 errors; and
- all 26 blanks performed well assaying at below detection level, in this case <0.01g/t.

Assay plots for normal and log-normal space grade histograms, modelled data comparisons to drillhole data and regression plots are attached in Appendix 8.

Sample analysis and internal laboratory QA/QC procedures and methodologies can be viewed in Section 9.5.5.

Following digital receipt of results from the laboratory, the project geologist reviews and graphically analyses the results for the standards, blanks and duplicates. Standards results are expected to be within 3 standard deviations of the quoted value. Should the results of the quality review indicate unacceptable variation, the issues are brought to the laboratory's attention and resolution methods discussed.

This validation and verification method has been illustrated to Venmyn who is confident it is taking place suitably. The level and results of blanks, duplicates standards and re-sampled core gives Venmyn reasonable confidence in the sampling campaign and processes, although, the entire QA/QC database as reported for earlier work needs to be located to ensure reasonability. Sample recoveries have been properly recorded and results assessed, the level of detail collected by logging and sampling has been captured with a reasonable degree of confidence and reported on further in Section 9.6.7.

9.6.6. Specific Gravity SR2.4A(i-ii), SR2.4B(iii)

No SG testwork has been conducted on the Luhala Deposit. A bulk density value of 2.1g/cm³ was assumed and applied to weathered rock and 2.7 g/cm³ for fresh rock for the Luhala Resource Estimation model. While Venmyn considers the representivity of the assumed SG measurements suitable for the declaration of the Inferred Mineral Resources at Luhala (Section 9.6.9), Venmyn would suggest that a suitable SG campaign be performed in future to raise the level of confidence.

9.6.7. Database Management SR2.1A(i), SR2.1B(i), SR2.2A(i), SR3.2A(i)

Please refer to Section 9.5.7 for detail on database management. The only exception to Section 9.5.7 that need be mentioned is that the early phase DC drilling (First three phases to 2001) utilised an Eastman single-shot down-hole survey instrument. This is not a gyroscopic instrument which would have been better suited to the ferruginised and iron rich lithologies of the Luhala Deposit, although, is suitably accurate for the classification of Inferred Resources.

Trench traverses were surveyed with handheld GPS, with an accuracy of <10.0m.

9.6.8. Orebody Modelling SR4.1A(ii-iii); SR4.1B(i-iv); SR4.2B(i-vi), SR5.7B(ii-iii)

Venmyn conducted a preliminary review of the orebody modelling and Mineral Resource estimation undertaken by CSA on the Luhala Deposit. Venmyn's review included the following:-

- interpretation of models;
- construction of wireframes;
- standard Datamine import validation/verification checks;
- confirmed data statistics where available;
- confirmed variography and ellipsoid search parameters where available;
- check on correct and suitable compositing of data for modelling;
- checked block size suitability for drill spacing and volume declarations;
- examined effects of top-cutting and confirmed appropriateness;
- commented on suitability of classification techniques and drill spacing;
- examined appropriateness of estimation techniques for datasets available; and
- commented on other aspects that arose based on the independent review.

The following sections summarise Venmyn's findings subsequent to the review of the orebody modelling and Mineral Resource estimation.

The geological model of the Luhala Project was developed by Mr David Williams (MAusIMM) of CSA. Mr David Williams utilised the drillhole logs, collar, survey, lithology (including re-logged holes), assay and geotechnical data in the construction of the wireframe modelling of various ore zones in Datamine™, Studio 3.0™. All original files are stored at CSA's offices in Australia. Additionally, Mr David Williams completed the compositing of assay data to 2.0m samples within domains; application of top-cuts on domain by domain basis; Ordinary Kriging (OK) block model estimations to infer grade and tonnages and lastly, a results validation by visual assessment and moving window statistics (grade profiles).

Apart from the assumptions on SG already discussed in Section 9.6.6, a top cut was imposed at 20g/t for the entire dataset (all domains) of Luhala Deposit.

The basis for this assumption was not presented in the CSA report, although, Venmyn consider that this is an acceptable assumption for this level of data, although, top-cutting may have a potential underestimating effect.

Setting a ceiling value may be more appropriate, although, only a low impact would be expected. Additionally, the Mineral Resource was estimated using wireframes constructed at cut-offs of $>0.7\text{g/t}$, the effect of which would possibly decrease tonnages and increase grades of the estimate marginally.

The model comprises 3D surveyed drillholes and trench traverses, wireframes of the various resource zones and an OK grade block model. No supporting statistics for the top-cut and un-cut data sets or accompanying variography is presented. The level of investigation was to define JORC compliant resources and inferences made from this model were the Mineral Resources Estimates quoted by CSA in their 2007 report.

Data density can best be described by the drilling grid dimensions and sample lengths of drilling RC and DC. Drilling was conducted at variable spacing on the various resource zones, a 25m x 40m grid was used over the main resource target of Kisunge Hill. There is still significant potential to add to the Mineral Resources along strike and to test depth of mineralisation at the Luhala Project.

Sampling length of drilling, as discussed in Section 9.6.4, was originally at 1.5m for earlier campaigns, although the bulk of sampling was conducted at 1.0m for the mineralised zone for most of the drilling and 2.0m or 3.0m composites for unlikely mineralised zones. A 2.0m composite was used for modelling purposes, variography and interpolation, after determining that the majority of samples were either 1.0m or 2.0m length. All drillholes were surveyed with either a Differential GPS or Theodolite systems for collar locations and Sperry Sun, Eastman or EzShot systems for downhole surveys. Expected accuracies are approximately 0.2° and 0.5° for dip and azimuth readings respectively for magnetic/gravimetric survey instruments.

Given the density and distribution of sampling and the reliability of the surveying techniques, Venmyn consider the quality and quantity of information are sufficient to support statements made or inferred, concerning the estimation and classification procedures applied to the Luhala Deposit. The 3D orebody model and representative cross-sections with drillhole distribution and intersections is shown in Figure 17 and Figure 18, respectively.

The current database as described in Section 9.5.7 and Section 9.6.7 is composed of, logged intervals on lithology, weathering, colour, texture, alteration vein and sulphide proportions. As various logging regimes were used over the years, drill core and chip samples were re-logged by SLR's Dr Deirdre Lewis during the 2006 and 2008 reviews by CSA. This logging scheme was used for the Resource Estimation model. No material irregularities were documented by CSA in the re-logging exercise, giving confidence as to the accuracy for the database as a whole.

The interpretation of the model is that of stratabound and shear-zone hosted gold mineralisation (stratigraphic and structural control) within a distinct unit of felsic rocks in a ferruginised mafic to felsic sequence. No further interpretations are considered, nor is there reasonable possibility that the current interpretation is unfounded or poses potential risks to the project given the history and extent of drilling and sampling conducted to this point.

Indirect geological discounts were applied to the model during construction of the wireframes which included, in places, interstitial lower grade domains between mineralised values as a function of the wireframes constructed.

Geostatistical estimation techniques were carried out on the entire Luhala dataset and applied to the various local zones. Topography was re-modelled using the provided contours plus the drill collars. Mineralised envelopes were digitised from drill sections, which ranged from 20m to 50m spacing in different parts of the deposit.

Envelopes were drawn according to a lower cut-off grade of 0.7g/t which was digitised in Datamine to create the mineralisation wireframes zones. Trench samples were used in informing wireframes but were excluded for grade estimation purposes.

Drill intervals were composited to 2.0m for variography and interpolation. The best direction was interpreted along strike, and down dip and normal and log variograms were generated for the grade variable. Variograms were not obtained for zones 3, 4 and 5 and the search parameters were set up using those from Zone 1 rotated to the plane of each orezone which is questionable. Search parameters used soft not hard boundaries between domains resulting in likely poor local estimates, cross domain estimating is never recommended, although, given the spatial distribution, orientation and number of data points for each zone, it is possibly understandable why this was done.

The block model created in Datamine contained block sizes of 25m x 25m x 10m. Sub-blocking was used to ensure the domain wireframes were filled with blocks, although, this had limited success from examination of the block model which appears mesh-like in places (Figure 18). Block grades were estimated using OK on 2.0m composites with the applied top-cuts and checked with the ID² method with no irregularities documented. The block size was selected at approximately half the spacing of the infill drilling, for the grade estimation.

No correlations were made between variables nor subsequently used to interpolate values, nor were any assumptions or inclusions made regarding by-products or deleterious elements. The processes of checking and validating were conducted by CSA in several ways:-

- cross-checks were made to ensure that the block model volumes were not significantly different from the ore zone wireframes;
- visual checks were made of the block model grades against the drillhole composites; and
- block model-composite grade profiles were generated for the main estimated grade, no irregularities were documented.

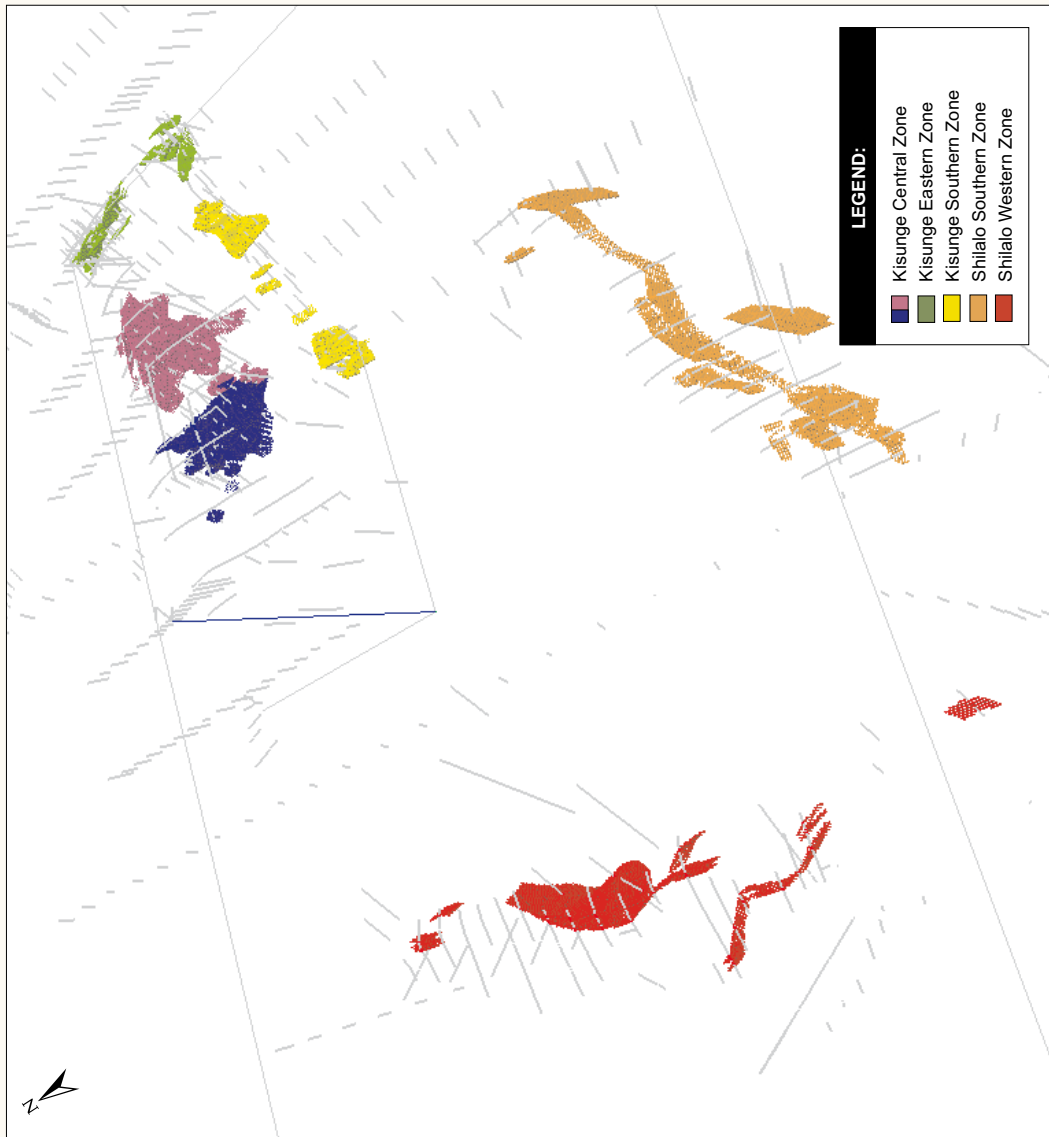
Venmyn conducted a reconciliation of the estimated model results against the project database and found the results to be acceptable (Appendix 8).

A general opinion on the resource model is that while suitable for Inferred Resources, several issues preclude building on this model and upgrading to higher classifications or use of this model for even preliminary assessments on optimisation or pit designs. Venmyn bases this opinion based on the following issues:-

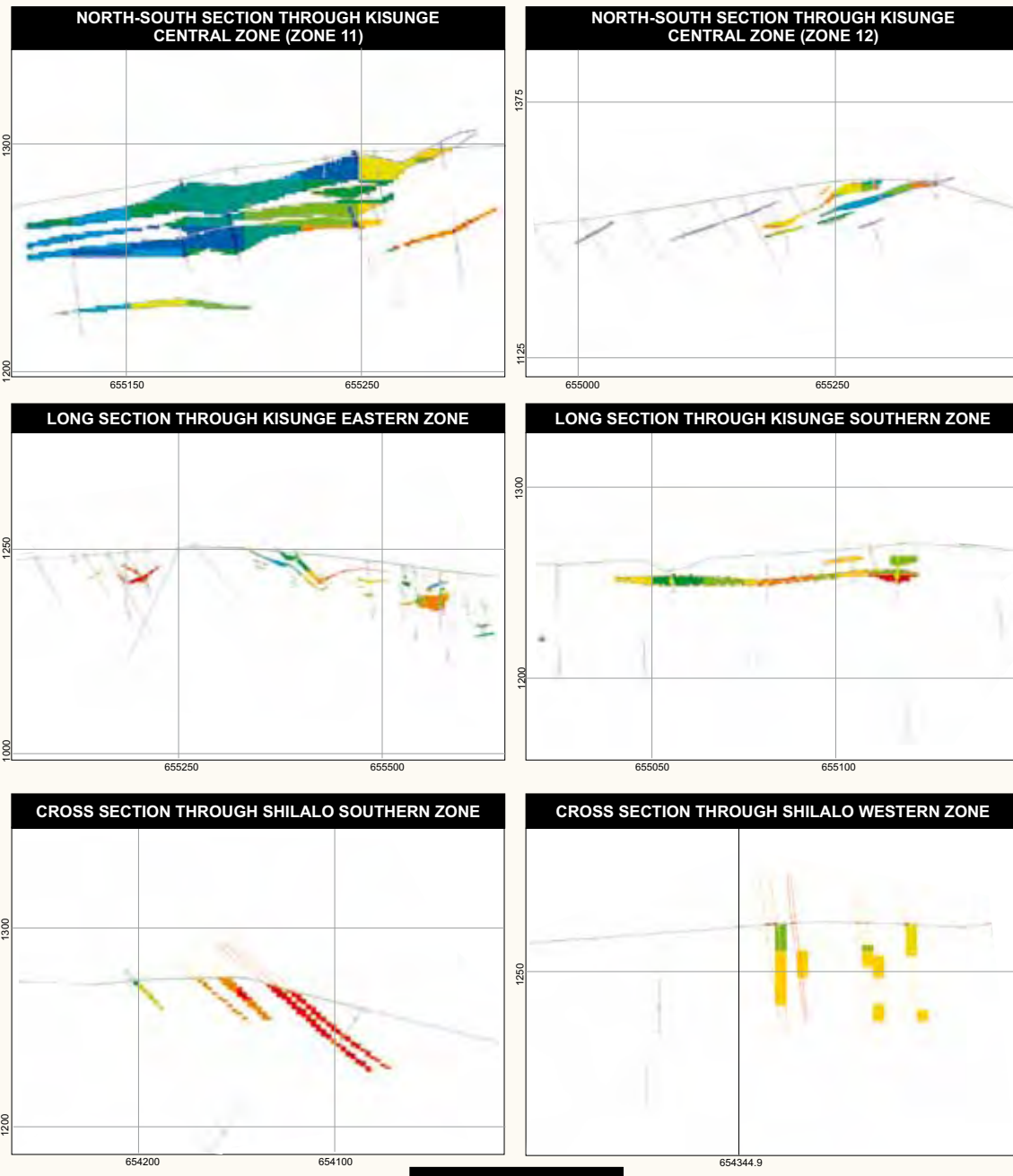
- the number of data points for individual orezones were often too low to justify geostatistical application;
- mixed RAB and RC without any twin comparisons or documentation;
- no basis for the top-cut applied or the 0.7g/t mineralised envelope;
- log histograms show several populations from the data;
- block sizes are inappropriate for accurate volumes;
- the issue of assumed densities and no real SG campaign is worrisome; and
- poor quality of the estimate indicated by the negative krigging efficiency calculations and large LeGrange multipliers (ranging from 0.25 to 0.33). Venmyn feels that geostatistics was ineffective at estimating values for this orebody and that a straightforward mean grade per domain would have been better suited.

In conclusion, Venmyn confirms the Inferred Resource as meeting the standards of SAMREC requirements and has marked up the Table 1 checklist (Appendix 12) to support this. However, future modelling for Indicated and Measured classifications will require more drilling and more appropriate means of estimation. CSA made its own reservations with regards to the data and method of modelling and for this reason limited the classification to only Inferred even though drill spacing for some zones was as tight as 20m x 20m.

3D OREBODY MODEL OF LUHALA



REPRESENTATIVE CROSS SECTIONS THROUGH LUHALA DEPOSIT



LEGEND:

Gold g/t	
[White]	Absent
[Light Blue]	0.225, 1
[Medium Blue]	1, 1.25
[Dark Blue]	1.25, 1.36225
[Teal]	1.36225, 1.49507
[Green]	1.49507, 1.66227
[Light Green]	1.66227, 1.79109
[Yellow]	1.79109, 2.00859
[Orange]	2.00859, 2.33529
[Red-Orange]	2.33529, 3.13115
[Red]	3.13115, 10.0552

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9.6.9. Mineral Resource Statements SR1.1A(iii), SR1.3B(i-ii), SR2.3B(i), SR5.7B(ii;v), SR9A(i-ii), SR9B(i), SV2.6

The previous and current Mineral Resource estimates presented below have not had modifying factors applied, are inclusive of reserves and are quoted in-situ. The Luhala Deposit has not been considered for optimisation or economic assessment yet, although, an opencast methodology would seem most likely for any potential future mining operations.

Venmyn consider that there is no known geological data that could materially influence the estimated quantity and quality of the Mineral Resource apart from possibly the low level of confidence in the SG applications. The reliability of the current geological model, resource model key assumptions and reliability of the classifications are believed to be moderate.

The most pertinent and recent external and independent reviews/audits, apart from Venmyn's current review, would be those conducted by CSA and SLR over the preceding several years of involvement. These reviews include, but are not limited to:-

- geological, structural, geochemical and geophysical re-interpretations;
- compilation of historical information into GIS for re-interpretation (MapInfo);
- re-logging of some core and RC chips to establish clearer paragenesis, alteration and naming nomenclature of lithologies;
- re-surveying of historical drillhole collars with a Differential GPS;
- compilation of historical QA/QC work and interpretation of results; and
- elementary database analysis and checks.

Overall conclusions for the most part were satisfactory. Recommendations for remedial actions such as re-logging have already been carried out and are no longer material shortcomings in Venmyn's view. The last remaining issue at this level of Mineral Resource classification is the accuracy of the SG and incomplete QA/QC data. The majority of these reviews were carried out at the same time as the Itetemia reviews by SLR's Dr Deirdre Lewis and CSA's Mr Steve Le Brun who compiled the documents presented to Venmyn by Kibo.

No known reason or geological data exists that could materially influence the estimated quantity and quality of the Mineral Resource.

Previous Mineral Resource Statement

CSA declared a JORC compliant Mineral Resource on the Luhala Project as at April 2007. This Mineral Resource Statement was re-issued and published in February 2010. This statement was based upon the sampling, drilling and QA/QC results described in Section 9.5.4 and Section 9.6.4 and the subsequent modelling and block modelling completed by CSA described in Section 9.6.8. The resource estimate was conducted by Competent Person, Mr David Williams (MAusIMM). The previous Mineral Resource Statement is presented in Table 22:-

Table 22: JORC Mineral Resource Statement – 1.0g/t cut-off at 1st February 2010

DOMAIN / ZONE	CLASSIFICATION	VOLUME (m ³)	TONNES (t)	GRADE (g/t)	OUNCES oz
Kisunge Central	Inferred	410,000	870,000	1.76	48,900
Kisunge East		110,000	240,000	2.15	16,800
Kisunge South		60,000	120,000	1.68	6,300
Shilalo South		100,000	200,000	2.47	15,900
Shilalo West		200,000	430,000	1.73	23,900
TOTAL LUHALA PROJECT		880,000	1,860,000	1.87	112,000
TOTAL INFERRED		880,000	1,860,000	1.87	112,000
GRAND TOTAL		880,000	1,860,000	1.87	112,000

Rounding results in computational discrepancies

Current Mineral Resource Statement

The previous Mineral Resource Statement was independently verified and data preliminarily validated by Venmyn as part of this review. This statement was based upon the sampling, drilling and QA/QC results described in Section 9.5.4 and Section 9.6.4 and the subsequent modelling and block modelling completed by CSA described in Section 9.6.8. Venmyn is comfortable that having performed necessary reviews and checks on the Luhala model and Mineral Resource estimation techniques and results, that the previous JORC Mineral Resource Statement is SAMREC compliant (with the JORC and SAMREC codes essentially comparable). Given that there have been no material changes since the issue of the previous Mineral Resource Statement, the previous Mineral Resource Statement can be considered the current Mineral Resource Statement which is additionally SAMREC compliant.

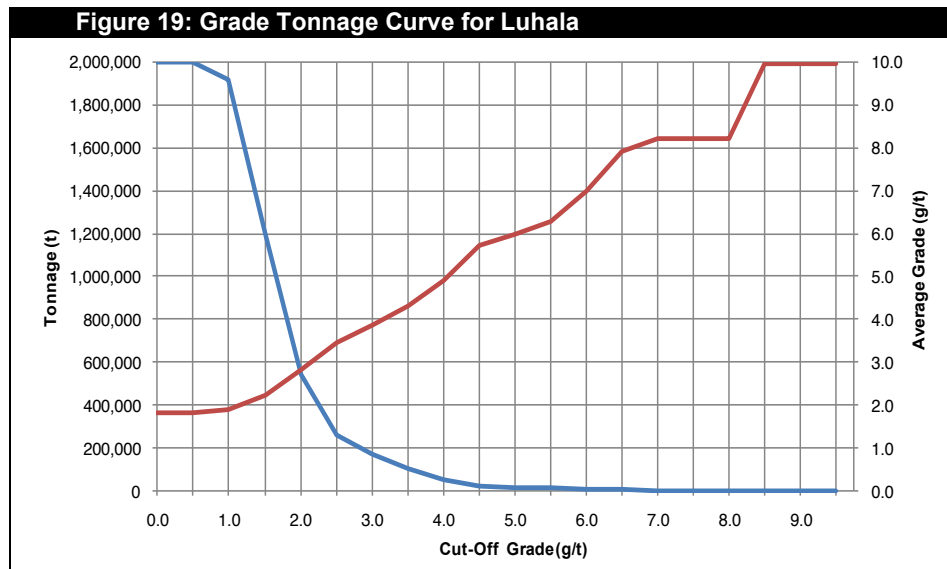
Venmyn has documented this examination by applying, marking up and referencing the 'SAMREC Table 1: Checklist and Guidelines of Reporting' which is included in Appendix 12. No changes were made to the Mineral Resource Estimate. The current, SAMREC compliant Mineral Resource Estimate is presented in Table 23:-

Table 23: SAMREC Mineral Resource Statement – 1.0g/t cut-off at 8th March 2011

DOMAIN / ZONE	CLASSIFICATION	VOLUME (m ³)	TONNES (t)	GRADE (g/t)	OUNCES oz
Kisunge Central	Inferred	410,000	870,000	1.76	48,900
Kisunge East		110,000	240,000	2.15	16,800
Kisunge South		60,000	120,000	1.68	6,300
Shilalo South		100,000	200,000	2.47	15,900
Shilalo West		200,000	430,000	1.73	23,900
TOTAL LUHALA PROJECT		880,000	1,860,000	1.87	112,000
TOTAL INFERRED		880,000	1,860,000	1.87	112,000
GRAND TOTAL		880,000	1,860,000	1.87	112,000

Rounding results in computational discrepancies

The sensitivity and nature of the resource for Luhala can be illustrated by the grade tonnage curve in Figure 19. The curve is moderately sensitive for cut-offs below 1.5g/t at which point tonnage drops sharply to a fraction of the orebody tonnage with each successive cut-off increases to a point where there are effectively no resources at a 2.5g/t cut-off. The curve is significantly less robust than the GHR resource curve in Figure 13.



9.6.10. Mineral Resource Classification SR5.7B(ii), SR7B(i-iv), SR8B(i-iv)

The criteria and methodology used as the basis for classification of the mineral resources into the Inferred category was based principally on the drill hole spacing and number of holes piercing individual mineralised envelopes.

An Inferred Mineral Resource classification was applied to this resource by CSA due to the general absence of complete QA/QC data, density data and feedback from local geologists on the interpretation.

The Mineral Resource estimate results appropriately reflect the Competent Persons view of the deposit. It is Venmyn's opinion that appropriate account has been taken of all relevant factors, including (but not limited to) relative confidence in tonnage and grade computations, density, quality, value and distribution of primary data and information, confidence in continuity of the geological and mineralisation models.

9.6.11. Modifying Factors

Mineral Reserves have not been declared for the Luhala Project and no formal Modifying Factors have been applied or considered in any studies to-date.

9.6.12. Mining SR5.4A(i)

No economic assessment studies or optimisation studies have been completed on the Luhala Deposit, although, given the shallow nature and large lateral surface extent of the various zones of mineralisation, pitting and opencast mining would be the most likely option for any potential future exploitation.

9.6.13. Mineral Processing and Metallurgical Testing

No mineral processing or metallurgical testwork has been completed for the Luhala Deposit nor are there any obvious processing factors identified to-date.

9.6.14. General Opinion on the Luhala Gold Deposit and Recommendations for Further Work SR10B(i)

It is Venmyn's general opinion that the full potential of the Luhala Gold Deposit has not yet been adequately tested, and that potential exists to extend the current small, low-grade, near surface gold deposits already identified. This is particularly true for Shilalo South and Shilalo West where the resource appears open at depth and along strike, and Venmyn therefore recommend that a programme of additional DD drilling be commissioned on these areas in order to increase the resource base. Venmyn consider the benefit of additional drilling and sampling at Kisunge Hill, at this stage to be limited, as the resource appears to have been constrained on all sides and additional drilling may only result in an increase in confidence in the estimates, without necessarily increasing resource ounces.

Of general concern to Venmyn is the geological interpretation of the area and the sequence stratigraphy in particular. Conflicting geological interpretations will have a profound effect on the potential resource size and future economics of the project. Consequently, Venmyn recommend that the exploration programme includes an element of detailed geological and structural mapping, re-logging of cores and detailed sequence stratigraphy.

9.7. The Greenfields Gold Exploration Properties (Savannah Properties) SR1.2A(i-ii)

On 8th March 2011, Kibo acquired 100% of the share capital of Morogoro Gold from Mzuri Capital, which, through its wholly-owned subsidiary, Savannah Mining Limited (Savannah), has a beneficial interest in a significant portfolio of mineral rights (the Savannah Properties), within the LVG. This acquisition has therefore considerably increased Kibo's exploration footprint within the LVG and has added significant greenfields exploration properties to its portfolio along with its options over Iteemia and Luhala (Section 8.3). This section describes the greenfields gold exploration properties recently acquired by Kibo.

9.7.1. Historical Exploration SR1.3A(i), SV2.4

Although the LVG has been extensively prospected by a number of companies over many years, no historical exploration results have been made available for the Savannah Properties. However, the LVG is a large gold province and exploration and mining activities are taking place on numerous adjacent properties.

9.7.2. Recent Exploration SR2.1A(i), SR2.3A(i-ii), SR4.1A(ii-iii), SR5.4A(i)

By 2007, most of the licences had been visited and pitting programs completed by Savannah to assist with understanding the properties and devising future exploration strategies.

The licences were then prioritised and ranked according to such factors as field condition reviews, areas with known anomalous soil values, surrounding mines, accessibility, topography and availability of various satellite and geophysical imagery. Once ranking was completed, a number of these licences were then sampled using hand and mechanical augers as well as manual soil sampling at various spacings and sampling densities.

The results of these subsequent soil/auger sampling campaigns were compiled and collated, culminating in the creation of the Savannah GIS Database.

This digital GIS database includes all primary data elements, observed and measured, including all pitting, augering and soil sampling results, as well as previous data resources acquired digitally and in hard copy from various sources at the Tanzanian Geological Survey (TGS) used to rank the licences including:-

- regional geology covering the full extent of the Savannah Properties;
- regional aeromagnetics covering the full extent of the Savannah Properties (maximum 1.0km spacing, some areas much higher resolutions);
- Landsat imagery including an RGB band and an FeO enhanced combination band;
- an SRTM Digital Terrain Model (DTM); and
- a mineralisation database highlighting known mines, deposits, reefs and artisanal workings.

All sampling, to-date, within the Savannah Properties, has been done at a reconnaissance level only and therefore confidence in these unsophisticated and low level of detail results is low. Any inferences made from these results would be of low confidence as this work was primarily directing future targeting.

There are no known factors, mining or otherwise could have a significant effect on the prospects of the Savannah Properties.

The sections below summarise the work conducted in each block to-date, as well as the results achieved and their significance with respect to on-going exploration work.

Mhangu Block

Initial exploration within the Mhangu Block was in the form of pits. These pits were dug in an attempt to understand the regolith and assist in devising a sampling strategy at an early stage. The position of these pits is indicated in Figure 20.

All the pits were sampled, however no significant gold values greater than 10ppm were returned with the exception of a sample from the single pit, which returned a gold value of 425ppb.

The methodology, preparation, analysis and QA/QC for the pitting program were not reported on during the activity and are not presented here. However, given that the nature of the pitting was to direct future interests and to provide an initial understanding of the regolith, Venmyn feels this is not a pertinent deficiency.

Subsequent to the pitting program, reconnaissance geochemical soil sampling was conducted with internally ranked licences prioritised. According to internal reports both auger and soil samples were taken on the licences and applications within this block. The reader is referred to Section 9.7.3 and Section 9.7.4 for details on methodology and assaying.

Figure 20 demonstrates that soil sampling has focussed on those areas associated with mapped greenstone lithologies.

Venmyn visited most of the licences hosting anomalous geochemical results in the Mhangu Block. Anomalous results were encountered in several regions as illustrated in Figure 20:-

- the northernmost licence and its associated renewal licences contains outcropping greenstone and granitoid lithologies along the edge of Lake Victoria, at Smith Sund, with an associated short ranged magnetic anomaly according to the regional airborne magnetic survey. Anomalous gold-in-soil sample results are closely associated with the mapped greenstone lithologies. A nearby locality of known mineralisation or 'gold deposit' (Buhingo) located to the west of the licence adds to the overall prospectivity of the licence area;
- the central western applications contain outcropping greenstone along the edge of Lake Victoria with an associated structurally complex and variable magnetic anomaly according to the regional airborne magnetic survey. Anomalous gold-in-soil sample results are closely associated with the mapped greenstone lithologies. A nearby gold deposit (Nyamtuksa), to the west, adds to the overall prospectivity of the licence area; and
- the southern licences, associated renewal licences and applications show a widely mineralised area with few known gold deposits. These licences are associated with significant outcropping greenstone and lesser granitoid lithologies. Anomalous soil sample results are generally closely associated with the mapped greenstone lithologies. Vastly contrasting magnetic survey results, indicate an interesting lithological sequence in the area. This, together with the anomalous gold-in-soil sample results, increases the prospectivity of the licence area.

The Mhangu Block is composed of numerous known 'gold deposits' and has sustained artisanal interest in many parts as witnessed by Venmyn. Only limited outcrops occur in this area, however anomalous soil sample results are closely correlated with mapped greenstone lithologies. Additionally, the regional aeromagnetic data indicates that there is a host of interesting structures below the surface of a number of the licences with several linear and non linear anomalies apparent.

Venmyn's interpretation is that this block has good prospectivity, and considers that detailed follow-up sampling work and geological and structural mapping should be carried out in order to better understand the mineralisation potential of the licences. Site visits to all licences should also be undertaken in order to re-prioritise the licences for this follow-up work.

Geita East Block

Initial exploration within the Geita East Block was in the form of pits. These pits were dug in an attempt to understand the regolith and assist in devising a sampling strategy at an early stage. The position of these pits is indicated in Figure 21. All the pits were sampled. However, no anomalous gold results were recorded.

Subsequent to the pitting program, reconnaissance geochemical soil sampling was conducted with internally ranked licences prioritised. According to internal reports only auger samples were taken on the applications within this block. The reader is referred to Section 9.7.3 and Section 9.7.4 for details on methodology and assaying.

Figure 21 demonstrates that auger sampling has only been carried out in the northeastern licences, focussed on those areas associated with mapped greenstone lithologies.

Venmyn has visited and traversed this block several times on past trips to Tanzania and is familiar with the area.

Anomalous results were encountered in only one region within this block as illustrated in Figure 21:-

- the northeastern applications did not form part of the original pitting campaign yet returned the most anomalous gold results for this block. The area is characterised by few outcrops of granitoid lithologies. Subcrop is represented mostly by granitoid and later Cenozoic sediments with several known greenstone subcrops. No significant magnetic anomalies or known gold deposits are associated with these licences although several auger samples returned gold values in excess of 500ppb.

The Geita East Block remains largely un-sampled. Only a small portion of the total geology outcrops in this area, mostly defined by a westnorthwest-east-southeast greenstone ridge which also features strongly on the aeromagnetic map with parallel features which have no apparent surface interpretation. Venmyn consider that insufficient reconnaissance work has been conducted on these licences to make any definitive assessment of prospectivity, other than in the northeast which is considered to have good prospectivity given the anomalous gold-in-soil sample results.

Venmyn considers that follow-up sampling work and geological and structural mapping should be carried out on the northeastern licences, and that reconnaissance soil/auger sampling should be carried out on all other licences over mapped greenstone lithologies. Site visits to all licences should also be undertaken in order to re-prioritise the licences for this follow-up and reconnaissance work.

Geita North Block

No initial pitting program was initiated on the Geita North Block. However, reconnaissance auger samples were taken on the several of the third party licences within this block. The reader is referred to Section 9.7.3 and Section 9.7.4 for details on methodology and assaying.

Figure 22 demonstrates that auger sampling has only been carried out in the central licences. Of significance is that this area, as are most licences within this block, is underlain predominantly by granitoid lithologies.

Venmyn has visited and traversed this block several times on past trips to Tanzania and is familiar with the area. Anomalous gold results were encountered in only one region within this block as illustrated in Figure 22:-

- the centrally located collection of third party licences contains outcropping granitoid lithologies along the northern border of the licences but is otherwise completely underlain by sub-cropping granitoid lithologies. An associated short ranged aeromagnetic anomaly suggests some structural or mineralogical complexities to the southeast of these. All known gold deposits occur to the south of the licence area within the greenstone lithologies.

The Geita North Block remains largely un-sampled, and Venmyn consider that insufficient reconnaissance work has been conducted on these licences to make any definitive assessment of prospectivity.

The licence under offer in the south is of particular significance as it is associated with greenstone lithologies and is in close proximity to a number of known gold deposits, including the famous Geita Mine.

Venmyn considers that reconnaissance soil/auger sampling and geological and structural mapping should be carried out on all the licences, focussing on those associated with mapped greenstone lithologies and major structural trends. Site visits to all licences should also be undertaken in order to re-prioritise the licences for this reconnaissance work. The licence under offer is an obvious priority.

Geita West Block

Initial exploration within the Geita West Block was in the form of pits.

These pits were dug in an attempt to understand the regolith and assist in devising a sampling strategy at an early stage. The position of these pits is indicated in Figure 10. All the pits were sampled. However, no anomalous gold results were recorded.

Subsequent to the pitting program, reconnaissance geochemical soil sampling was conducted with internally ranked licences prioritised. According to internal reports both auger and soil geochemical samples were taken on the licences and applications within this block. The reader is referred to Section 9.7.3 and Section 9.7.4 for details on methodology and assaying.

Figure 23 demonstrates that sampling has covered large portions of the licences and applications, having been focussed on those areas associated with mapped greenstone lithologies and granitoid lithologies associated with structural trends.

Venmyn has visited and traversed this block several times on past trips to Tanzania and is familiar with the area. Anomalous results were encountered in several regions within this block as illustrated in Figure 23:-

- the southwestern licence and its associated renewal licences contains no outcropping lithologies, but is interpreted as being underlain almost entirely by granitoid subcrop, and to a lesser extent some recent Cenozoic deposits and only a small fraction by greenstone. The airborne magnetic survey indicates substantial differential magnetic anomalies in this area with a regional northeast-southwest trend. These structural anomalies are consistent with interpreted faults and shears on the geological map. No known gold deposits are found in proximity to these licences, however a number of anomalous gold results from the soil and auger samples taken from the area increase the prospectivity of these licences;
- the northernmost licence and its associated renewal licences is associated with little outcropping lithologies but is interpreted as being underlain by greenstone and granitoid lithologies. Vastly contrasting magnetic survey results indicate extensions of the northeast-southwest structures identified in the southwestern licences. No known gold deposits are found in proximity to these licences, however a number of anomalous gold results from the soil and auger samples taken from the area increase the prospectivity of these licences; and
- the easternmost licence and its associated renewal licences also contains little outcrop but is also interpreted as being underlain by granitoid lithologies with minor greenstone in the north of the licence. Significant soil and auger sampling traverses yielded only one anomalous gold value in the order of 10-50ppb. Regional airborne magnetic data suggests significant structural complexity in this licence area which requires further investigation. A number of known gold deposits occur to the north of these licences.

The Geita West Block is composed of numerous known gold deposits and has sustained artisanal interest in many parts. Only limited outcrops occur in this area, however anomalous gold-in-soil sample results are closely correlated with mapped greenstone lithologies and granitoid lithologies associated with major structural anomalies.

Venmyn's interpretation is that this block has good prospectivity, and considers that detailed follow-up sampling work and geological and structural mapping should be carried out in order to better understand the mineralisation potential of the licences. Site visits to all licences should also be undertaken in order to re-prioritise the licence for this follow-up work.

Central Block

Initial exploration within the Central Block was in the form of pits. These pits were dug in an attempt to understand the regolith and assist in devising a sampling strategy at an early stage. The position of these pits is indicated in Figure 24.

There has, to-date, been no additional exploration work on the newly demarcated Central Block.

The Central Block remains largely un-sampled, and Venmyn consider that insufficient reconnaissance work has been conducted on these licences to make any definitive assessment of prospectivity. Numerous known gold deposits, found in close proximity to the licences, are all closely associated with greenstone lithologies and structural anomalies.

Venmyn considers that reconnaissance soil sampling should be carried out on all licences over mapped greenstone lithologies and granitoid lithologies with interpreted structural anomalies. Site visits to all licences should also be undertaken in order to re-prioritise the licences for this follow-up and reconnaissance work.

UN Road Block

No pitting has been conducted on the UN Road Block, although reconnaissance auger samples have been taken on a limited number of the licences in the southeast. The reader is referred to Section 9.7.3 and Section 9.7.4 for details on methodology and assaying.

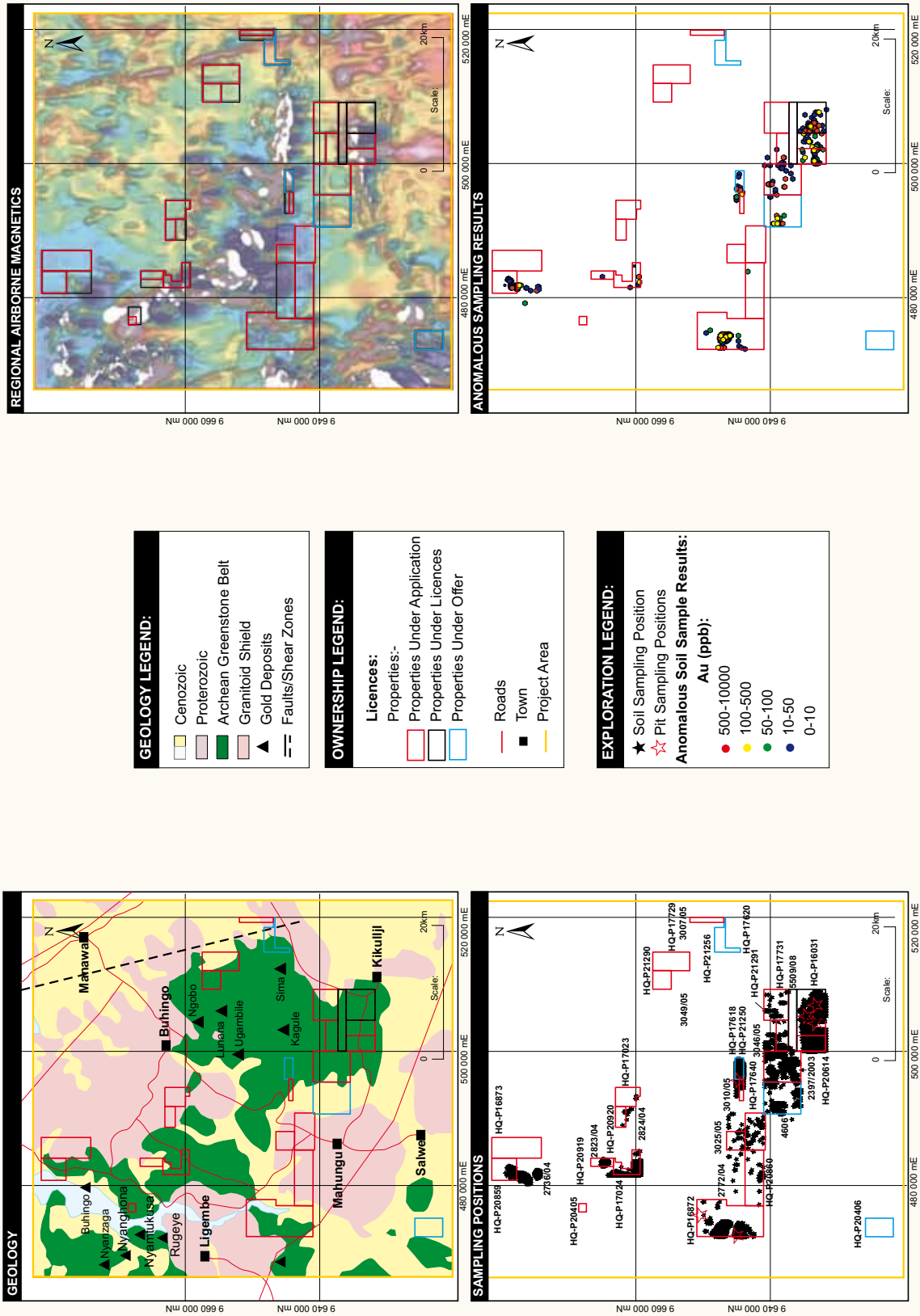
Venmyn has visited and traversed this block several times on past trips to Tanzania and is familiar with the area. Anomalous gold results were encountered in only one region within this block as illustrated in Figure 25:-

- the southeastern licence and its associated renewal licences contains outcropping greenstone with an associated short ranged magnetic anomaly. A known, but unnamed, gold deposit is found within the borders of this licence in the north, associated with the greenstone, which increases the prospectivity of this licence area.

The UN Road Block is composed of numerous known gold deposits and has sustained artisanal interest in many parts. Only limited outcrop occurs in the southeast of the area, and the block in general remains largely un-sampled. Anomalous soil sample results have been documented in the southeast, closely correlated with mapped greenstone lithologies.

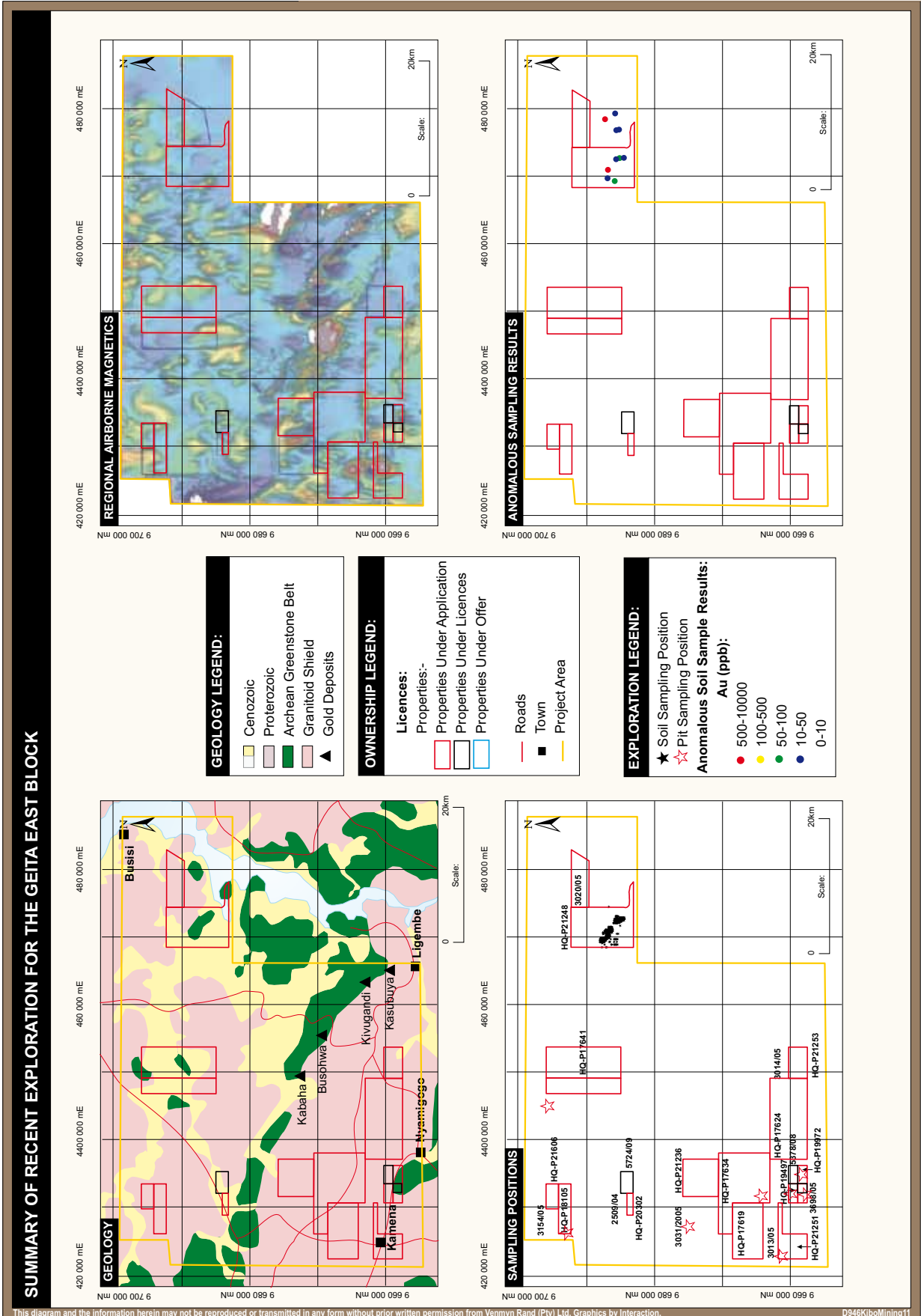
Given the large amount of interpreted greenstone lithologies within many of the licences and known gold deposits, Venmyn consider that this block has good prospectivity, albeit that only limited sampling has been conducted to-date. It is therefore recommended that reconnaissance sampling be conducted over all licences with interpreted greenstone lithologies and structural anomalies. While geological and structural mapping is also recommended, the lack of outcrop may be an impediment. Site visits to all licences should also be undertaken in order to re-prioritise the licence for this follow-up work.

SUMMARY OF RECENT EXPLORATION FOR THE MHANGU BLOCK

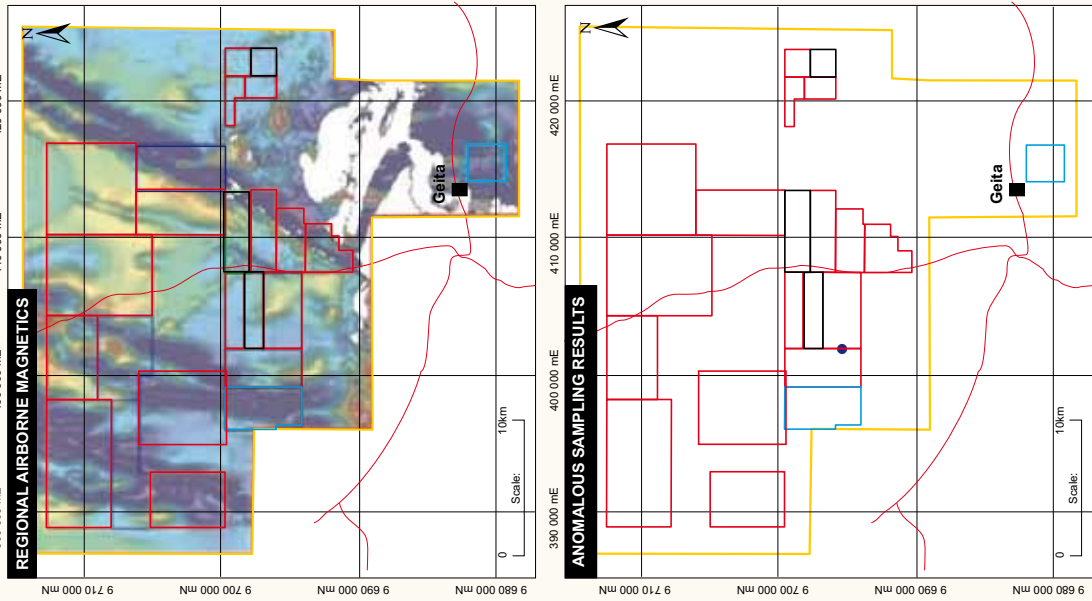


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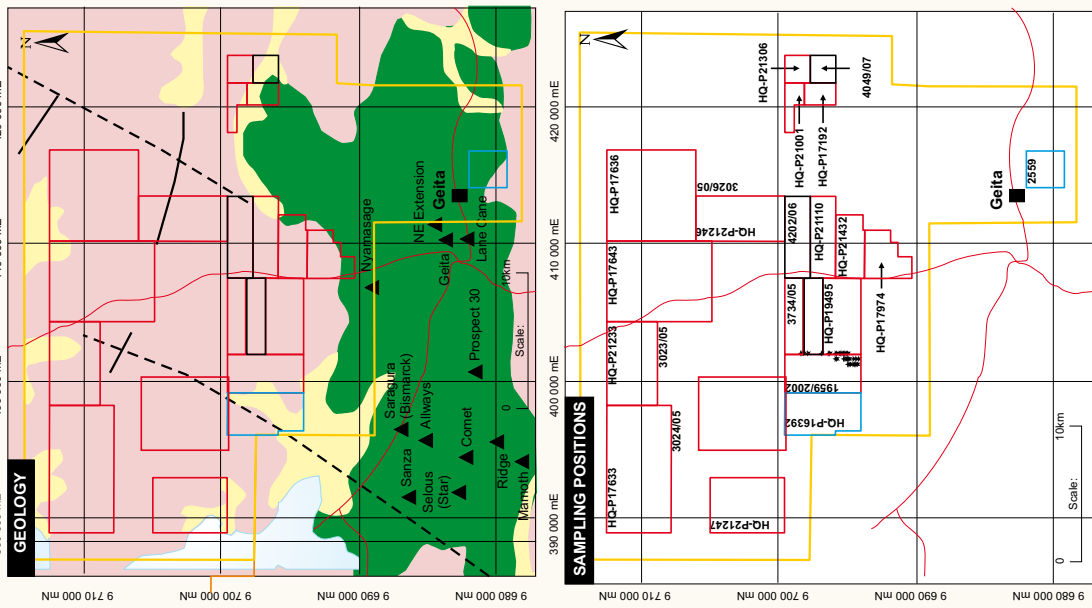
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SUMMARY OF RECENT EXPLORATION FOR THE GEITA NORTH BLOCK



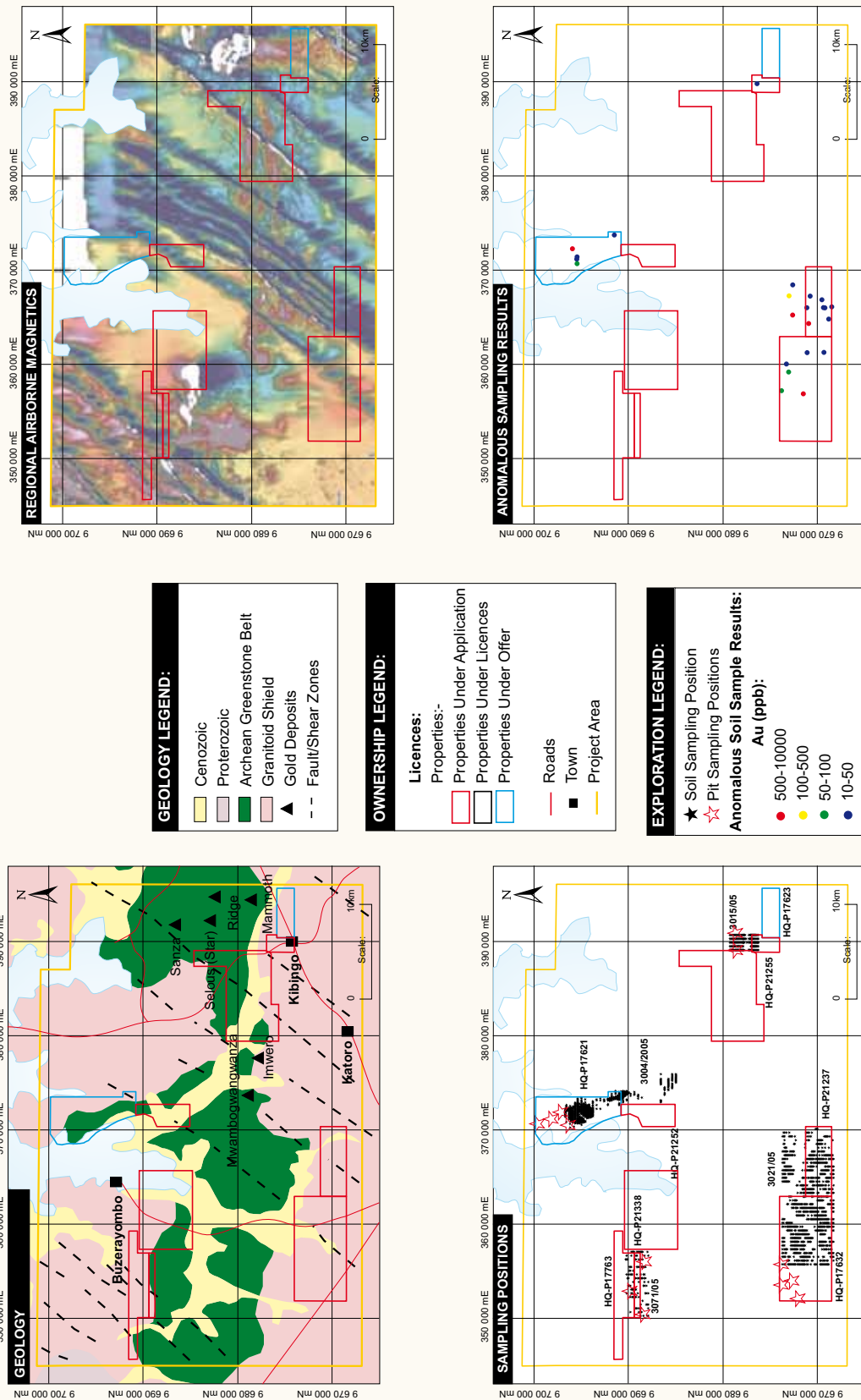
GEOLOGY LEGEND:	EXPLORATION LEGEND:	OWNERSHIP LEGEND:
<ul style="list-style-type: none"> Cenozoic Proterozoic Archean Greenstone Belt Granitoid Shield Gold Deposits Faults/Shear Zones 	<ul style="list-style-type: none"> ★ Sampling Position Anomalous Soil Sample Results: Au (ppb): <ul style="list-style-type: none"> 500-10000 100-500 50-100 10-50 0-10 	<ul style="list-style-type: none"> Licences: <ul style="list-style-type: none"> Properties Under Application Properties Under Licences Properties Under Offer Roads Town Project Area



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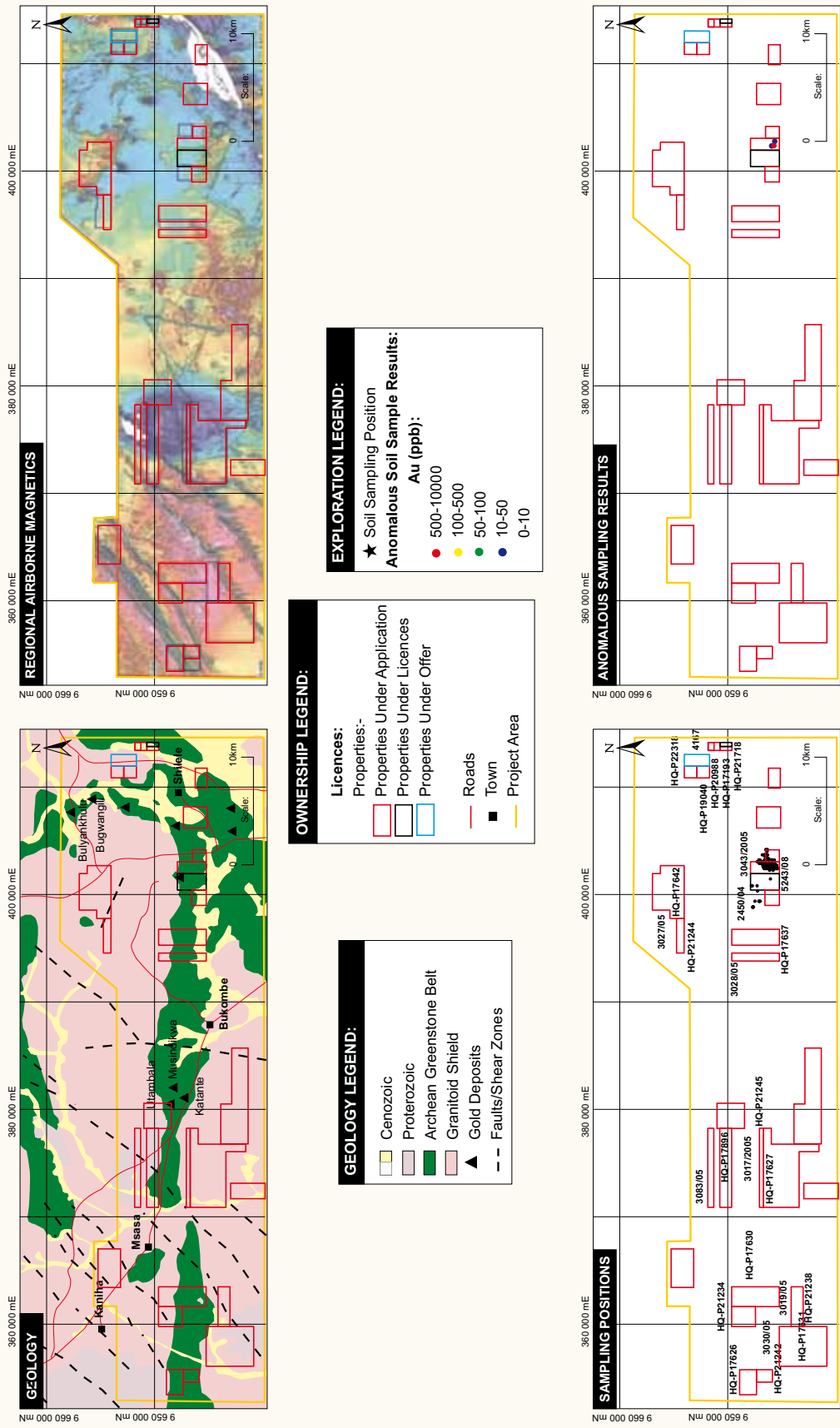
SUMMARY OF RECENT EXPLORATION FOR THE GEITA WEST BLOCK



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SUMMARY OF RECENT EXPLORATION FOR THE UN ROAD BLOCK



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9.7.3. Sampling Methodology, Sample Preparation and Security SR2.2A(i), SR3.1A(i), SR3.2(ii-vi), SR9A(i-ii)

Reconnaissance sampling focussed on collecting and assaying soil samples in order to identify follow-up targets. This dataset of soil samples was collected either as:-

- conventional soil samples where the regolith was easily excavated;
- or auger samples where the regolith could not easily be excavated, in which case either a hand auger was used for softer regolith or a Cobra MK1 mechanical auger was used for harder regolith.

The targeted sample mediums, in order of preference were pisoliths, ferricretes, mottled regolith zones and saprolites.

Sampling grids were set up at either 400m by 100m line/sample spacing, or where suitable soil conditions provided, a 200m by 50m line/sampling grid was used.

In general, sampling positions were determined and planned before sampling along specific sample lines. A handheld GPS was used in the field to site sampling positions with an expected accuracy of <10.0m. These positions were delineated on sampling sheets going into the field so that each sample location had a planned sample number allocated and once collected an actual number which was accompanied by a pre-printed corresponding sample ticket. Samples not collected were indicated as such and the reason completed on the sheet. This ensured integrity of the data for later GIS modelling and served as a means of verification after the fact if a mix-up occurred. Sampling sheets also included fields for sample type, soil type, actual co-ordinates and other comments to ensure quality and representivity of samples and data. No identifiable sample biases occurred.

These sampling sheets were further supported by detailed soil sampling sheets including all relevant metadata: sample number, sample type, co-ordinates, colour, average grain size, soil type, depth, slope angles, wet/dry condition, date, sampler, blank-standard-duplicate QA/QC fields and comments.

While sampling could not be inspected by Venmyn (as no sampling was being conducted at the time of their site visits), documents detailing the sampling procedure were provided and reviewed by Venmyn. The basic methodology reviewed was:-

- confirm sample positions and collect GPS co-ordinates of actual sample site (within 5.0m of planned pit site);
- a pit of 500x500mm is dug at least 300-750mm deep before soil sampling commences. A representative sample is taken diagonally from both sides across the bottom of the sample pit, or excavated with an auger;
- sample is sieved through a 2mm sieve until maximum of 2.0kg is collected in a plastic sheet and then poured into a plastic bag and labelled with a sample ticket tab;
- sieves, shovels, soil picks and the plastic sheet are cleaned with a brush and water between each sample;
- sample sites are closed with remaining material and flagged with tape for future purposes;
- all samples are taken to the sample shed/field camp at the end of the day and placed in numerical order; and
- field sheets are captured and verified by a peer into Microsoft Excel at the end of each day.

Samples were placed in sequence in groups of 5 and 10 samples (depending on weight) into large Hessian bags. Each Hessian bag was labelled with a batch number, sample from and to, and project name. 300-500 samples at a time were dispatched to the Mwanza offices and were accompanied by a sample field dispatch sheet indicating sample numbers in each hessian bag, total number of samples per lot, project and licence name.

Samples were stored at the office until dispatch to the laboratory. The soil pulps/rejects were collected from the lab and taken to storage under covered tarpaulins in the office yard in Mwanza. No audits that Venmyn is aware of were conducted for this early stage of reconnaissance.

9.7.4. Sample Analysis, QA/QC and Data Verification SR3.1A(i) SR3.3A(i-v), SR3.4A(i-iv), SR9A(i-ii)

While the analysis of the samples could not be inspected by Venmyn (as no analysis was being conducted at the time of the review), documents detailing the analytical, QA/QC and database management procedures were provided and reviewed by Venmyn. Preparation and analysis was performed by the accredited ALS Chemex South Africa (Pty) Ltd (ALS SA) located in Johannesburg South Africa. Table 24 summarises the accreditation status:-

Table 24: Laboratory Accreditation Status

LABORATORY	ACCREDITATION STATUS	ACCREDITATION / CERTIFICATE No.
ALS SA	ISO 9001:2008 and ISO/IEC17025 Granted	Reference Number: T 0387 Co reg no: 2001/025760/07

The dispatch forms provided by ALS SA were reportedly completed by the Project or Senior Geologist in Mwanza who accounted for all samples. Random samples, in the order of 5%, were selected for a second laboratory check. All check samples were then recorded on the ALS SA laboratory dispatch sheet. Once all samples were accounted for and entered into the database, field QA/QC samples were placed in pre-allocated locations with every 10th being a blank, every 20th sample a standard and every 30th sample a duplicate of the previous sample which was collected in the field as per the sampling procedures.

All samples were dried at 110°C-120°C in electric ovens and submitted for total pulverisation using an oscillating jaw crusher followed by a rotary ring pulveriser to >85% passing 75µm with sizing tests performed every 20 samples to maximise representivity of samples. Barren wash material is used to clean out all sample preparation equipment between batches. The likelihood of inadequate or non-representative samples is low and the appropriateness of this sample preparation technique is suitable for the types of sample and grain size.

QA/QC is facilitated by the LIMS system of using barcodes and scanning to document the complete chain of custody for every stage in the laboratory preparation and analysis. No detail as to the ratio of internal standards, blanks and duplicates utilised by the lab were presented to Venmyn, although, evidence of these having been used were presented in the laboratory certificates reviewed by Venmyn and appear to be conducted at an appropriate level to ensure quality of results. Failed batches are re-analysed and a selection of re-tests were examined by Venmyn with no material irregularities. No known audits were conducted on ALS SA by Savannah or their representatives.

A statistical evaluation of the QA/QC programme by Protocol Exploration and Mining Service Ltd was conducted in 2008 which has been reviewed by Venmyn. The results were satisfactory for this stage of exploration with blanks performing well, standards performing acceptably and duplicates performing well for values >30ppb but poorly at or near detection levels 1ppb.

A 50g sample aliquot is used to analyse for low level gold utilising a Fire Assay methodology (1ppb accuracy threshold) by ICP-AES using comparable techniques to those described in Section 9.5.5. This is a total technique, the nature, quality and appropriateness of which is accepted as suitable for the type of sample being analysed. A selection of sample dispatches were checked by Venmyn for numbering consistency and random spot-checks were carried out verifying sample medium logs.

Venmyn have been supplied with the assay sheets for each of the samples as well as the duplicates, blanks and standards.

Random checks were performed on anomalous assay results reported by the laboratory and within the GIS database and no discrepancies were noted. Venmyn also reviewed all blank, standard and duplicate assay results and found no material discrepancies. While no in-field checks could be made, Venmyn is satisfied that the data can be relied on, in consideration of the procedures described above, the limited independent checks on the sampling data and the early stage of exploration being considered.

9.7.5. Database Management SR2.1A(i), SR2.3A(i), SR9A(i-ii)

No dedicated data server exists for the Savannah Properties. The most up to-date collection of all primary data elements as described in Section 9.7.2 are represented by the Savannah GIS Database which is stored and backed up primarily on the various technicians personal and office computers at Kibo's offices in Dar es Salaam. Venmyn recommends a protected central database be setup for purposes of maintaining the quality of the database.

The elements of this database are in the form of MapInfo files which also includes all sampling positions and assay results to-date. Data that was acquired by Savannah's own sampling and exploration activities is received in digital format from ALS SA and validated by technicians upon receipt and compared with QA/QC samples. Irregularities were communicated to the laboratory for follow up re-tests.

Additionally, data described in Section 9.7.2 obtained from the TGS was captured and digitised into the database and validated. This data is managed, backed up and retrievable at Kibo's offices in Dar es Salaam. No formal independent audits of the database have been conducted other than the high level checks conducted by Venmyn as discussed in Section 9.7.4.

9.8. General Opinion on the Lake Victoria Projects and Recommendations for Further Work

The Savannah Properties, have to-date yielded numerous positive exploration results which warrant follow-up exploration. In addition, large prospective areas remain un-sampled, which require reconnaissance sampling in order to identify additional follow-up targets. It is clear that understanding the local geological and structural environments within the various licences is important in order to assess their mineralisation potential. Venmyn considers it prudent that all licences are re-visited and re-assessed based on the existing results and interpretations in order to re-prioritise the licences for these follow-up and reconnaissance work programmes.

Venmyn consider that the licences have potential for the discovery of traditional greenstone associated mineralisation within the Savannah Properties, based on the exploration results received to-date, the initial assessment of the geological and structural environments within the licences, proximity to known gold deposits, and the extensive licence portfolio available for prospecting.

Successful exploration will require a persistent and systematic approach and a thorough understanding of the local geology and regional structural environments of each of the licences. Future exploration programmes should be aligned with this objective.

10. MOROGORO PROJECTS **SR1.2A(i-ii), SV2.3, SV2.4**

On 8th March 2011, Kibo acquired 100% of the share capital of Morogoro Gold from Mzuri Capital, which, through its wholly-owned subsidiary, Jubilee Resources Limited (Jubilee), has a beneficial interest in a significant portfolio of Mineral Rights (the Jubilee Properties), within the Morogoro Projects area. This acquisition has therefore considerably increased Kibo's exploration footprint within the Morogoro Projects area and has added significant greenfields exploration properties to its current option over a single licence (PL5625/2009) in the area (Section 8.3). This section describes the greenfields gold exploration properties within the Morogoro Projects area.

10.1. Location and Access **SR1.2A(i), SR1.5A(i)**

The Morogoro Projects comprise an extensive portfolio of licences within southeastern Tanzania, between the regional centres of Morogoro and Dodoma, within the Morogoro Province (Figure 26). The Morogoro Projects represent early stage gold exploration projects, with only limited reconnaissance stream sampling having been conducted in a few of the licences to-date. While some licences have generated follow-up targets, the majority of licences still require first pass stream sampling and assessment.

The licences can be accessed by a network of tarred and gravel roads, in varying states of repair. However, Venmyn found that the regional infrastructure appears well maintained. The Morogoro Projects are best accessed from Dar es Salaam on the sealed national road to Morogoro (~160km), and then south for approximately 30km on gravel roads. The individual licences are accessed by a network of gravel roads and dirt tracks.

There is a regional airport located at Dodoma, with three flights a week to Dar es Salaam. Smaller airstrips (most unmanned) are also located across the project area.

10.2. Topography and Vegetation **SR1.6A(i)**

The topography within the Morogoro Projects area varies considerably, from flat plateau in the southeast and north to rugged alpine terrain in the Uluguru Mountains in the central and southern areas (Figure 27 and Appendix 3). While the plateau areas average approximately 500m amsl the, the Uluguru Mountains reach in excess of 2,600m amsl.

The vegetation changes in response to both the climatic and topographic differences across the area. The plateau areas are characterised by spars bush and baobab vegetation, while the mountainous regions are characterised by indigenous forests and cultivated lands.

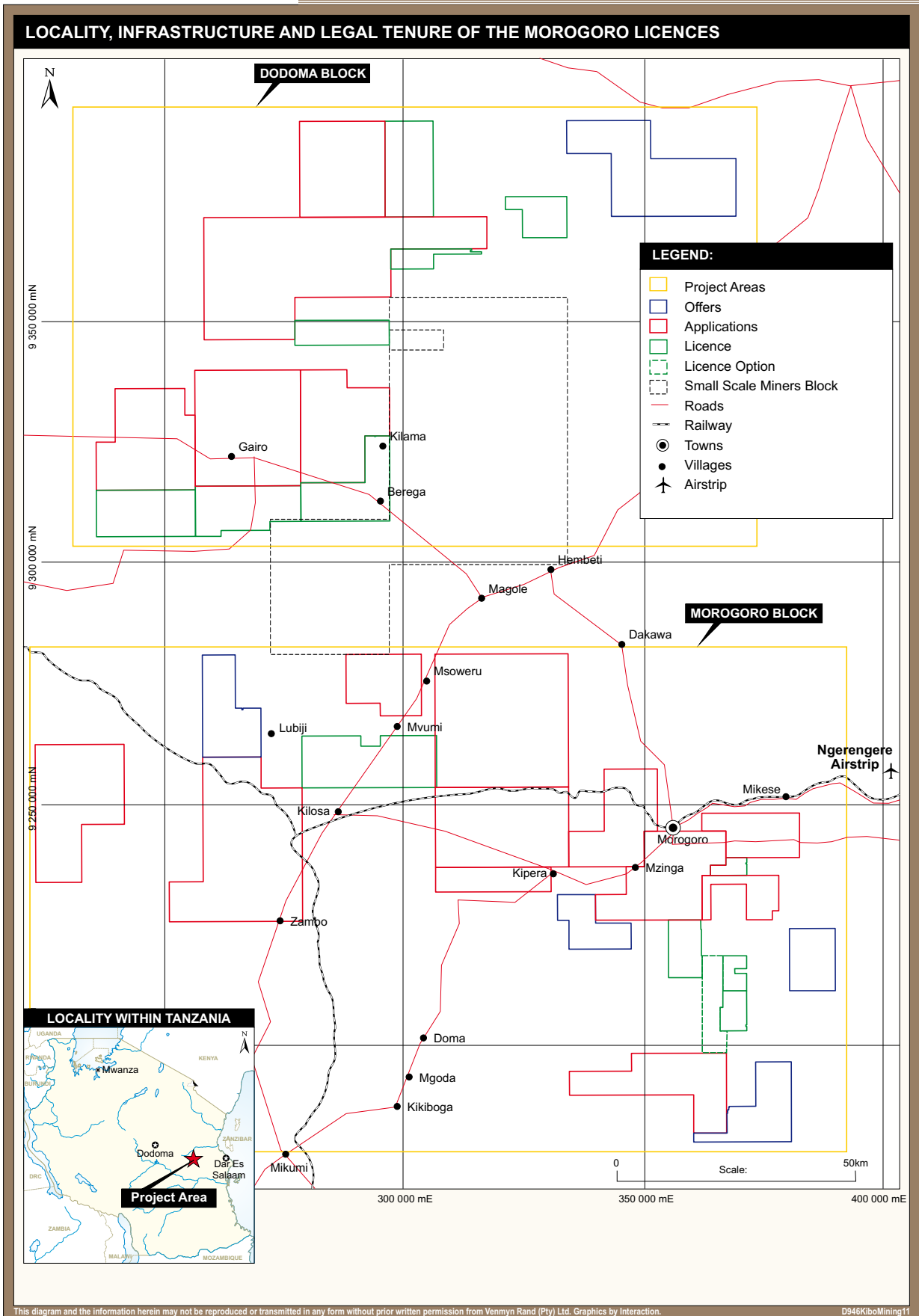
The Uluguru Mountains form an important water catchment area for the city of Dar es Salaam, Morogoro Municipal and other Coast Regions of Tanzania.

10.3. Climate **SR1.6A(i)**

The climate in the Morogoro Projects area varies considerably, consistent with elevation differences. In the northern and central regions the climate is predominantly semi-arid, receiving less than 500mm annually. In contrast, the mountainous areas in the south receive in excess of 2,000mm annually. Most rainfall is associated with thunderstorms.

The average midday temperatures range from 27°C in April to 32°C in January with most rain falling between November and April.

Exploration activities can be carried out year round, however, access to certain mountainous areas could be significantly hampered during the rainy season.



INFRASTRUCTURE, TOPOGRAPHY AND VEGETATION OF THE MOROGORO PROJECTS AREA

DIRT ROAD TO MOROGORO BLOCK AREA



DIRT ROAD THROUGH FOREST - MOROGORO BLOCK AREA



GENERAL TOPOGRAPHY - MOROGORO BLOCK



**GENERAL TOPOGRAPHY
ULUGURU MOUNTAINS - MOROGORO BLOCK**



**TOPOGRAPHY AT CONTACT BETWEEN METAMORPHIC ROCK (HILLS)
AND KAROO (PLATEAU)**



**CALCITE / MARBLE HILL - ARTISANAL SHAFT
AT TOP - MOROGORO BLOCK**



TAR ROAD TO DODOMA BLOCK AREA



DIRT ROAD THROUGH BEREGA VILLAGE - DODOMA BLOCK



GENERAL TOPOGRAPHY - DODOMA BLOCK - GNEISS HILLS



GNEISS HILLS - DODOMA BLOCK



10.4. Regional Geology and Mineralisation in the Morogoro Projects Area SR1.2A(ii), SR4.1A(i-iii), SV2.5

The Morogoro Projects are situated within Uluguru-Mvomero region of eastern Tanzania, between the regional centres of Morogoro and Dodoma. The geology of this region represents a non-traditional gold exploration environment dominated by Proterozoic, high-grade metamorphic (granulite to amphibolite facies) rocks (Figure 28), and consequently has only recently (within the past 5 years) begun to receive the attention of mineral exploration companies. It follows therefore that very little is known of the regional geology, specifically as it relates to gold mineralisation.

The licences within the southeast of the project area encompass part of the Uluguru Mountains which consist of metamorphosed gneisses (amphibolite and granulite facies) that have been attributed to the Palaeo-Proterozoic Usagaran Orogenic cycle. These highly metamorphosed rocks occur adjacent to the central Tanzanian Archaean-aged Craton.

The southeastern licences cover part of a 60km long regional north-south trending nappe structure (Ruvu Nappe) that has thrust faulted marbles of the Matombo Group over granulites of the Lakwangule Group. Most artisanal gold mining is coincident with the basal thrust fault of this nappe along its length, workings being located within the rivers (and river terraces) that drain the structure. Some limited hard rock artisanal workings are also present within the Ruvu Nappe area and further to the north and west (Figure 28), with workings focussing on wide quartz veins and/or altered and sheared gneisses.

Younger, Karoo sediments unconformably overlay the older Usagaran metamorphic rocks, the contact between the two defined by faulting and characterised by steep escarpments (Figure 27).

The extent and nature of gold mineralisation within the Morogoro Projects area is poorly understood, with artisanal miners generally restricted to alluvial gold in the rivers and river terraces in the area within the last five years.

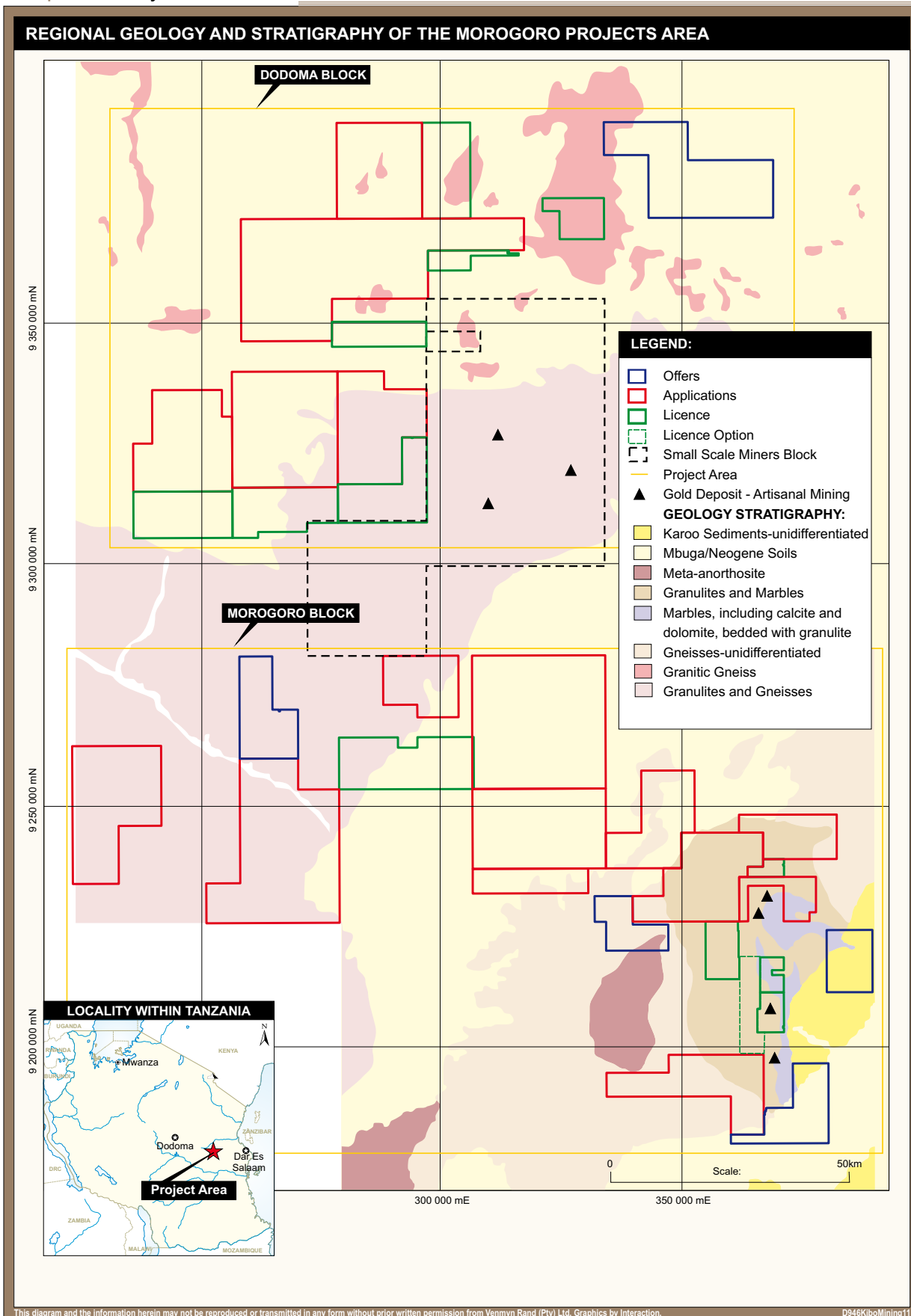
From field observations, gold appears to be hosted within high-grade mafic to felsic volcanic and sedimentary metamorphosed rocks of Archaean or Proterozoic age. Mineralisation is understood to be vein-related, structurally-controlled mesothermal gold associated with sulphide including pyrrhotite and arsenopyrite. The dominant host rocks are altered amphibolite, or gneiss and marbles (with lesser quartzite). As a consequence of these observations it is suggested that the geological setting of the gold mineralisation of the Morogoro Projects area is similar to the Navachab Gold Mine in Namibia, which displays similar geological and mineralisation characteristics.

Research has suggested that the area may represent an extension of the highly-endowed Sukumaland Superterrane, the geological host to Tanzania's most significant gold deposits (in the LVG), to the southeast. The area may therefore be prospective for metamorphosed Achaean orogenic gold deposits within the extended Sukumaland Corridor.

The distribution of data from stream sediment sampling to-date is low, and the data density is only concentrated significantly in certain areas (see Figure 30 and Figure 31). A number of positive exploration results received to-date (Section 10.6.1 and Section 10.6.2) are commensurate with the high potential geology observed within the area. This bodes well for the follow-up work programmes planned for the area. The recently discovered gold mineralisation in the area is indicative of a new and emerging exploration environment capable of hosting primary gold mineralisation.

Increased artisanal activities, and a number of new mineral rights applications and exploration activity in the area, points to the significance of the area in terms of establishing itself as a new Tanzanian goldfield. The Morogoro Projects therefore offer an attractive opportunity to conduct exploration in a prospective area in which very little previous systematic exploration has been undertaken.

Figure 29 illustrates some of the geological formations and features that were encountered by Venmyn during their site visit to the Morogoro Projects area (within both the Morogoro and Dodoma blocks).



PHOTOGRAPHS OF THE GEOLOGY OF THE MOROGORO PROJECTS AREA



MARBLE CLIFFS



CUTTINGS INTO MARBLE FOR DIMENSION STONE



QUARTZITE OUTCROP



CALCITE OUTCROP



ARTISANAL WORKINGS ON CALCITE HILL



COARSE GRAINED GNEISS



FINE GRAINED GNEISS



ARTISANAL WORKINGS WITHIN GNEISS



GNEISS OUTCROP WITHIN ARTISANAL WORKINGS



ALTERED GNEISS WITHIN ARTISANAL WORKINGS

10.5. Historical Exploration **SR1.3A(i), SV2.4**

The Morogoro Projects area represents a new gold prospecting area and Venmyn are unaware of any historical commercial exploration or mining having been conducted within or adjacent to the licences within the Morogoro Projects area.

10.6. Recent Exploration **SR2.1A(i), SR2.2A(i), SR2.3A(i-ii), SR4.1A(i-iii), SR5.4A(i)**

Very limited recent exploration has been conducted within the Morogoro Projects area. This was restricted to the primary data elements of stream sediment sampling at a reconnaissance level. This data was acquired by sampling and assaying stream sediments. Results were captured digitally from laboratory certificates and incorporated into a GIS. Positions were surveyed with a handheld GPS with expected accuracies <10.0m.

It is not clear how the licences were prioritised, however it is apparent that the licences close to the Ruvu Nappe and marble outcrops in the southeast, and licences adjacent to known artisanal workings in the north were preferentially targeted.

The results of the stream sediment sampling campaigns were compiled and collated, culminating in the creation of the Morogoro GIS Database. At this early stage and for the level of investigation for which the results will be used, confidence in the results is high.

This GIS database includes all stream sediment sampling results, as well as other data resources acquired from various sources at the TGS and include:-

- regional geology covering the full extent of the Morogoro Projects area;
- regional aeromagnetics covering much of the Morogoro Projects area (at low resolution); and
- an SRTM Digital Terrain Model (DTM).

There are no known factors, mining or otherwise that could have a significant effect on the prospects of the Morogoro Properties

The sections below summarise the work conducted in each block to-date, as well as the results achieved and their significance with respect to on-going exploration work.

10.6.1. Morogoro Block **SR4.1A(i)-(iv)**

The first phase of exploration in the Morogoro Block comprised of stream sediment samples taken in and around the Ruvu Nappe area in the southeast of the block (Figure 30). The Ruvu Nappe area is atypical of the generally accepted gold targets in Tanzania and was targeted in this instance based on known artisanal alluvial gold mining in the southwest and northern portions of the prospect area. Additionally, the area lends itself well to stream sediment sampling based on the relief and density of drainage channels.

Of the limited samples taken in this area (127 according to the stream sediments assay database), a large proportion returned anomalous gold values in the order of up to 0.19g/t or 190ppb. The methodology, preparation, analysis and QA/QC for the stream sediment sampling are discussed in Section 10.7 and Section 10.8.

Venmyn visited the Ruvu Prospect area and personally inspected all licences and applications where anomalous gold values were returned. Anomalous gold results were encountered in several of the licences in the southeastern area of the block as illustrated in Figure 30:-

- the area is characterised by outcropping marbles and gneiss (granulite) lithologies forming the high relief and younger sediments forming the valley fill atop subcropping marbles and granulites. Although large portions of the aeromagnetic survey are not represented, that area which is presented is defined by highly magnetic anomalies in the southeastern area and varied short-range structures. Several active artisanal workings (both alluvial and hard-rock) were identified by Venmyn in the area, during the site visit. This is consistent with the known gold deposits indicated on the geological map of the area.

The southeast Morogoro Block consists of a number of known gold deposits being exploited by artisanal miners. One hard-rock working visited by Venmyn (Figure 27 and Figure 29) occurred atop a calcite/marble hill associated with altered calcite/marble lithologies. While conditions did not permit verification, it appears that the artisanal miners were exploiting a structural feature and that this feature was also responsible for the observed alteration of the host rocks.

Extensive outcrop exists within the area and it is clear that these gold deposits and the anomalous sample results received to-date are closely associated with regional structures and altered marble and calcite lithologies of the Ruvu Nappe.

Venmyn considers that this block is prospective albeit that it occurs within a non-traditional gold prospecting area. Detailed follow-up sampling work and geological and structural mapping should be carried out in order to better understand the mineralisation potential of the licences within the Ruvu Nappe area. In addition, all other un-sampled licences should be covered by reconnaissance stream or soil sampling. Site visits to all licences should also be undertaken in order to re-prioritise the licences for this follow-up work.

10.6.2. **Dodoma Block SR4.1A(i)-(iv)**

The first phase of exploration in the Dodoma Block comprised of stream sediment samples taken in the southwest of the block (Figure 31), in proximity to an area identified as the “Small Scale Miners Block”. This area is also atypical of the generally accepted gold targets in Tanzania but was targeted in this instance based on known artisanal alluvial gold mining in the east.

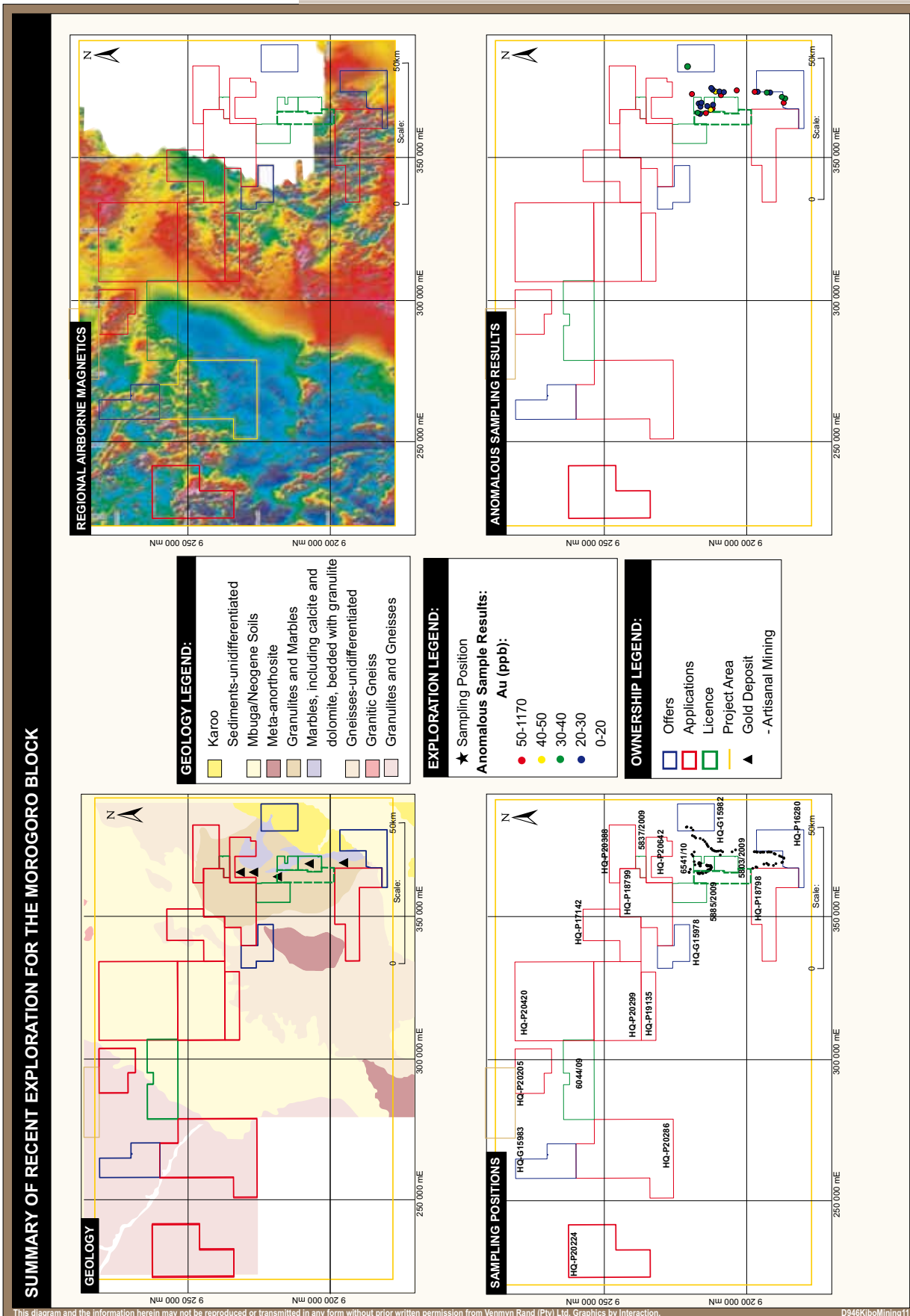
While only limited samples were taken, a number of anomalous gold values were returned. The methodology, preparation, analysis and QA/QC for the stream sediment sampling are discussed in Section 10.7 and Section 10.8.

Venmyn visited the licences on which anomalous gold values were returned. Anomalous gold results were encountered in several of the licences in the southwestern area of the block as illustrated in Figure 31:-

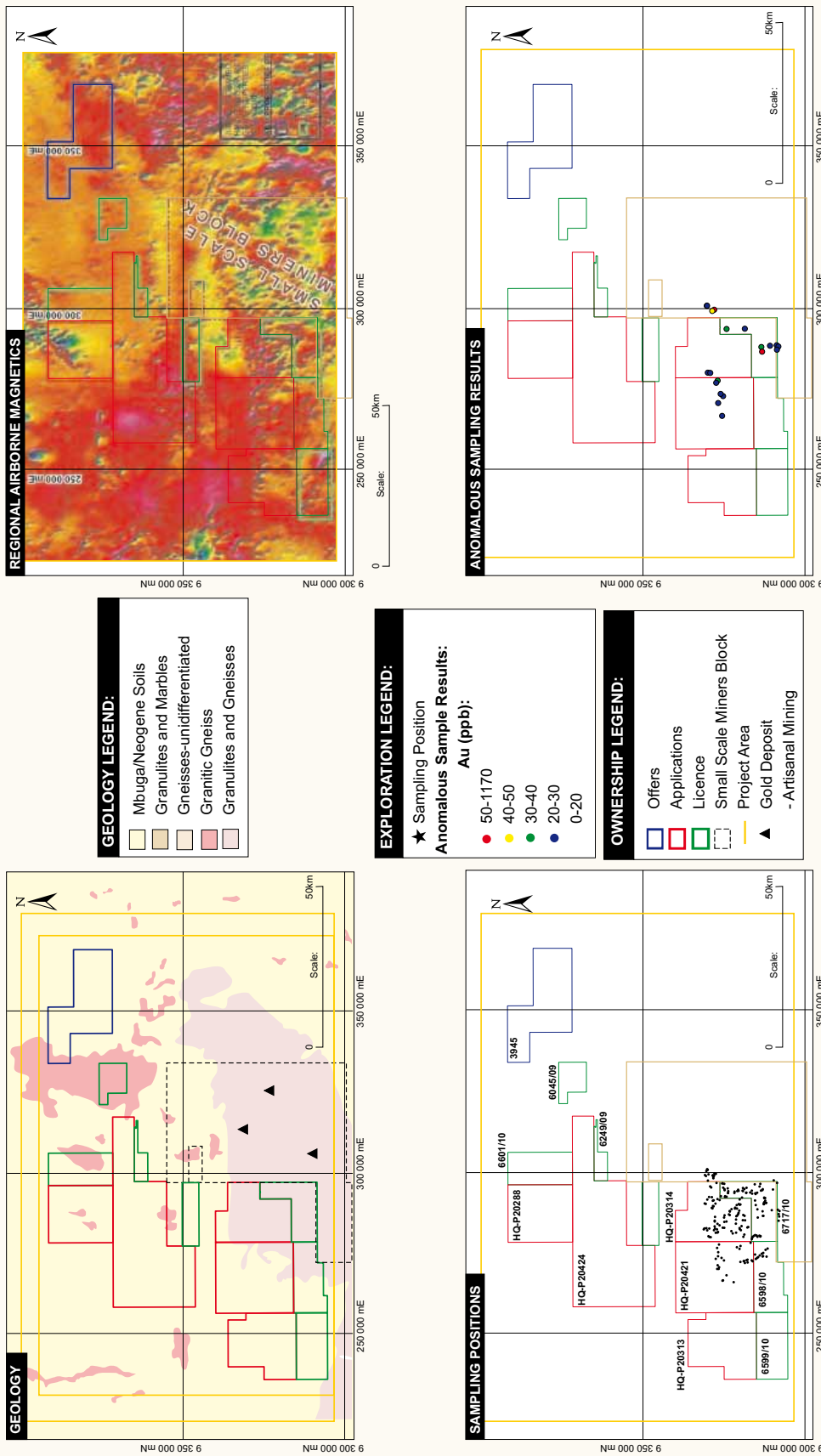
- the area is characterised by variably outcropping gneiss (granulite) lithologies forming the high relief and more recent sediments forming the valley fill atop subcropping granulites. Although an aeromagnetic survey is presented, the resolution over the area is too low to make any definitive interpretations. However, some regional structures are evident. Of significance is that a large block of ground to the east of these licences has been identified as a ‘Small Scale Miners Block’. This is consistent with Venmyn’s observations, in the field, of a number of artisanal workings (specifically hard-rock workings) in the area.

The southwest Dodoma Block is composed of a number of known gold deposits being exploited by artisanal miners. One hard-rock working visited by Venmyn (Figure 29) occurred within a highly altered and structurally deformed gneissic lithology. Several large pits, some as deep as 10m were dug in the area, apparently tracing the altered and sheared mineralised zone.

Venmyn’s interpretation is that this block has good prospectivity albeit that it occurs within a non-traditional gold prospecting area. Venmyn considers that detailed follow-up sampling work and geological and structural mapping should be carried out in order to better understand the mineralisation potential of the licences in the southwest. In addition all other un-sampled licences should be covered by reconnaissance stream or soil sampling. Site visits to all licences should also be undertaken in order to re-prioritise the licence for this follow-up work.



SUMMARY OF RECENT EXPLORATION FOR THE DODOMA BLOCK



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10.7. Sampling Methodology, Sample Preparation and Security **SR2.1A(i), SR3.1A(i), SR3.2A(i-vi), SR3.3A(i-v)**

Reconnaissance sampling focussed on collecting stream sediment samples in order to identify follow-up targets.

No details of the sampling methodology have been provided to Venmyn. However, from interviews with personnel that were involved in the sampling campaign, it appears that the sampling protocol was conventional and that samples were collected from streams and drainages identified in the field by a team of sampling technicians. Sample positions were recorded by hand-held GPS with expected accuracy <10.0m. It is reasonable to assume that samples were screened, however, no detail is available on the actual sample size collected. It is also reasonable to assume that standard sampling sheets and collection and dispatch procedures (as described in Section 9.7.3) were used although no evidence of this was provided. The SGS Mwanza laboratory was used for the stream sediment samples, sample preparation is described in Section 9.5.5. the only exception is that stream samples were pre-screened to 80 mesh (180µm) and then pulverised to <75µm. Pulp rejects are retained by Morogoro Gold at their offices.

10.8. Sample Analysis, QA/QC and Data Verification **SR2.1A(i), SR3.1A(i), SR3.2A(ii), SR3.4A(i-iv), SR9A(i-ii)**

Venmyn could not inspect the analysis of the Morogoro Projects samples (as no analysis was being conducted at the time of the review), although documents were made available detailing the analytical, QA/QC and database management procedures. Sample analysis was performed using a 30g or 50g fire assay at SGS, details on laboratory, accreditation, nature quality and appropriateness of procedures, nature of QA/QC procedures and audits performed are discussed in Section 9.5.5.

Venmyn have been supplied with the assay sheets for each of the samples as well as the duplicates, blanks and standards. Random checks were performed on anomalous assay results reported by SGS and within the GIS database and no discrepancies were noted. Venmyn also reviewed all blank, standard and duplicate assay results and found no material discrepancies. While no in-field checks could be made by Venmyn, we are satisfied that the data can be reasonably relied upon, in consideration of the limited independent checks on the sampling data and the early stage of exploration being considered.

10.9. Database Management **SR2.1A(i), SR9A(i-ii)**

No dedicated data server exists for the Morogoro Projects. The most up to-date collection of all primary data elements is represented by the Morogoro GIS Database. The elements of this database are in the form of MapInfo database files which also includes all sampling positions and assay results to-date. This data is managed, stored and backed up at Morogoro Gold's offices in Dar es Salaam. No formal independent audits of the database have been conducted other than the high level checks conducted by Venmyn as discussed in Section 10.8. Venmyn recommends a protected central database be setup for purposes of maintaining the quality of the database.

Data that was acquired by Savannah's own sampling and exploration activities is received in digital format from ALS SA and validated by technicians upon receipt and compared with QA/QC samples. Irregularities were communicated to the laboratory for follow up re-tests.

Additionally, data described in Section 10.6, obtained from the TGS was captured and digitised into the database and validated. In the absence of a Project Geologist for the Savannah Properties at present, this data is managed, backed up and retrievable at Morogoro Gold's offices in Dar es Salaam.

10.10. General Opinion on the Morogoro Projects and Recommendations for Further Work

The Morogoro Projects have only been subjected to limited reconnaissance stream sampling to-date. Large areas within the Morogoro Projects remain un-sampled. Nevertheless those areas that have been sampled, have returned a number of positive results which warrant follow-up exploration and suggest that un-sampled areas should be assessed by reconnaissance stream sampling. It is clear that understanding the local geological and structural environments within the various licences is important in order to assess their mineralisation potential.

Venmyn consider it prudent that all licences are re-visited and re-assessed based on the existing results and interpretations, in order to re-prioritise the licences for these follow-up and reconnaissance work programmes.

Venmyn consider that the licences have potential for the discovery of non-traditional gold mineralisation within the Morogoro Projects area, based on the limited exploration results received to-date, the initial assessment of the geological and structural environments within the licences, increased artisanal activity in the area, and the extensive licence portfolio available for prospecting. The Morogoro Projects offer an attractive opportunity to conduct exploration in a prospective area in which very little previous systematic exploration has been undertaken, and which may be set to become a new goldfield within Tanzania.

Successful exploration will require a persistent and systematic approach and a thorough understanding of the local geology and regional structural environments of each of the licences. Future exploration programmes should be aligned with this objective.

11. HANETI PROJECTS

11.1. Location and Access **SR1.2A(i-ii), SR1.5A(i), SR5.4A(i), SV2.3, SV2.4**

The Haneti Projects comprise an extensive portfolio of licences within central Tanzania, approximately 80km northwest of Dodoma, within the Morogoro Province (Figure 32). The Haneti Projects represent early stage exploration projects, with only limited reconnaissance soil and trench sampling having been conducted in a few of the licences to-date. While some licences have generated follow-up targets, the majority of licences still require first pass soil sampling and assessment.

The licences can be accessed by a network of gravel roads that branch off the well-graded, all-weather Great North Road to the village of Haneti (approximately 75km northwest of Dodoma). The gravel tracks are in varying states of repair (Figure 32) and ground conditions can be problematic during the wet season, specifically over areas covered by mbuga.

Venmyn found, that the regional infrastructure is rudimentary but appears well maintained. There are no known factors, mining or other that could have a significant effect on the prospects of the Haneti Project.

There is a regional airport located at Dodoma, with flights to Dar es Salaam 3 times a week. Smaller airstrips (most unmanned) are also located across the project area.

11.2. Topography and Vegetation **SR1.6A(i)**

The topography within the Haneti Projects area is dominated by vast plains at an elevation of approximately 1,200mamsl. Locally, the generally flat terrain is incised by ephemeral creeks that incise the landscape by several meters. Within the licences, the main topographic relief is created by steep sided, scrub-covered hills of laterised ultramafic rocks, which can rise up to 250m above the mbuga-filled plains (Figure 34 and Appendix 4). The lowermost ultramafic outcrops are characterised by an absence of lateritic duricrust.

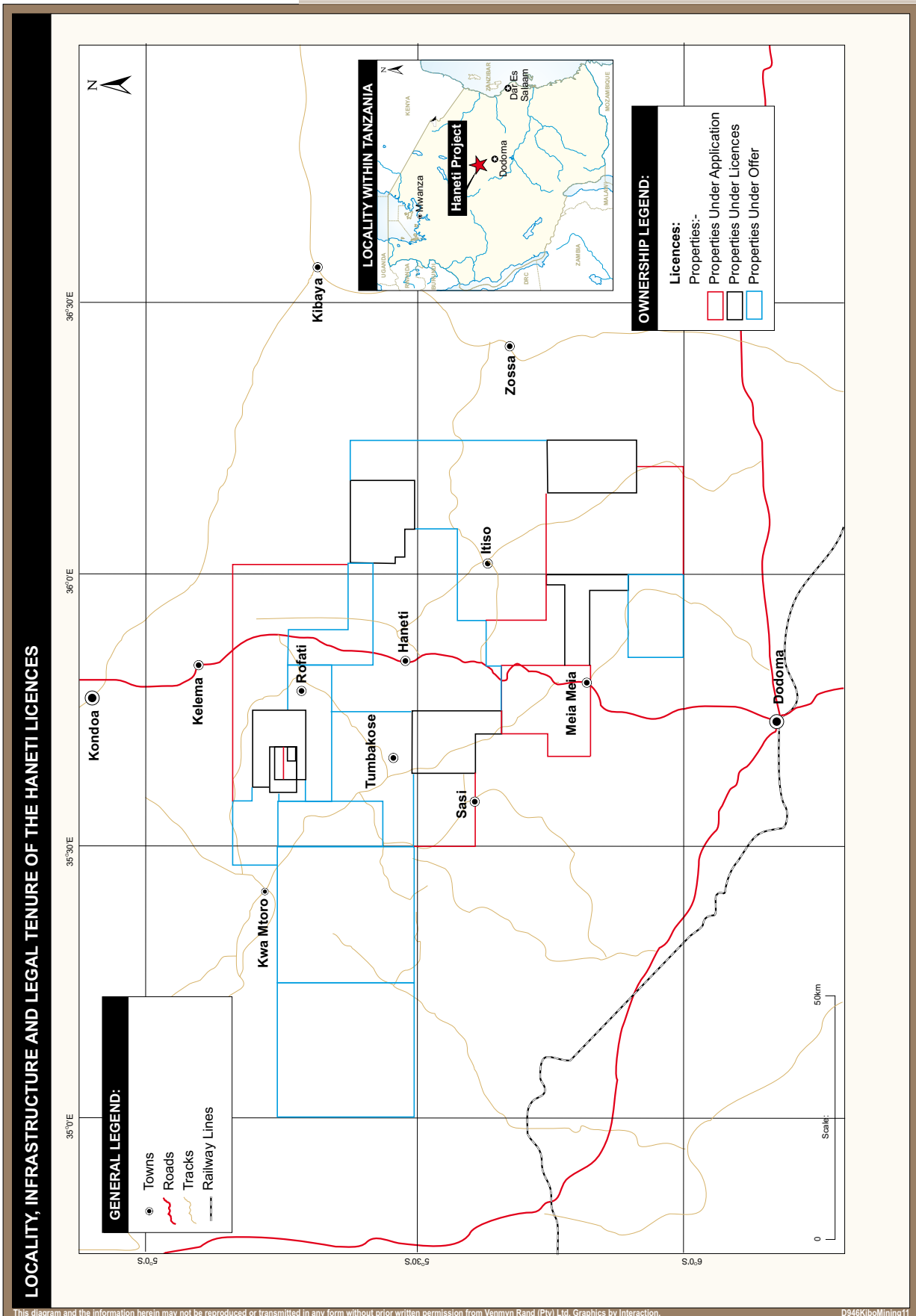
The hills are mainly vegetated by scrub, while the mbuga is either grassed or cultivated (Figure 34).

11.3. Climate **SR1.6A(i)**

The Project area has a temperate climate with a single rainy season between November and April. Most rainfall is associated with thunderstorms. The region averages 570mm of precipitation per year, the bulk of which occurs during the wet season.

Average midday temperatures remain somewhat consistent throughout the year (ranging between from 26°C in April to 30°C), however average lows can reach as low as 10°C in winter.

Exploration activities can be carried out throughout the year, however access to areas covered by mbuga can be hampered during the rainy season.



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D946KiboMining11

INFRASTRUCTURE OF THE HANETI PROJECTS AREA

DIRT ROAD TO HANETI



DIRT ROAD TO HANETI



HANETI VILLAGE



KIBO OFFICE IN HANETI



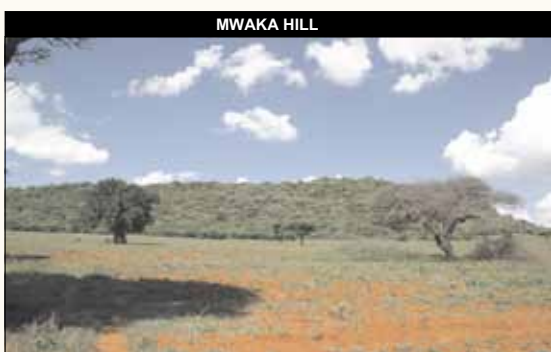
DIRT TRACK TO HANETI ULTRAMATIC COMPLEX OVER MBUGA



DIRT TRACK WITHIN HANETI ULTRAMATIC COMPLEX



TOPOGRAPHY AND VEGETATION OF THE HANETI PROJECTS AREA



11.4. Regional Geology and Mineralisation in the Haneti Projects Area **SR1.2A(ii), SR4.1A(i-iii), SV2.5**

The Haneti Projects are situated along the boundary between the Archaean rocks of the Dodoman Craton in the southwest and the Palaeo-Proterozoic rocks of the Usagaran Orogenic Complex in the northeast (Figure 35). A zone of sheared granitoids (the Bubu Cataclasites) separates the Usagaran gneisses from the Dodoman granite and granodiorite.

The Haneti Ultramafic Complex (HUC), which is the focus of the current exploration at the Haneti Project area is enclosed within the Usagaran gneisses to the northeast of the margin of the Dodoman Craton.

The HUC generally outcrops as a line of prominent hills, striking northwest-southeast, over a strike length of approximately 80km (Figure 35 and Figure 36). The ultramafic rocks have been metamorphosed from high magnesium peridotites and dunites, to magnetite-bearing lizardite-serpentinites with cross cutting magnesite veinlets. The serpentinites have generally been silicified and ferruginised at surface (Figure 37) by subsequent weathering processes. It remains unknown whether these ultramafic rocks were emplaced as flows or are intrusive, or whether they were structurally emplaced.

The most prominent ultramafic hills in the area are characterised by the best regolith preservation and laterite development. The largest hills, Sanato and Yobo, have moderately developed laterite profiles between 10m – 30m thick. Where the laterite profile has been eroded, less weathered ultramafic rocks outcrop as more subtle hills, with gentler relief, and rising a maximum of 20m above the plain. It is possible that other ultramafic bodies exist that have no topographic expression along the dominant trend. However, without detailed magnetic surveying and drilling this cannot be confirmed.

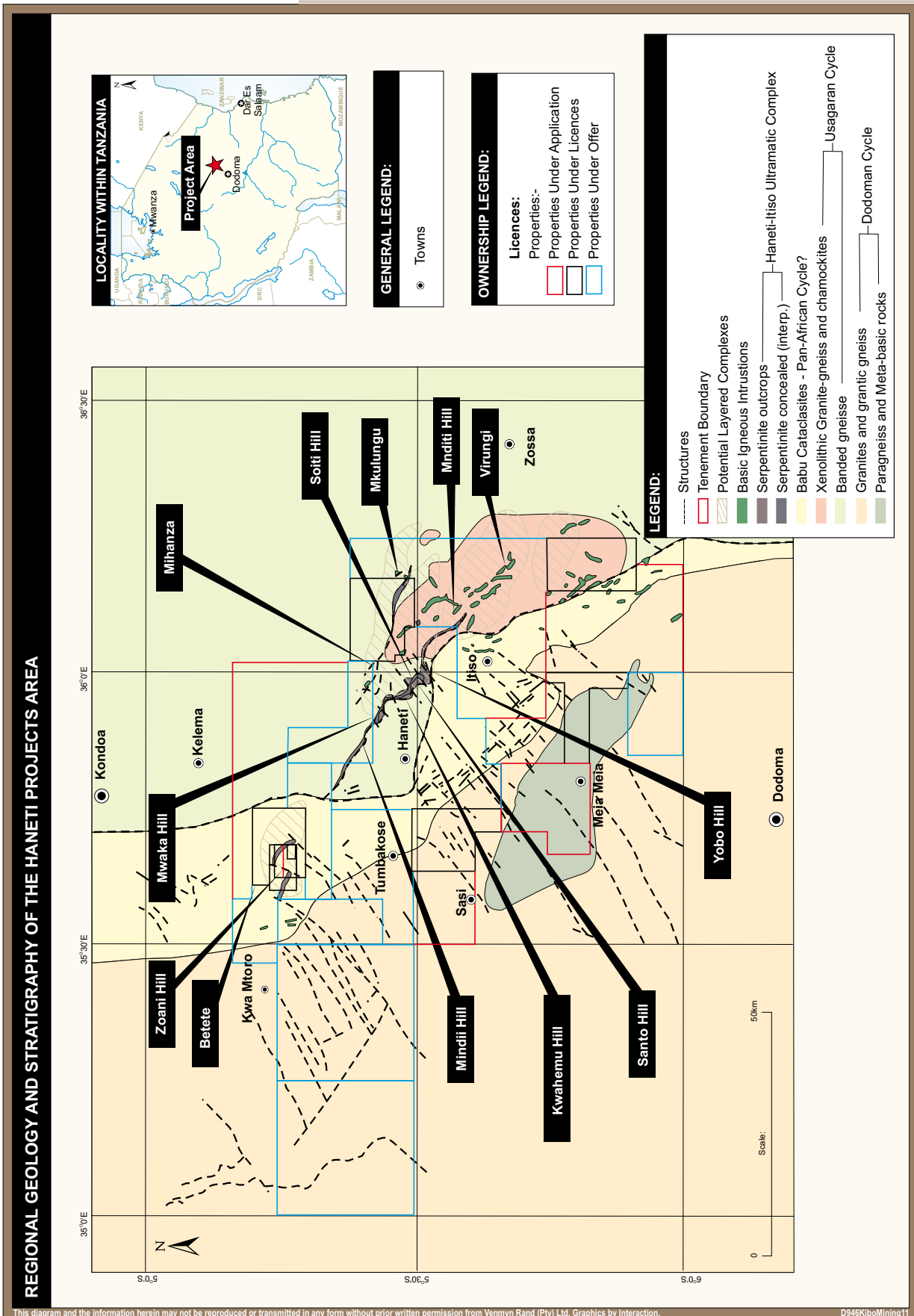
Veining within the ultramafics is common and include the following:-

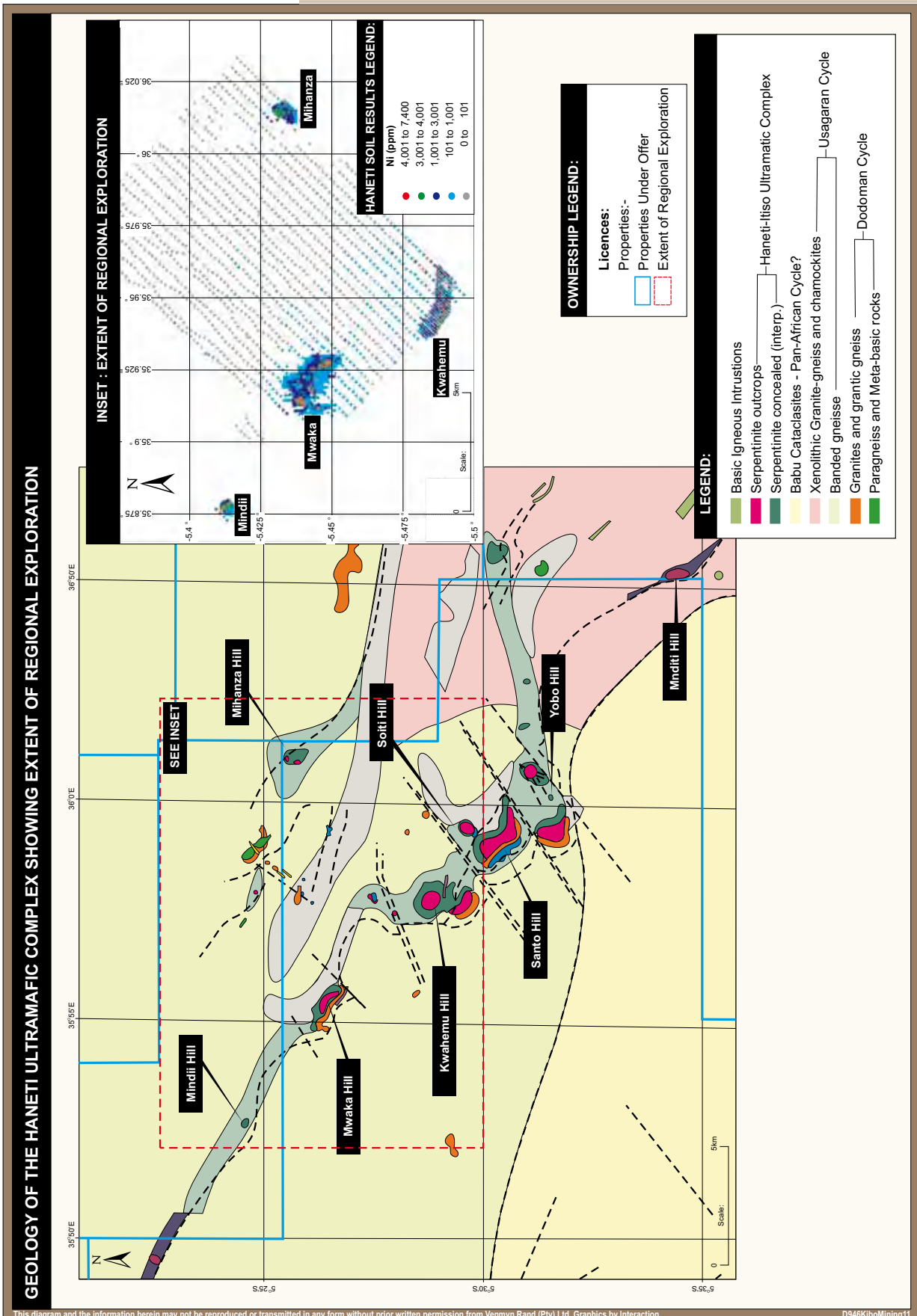
- asbestiform tremolite within the sheared serpentinites;
- cryptocrystalline or amorphous silica in the silicified and non-silicified serpentinites;
- local, potentially economic quantities of chrysoprase in the serpentinites; and
- magnesite (up to 50m wide) is abundant within the non-silicified serpentinites (Figure 37).

The ultramafic rocks are targets for Ni-Cu-PGE exploration as this type of mineralisation occurs within such ultramafic bodies. However, only very limited sampling has been conducted to-date and the extent and nature of the mineralisation is poorly understood. Additional exploration will be required before any definitive commentary can be made on Ni-Cu-PGE mineralisation models.

Figure 37 illustrates some of the geological formations and features that were encountered by Venmyn during their site visit to the Haneti Projects area.

To the east of the HUC, the geology is dominated by the Dodoman granites and gneisses, however, in the area over which Kibo's westernmost licences are located, the recently discovered Londoni Greenstone Belt is present. This is understood to be the host to the gold mineralisation within PL1162, which is currently being exploited by artisanal miners (Section 11.6.2). No ground work has been conducted within this westernmost area by Kibo, nor has Venmyn visited this area. Consequently, the nature of the local geology is poorly understood.





PHOTOGRAPHS OF THE GEOLOGY OF THE HANETI PROJECTS AREA



11.5. Historical Exploration **SR1.3A(i), SV2.4**

There is no record of any significant historical nickel discoveries or mining within the area. However, the area has been subjected to limited prospecting since the 1930's. Between 1957 and 1966, geologists from the Geological Survey of Tanganyika (GST) conducted a 1:125,000 scale regional mapping, pitting, geochemical soil sampling, rock chip sampling, trenching and limited drilling campaign on the Zoani, Mindii (Mnajura) and Mihanza (Mwahanza) hills. This programme focused on the identification of nickel, asbestos and magnesite deposits. Only limited drill samples were taken, and no indications of nickel sulphide mineralisation were returned. However, the ultramafics did reportedly contain elevated nickel concentrations of between 2,000ppm and 4,000ppm Ni. There is no reported exploration for Ni-Cu-PGE mineralisation within the Haneti licences since the 1960's, other than reported in Section 11.6.

11.6. Recent Exploration **SR2.1A(i), S.R2.2A(i), SR2.3A(i-ii), S.R4.1A(ii-iii)**

Very limited recent exploration has been conducted within the Haneti Projects area, and that which has been done has been concentrated around the central part of the HUC, immediately east of the village of Haneti (Section 11.6.1). Reconnaissance level field exploration activities performed by Kibo include geological mapping, geochemical soil sampling, detailed mapping and trench sampling and re-interpretation of the 1970's country-wide aeromagnetic survey data. Surveying used for field explorations made use of a handheld GPS with expected accuracies of <10.0m. A very limited programme of work has also been conducted at the Betete Prospect in the north of the project area (Section 11.6.2). No work has yet been conducted in the westernmost licence areas where extensive artisanal gold mining is reported (Section 11.6.3).

The results of the various sampling campaigns were compiled and collated, culminating in the creation of the Haneti GIS Database. This GIS database includes all primary data sampling positions and captured results from the laboratory assays which were received digitally, as well as other data resources from the TGS, including:-

- regional geology covering the full extent of the Haneti Projects area; and
- regional aeromagnetics covering much of the Haneti Projects (at low resolution).

The sections below summarise the work conducted in each area to-date, as well as the results achieved and their significance with respect to on-going exploration work. Data density is variable across the deposit and focussed in selected areas.

11.6.1. Haneti Ultramafic Complex **SR4.1A(i)-(iv)**

Reinterpretation of aeromagnetic survey data from the 1970's over two thirds of the project area, showed that all the known nickel occurrences and all serpentinised peridotite/dunite outcrops are located close to an interpreted shear or one of its splays.

In November 2006 a soil geochemical survey was conducted over an area of approximately 204km² (Figure 36), in order to identify areas of high nickel values. The vast majority of the high metal values were confined to the hilltops, which were subjected to follow-up soil sampling. Substantial Ni enrichment was evident in the regolith above the serpentinites, which was considered as a positive sign for potential nickel laterite and nickel sulphide deposits. Good correlations were observed between Ni and Co, and moderately good correlations were noted between Au, Ni and Co and between Au, Cu and As.

At Mwaka Hill, several samples returned values of over 100ppb Au, including isolated values in excess of 1,000ppb Au and a strong coincident anomaly for all elements. In 2008, laboratory pulps from the two most strongly anomalous lines were submitted for re-assay for Au, and assay for Pt and Pd, which were not previously determined. The new assays reported four values above 100ppb, five above 10ppb Pt and eight above 10ppb Pd, with high values more or less coincident.

At Mihanza Hill, a maximum gold-in-soil assay of 725ppb was reported, as well as another 12 samples with values greater than 100ppb. These elevated gold values are generally associated with elevated nickel and cobalt concentrations.

Two coherent anomalies have been identified over approximately 50m width and 150m – 200m strike.

Detailed sampling at Mindii Hill defined the northwest-southeast striking margin of the HUC, defined by a 1,000ppm Ni contour, within which a coherent area of nickel assays above 4,000ppm Ni occurs. This area is interesting as it is described as an area characterised by the relative absence of laterite, dominated by serpentinite outcrop. There is no record of chrysoprase or other secondary Ni mineral occurrences in the area. Gold-in-soil anomalies are subdued, with only four samples reporting >10ppb.

In 2007, Aardvark also conducted a new geological interpretation of the area, including a 1:50,000 scale mapping of the serpentinite hills based on field mapping, air photo interpretation, aeromagnetic data interpretation and the previous GST mapping of the 1960's.

At the same time as the mapping, regional lithochemical (or grab sample) sampling was conducted. 65 grab samples were collected. However, no Ni sulphides or obvious gossans were observed. Nevertheless a grab sample of a 5 -10cm band of magnetite rich garnierite serpentinite from a pit at Mihanza reported 13.6% Ni and 0.38% Co. Repeat sampling returning 7.7%Ni and 0.14% Co. Samples of silicified regolith returned values ranging from 0.1% to 1.2% Ni, with a few samples from yellow-green soft serpentinite below this returning values up to 1.5% Ni. A suite of 40 detailed rock chip samples from trenches and outcrops at Mihanza returned average values of 0.13% Ni and 62ppm Co for the serpentinites. Other samples from Mihanza returned values of 1,930 ppb Pd and 413ppb Pt. At Sanato Hill, a vein of nimitite approximately 40cm thick assays 13.5% Ni, 0.38% Co and 0.24% Zn.

In 2010, a trench was dug across the geochemical anomaly on Mwaka Hill, approximately perpendicular to the strike of the ridge and over a distance of 269m (Figure 38). Rock chip samples were taken every 3m.

Figure 38 shows the position of the trench, as well as the mapped lithologies and the sampling results. It is promising that values in excess of 0.5% Ni was regularly encountered within the trench. It follows that Mwaka Hill represents an immediate target for additional exploration.

Figure 39 to Figure 41, summarise the follow-up exploration results from Mindii, Kwahemu and Mihanza hills.

Venmyn's interpretation is that the HUC is prospective for Ni mineralisation based on exploration results to-date, and considers that detailed follow-up sampling work and geological and structural mapping should be carried out in order to better understand the mineralisation potential of the licences over the HUC. The potential for Cu, Au and PGE mineralisation cannot be definitively assessed presently, however preliminary results are encouraging.

11.6.2. **Betete Gold Prospect SR4.1A(i)-(iv)**

The Betete prospect is located 15km northwest of Rofati in the northern-most part of the project area. It comprises two isolated hills with three distinct, interconnected ridges, and a smaller hill to the southeast.

There are anecdotal reports of a 'gold rush' in the area several years ago, however CSA in 2009, during their site visit to the area, noted that the only evidence of activity was two pits approximately 3m deep on the small hill, and plot/tenement demarcations. There are no known pre-existing mineral rights in the area.

According to the geological Survey of Tanganyika (GST) 1:250,000 map (QDS124), the area is underlain by Bubu Cataclasites (Figure 35) which are described as comprising sheared and granulated syn-orogenic granite and migmatite. However, detailed geological mapping (of boulders, pebbles and float as the outcrop in the area is very scarce) was carried out in 2007 and suggests that the dominant rock types in the area are more suggestive of a metamorphosed arkosic, pelitic and mafic volcanic rock types. Evidence from the GST aeromagnetic survey suggests that the area may form part of the HUC. An alternative interpretation is that the prospect may occur within a metamorphosed Archaean Dodoman terrain.

During 2007, a soil sampling campaign was conducted at 50m intervals along either a 200m or 100m lines spacing. A total of 240 soil samples were collected over the area, as well as 15 rock samples during the course of the mapping. Samples were analysed for Au, Cu, Pb, Zn, As and Sb (Figure 42).

A moderate Au anomaly (maximum 79ppb Au) was identified on the northern-most sample line over 9 consecutive samples covering 200m of easting. A strong Au-Cu-As correlation was noted.

Venmyn did not visit this prospect and consequently we are unable to definitively comment on the prospectivity of this prospect. From the above, however, it would appear that follow-up sampling in conjunction with detailed geological and structural mapping is warranted. In addition it is also recommended that petrographic samples are analysed and dated.

11.6.3. PLA1162 and PLA 1163 Gold Prospect SR4.1A(i)-(iv)

Kibo has a beneficial interest in two Prospecting Licences in the far west of the Haneti Projects area. While letters of offer were issued to Frontier Resources Ltd (Frontier) in 2004, the licences have still not been issued. A deed of assignment dated 13th March 2010 between Frontier Resources Limited (and Eagle Gold Mining provides for the transfer of these licences from Frontier to Eagle Gold Mining once they are issued.

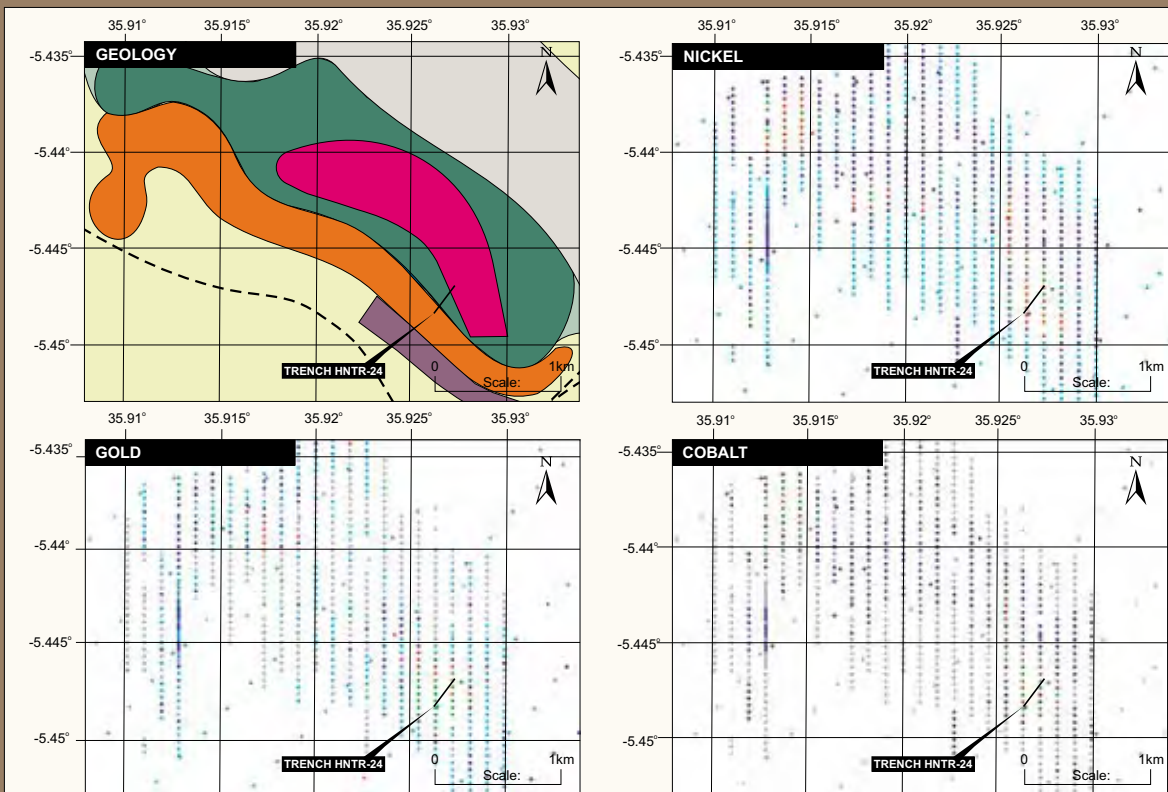
Kibo have been involved in intermittent discussions with the Ministry over the years that recognise their rights. However, there was an artisanal discovery over the area after the letters of offer were issued (and payment of acceptance fees made), and the Ministry issued mining claims (PML's) on the ground. As there is a large artisanal presence on the ground, the Ministry are slow to sort this out.

As a consequence of the above, no exploration has been conducted in the westernmost portion of the Haneti Projects (PLA1162), due to the prevalence of artisanal gold mining in the area.

The area is underlain by Archaean Dodoman granites and granite gneisses, with Au mineralisation understood to be associated with the extensions of the Londoni Greenstone Belt. Exploration to the west and northwest of PLA1162 by Shanta Mining Company Limited (Shanta) has identified significant Au mineralisation within the newly discovered Londoni Greenstone Belt.

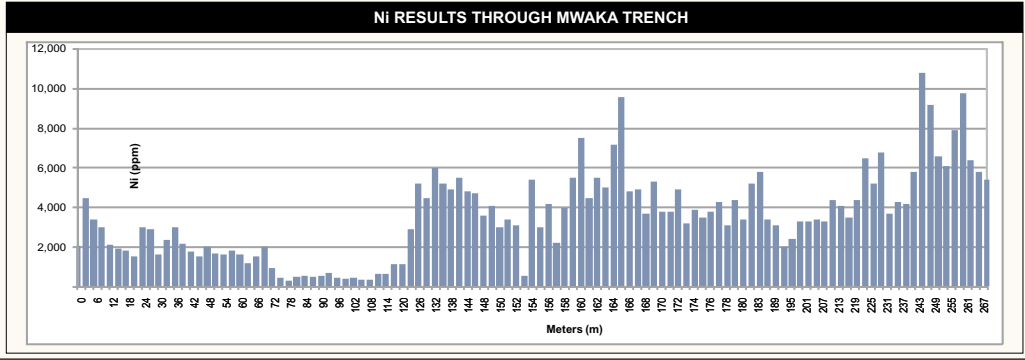
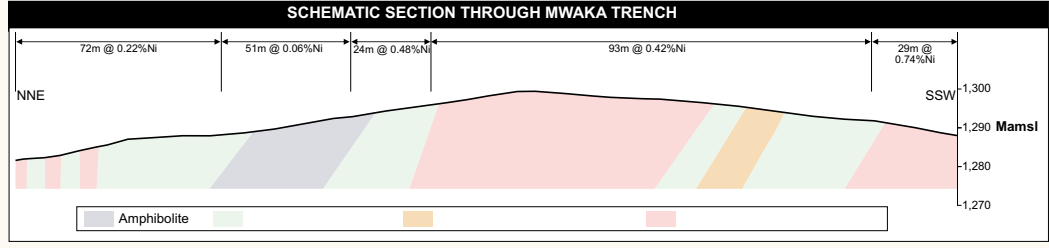
Clearly the presence of a large number of artisanal miners within PLA1162, raises concerns regarding Kibo's access to the area as PML's take precedence over prospecting licences. It seems that Kibo would have to enter into numerous agreements with the holders of the PML's in order to gain access.

SOIL SAMPLING AND TRENCHING OVER MWAKA HILL

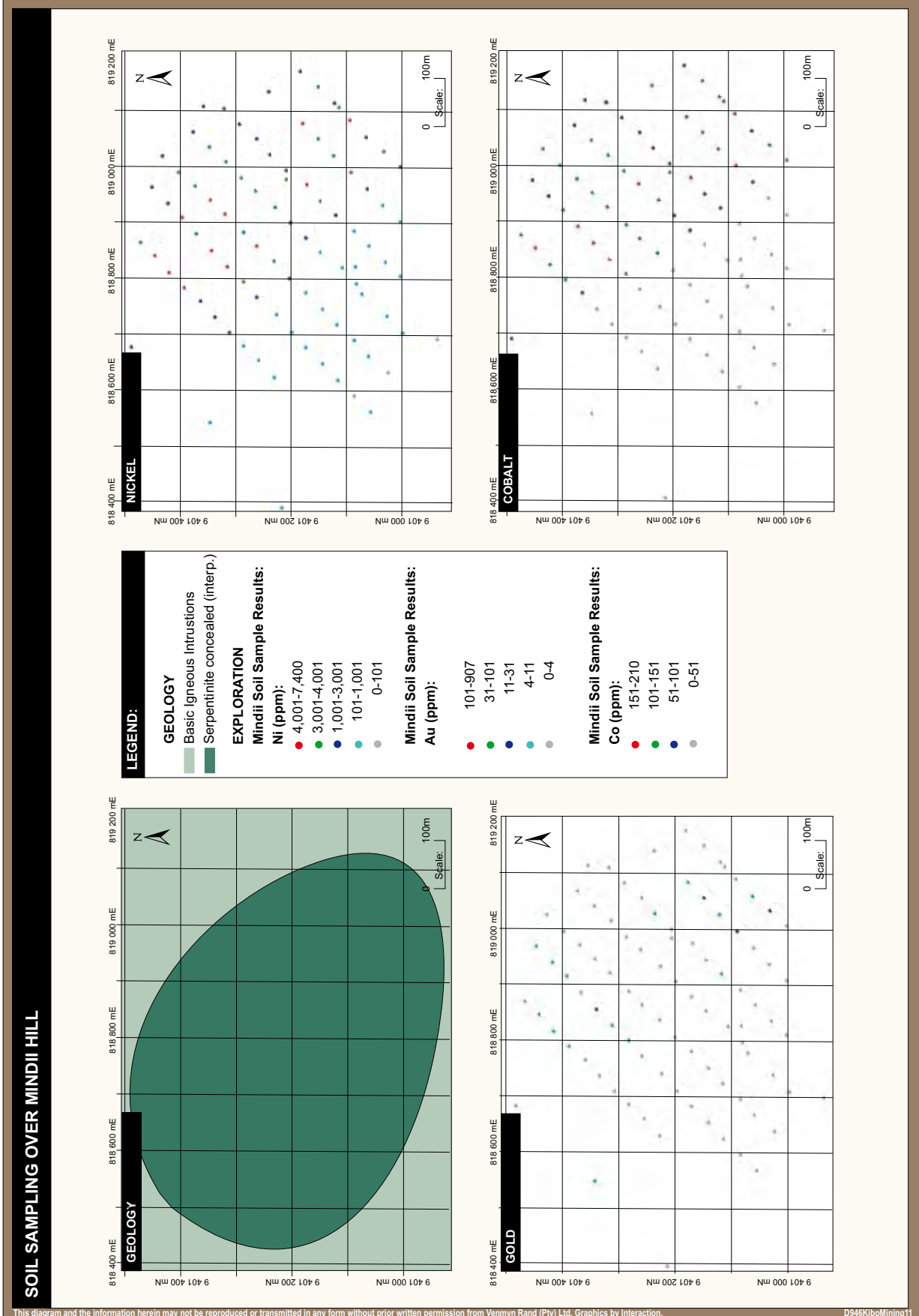


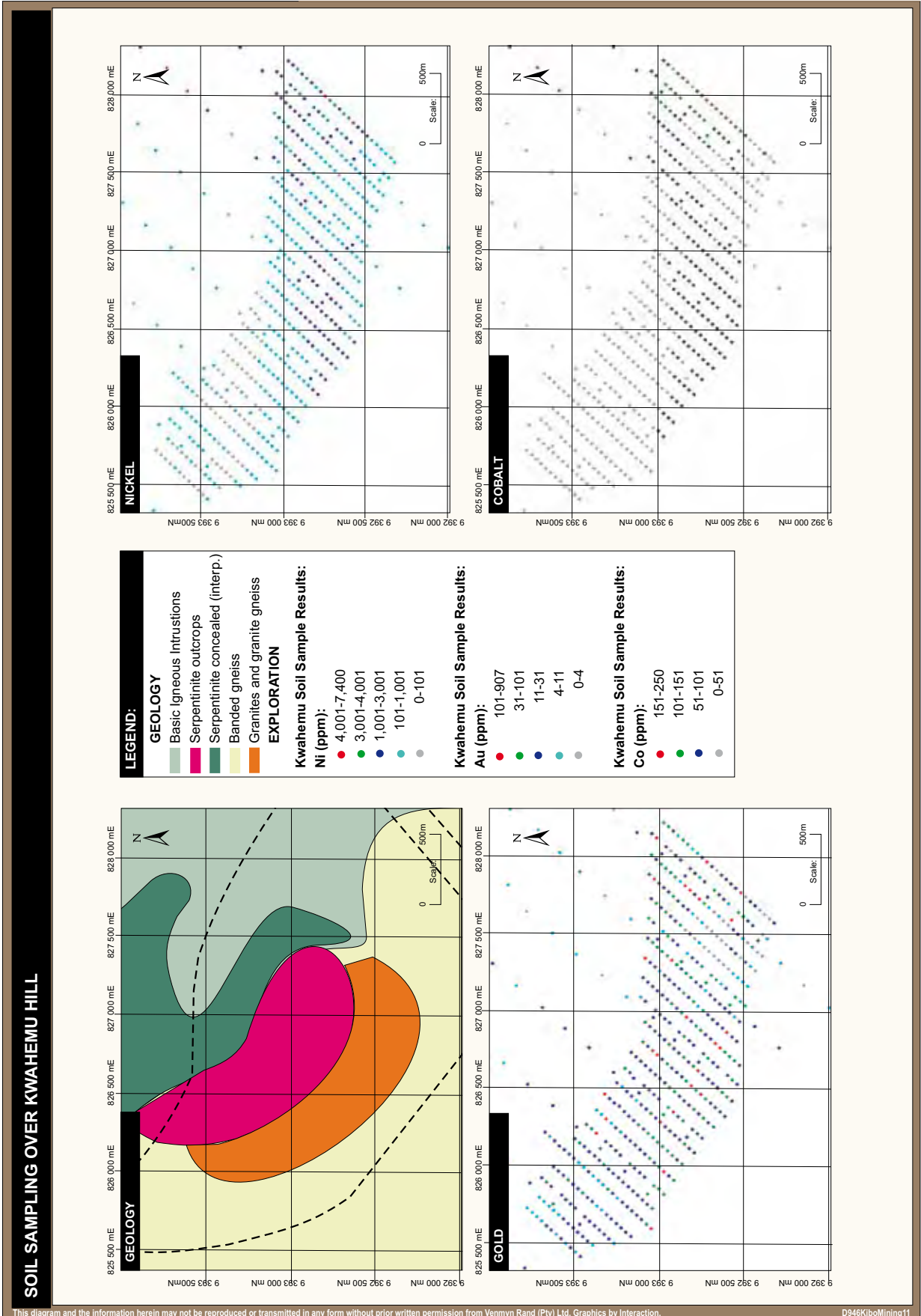
LEGEND:

GEOLOGY		Mwaka Soil Sample Results:		
Basic Igneous Intrusions		Ni (ppm):	Au (ppm):	Co (ppm):
Serpentinite concealed (interp.)		● 4,001-7,400	● 101-1,050	● 151-210
Serpentinite outcrops		● 3,001-4,001	● 31-101	● 101-151
Banded gneisse		● 1,001-3,001	● 11-31	● 51-101
Granite and granite gneisse		● 101-1,001	● 4-11	● 0-51
Trench		● 0-101	● 0-4	

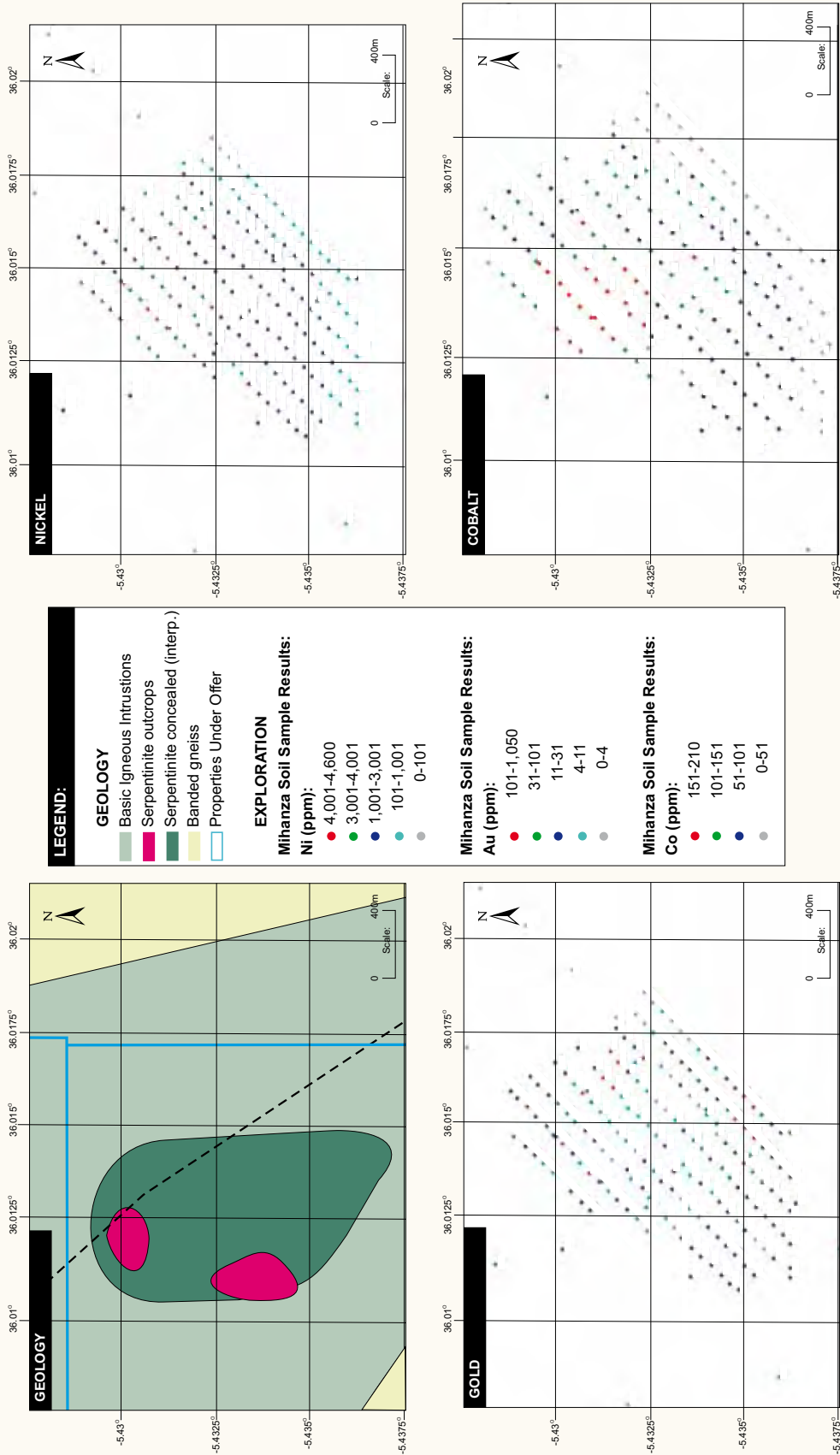


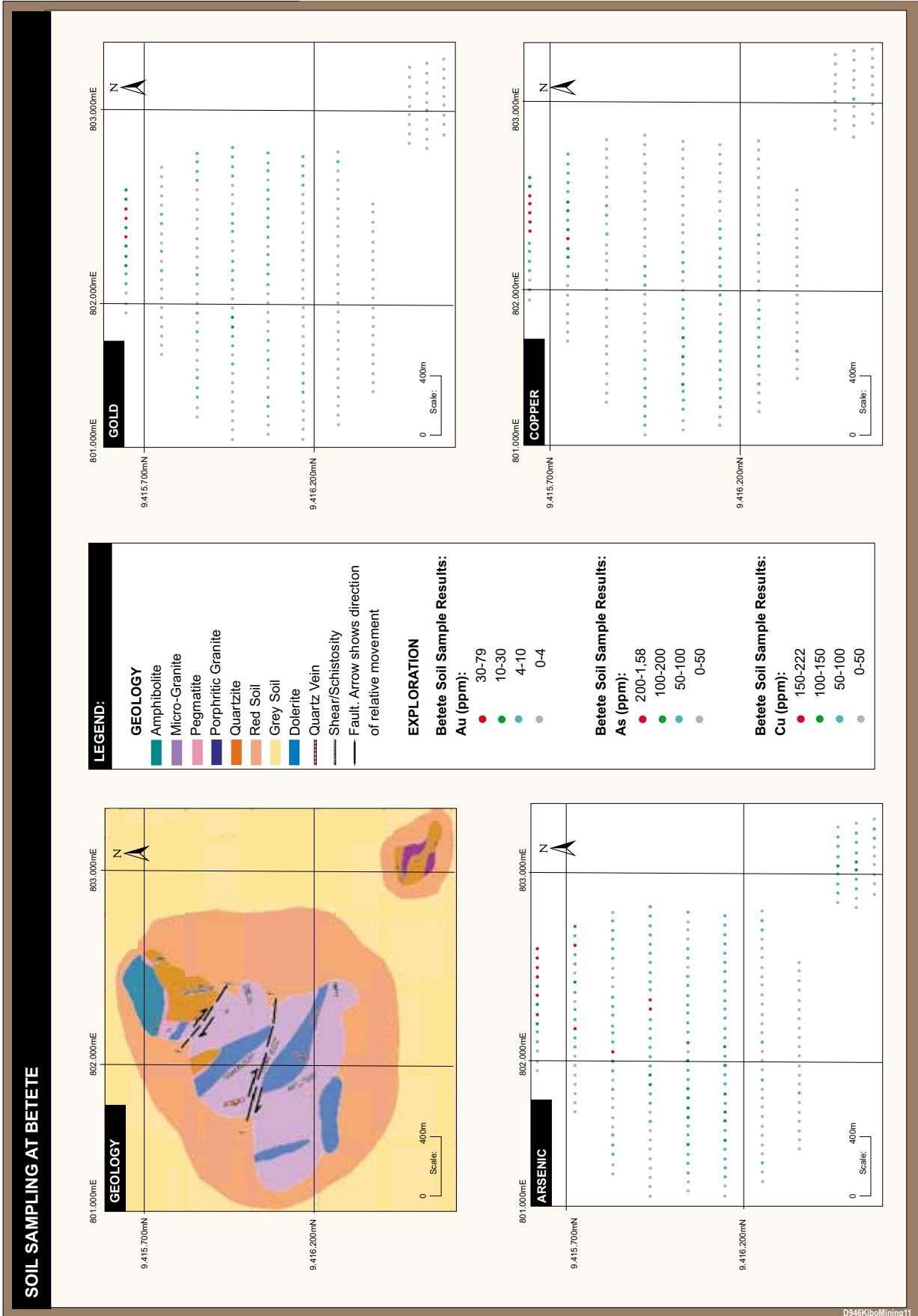
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SOIL SAMPLING OVER MIHANZA HILL





11.7. Sampling Methodology, QA/QC and Security **SR2.1A(i), SR3.1A(i), SR3.2A(i-vi) SR9A(i-ii)**

Reconnaissance sampling has focussed on the collecting of soil and rock chip samples in order to identify follow-up targets.

Geochemical soil samples over the HUC were collected from pits dug between 30cm to 70cm deep to get through the surficial alluvium. Samples were collected along the bottom of the pit for the full 1.0m sample length. Interesting lithologies were assayed at 1.0m while less interesting lithologies were composited into 3.0m, while retaining each 1.0m for individual testing if assays returned grade for the composite. Pits were initially dug at intervals of 200m along northeast-southwest oriented survey lines spaces about 400m apart (Figure 36). Infill pits were later conducted over certain anomalies at a spacing of approximately 50m apart (Figure 38-Figure 42). The sample positions were sited using a hand held GPS with expected accuracies <10.0m. Areas covered by mbuga were not sampled. Each sample was ~1.5-2.0kg and assigned unique sample numbers when bagged by technicians.

Pits/Trenches were logged each metre according to geology, lithology, mineralisation, colour and once laboratory certificates received, grade. Data was validated by the on-site geologist when captured from log sheets to digital format as well as when assays were received back from the lab when comparing results of field QA/QC samples. If discrepancies occurred, the lab was notified to re-test the batch. Field verification techniques were utilised with certified standards, blanks and field duplicates inserted sequentially in the sample stream such that every 10th sample was a QA/QC sample.

Samples are stored at the company's office in Mwanza, sorted by project, exploration programme and sample number for easy retrieval. Venmyn is aware of various audits conducted and documented by CSA on the Haneti Project including QA/QC analysis, re-interpretation of results and validation of data.

11.8. Sample Analysis, Sample Preparation, QA/QC and Data Verification **SR2.1A(i), SR3.1A(i), SR3.3A(i-v), SR3.4A(i-iv), SR9A(i-ii)**

Geochemical soil samples were sieved to -80 mesh in the field. Duplicates, standards and blanks were included with the samples submitted for assay at a rate of approximately 1 in 10.

A total of 1,325 soil samples have been collected to-date. All samples have been analysed for Au, Cu, Zn, Pb, Ni, Co and As at the un-accredited Humac Laboratory in Mwanza (see Section 9.5.5), using a hot aqua regia digest, and atomic absorption flame spectrophotometry for metal determination. These are appropriate total analysis techniques for these types of samples. An internal analysis of the QA/QC data concluded that there was no cause to suspect erroneous laboratory practices. The sample preparation for the soil samples with regards to splitting, size reduction, verification and laboratory QA/QC measures are as described in Section 9.5.5 and are appropriate techniques for these types of samples. The likelihood of inadequate or non-representative samples is low.

Venmyn could not inspect the analysis of the Haneti Project samples (as no analysis was being conducted at the time of the review), however it is reasonable to assume that similar procedures were followed as discussed for the Lake Victoria Greenfields Projects in Section 9.7.4. No known audits were conducted on the laboratory on Kibo's behalf.

Venmyn have, however, been supplied with the assay sheets for each of the samples as well as the duplicates, blanks and standards. Random checks were performed on anomalous assay results reported by the laboratory and within the GIS database and no discrepancies were noted. Venmyn also reviewed all blank, standard and duplicate assay results and found no material discrepancies. While no in-field checks could be made by Venmyn, we are satisfied that the data can be reasonably relied upon, in consideration of the limited independent checks on the sampling data and the early stage of exploration being considered.

11.9. Database Management **SR2.1A(i), SR2.3A(i), SR9A(i-ii)**

No dedicated data server exists for the Haneti Projects. The most up to-date collection of all data is represented by the Haneti GIS Database on its exploration office server in Mwanza where it is stored and retrievable. The elements of this database are in the form of MapInfo database files which also includes all sampling positions and assay results to-date.

The data is backed up at Kibo's offices in Mwanza. No formal independent audits of the database have been conducted other than the high level checks conducted by Venmyn as discussed in Section 11.8. Exploration data and the TGS sources discussed in Section 10.6 are digitised by Kibo technicians, assay results are obtained digitally from the laboratory and verified against QA/QC logs.

11.10. General Opinion on the Haneti Projects and Recommendations for Further Work

Despite a history of the identification of Ni bearing lithologies in the area, no Ni sulphides or voluminous Ni laterites have been discovered within the HUC to-date. However, elevated Ni results from a number of anomalies, in particular at Mwaka Hill, do suggest that the HUC remains prospective, and justifies continued exploration, with Mwaka Hill representing an obvious follow-up target.

Regional scale exploration should also continue in order to better assess the extent of the HUC and its origins as well as to better assess its Ni-Cu-PGE potential. Given the initial indications of possible PGE mineralisation in the area, it is further recommended that all soil and rock samples be analysed for Cr in order to determine whether the ultramafic rocks may have included Cr-bearing dunite (and a possible host for PGE mineralised sulphides).

It is too early to define the potential of the HUC to host magmatic Ni sulphide deposits, as this has only been superficially explored to-date. Nevertheless the exploration that has been conducted shows that Ni occurs in elevated concentrations throughout the ultramafics, with a number of Ni and Au anomalies having been identified from soil geochemical samples. Of the ten identified ultramafic bodies, the best exposed have received the most exploration to-date. Any or all of these have potential to host nickel mineralisation and warrant follow-up work. To-date no Ni sulphides or obvious Ni gossans have yet been found.

The potential for nickel laterite deposits is most likely to be restricted to hilltops, however there remains the possibility of preserved laterite beneath the flat areas away from the hills. Given that the hills are limited in aerial extent, it will be important to establish the laterite potential in the flat areas.

It is important to establish whether the HUC is intrusive or structurally emplaced, as this will impact on and determine the future exploration strategy. A structural emplacement model would direct exploration towards contact-related Ni-Cu-PGE mineralisation while an intrusive model would direct exploration towards a feeder-related or stratiform Ni-Cu-PGE deposit.

The presence of significant artisanal workings within PLA1162 suggests that the area has potential for Au mineralisation within the Archaean Dodoman terrain. It follows that this should become a high priority target for Kibo. This raises the possibility that the Betete area may also be underlain by a Dodoman Greenstone terrain and suggests that all areas to the west of the NW-SE boundary between the Usagaran and Dodoman lithologies should be targeted for reconnaissance Au exploration by means of detailed aeromagnetics and bedrock geochemical sampling, in order to identify possible greenstone lithologies.

Successful exploration will require a persistent and systematic approach and a thorough understanding of the local geology and regional structural environments of each of the licences. Future exploration programmes should be aligned with this objective.

12. RISKS SR6A(i), SR6B(i)

Kibo's portfolio of mineral assets constitute exploration projects, and are therefore, inherently exposed to normal operational risks associated with such exploration projects. The success of the projects depends largely on successful prospecting programmes and competent management. Profitability and asset values can be affected by unforeseen changes in operating circumstances and technical issues.

The majority of the licences within the Kibo portfolio remain as applications. There is no guarantee that these will be awarded in their entirety or in part, and licence applications are currently experiencing considerable delays. Kibo licences and applications are however being managed by a competent team of personal at their Dar es Salaam offices in order to ensure the best possible chance of success. This team has a track record of successful applications and maintenance of awarded licences.

Kibo's various Option Agreements (Section 8.3) present the risk of, *inter alia*, the following:-

- that Kibo may elect not to continue to exercise their options;
- that Kibo may not be in a financial position to continue exercising their options; and
- that on fully exercising their options, the rights are not transferred to Kibo, or its subsidiaries.

Kibo have however confirmed to Venmyn that their intention is to continue exercising their options and that they are in a financial position to keep doing so. In addition, there do not appear to be any reasons for the rights not to be transferred to Kibo or its subsidiaries should Kibo fully exercise their options.

While Kibo believe their rights over the licences in the west of the Haneti Project are valid, the granting of PML's over the same resources raises concerns regarding Kibo's access to the area as PML's take precedence over prospecting licences. Kibo would have to enter into numerous agreements with the holders of the PML's in order to gain access. Kibo have not escalated this issue to a legal dispute as Kibo would prefer resolving the issue amicably.

Factors such as political and industrial disruption, currency fluctuation and interest rates could have an impact on Kibo's future operations, and potential revenue streams can also be affected by these factors.

13. EXPLORATION PROGRAMME AND BUDGET JSE12.9(E)

Table 25 is a summary of the current and planned exploration program for the next 12 to 18 months for the Lake Victoria, Morogoro and Haneti Projects. The programme focuses largely on the development of the Itetemia Project through Barrick negotiations, follow up exploration on the LVG Greenfields Project testing recent targets and regional potential, as well as the HUC as a high priority follow-up on the Mwaka and other ultramafic hills. It must be noted that this proposed budget and works plan has not considered Venmyn's recommendations made in this CPR, however, many of the recommendations by Venmyn are already incorporated into the budget.

Table 25: Current Exploration Programme and Planned Budget for 12 – 18 Months

PROJECT	PRIORITY	OBJECTIVE	ACTIVITIES	BUDGET (USDm)	
Lake Victoria Projects	Itetemia (GHR) Deposit	High	Finalising an agreement with Barrick for the toll treatment of ore from the GHR deposit.	0.23	
	Luhala Deposit	Low (interim)	Certainty regarding the geological model.	0.19	
	Lake Victoria Greenfields	High	Identification and follow-up of gold anomalies by means of regional and detailed sampling programs.	3.57	
Morogoro Projects	Dodoma Block	Medium-High	Identification of the maximum number of gold anomalies.	0.80	
	Morogoro Block	High	Investigation of the Ruvu Nappe for viable gold deposits, primarily targeting thrust/regional fault settings.	1.20	
Haneti Projects	HUC	High	Economic concentration of Ni in or overlying the ultramafics. Define origins of gold-in-soil anomalies. Clarification of the intrusive model and potential setting for Ni reef or sulphides.	0.98	
	Betete Prospect	Medium-High	N/A		None.
	PLA1162 Prospect	Medium-High	Confirmation of possible greenstone sequence within artisanal area. Confirm possible regional mineralised structures extending from the artisanal area.		1) Field visits. 2) Assessment of regional magnetic data and landsat images. Researching public information.
TOTAL				6.98	

14. KIBO MINERAL ASSET VALUATION SV2.8, SV2.9, JSE12.9(F)

This Mineral Asset Valuation (MAV) has been prepared in fulfilment of the JSE Listings Requirements (Section 12.9F). The objective of this valuation was the assessment of the economic prospectivity of the contributing mineral properties of Kibo and their relation to the attributable MAV. The effective date is 8th March 2011. Venmyn is not aware of any material changes that have occurred between the valuation date (effective date) and the report date (15th March 2011).

At the early exploration phase, mineral projects are valued dependent upon prospects for eventual economic extraction. International mineral asset valuation codes set out clear methodologies for the valuation of mineral assets. Confidence in the mineral resource estimates is the primary value driver.

In the South African context, the SAMREC Code, 2007, guides mineral resource and ore reserve classifications based upon geological confidence in the estimates through the exploration process. With respect to the contributing properties of Kibo's various mineral exploration projects, the mineral resources have been classified in compliance with the SAMREC Code. Venmyn has valued the contributing properties of Kibo in compliance with the SAMVAL Code, 2007 (SAMVAL Code).

The selection of an appropriate valuation method depends on such factors as the nature of the valuation, the development status of the mineral assets, and the extent and reliability of available information. In conducting mineral asset valuations, Venmyn considers the following categories of mineral assets:-

- Exploration Areas – properties where mineralisation may or may not have been identified, but where a mineral or petroleum resource has not been identified;
- Advanced Exploration Areas – properties where considerable exploration has been undertaken and specific targets have been identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A resource estimate may or may not have been made but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the resource category;
- Pre-Development Projects – properties where mineral or petroleum resources have been identified and their extent estimated (possibly incompletely) but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if mineral or petroleum resources have been identified, even if no further valuation, technical assessment, delineation or advanced exploration is being undertaken;
- Development Projects – properties for which a decision has been made to proceed with construction and/or production, but which are not yet commissioned or are not yet operating at design levels; and
- Operating Mines – mineral properties, particularly mines and processing plants, that have been commissioned and are in production.

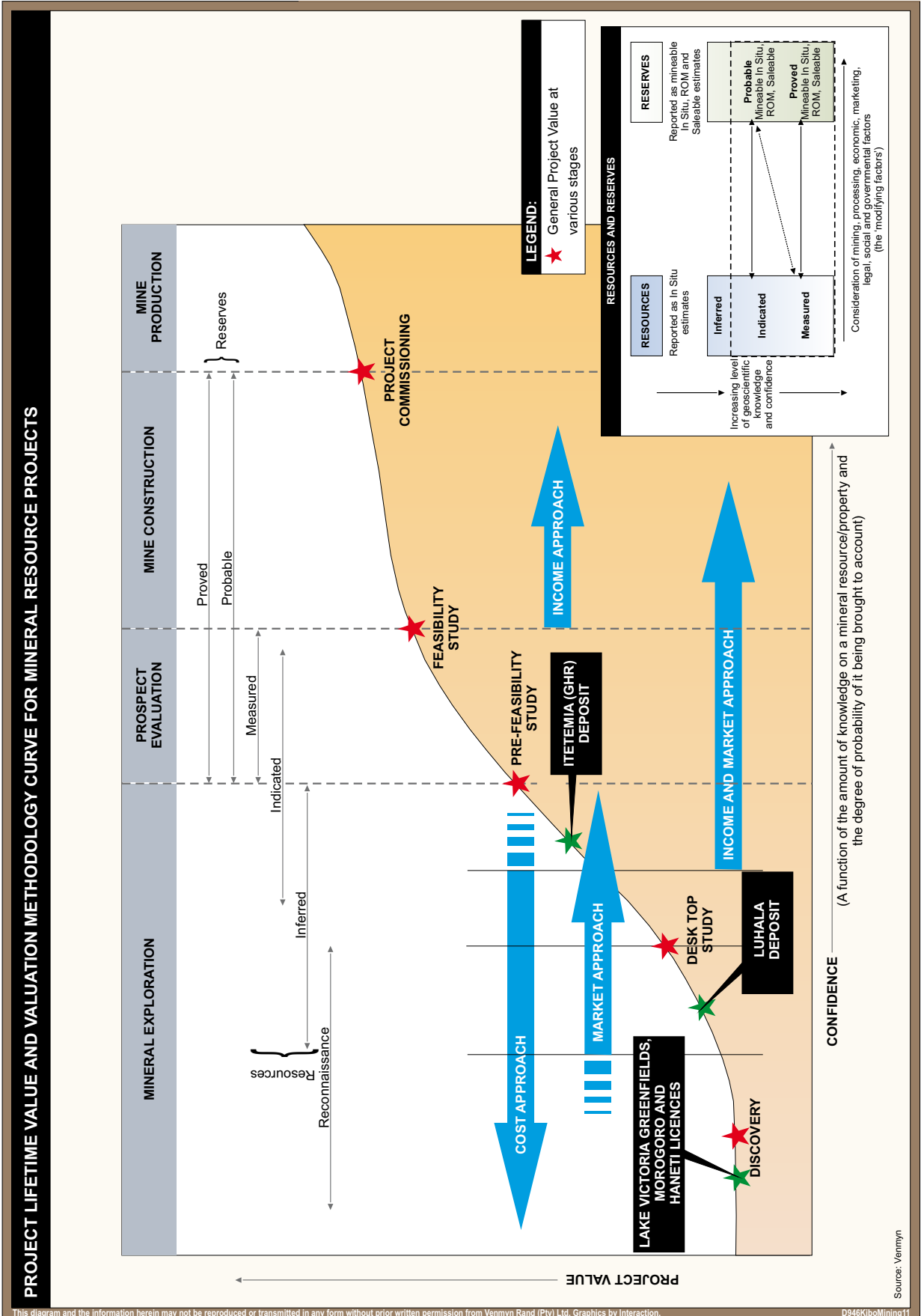
As the confidence in mineral resource estimates is increased, i.e. from Inferred Mineral Resources to Indicated Mineral Resources and Measured Mineral Resources, so is the veracity of the valuation. Table 26 and Figure 43 illustrate the link between a project's development status and the most appropriate valuation methodology.

Table 26: Valuation Approach and Methodologies

VALUATION APPROACH	VALUATION METHODOLOGY	EXPLORATION AREAS	DEVELOPMENT PROPERTIES	MINING PROPERTIES	DORMANT PROPERTIES		DEFUNCT PROPERTIES
					ECONOMICALLY VIABLE	UNVIABLE	
Cash Flow	Various DCF methods	N/A	P1	P1	P1	NA	NA
Sales Comparative	Comparable transactions	P1	P3	P2	P2	P1	P1
Cost	Asset Recognition and Impairment Test	P2	NA	NA	NA	P3	P2

P1 = Most acceptable method and widely used
P2 = Acceptable approach and quite widely used

P3 = Less acceptable approach, less widely used and poorly understood.



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14.1. Valuation Methodologies **SV2.8, SV2.9**

As outlined in Figure 43, the value enhancement of mining projects typically takes the form of an S-Curve during the different stages of the resource upgrade, from the discovery of the deposit through to the mineral project commissioning stage. The methodologies used in valuing a mineral asset differ depending on the developmental stage of the project i.e. exploration, development and production properties.

The following three valuation approaches are internationally accepted methods of valuing mineral projects, as illustrated in Table 26 and summarised below:-

- **Cash Flow Approach:** used to value development and production properties and relies on the “value in use” principle and requires determination of the present value of future cash flows over the useful life of the mineral asset;
- **Market Approach:** used to value exploration and development properties and which is based on the relative comparisons of similar properties for which a transaction is available in the public domain. The market approach relies on the principle of “willing buyer, willing seller” and requires that the amount obtainable from the sale of the mineral asset is determined as if in an “arms length” transaction; and
- **Cost Approach:** used to value early stage exploration properties and which relies on the historical and future exploration expenditure.

The contributing mineral assets of Kibo can be defined as early to advanced stage exploration projects. Consequently, all contributing properties were valued using both the Cost Approach and Market Approach.

14.1.1. Cost Approach

The SAMVAL Code definition states that the Cost Approach relies on historical and/or future expenditure on the Mineral Asset. In the case where insufficient confidence exists in the technical parameters of the mineral asset, valuation methods rely almost entirely on the principle of historical cost, implying that an asset's value is correlated to the money spent on its acquisition and development.

14.1.2. Market Approach

According to the SAMVAL Code, “The Market Approach relies on the principle of ‘willing buyer, willing seller’ and requires that the amount obtainable from the sale of the Mineral Asset is determined as if in an arm’s-length transaction”.

The Market Approach is based upon other, preferably recent, arm’s length transactions of a similar nature, which determines a monetary value per unit of resource (where available) or per unit of defined mineralisation.

In order to arrive at a reasonable market value, appropriate recent and historical transactions must form the basis of the valuation. Venmyn make use of a comparative valuation graphs, consisting of databases of various, similar, “arm’s length” transactions, which are plotted in relation to their specific stage of exploration.

14.1.3. Cash Flow Approach

According to the SAMVAL Code, “The Cash Flow Approach relies on the ‘value-in-use’ principle and requires determination of the present value of future cash flows over the useful life of the Mineral Asset”. This approach has not been considered in the Kibo MAV.

14.2. Kibo’s Cost Approach Valuation

The Cost Approach is based on historical costs incurred by Kibo to-date. Venmyn has been provided, by Kibo, with the historical costs including direct exploration expenditure and payments made to exercise the various options (Section 8.3). A summary of the various expenditures on the Projects, to-date, is given in Table 27. Acquisition costs for the Lake Victoria Greenfields and Morogoro Projects are grouped as they were subject to a single transaction (Section 9.7 and Section 10).

Table 27: Summary of Expenditure on Kibo's Projects To-Date

PROJECT	ACQUISITION COSTS (USDm)	OPTION COSTS (USDm)	EXPLORATION COSTS (USDm)	TOTAL
Lake Victoria	Itetemia	-	1.06	2.10
	Luhala	-	0.45	
	Greenfields	2.72	-	2.78
Morogoro		0.04	0.02	
Haneti	0.63	-	0.52	1.14
TOTAL/ WT. AVE	3.35	1.12	2.04	6.51

Venmyn has considered that all costs were either directly or indirectly attributable to the exploration of the contributing projects and/or payments made in order to exercise the various options. In total ~USD6.51m has been spent on the contributing projects by Kibo and its subsidiaries to-date.

Venmyn has considered the prospectivity of the contributing projects according to the classification of exploration phases illustrated in Table 28. This table represents Venmyn's standard PEM schedule for precious and base metal deposits. In Venmyn's opinion, these PEM values reflect fair and reasonable multipliers based upon on the amount of work associated with and/or the development status of any particular project.

Table 28: Venmyn's PEM Schedule Based on Exploration Phase

PHASE COMPLETED	EXPLORATION PHASE	UPPER PEM	LOWER PEM	EXPLORATION ACTIVITY
0	Exploration Concept	0.5	0	Project about which nothing is known, but which has potential on a conceptual basis.
1	Desktop Study	1	0	Historical and literature study, records or evidence of mineralisation findings in the area. Historical artisanal mining data if any. Reconnaissance soil/stream sampling.
2	Reconnaissance and soil/stream sampling	1	0.5	Geological mapping if terrain suitable. Stream and/or soil sampling. Historical drilling with intercept data, no laboratory assay. Reconnaissance soil/stream sampling.
3	Ground Follow-up	1.5	1	Detailed outcrop mapping, identification of mineralised rocks, outcrop mapping. Sampling of exposed rocks where available. Historical drilling data with intercept and analyses, but of questionable authenticity. Follow up soil/stream sampling.
4	Ground Follow-up	2	1	Ground geophysics, remote sensing techniques. Reliable historical drilling, but correlations difficult due to density of drilling.
5	First-phase Drilling	3	1	Drilling on widely spaced grid with preliminary assaying. First-pass tonnage estimate. Inferred Resource.
6	Resource Drilling	5	2	In-fill drilling, detailed gold and/or base metal analyses. Establish market potential, detailed resource tonnage estimation. Advanced Inferred and Indicated resource classification.
7	Historic Mining	10	3	Previous commercial production, establishing reliable and well documented grade and tonnage, etc. Measured Resource.
8	Reserve Classification	>10.0		Complete feasibility assessment, establish economics, and design a mine of an appropriate nature. Classification of Reserves.

In order to establish an appropriate PEM, the contributing projects were classified with respect to Table 28 knowing that each new exploration phase was carried out contingent upon the successful outcome of the preceding phase. In addition, the PEM selected, was reviewed taking into consideration proximity to well understood resource areas, sampling density and a qualitative assessment of the prospects for eventual extraction.

Venmyn analysed and rated the contributing projects according to the reported results achieved from exploration activities as well as the success these activities have had on the classification of mineral resources over the contributing properties.

The full dynamics of the Cost Approach valuation is illustrated Table 29:-

Table 29: Full Dynamics of the Cost Approach Valuation

PROJECT	ACQUISITION COST (USDm)	EXPLORATION EXPENDITURE TO-DATE (USDm)	OPTION COSTS TO-DATE (USDm)	TOTAL COSTS (USDm)	LOWER PEM	UPPER PEM	LOWER PROJECT VALUE (USDm)	MEAN PROJECT VALUE (USDm)	UPPER PROJECT VALUE (USDm)	PREFERRED PROJECT MEE VALUE (USDm)	PREFERRED KIBO MAY* (USDm)
Lake Victoria	0.00	1.06	0.59	1.65	0	5	0.00	4.14	8.27	4.14	3.72
	0.00	0.45	0.49	0.94	0	3	0.00	1.40	2.81	1.40	1.40
Morogoro	2.72	0.00	0.00	2.78	0	2	0.00	2.78	5.56	2.78	2.77
	0.63	0.52	0.00	1.14	0	2	0.00	1.14	2.28	1.14	1.14
TOTAL/ WT. AVE	3.35	2.04	1.12	6.51			0.00	9.46	18.92	9.46	9.04

Notes:

* Kibo only have options to acquire 90% of Iitemia and Morogoro Licence PL5625/2009

In the case of Itetemia and Luhala, the total costs included the total costs of exercising the options to-date and the total exploration expenditure by Kibo and its subsidiaries to-date. The total expenditure was multiplied by PEM's of between 0 and 5 for Itetemia and 0 and 3 for Luhala based on their respective exploration phases defined in Table 28. This reflects a relative enhancement in the prospectivity of the projects as a result of the exploration, drilling, resource estimation and other investigations.

In the case of the Lake Victoria Greenfields and Morogoro licences, the only costs considered were the acquisition costs of Kibo's recent 100% acquisition of Morogoro Gold (Section 9.7 and Section 10) for a consideration of USD2.72m (in Kibo shares) and the exploration costs incurred by Kibo and its subsidiaries on licence PL5625/2009 in the Morogoro Projects area. The total expenditure was multiplied by PEM's of between 0 and 2 based on the exploration phases defined in Table 28.

In the case of the Haneti Projects licences, the only costs considered are the acquisition costs of Kibo's 100% acquisition of Eagle Gold Mining for a consideration of USD0.63m (in Kibo shares) in July 2008 and the exploration costs incurred by Kibo and its subsidiaries, to-date, since then. The total expenditure was multiplied by PEM's of between 0 and 2 based on the exploration phases defined in Table 28.

The range in values is commensurate with the low degree of confidence the valuator places on this valuation approach, the early stage of development associated with the contributing projects, and the significance of the results achieved to-date.

The value range derived from the Cost Approach is between Zero (low valuation) and USD18.92m (high valuation). This valuation range was calculated from the range of PEM values as defined by the Cost Approach. Venmyn's preferred value using the Cost Approach is the mean value (between zero and USD18.92m) of USD9.46m for the contributing projects. Kibo's attributable value is therefore considered to be USD9.04m

14.3. Kibo's Market Approach Valuation

In order to arrive at a reasonable market value with which to compare the contributing projects at the effective date, appropriate historical transactions must form the basis.

Venmyn have detailed transaction databases for Au, Ni and Base Metal projects on which Mineral Resources have been defined and on which they have not.

In the case of Itetemia and Luhala, Mineral Resources have been defined and Venmyn was able to carry out a Market Valuation on the basis that recent market valuations of a similar nature provide the proxy for value. In order to arrive at a reasonable market value with which to compare the respective projects, appropriate recent and historical transactions must form the basis.

Figure 44 summarises Venmyn's database of recent unit market valuations within the context of the global gold market with reference to the respective resource and reserve classifications. While Venmyn has considered the entire transaction database to derive an appropriate comparable transaction value, the valuation specifically considered Tanzanian greenstone-hosted gold projects which have been highlighted in Figure 44.

Using the Venmyn Gold Valuation curve, provided guidance to the Competent Valuator on a "fair" value, taken as the average of all the Tanzanian greenstone-hosted gold project transactions and range of values. No distinction in the range of unit values is made between Itetemia and Luhala as Venmyn consider it too early to differentiate their relative prospectivity and consider the large range of unit values selected adequate to accommodate any differences that may exist.

The dynamics of the Market Approach for projects with Mineral Resources is shown in Table 30.

Venmyn is of the opinion that the ranges defined are reasonable in light of transactions of a similar nature and consideration of the following:-

- the opencastability of the resources;
- the magnitude of the classified Mineral Resources;

- availability of infrastructure and logistics; and
- the timing of potential exploitation.

In the case of the Lake Victoria Greenfields, Morogoro and Haneti projects, no Mineral Resources have been defined. Venmyn have compiled databases of transactions involving Au, Ni and Base Metal properties on which no Mineral Resources had yet been defined.

Figure 45 summarises Venmyn's database of unit market valuations within the context of the Au market, with reference to the respective developmental stages of exploration projects. While Venmyn has considered the entire transaction database to derive an appropriate comparable transaction value, the valuation specifically considered Tanzanian Au projects without Resources, which have been highlighted in Figure 45.

Figure 46 summarises Venmyn's database of unit market valuations within the context of the base metal market, with reference to the respective developmental stages of exploration projects. While Venmyn has considered the entire transaction database to derive an appropriate comparable transaction value, the valuation specifically considered Tanzanian Ni projects without Resources, which have been highlighted in Figure 46.

Using Figure 45 provided guidance to the Competent Valuator on a "fair" gold value for the Lake Victoria Greenfields and Morogoro projects, taken toward the base of the curve to reflect the greenfields nature of these projects and the observation that Au projects in Tanzania tend to plot towards the low end of USD/km² values defined for their respective development stage. Cognisance was also taken of the recent Morogoro Gold/Kibo transaction (Section 9.7 and Section 10), which is also illustrated in Figure 45. Venmyn considered the Lake Victoria Greenfields properties to have a higher general prospectivity (and value potential) than the Morogoro Projects properties, given their location in a well known goldfield and their proximity to known gold occurrences and operating mines. The Morogoro Projects Properties represent a non-traditional exploration project with greater geological uncertainty and only limited known gold occurrences (only exploited by artisanal miners at this stage). Consequently, Venmyn has allocated higher maximum unit values for the Lake Victoria Greenfields properties.

Using Figure 46 provided guidance to the Competent Valuator on a "fair" Ni value for the Haneti Project, taken toward the base of the curve to reflect the greenfields nature of these projects. Cognisance was also taken of the recent Eagle Gold Mining/Kibo transaction, which is also illustrated in Figure 46.

It is important to note that in assessing the value of the various Kibo licences, Venmyn only considered active licences, licences under offer and applications for ground relinquished by a subsidiary company (as Kibo and its subsidiaries have a history of successfully being awarded relinquished licences in subsidiary companies). No value has been ascribed to new applications as there is no guarantee of these licences being awarded. The full dynamics of the market valuation for projects without Mineral Resources is shown in Table 31.

Venmyn is of the opinion that the ranges defined are reasonable in light of transactions of a similar nature and consideration of the following:-

- the early stage (greenfields) nature of the projects;
- the limited understanding of the geological and structural settings of the projects;
- the geochemical results received to-date;
- the extent and status of the project areas;
- the availability of infrastructure and logistics; and
- the timing of potential exploitation.

Table 30: Full Dynamics of the Market Valuation for Projects With Mineral Resources

PROJECT	INFERRED GOLD RESOURCE				INDICATED GOLD RESOURCE				PROJECT MARKET VALUE				
	TOTAL INFERRED (Moz)	LOWER UNIT VALUE (USD/oz)	UPPER UNIT VALUE (USD/oz)	MEAN VALUE (USDm)	TOTAL INDICATED RESOURCE (Moz)	LOWER UNIT VALUE (USD/oz)	UPPER UNIT VALUE (USD/oz)	MEAN VALUE (USDm)	LOWER PROJECT VALUE (USDm)	MEAN PROJECT VALUE (USDm)	UPPER PROJECT VALUE (USDm)	PREFERRED PROJECT VALUE (USDm)	PREFERRED KIBO MAV* (USDm)
Lake Victoria	0.16	5	20	1.95	0.27	80	100	23.96	22.08	25.91	29.7	25.91	23.32
Luhala	0.11	5	20	1.40	-	80	100	0.00	0.56	1.40	2.2	1.40	1.40
TOTAL/ WT. AVE	0.27	5	20	3.35	0.27	80	100	23.96	22.64	27.31	31.98	27.31	24.72

Notes:

* Kibo only have options to acquire 90% of Iitemia

Table 31: Full Dynamics of the Market Valuation for Projects Without Mineral Resources

PROJECT	AREA (km ²)	INFERRED GOLD RESOURCE				INDICATED GOLD RESOURCE				PROJECT MARKET VALUE			
		LOWER UNIT VALUE (USD/km ²)	UPPER UNIT VALUE (USD/km ²)	MEAN VALUE (USDm)	TOTAL INDICATED RESOURCE (Moz)	LOWER UNIT VALUE (USD/oz)	UPPER UNIT VALUE (USD/oz)	MEAN VALUE (USDm)	LOWER PROJECT VALUE (USDm)	MEAN PROJECT VALUE (USDm)	UPPER PROJECT VALUE (USDm)	PREFERRED PROJECT VALUE (USDm)	PREFERRED KIBO MAV (USDm)*
Lake Victoria	2,216.16	-	1,000	-	-	1.11	2.22	1.11	-	-	-	1.11	1.11
Morogoro	6,189.59	-	300	-	-	0.93	1.86	0.93	-	-	-	0.93	0.93
Haneti	7,015.83	-	500	-	-	1.75	3.51	1.75	-	-	-	1.75	1.75
TOTAL/ WT. AVE	15,421.58	-	491.58	-	-	3.79	7.58	3.79	-	-	-	3.79	3.79

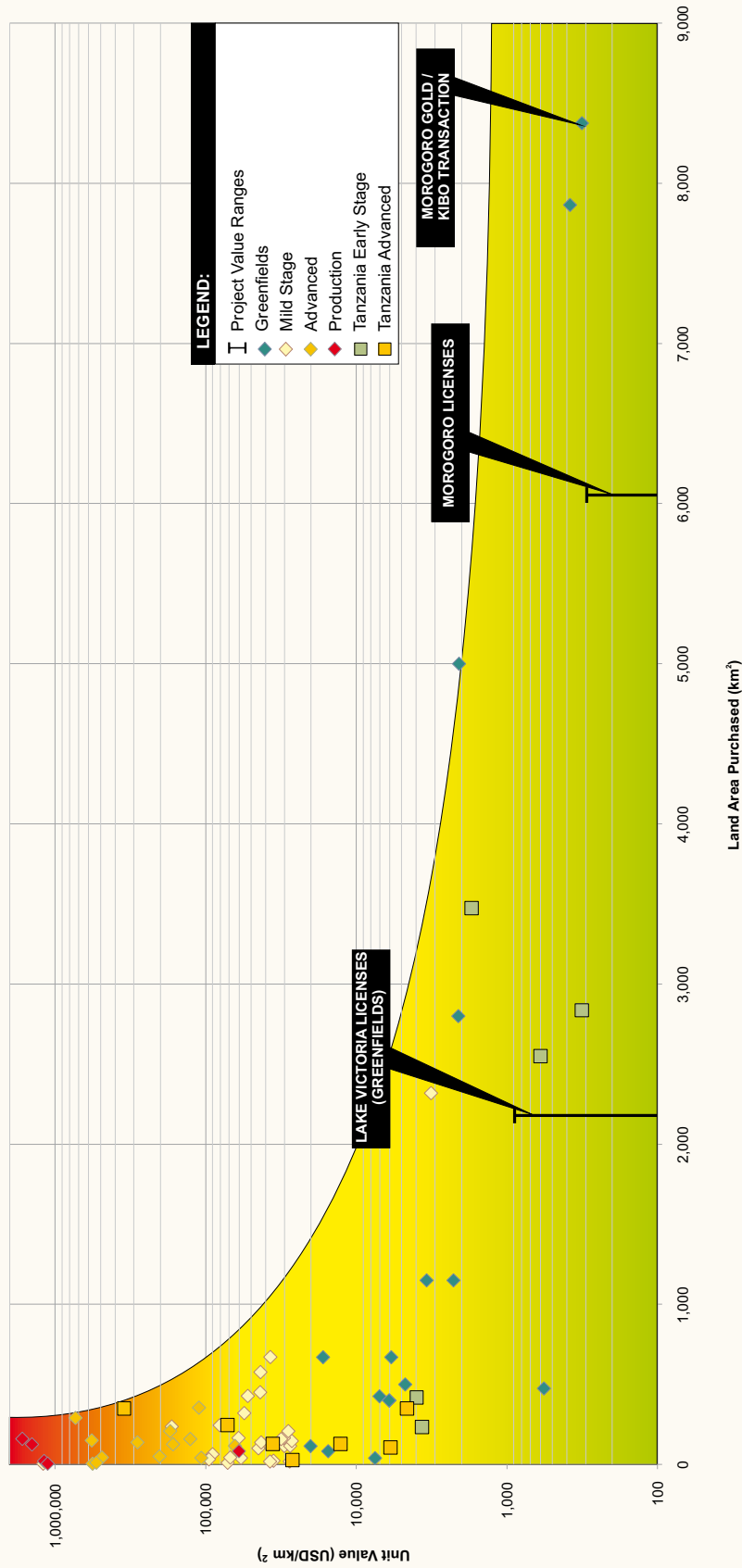
Notes:

* Kibo only have options to acquire 90% of Morogoro Licence PL5625/2009



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VENMYN'S GOLD VALUE CURVE FOR GOLD PROJECTS WITHOUT RESOURCES

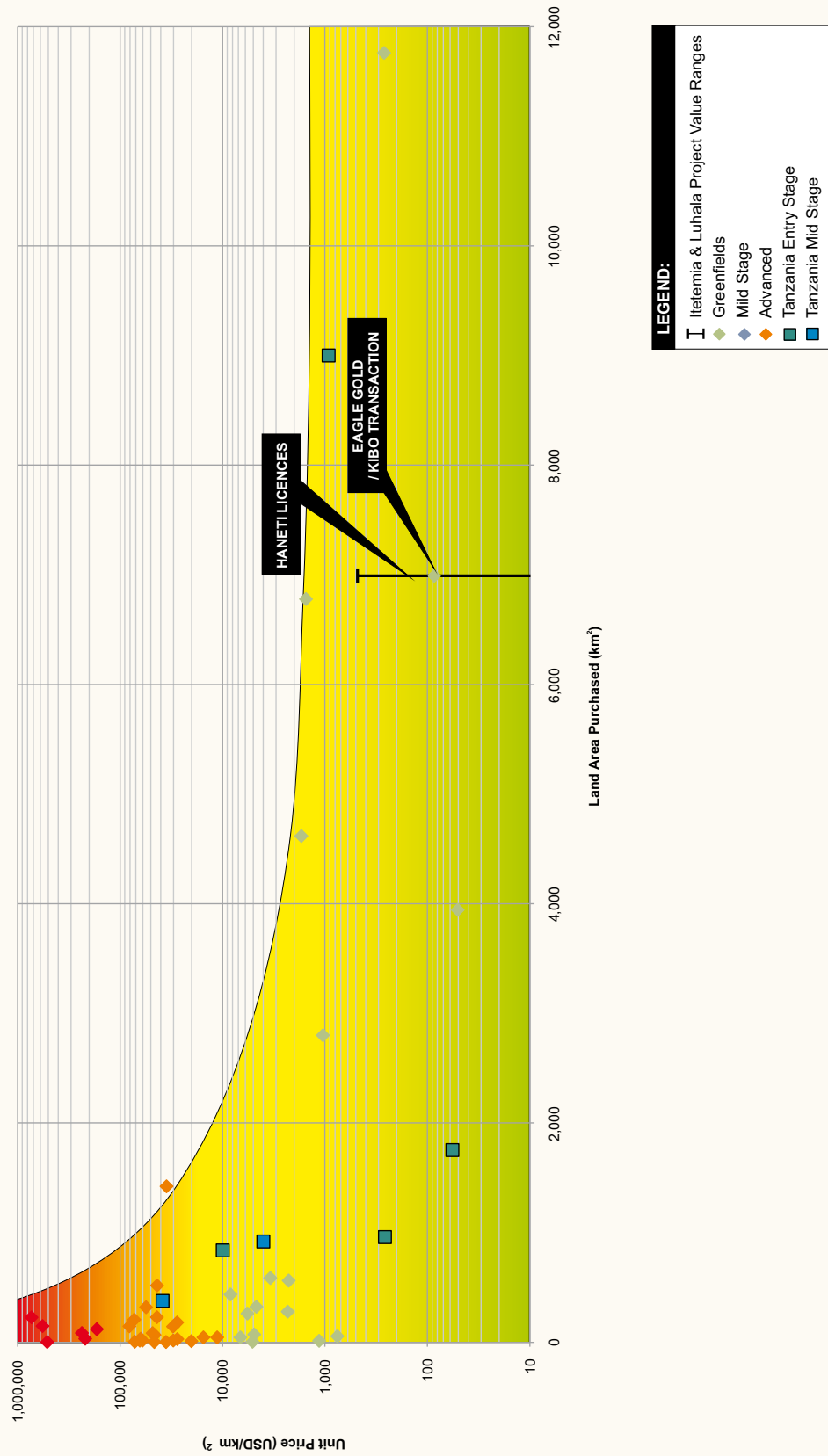


Source: Venmyn

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VENMYN'S BASE METAL CURVE FOR BASE METAL PROJECTS WITHOUT RESOURCES



Source: Venmyn

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Table 32 summarises the results from the various Market Approach valuations for the contributing projects:-

Table 32: Summary of Kibo Market Valuation

PROJECT	PROJECT MARKET VALUE					
	LOWER PROJECT VALUE (USDm)	MEAN PROJECT VALUE (USDm)	UPPER PROJECT VALUE (USDm)	PREFERRED PROJECT VALUE (USDm)	PREFERRED KIBO MAV* (USDm)	
Lake Victoria	Itetemia	22.08	25.91	29.74	25.91	23.32
	Luhala	0.56	1.40	2.24	1.40	1.40
	Greenfields	0.00	1.11	2.22	1.11	1.11
Morogoro	0.00	0.93	1.86	0.93	0.93	
Haneti	0.00	1.75	3.51	1.75	1.75	
TOTAL/ WT. AVE	22.64	31.10	39.56	31.10	28.51	

Notes:

* Kibo only have options to acquire 90% of Itetemia and Morogoro Licence PL5625/2009

The value range derived from the Market Approach is between USD22.64m (low valuation) and USD39.56m (high valuation). This valuation range was calculated from the range of unit values as defined by the Market Approach. The value range reflects the level of confidence attached to the greenfields projects. The population of historic market transactions and valuations provides an indication of reasonability.

Venmyn's preferred value is the mean value derived from the unit value ranges per project. This results in a preferred value, using the Market Approach, of USD31.10m for the contributing projects. Kibo's attributable value is therefore considered to be USD28.51m

14.4. Summary of Kibo's MAV **SV2.15**

The results of the respective valuation approaches are summarised in Table 33. The MAV has presented a range of values from Zero to USD39.56m:-

Table 33: Valuation Summary and Concluding Opinion

VALUATION METHOD	LOWER PROJECT VALUE (USDm)	MEAN PROJECT VALUE (USDm)	UPPER PROJECT VALUE (USDm)	PREFERRED KIBO MAV (USDm)
Cost Approach	0.00	9.46	18.92	9.04
Market Approach	22.64	31.10	39.56	28.51
PREFERRED VALUE			28.51	

The range of values derived from the Cost Approach and the Market Approach are not mutually supportive and it is clear that Market Approach results in higher values. This is primarily a result of the Option Agreement over Itetemia and Luhala (Section 8.3).

Since Kibo only gained access to Itetemia and Luhala in 2007, the majority of the historical costs associated with the development of these projects could not be attributed to Kibo, and consequently their PEM values are disproportionately low. As a consequence, Venmyn consider the Fair Value of the mineral assets of Kibo to be represented by the values derived from the Market Approach valuations. In addition, the Market Approach is considered a more appropriate valuation technique, in this case, as it considers the full resource base and the actual transactions and market values, and allows for a thorough review of the logistical, infrastructural and strategic merits of the projects. In addition, Venmyn's databases provide a comprehensive and reliable benchmark for recent relevant transactions in the gold and nickel industries in general and those of Tanzania in particular.

In Venmyn's opinion, the attributable Fair Value of the mineral assets of Kibo at the effective date, is USD28.51m.

The reader should note that a future transaction involving the assets in question will rely on a willing-buyer willing-seller arms length transaction which will need to consider other strategic considerations, such as the relative scarcity of Tanzanian gold and nickel projects. Any opinion on an actual transaction value would need to consider the full range of values presented (Zero – USD39.56m), given the inherent uncertainties regarding the valuation techniques employed.

The valuation of exploration assets is, by nature, both subjective and uncertain. The placing of a specific monetary value on historical exploration can be misleading, and the reader is advised to consider the ranges in which each project has been evaluated, and to further consider the technical merits of each project area and form an opinion regarding its prospectivity on the basis of the data presented in this report.

14.5. Valuation Assumptions **SV2.10**

Venmyn arrived at the valuation opinion based upon the following assumptions:-

- the valuation was based on the Lake Victoria Projects, Morogoro Projects and the Haneti Projects;
- the Option Agreements in respect of Itetemia and Luhala as well as licence PL5625/2009 at the Morogoro Projects (Section 8.3) will continue to be honoured and Kibo are and will remain in a financial position to continue exercising their options. Venmyn are not aware of any circumstances that would prevent Kibo from doing so;
- that there will be no impediments to the legal transfer of the mineral rights from the grantors of the options and/or licences holders to Kibo or its subsidiaries once the options have been fully exercised;
- the attributable interest in the Projects is 100%, except for Kibo's option over Itetemia and licence PL5625/2009 at the Morogoro Projects which is 90%;
- gold price of USD1,400/oz;
- nickel price of USD12.6/lb; and
- historical costs as summarised in Table 27.

14.6. Forward Looking Statements **SV2.10**

This report contains forward-looking statements. These forward looking statements are based on opinions and estimates of Kibo management and Venmyn at the date the statements are made. They are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in our forward-looking statements. Factors that could cause such differences include changes in world gold markets, equity markets, costs and supply of materials relevant to the projects, and changes to regulations affecting them. Although we believe the expectations reflected in our forward-looking statements to be reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

14.7. Sources of Information and Other Experts **SV2.11**

All technical data was sourced from Kibo, its subsidiaries or documents as outlined in Appendix 9.

14.8. Previous Valuations **SV2.11, SV2.12**

In February 2010, CSA conducted a MAV on the gold and nickel mineral assets of Kibo, in preparation of Kibo's admission to the AIM Market. To this end, CSA applied several valuation methods to the various projects, including:-

- the Kilburn Method;
- the Comparable Transactions (Market Approach) Method; and
- the Multiple of Exploration Expenditure (MEE)(Cost Approach) Method.

For the Kilburn Method, a base value per unit of licence area was estimated, which was then multiplied successively by the area of licences, and a series of ranking factors reflecting CSA's assessments of prospectivity. The Comparable Transaction Method identified and analysed a number of transactions involving assets with similar characteristics to those valued by CSA to derive values per unit of area or per unit of resource, which was then applied to the area of licences/resources valued. The MEE method considered past exploration expenditure and applied a factor to reflect the effectiveness of the expenditure in terms of whether value was deemed to have been enhanced, or diminished by some factor of the expenditure. The valuations for the CSA MAV are summarised in Table 34.

Table 34: Summary of CSA's 22nd February Valuation for Kibo

PROJECT	PROJECT MARKET VALUE			
	LOWER PROJECT VALUE (USDm)	PREFERRED PROJECT MEE VALUE (USDm)	UPPER PROJECT VALUE (USDm)	
Lake Victoria	Itetemia	6.00	9.00	11.00
	Luhala	0.30	0.40	0.60
Morogoro	0.30	0.30	0.40	
Haneti	9.00	10.00	12.00	
TOTAL/ WT. AVE	15.60	19.70	24.00	

The CSA valuation differs from the Venmyn valuation presented here in that, *inter alia*:-

- the CSA valuation was prepared in accordance with the VALMIN Code, while the Venmyn valuation has been prepared in accordance within the SAMVAL Code;
- the CSA valuation only considered the valuation of the Itetemia and Luhala deposits as well as the Haneti Projects and single Morogoro licence held at the time, while Venmyn have additionally considered the recently acquired Lake Victoria Greenfields licences and Morogoro licences from Morogoro Gold;
- the CSA valuation only considered the exploration expenditure as at 1st February 2010, while the Venmyn valuation considered the exploration expenditure as at 1st February 2011;
- the CSA valuation was conducted in consideration of commodity prices and market conditions, as at 1st February 2010, while the Venmyn valuation was conducted in consideration of commodity prices, and market conditions as at 8th March 2011;
- the CSA valuation was conducted in consideration of the exploration results as at 1st February 2010, while the Venmyn valuation was conducted in consideration of the exploration results as at 1st February 2010; and
- an obvious inconsistency between the CSA valuation and the Venmyn valuation is with respect to the Haneti Project. CSA allocated a value of approximately USD10.0m, while Venmyn allocated a value of less than USD2.0m. However given that the project was acquired for a consideration of only USD0.63m and only USD0.52m has been spent on exploration since then, Venmyn considers that the CSA estimate was too high.

Given the above, Venmyn consider the difference in the valuations achieved between CSA and Venmyn appropriate, with Venmyn's valuation reflecting current (improved) market conditions and value addition through acquisitions and exploration successes.

14.9. Audits, Reviews and Historic Verification SV2.19

No audits or reviews of the MAV have been conducted, and a historic verification of the performance parameters on which the MAV is based cannot be presented.

15. CONCLUSIONS

Kibo has access to an extensive, well balanced portfolio (greenfields to advanced exploration stage projects) of prospecting licences within a number of prospective project areas within Tanzania.

The Lake Victoria Projects represent early to advanced stage exploration projects, in a traditional greenstone belt prospecting environment in Northern Tanzania. The Lake Victoria Project area includes:-

- the small, yet robust, medium-grade, near surface GHR deposit, that warrants further feasibility investigations;
- the small, low grade, near surface, Au deposits of Luhala, that warrant significant additional exploration in order to increase the resource base; and
- an extensive portfolio of greenfields gold exploration properties.

Venmyn consider the benefit of additional exploration at Itetemia to be low. However, we do consider that the economic assessment of the GHR is updated and progressed to a Pre-Feasibility stage in order to test the viability of developing the GHR further. With respect to Luhala, Venmyn consider that significant additional work is required to better understand the geological and structural environment and to increase the resource base. The greenfields projects are located within a traditional gold exploration environment and provide the potential for additional discoveries and mineral resources, however exploration on these properties is still in its infancy. The recent acquisition of the Morogoro Gold licences has therefore considerably increased Kibo's exploration footprint within the LVG and has added significant greenfields exploration properties to its portfolio along with its options over Itetemia and Luhala.

The Morogoro Projects comprise an extensive portfolio of licences within a non-traditional gold exploration environment, within southeastern Tanzania. Very limited sampling has been conducted within the project area, with only limited reconnaissance stream sampling in proximity to known alluvial occurrences. Positive results to-date warrant follow-up sampling and geological and structural mapping in previously sampled areas. However, given the lack of geological knowledge in the project area, reconnaissance sampling is recommended for all un-sampled licences. Venmyn consider that the licences have potential for the discovery of non-traditional gold mineralisation within the Morogoro Projects area, based on the limited exploration results received to-date, the initial assessment of the geological and structural environments within the licences, increased artisanal activity in the area, and the extensive licence portfolio available for prospecting. The Morogoro Projects offer an attractive opportunity to conduct exploration in a prospective area in which very little previous systematic exploration has been undertaken, and which may be set to become a new goldfield within Tanzania.

The Haneti Projects comprise an extensive portfolio of licences within central Tanzania, that are variably prospective for Ni-Cu-PGE and Au. The Haneti Projects represent early stage exploration projects, with only limited reconnaissance soil and trench sampling having been conducted over a few of the anomalies to-date. While a number of anomalies require follow-up sampling, results to-date suggest that the HUC remains prospective, and justifies continued exploration, with Mwaka Hill representing an obvious follow-up target.

While the GHR should be rapidly moved to a development project, the majority of Kibo's portfolio of licences will require a persistent and systematic approach to prospecting and development as well as a thorough understanding of the local geology and regional structural environments of each of the project areas. Future exploration programmes should be aligned with this objective, taking into account the mineralisation potential of each area. Kibo are well placed in Tanzania to take advantage of the renewed demand for mineral projects, specifically within Africa, and prioritising those projects/targets with the greatest potential will be key to Kibo's success.

Yours Faithfully,



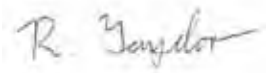
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SR11A(iii); SV2.14

Signed on 15th March 2011.

Effective Date of Report : 8th March 2011

Appendix 1: Summary Table of Assets **SR1.7A(iii)**

ASSET	CURRENT PL NO.	OFFER REG. NO.	APPLICATION NO.	HOLDER	INTEREST (%)	STATUS	EXPIRY DATE	CURRENT AREA (km ²)	COMMENTS
	PL 3698/2005	HQ-G16735	HQ-G16736	SUN MINING LTD	100%	Exploration	06-Nov-12	1.96	
	PL 3734/2005	HQ-G16736	HQ-G16737	SAVANNAH MINING LTD	100%	Exploration	06-Nov-12	7.68	
	PL 4049/2007	HQ-G16294	HQ-G16295	SAVANNAH MINING LTD	100%	Exploration	14-Feb-12	3.72	
	PL 4202/2006	HQ-G16229	HQ-G16229	SAVANNAH MINING LTD	100%	Exploration	13-Dec-11	10.98	
	PL 4354/2007	HQ-G16425	HQ-G16425	SAVANNAH MINING LTD	100%	Exploration	08-May-12	2.56	Preliminary, greenfields exploration.
	PL 4359/2007	HQ-G16424	HQ-G16424	SAVANNAH MINING LTD	100%	Exploration	08-May-12	11.16	
	PL 5243/2008	4850	4850	SAVANNAH MINING LTD	100%	Exploration	23-Jul-11	25.74	
	PL 5378/2008	4829	4829	SAVANNAH MINING LTD	100%	Exploration	23-Oct-11	3.75	
	PL 5509/2008	2990	2990	ACROW GROUP OF COMPANIES	100%	Exploration	30-Dec-11	11.37	
	PL 5724/2009	HQ-P15396	HQ-P15396	SAVANNAH MINING LTD	90%	Exploration	11-Jun-11	5.97	
	PL 6283/2009	HQ-P16031	HQ-P16031	SAVANNAH MINING LTD	100%	Exploration	Not Specified	19.90	
				TOTAL ACTIVE LICENCES				104.79	
	PL 2823/2004	2559	2559	SAVANNAH MINING LTD	100%	Exploration	Not Specified	7.38	
	PL 2824/2004	4167	4167	SAVANNAH MINING LTD	100%	Exploration	Not Specified	16.10	
	PL 3004/2005	4168	4168	SAVANNAH MINING LTD	100%	Exploration	Not Specified	21.86	
	PL 3012/2005	4606	4606	SAVANNAH MINING LTD	100%	Exploration	Not Specified	26.44	
	PL 3013/2005	HQ-P16392	HQ-P16392	SAVANNAH MINING LTD	100%	Exploration	Not Specified	16.50	
	PL 3010/2005	HQ-P17618	HQ-P17618	SAVANNAH MINING LTD	100%	Exploration	Not Specified	3.72	Preliminary, greenfields exploration.
	PL 3007/2005	HQ-P17620	HQ-P17620	SAVANNAH MINING LTD	100%	Exploration	Not Specified	7.74	
	PL 3004/2005	HQ-P17621	HQ-P17621	SAVANNAH MINING LTD	100%	Exploration	Not Specified	25.01	
	PL 3016/2005	HQ-P17622	HQ-P17622	SAVANNAH MINING LTD	100%	Exploration	Not Specified	20.47	
	PL 3015/2005	HQ-P17623	HQ-P17623	SAVANNAH MINING LTD	100%	Exploration	Not Specified	9.70	
	PL 3021/2005	HQ-P20405	HQ-P20405	TABITHA TIMOTHY	100%	Exploration	Not Specified	4.83	
	PL 3022/2005	HQ-P20406	HQ-P20406	TABITHA TIMOTHY	100%	Exploration	Not Specified	11.51	
				TOTAL LICENCES UNDER OFFER				171.26	
	PL 2650/2004	NA	HQ-P16482	SAVANNAH MINING LTD	100%	Exploration	NA	4.63	
	PL 2772/2004	NA	HQ-P16872	SAVANNAH MINING LTD	100%	Exploration	NA	50.41	
	PL 2736/2004	NA	HQ-P16873	SAVANNAH MINING LTD	100%	Exploration	NA	22.97	
	PL 2824/2004	NA	HQ-P17023	SAVANNAH MINING LTD	100%	Exploration	NA	9.58	
	PL 2823/2004	NA	HQ-P17024	SAVANNAH MINING LTD	100%	Exploration	NA	8.44	
	PL 2057/2002	NA	HQ-P17192	SAVANNAH MINING LTD	100%	Exploration	NA	3.65	
	PL 2049/2002	NA	HQ-P17193	SAVANNAH MINING LTD	100%	Exploration	NA	5.15	
	PL 2067/2002	NA	HQ-P17207	SAVANNAH MINING LTD	100%	Exploration	NA	11.22	
	PL 3013/2005	NA	HQ-P17619	SAVANNAH MINING LTD	100%	Exploration	NA	37.73	Preliminary, greenfields exploration.
	PL 3014/2005	NA	HQ-P17624	SAVANNAH MINING LTD	100%	Exploration	NA	66.88	
	PL 3011/2005	NA	HQ-P17625	SAVANNAH MINING LTD	100%	Exploration	NA	25.72	
	PL 3012/2005	NA	HQ-P17626	SAVANNAH MINING LTD	100%	Exploration	NA	22.95	
	PL 3017/2005	NA	HQ-P17627	SAVANNAH MINING LTD	100%	Exploration	NA	137.60	
	PL 3030/2005	NA	HQ-P17630	SUN MINING LTD	100%	Exploration	NA	51.40	
	PL 3019/2005	NA	HQ-P17631	SUN MINING LTD	100%	Exploration	NA	102.80	
	PL 3021/2005	NA	HQ-P17632	SUN MINING LTD	100%	Exploration	NA	61.74	

Lake Victoria Project Tanzania

ASSET	CURRENT PL NO.	OFFER REG. NO.	APPLICATION NO.	HOLDER	INTEREST (%)	STATUS	EXPIRY DATE	CURRENT AREA (km ²)	COMMENTS
	PL 3024/2005	NA	HQ-P17633	SUN MINING LTD	100%	Exploration	NA	43.60	
	PL 3031/2005	NA	HQ-P17634	SUN MINING LTD	100%	Exploration	NA	66.37	
	PL 3020/2005	NA	HQ-P17635	SUN MINING LTD	100%	Exploration	NA	57.53	
	PL 3026/2005	NA	HQ-P17636	SUN MINING LTD	100%	Exploration	NA	43.03	
	PL 3028/2005	NA	HQ-P17637	SUN MINING LTD	100%	Exploration	NA	41.14	
	PL 3022/2005	NA	HQ-P17638	SUN MINING LTD	100%	Exploration	NA	17.46	
	PL 3033/2005	NA	HQ-P17639	SUN MINING LTD	100%	Exploration	NA	25.72	
	PL 3025/2005	NA	HQ-P17640	SUN MINING LTD	100%	Exploration	NA	16.80	
	PL 3029/2005	NA	HQ-P17641	SUN MINING LTD	100%	Exploration	NA	51.45	
	PL 3027/2005	NA	HQ-P17642	SUN MINING LTD	100%	Exploration	NA	79.89	
	PL 3023/2005	NA	HQ-P17643	SUN MINING LTD	100%	Exploration	NA	44.85	
	PL 3032/2005	NA	HQ-P17644	SUN MINING LTD	100%	Exploration	NA	16.84	
	PL 3049/2005	NA	HQ-P17729	SAVANNAH MINING LTD	100%	Exploration	NA	15.43	
	PL 3043/2005	NA	HQ-P17730	SAVANNAH MINING LTD	100%	Exploration	NA	18.69	
	PL 3046/2005	NA	HQ-P17731	SAVANNAH MINING LTD	100%	Exploration	NA	17.14	
	PL 3071/2005	NA	HQ-P17763	SAVANNAH MINING LTD	100%	Exploration	NA	20.94	
	PL 3083/2005	NA	HQ-P17896	SAVANNAH MINING LTD	100%	Exploration	NA	51.15	
	PL 2180/2003	NA	HQ-P17974	SAVANNAH MINING LTD	100%	Exploration	NA	9.60	
	PL 3154/2005	NA	HQ-P18105	SUN MINING LTD	100%	Exploration	NA	13.72	
	Unknown	NA	HQ-P18531	SUN MINING LTD	100%	Exploration	NA	25.72	
	PL 2316/2003	NA	HQ-P19039	SAVANNAH MINING LTD	100%	Exploration	NA	10.93	
	PL 2315/2003	NA	HQ-P19040	SAVANNAH MINING LTD	100%	Exploration	NA	8.05	
	PL 3734/2005	NA	HQ-P19495	SUN MINING LTD	100%	Exploration	NA	15.44	
	PL 3698/2005	NA	HQ-P19497	SAVANNAH MINING LTD	100%	Exploration	NA	3.94	
	PL 2397/2003	NA	HQ-P19713	SAVANNAH MINING LTD	100%	Exploration	NA	25.72	
	PL 2450/2004	NA	HQ-P19973	SAVANNAH MINING LTD	100%	Exploration	NA	12.08	
	PL 2509/2004	NA	HQ-P20302	SAVANNAH MINING LTD	100%	Exploration	NA	3.00	
	PL 2593/2004	NA	HQ-P20614	SAVANNAH MINING LTD	100%	Exploration	NA	20.00	
	PL 2650/2004	NA	HQ-P20730	SAVANNAH MINING LTD	100%	Exploration	NA	4.61	
	PL 2736/2004	NA	HQ-P20859	SAVANNAH MINING LTD	100%	Exploration	NA	12.30	
	PL 2772/2004	NA	HQ-P20860	SAVANNAH MINING LTD	100%	Exploration	NA	23.15	
	Unknown	NA	HQ-P20919	SAVANNAH MINING LTD	100%	Exploration	NA	4.00	
	Unknown	NA	HQ-P20920	SAVANNAH MINING LTD	100%	Exploration	NA	4.78	
	PL 4202/2006	NA	HQ-P21110	SUN MINING LTD	100%	Exploration	NA	11.04	
	PL 3023/2005	NA	HQ-P21233	SAVANNAH MINING LTD	100%	Exploration	NA	22.43	
	PL 3030/2005	NA	HQ-P21234	SAVANNAH MINING LTD	100%	Exploration	NA	25.60	
	PL 3028/2005	NA	HQ-P21235	SAVANNAH MINING LTD	100%	Exploration	NA	20.47	
	PL 3031/2005	NA	HQ-P21236	SAVANNAH MINING LTD	100%	Exploration	NA	29.37	
	PL 3021/2005	NA	HQ-P21237	SAVANNAH MINING LTD	100%	Exploration	NA	20.48	
	PL 3019/2005	NA	HQ-P21238	SAVANNAH MINING LTD	100%	Exploration	NA	25.60	
	PL 3029/2005	NA	HQ-P21239	SAVANNAH MINING LTD	100%	Exploration	NA	25.60	
	PL 3025/2005	NA	HQ-P21240	SAVANNAH MINING LTD	100%	Exploration	NA	7.68	

Lake
Victoria
Project
Tanzania

Preliminary,
greenfields
exploration.

ASSET	CURRENT PL NO.	OFFER REG. NO.	APPLICATION NO.	HOLDER	INTEREST (%)	STATUS	EXPIRY DATE	CURRENT AREA (km ²)	COMMENTS
	PL 3033/2005	NA	HQ-P21241	SAVANNAH MINING LTD	100%	Exploration	NA	12.86	
	PL 3012/2005	NA	HQ-P21242	SAVANNAH MINING LTD	100%	Exploration	NA	10.80	
	PL 3032/2005	NA	HQ-P21243	SAVANNAH MINING LTD	100%	Exploration	NA	8.43	
	PL 3027/2005	NA	HQ-P21244	SAVANNAH MINING LTD	100%	Exploration	NA	14.23	
	PL 3017/2005	NA	HQ-P21245	SAVANNAH MINING LTD	100%	Exploration	NA	17.06	
	PL 3026/2005	NA	HQ-P21246	SAVANNAH MINING LTD	100%	Exploration	NA	21.21	
	PL 3024/2005	NA	HQ-P21247	SAVANNAH MINING LTD	100%	Exploration	NA	21.69	
	PL 3020/2005	NA	HQ-P21248	SAVANNAH MINING LTD	100%	Exploration	NA	20.13	
	PL 3022/2005	NA	HQ-P21249	SAVANNAH MINING LTD	100%	Exploration	NA	8.68	
	PL 3010/2005	NA	HQ-P21250	SAVANNAH MINING LTD	100%	Exploration	NA	2.06	
	PL 3013/2005	NA	HQ-P21251	SAVANNAH MINING LTD	100%	Exploration	NA	18.77	
	PL 3004/2005	NA	HQ-P21252	SAVANNAH MINING LTD	100%	Exploration	NA	11.21	
	PL 3014/2005	NA	HQ-P21253	SAVANNAH MINING LTD	100%	Exploration	NA	13.00	
	PL 3011/2005	NA	HQ-P21254	SAVANNAH MINING LTD	100%	Exploration	NA	12.80	Preliminary, greenfields exploration.
	PL 3015/2005	NA	HQ-P21255	SAVANNAH MINING LTD	100%	Exploration	NA	4.87	
	PL 3007/2005	NA	HQ-P21256	SAVANNAH MINING LTD	100%	Exploration	NA	3.85	
	PL 3016/2005	NA	HQ-P21257	SAVANNAH MINING LTD	100%	Exploration	NA	10.24	
	PL 3043/2005	NA	HQ-P21289	SAVANNAH MINING LTD	100%	Exploration	NA	8.96	
	PL 3049/2005	NA	HQ-P21290	SAVANNAH MINING LTD	100%	Exploration	NA	7.71	
	PL 3046/2005	NA	HQ-P21291	SAVANNAH MINING LTD	100%	Exploration	NA	8.57	
	PL 4049/2007	NA	HQ-P21306	SUN MINING LTD	100%	Exploration	NA	3.72	
	PL 3071/2005	NA	HQ-P21338	SAVANNAH MINING LTD	100%	Exploration	NA	4.16	
	PL 3083/2005	NA	HQ-P21380	SAVANNAH MINING LTD	100%	Exploration	NA	25.47	
	PL 3154/2005	NA	HQ-P21606	SAVANNAH MINING LTD	100%	Exploration	NA	6.83	
	PL 4359/2007	NA	HQ-P21717	SUN MINING LTD	100%	Exploration	NA	11.22	
	PL 4354/2007	NA	HQ-P21718	SUN MINING LTD	100%	Exploration	NA	2.57	
	PL 3294/2005	NA	HQ-P21843	SAVANNAH MINING LTD	100%	Exploration	NA	12.80	
				TOTAL RELENTISHED LICENCES UNDER APPLICATION				1940.11	
	NA	NA	HQ-P19630	SAVANNAH MINING LTD	100%	Exploration	NA	24.51	
	NA	NA	HQ-P19842	SAVANNAH MINING LTD	100%	Exploration	NA	109.20	
	NA	NA	HQ-P19843	SAVANNAH MINING LTD	100%	Exploration	NA	24.08	
	NA	NA	HQ-P19844	SAVANNAH MINING LTD	100%	Exploration	NA	50.28	
	NA	NA	HQ-P19882	SAVANNAH MINING LTD	100%	Exploration	NA	25.63	
Expired		NA	HQ-P19972	SAVANNAH MINING LTD	100%	Exploration	NA	3.75	
	NA	NA	HQ-P19976	SAVANNAH MINING LTD	100%	Exploration	NA	12.34	
	NA	NA	HQ-P20029	SAVANNAH MINING LTD	100%	Exploration	NA	37.14	
	NA	NA	HQ-P20030	SAVANNAH MINING LTD	100%	Exploration	NA	25.71	
	NA	NA	HQ-P20068	SAVANNAH MINING LTD	100%	Exploration	NA	32.50	
	NA	NA	HQ-P20128	SAVANNAH MINING LTD	100%	Exploration	NA	40.72	
	NA	NA	HQ-P20129	SAVANNAH MINING LTD	100%	Exploration	NA	43.18	
Expired		NA	HQ-P20686	SAVANNAH MINING LTD	100%	Exploration	NA	15.36	
Expired		NA	HQ-P20988	SAVANNAH MINING LTD	100%	Exploration	NA	2.57	

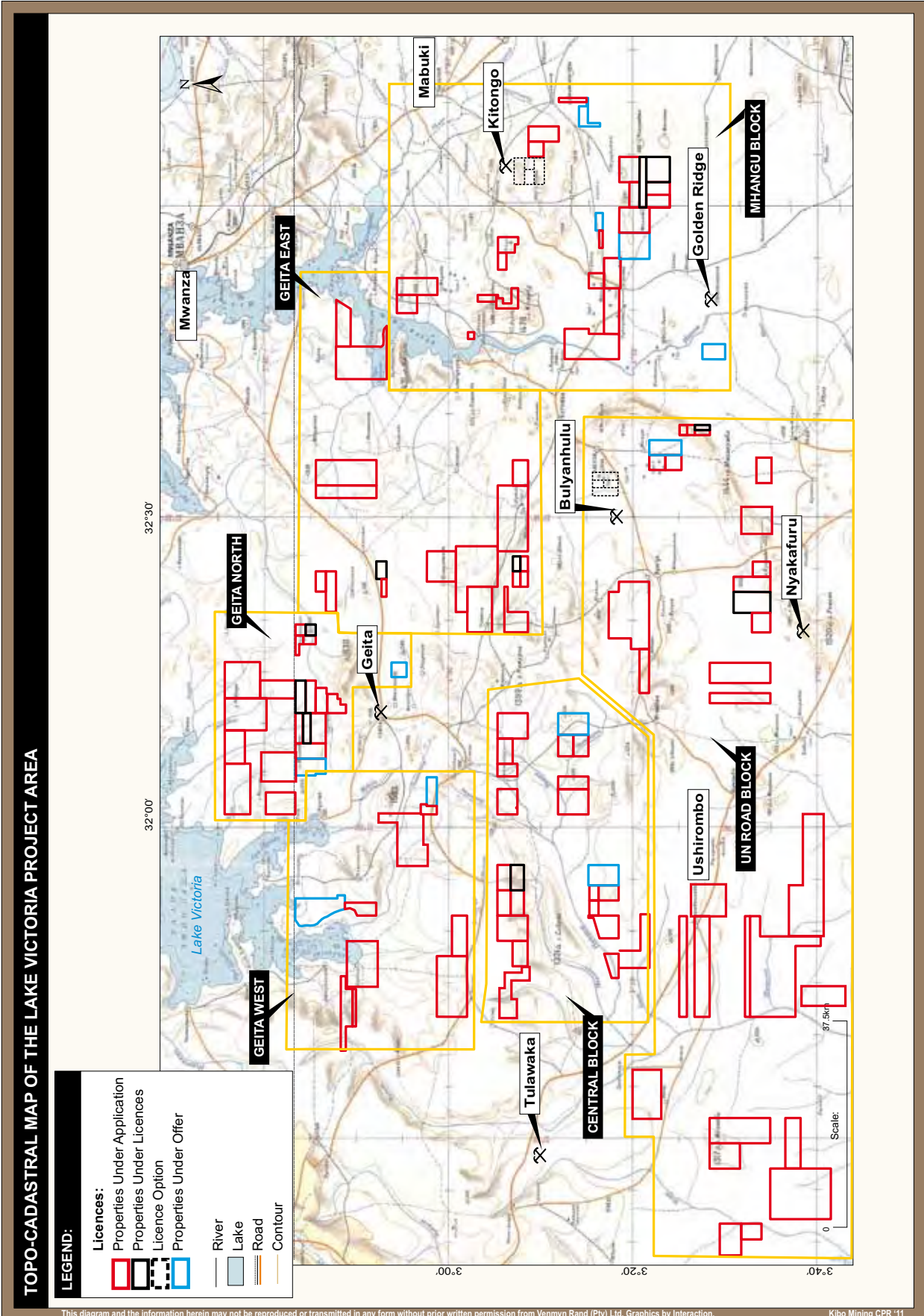
ASSET	CURRENT PL NO.	OFFER REG. NO.	APPLICATION NO.	HOLDER	INTEREST (%)	STATUS	EXPIRY DATE	CURRENT AREA (km ²)	COMMENTS
Lake Victoria Project Tanzania	Expired	NA	HQ-P21001	SAVANNAH MINING LTD	100%	Exploration	NA	3.64	Preliminary, greenfields exploration.
	Expired	NA	HQ-P21002	SAVANNAH MINING LTD	100%	Exploration	NA	11.22	
	Expired	NA	HQ-P21432	SAVANNAH MINING LTD	100%	Exploration	NA	9.55	
	Expired	NA	HQ-P22317	SAVANNAH MINING LTD	100%	Exploration	NA	10.88	
	Expired	NA	HQ-P22318	SAVANNAH MINING LTD	100%	Exploration	NA	8.01	
	Unknown	NA	HQ-P22787	SUN MINING LTD	100%	Exploration	NA	7.68	
	Unknown	NA	HQ-P22788	SAVANNAH MINING LTD	100%	Exploration	NA	1.99	
TOTAL NEW LICENCES UNDER APPLICATION								499.94	
GRAND TOTAL PL's UNDER CONSIDERATION								2,716.10	

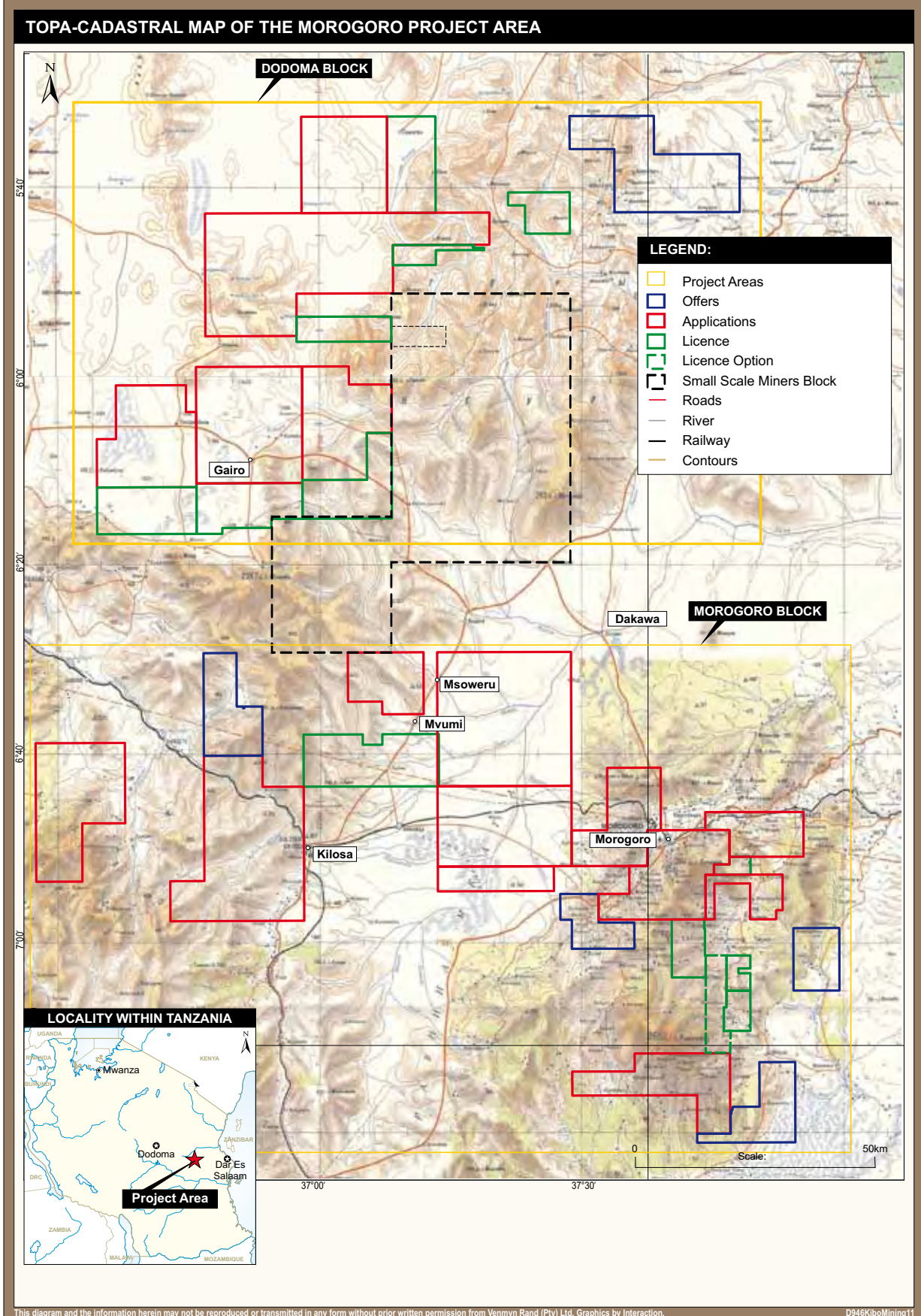
ASSET	CURRENT PL NO.	OFFER REG. NO.	APPLICATION NO.	HOLDER	INTEREST (%)	STATUS	EXPIRY DATE	CURRENT AREA (km ²)	COMMENTS		
Morogoro Project	PLR 6044/2009	NA	NA	Jubilee Resource Limited	100%	Exploration	03-Dec-11	293.10	Preliminary, greenfields exploration.		
	PLR 6045/2009	NA	NA	Jubilee Resource Limited	100%	Exploration	03-Dec-11	88.48			
	PL 6249/2009	NA	NA	Jubilee Resource Limited	100%	Exploration	30-Dec-12	47.97			
	PL 6250/2009	NA	NA	Jubilee Resource Limited	100%	Exploration	30-Dec-12	101.60			
	PL 6598/2010	NA	NA	Jubilee Resource Limited	100%	Exploration	12-Aug-13	196.24			
	PL 6599/2010	NA	NA	Jubilee Resource Limited	100%	Exploration	12-Aug-13	198.23			
	PL 6602/2010	NA	NA	Jubilee Resource Limited	100%	Exploration	12-Aug-13	199.13			
	PL 6613/2010	NA	NA	Jubilee Resource Limited	100%	Exploration	04-Oct-13	122.69			
	PL 6622/2010	NA	NA	Jubilee Resource Limited	100%	Exploration	04-Oct-13	114.60			
	PL 6717/2010	NA	NA	Jubilee Resource Limited	100%	Exploration	20-Sep-13	198.14			
	PL 5803/2009	NA	NA	Jubilee Resource Limited	100%	Exploration	05-Sep-13	195.56			
	PL 5885/2009	NA	NA	Jubilee Resource Limited	100%	Exploration	11-Jun-12	43.55			
	PL 5837/2009	NA	NA	Jubilee Resource Limited	100%	Exploration	11-Jun-12	82.42			
	PL 5837/2009	NA	NA	Jubilee Resource Limited	100%	Exploration	11-Jun-12	22.73			
	PL 6541/2010	NA	NA	Jambo Mining Limited	100%	Exploration	12-Aug-13	33.25			
	TOTAL ACTIVE LICENCES									1,937.69	
	NA	3945	NA	NA	Jubilee Resource Limited	100%	Exploration	NA		439.10	Preliminary, greenfields exploration.
	NA	HQ-P 16280	NA	NA	Jambo Mining Limited	100%	Exploration	NA		178.50	
	TOTAL LICENCES UNDER OFFER									617.60	
	PLR 4398/2007	NA	NA	HQ-P20286	Highlands Mining Limited	100%	Exploration	NA		708.40	Preliminary, greenfields exploration.
PLR 4397/2007	NA	NA	HQ-P20288	Highlands Mining Limited	100%	Exploration	NA	353.80			
PLR 4395/2007	NA	NA	HQ-P20299	Highlands Mining Limited	100%	Exploration	NA	460.40			
PLR 4378/2007	NA	NA	HQ-P20313	Highlands Mining Limited	100%	Exploration	NA	378.10			
PLR 4394/2007	NA	NA	HQ-P20314	Highlands Mining Limited	100%	Exploration	NA	350.70			
PLR 4379/2007	NA	NA	HQ-P20420	Highlands Mining Limited	100%	Exploration	NA	767.60			
PLR 4381/2007	NA	NA	HQ-P20421	Highlands Mining Limited	100%	Exploration	NA	528.20			
TOTAL RELEQUISHED LICENCES UNDER APPLICATION								3,547.20			
NA	NA	NA	HQ-P17142	Jubilee Resource Limited	100%	Exploration	NA	259.20	Preliminary, greenfields exploration.		
NA	NA	NA	HQ-P19135	Jubilee Resource Limited	100%	Exploration	NA	122.60			
NA	NA	NA	HQ-P20205	Jubilee Resource Limited	100%	Exploration	NA	181.40			

ASSET	CURRENT PL NO.	OFFER REG. NO.	APPLICATION NO.	HOLDER	INTEREST (%)	STATUS	EXPIRY DATE	CURRENT AREA (km ²)	COMMENTS
Morogoro Project	NA	NA	HQ-P20224	Jubilee Resource Limited	100%	Exploration	NA	421.50	Preliminary, greenfields exploration
	NA	NA	HQ-P20424	Jubilee Resource Limited	100%	Exploration	NA	943.40	
	NA	NA	HQ-P 18798	Jambo Mining Limited	100%	Exploration	NA	289.10	
	NA	NA	HQ-P 18799	Jambo Mining Limited	100%	Exploration	NA	336.50	
	NA	NA	HQ-P 20388	Jambo Mining Limited	100%	Exploration	NA	159.90	
	NA	NA	HQ-P 20642	Jambo Mining Limited	100%	Exploration	NA	90.00	
TOTAL NEW LICENCES UNDER APPLICATION								2,803.60	
GRAND TOTAL PL's UNDER CONSIDERATION								8,906.09	

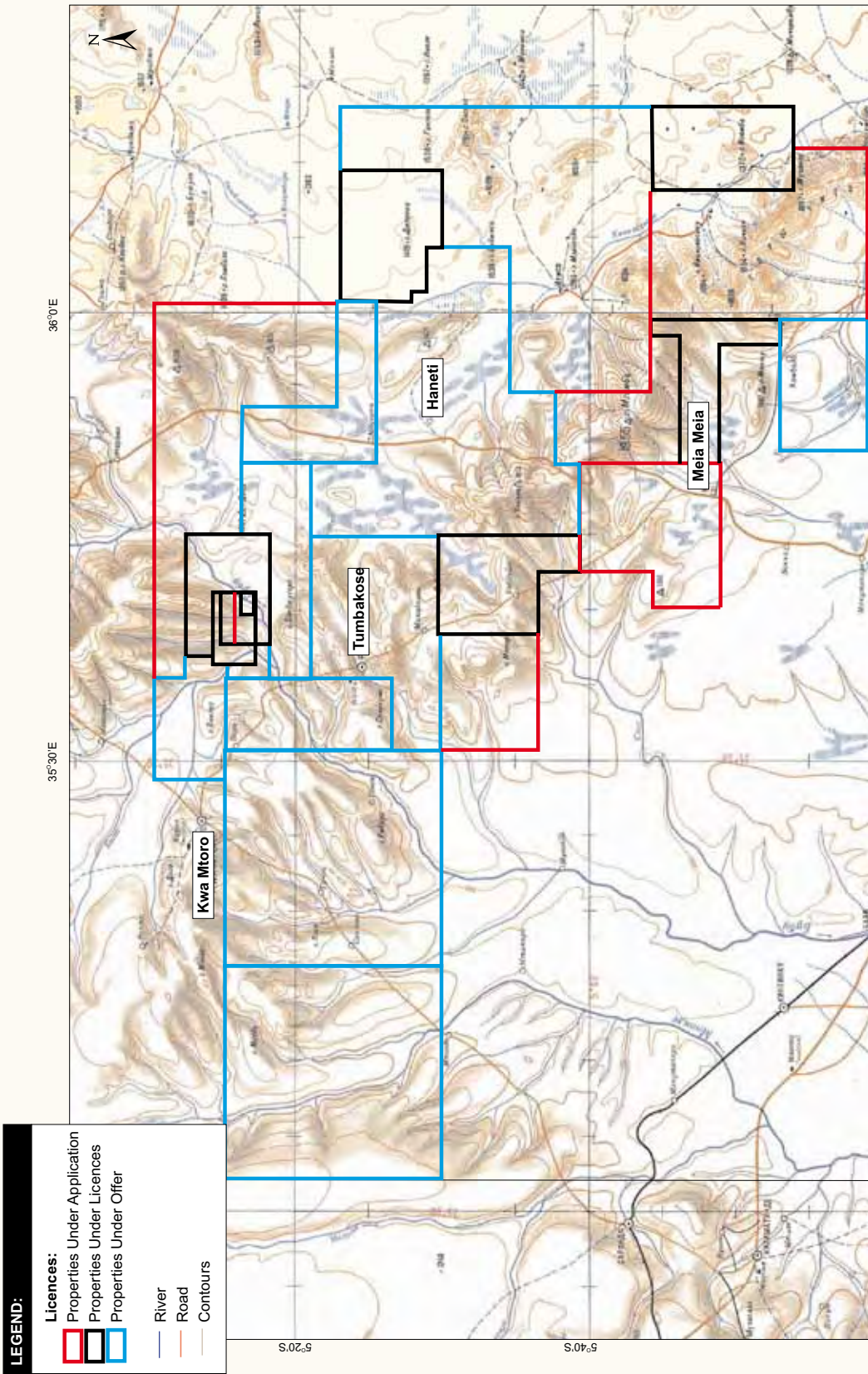
ASSET	CURRENT PL NO.	OFFER REG. NO.	APPLICATION NO.	HOLDER	INTEREST (%)	STATUS	EXPIRY DATE	CURRENT AREA (km ²)	COMMENTS	
Haneiti Project	PL 5457/2008	NA	NA	Eagle Gold Mining Ltd	100%	Exploration	17-Dec-11	27.05	Preliminary, greenfields exploration.	
	PL 5792/2009	NA	NA	Eagle Gold Mining Ltd	100%	Exploration	11-Jun-12	122.50		
	PL 6595/2010	NA	NA	Eagle Gold Mining Ltd	100%	Exploration	12-Aug-13	198.36		
	PL 6596/2010	NA	NA	Eagle Gold Mining Ltd	100%	Exploration	12-Aug-13	188.59		
	PL 6597/2010	NA	NA	Eagle Gold Mining Ltd	100%	Exploration	12-Aug-13	198.76		
	PL 6600/2010	NA	NA	Eagle Gold Mining Ltd	100%	Exploration	12-Aug-13	134.09		
	PL 6603/2010	NA	NA	Eagle Gold Mining Ltd	100%	Exploration	04-Oct-13	184.00		
	PL 6612/2010	NA	NA	Eagle Gold Mining Ltd	100%	Exploration	04-Oct-13	187.56		
	TOTAL ACTIVE LICENCES									1,240.91
			1162	NA	Frontier Resources Ltd	100%	Exploration	NA		769.40
		1163	NA	Frontier Resources Ltd	100%	Exploration	NA	769.40		
	PLR 3522/2005	HQ-G15142	NA	Oxford Development Ltd	100%	Exploration	NA	198.84		
	PLR 3522/2005	HQ-P16507	NA	Eagle Gold Mining Ltd	100%	Exploration	NA	363.62		
	PLR 3523/2005	HQ-G15143	NA	Sun Mining Ltd	100%	Exploration	NA	198.35		
	PLR 3523/2005	HQ-P16508	NA	Eagle Gold Mining Ltd	100%	Exploration	NA	791.91		
	PLR 3729/2005	HQ-G15259	NA	Sun Mining Ltd	100%	Exploration	NA	133.91		
TOTAL LICENCES UNDER OFFER								3,225.43		
	PLR 4375/2007	NA	HQ-P20303	Aardvark Exploration Ltd	100%	Exploration	NA	515.85	Preliminary, greenfields exploration.	
	PLR 4382/2007	NA	HQ-P20177	Aardvark Exploration Ltd	100%	Exploration	NA	555.00		
	PL 4383/2007	NA	HQ-G16347	Eagle Gold Mining Ltd	100%	Exploration	NA	12.09		
	PL 4383/2007	NA	HQ-P21514	Aardvark Exploration Ltd	100%	Exploration	NA	12.09		
	PLR 4385/2007	NA	HQ-P20233	Aardvark Exploration Ltd	100%	Exploration	NA	192.45		
	PLR 4386/2007	NA	HQ-P20253	Aardvark Exploration Ltd	100%	Exploration	NA	964.00		
	PLR 5458/2008	NA	HQ-G16789	Eagle Gold Mining Ltd	100%	Exploration	NA	298.02		
TOTAL RELEQUISHED LICENCES UNDER APPLICATION								2,549.49		
	NA	NA	HQ-P20137	Eagle Gold Mining Ltd	100%	Exploration	NA	176.00	Preliminary, greenfields exploration.	
TOTAL NEW LICENCES UNDER APPLICATION								176.00		
GRAND TOTAL PL's UNDER CONSIDERATION								7,191.83		

Kibo Mining CPR





TOPO-CADASTRAL MAP OF THE HANETI PROJECT AREA

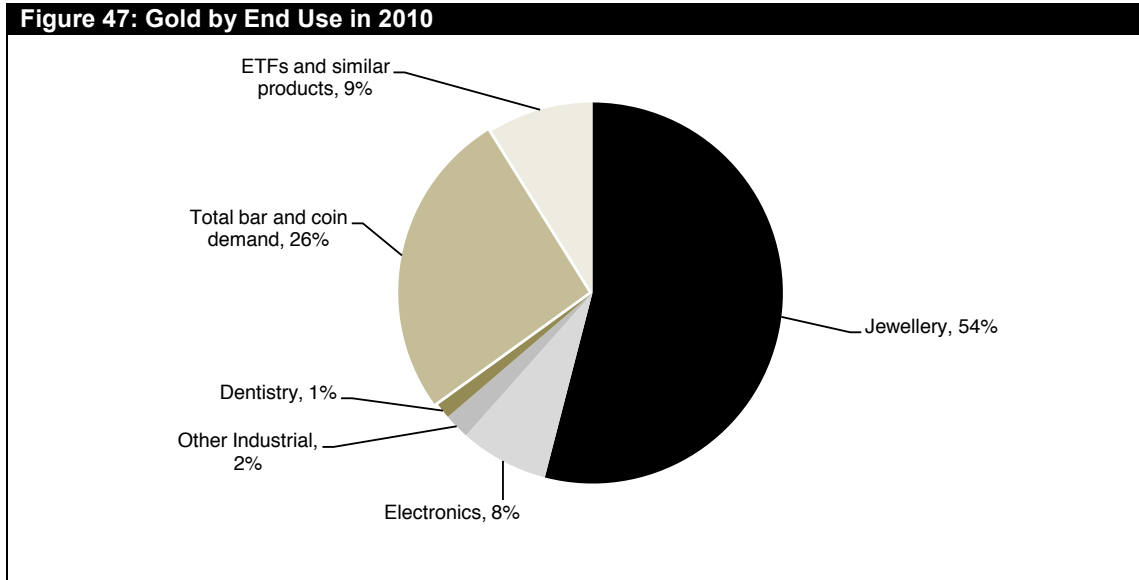


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Appendix 5: The Gold Market SR5.8(A)(i), SV2.18

Gold has traditionally been used as a store of value (and still is today), however it has many modern industrial uses including dentistry and electronics, due to its properties of resistance to oxidative corrosion and as a conductor of electricity. Figure 47 summarises the end use of gold in 2010.



Source: The World Gold Council (2011b)

Global production for 2010 is estimated at 2,500t (Table 35).

Table 35: Estimated Global Gold Production for 2009 and 2010 (t)

COUNTRY	MINE PRODUCTION	
	2009	2010e
China	320	345
Australia	222	255
United States	223	230
Russia	191	190
South Africa	198	190
Peru	182	170
Indonesia	130	120
Ghana	86	100
Canada	97	90
Uzbekistan	90	90
Brazil	60	65
Mexico	51	60
Papua New Guinea	66	60
Chile	41	40
Other countries	490	500
WORLD TOTAL	2,450	2,500

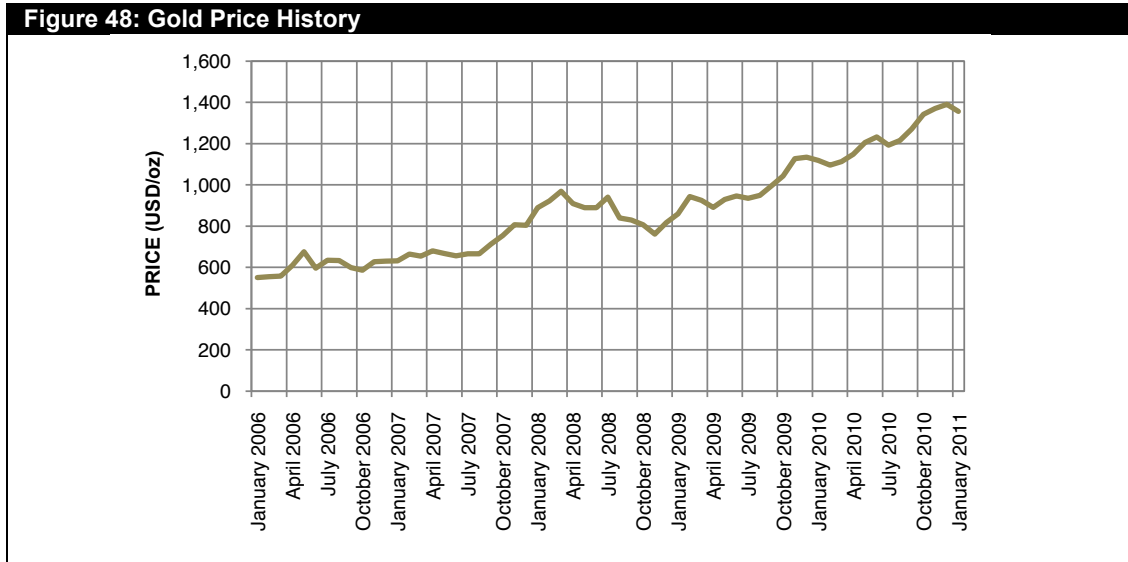
e = Estimate
Source: USGS (2011)

There has been a strong upward trend in the USD price of gold over the last five years (Figure 48). During the global financial crisis, gold became an important hard asset and increased in price during a time most other commodity prices were decreasing significantly. This acted as a buffer against inflation, resulting in an increase in the price of gold. This, in turn, has resulted in changes to demand and supply dynamics.

The current high gold price has resulted in a number of significant producers bringing new projects on stream, which has led to an increase in gold supply. In addition, recycled gold by especially Western consumers continues to be a rising trend.

Global supplies of gold have traditionally been affected by Central Bank sales of gold. Western European as well as North American nations have tended to have more than 40% of their total reserves in gold, while developing currencies have less than 5% of their reserves in gold, and those with larger proportions of their reserves in gold have tended to be net sellers of gold. However, the world economic crisis has reduced European Central Bank's appetite for sales and resulted in emerging countries increasing their gold reserves.

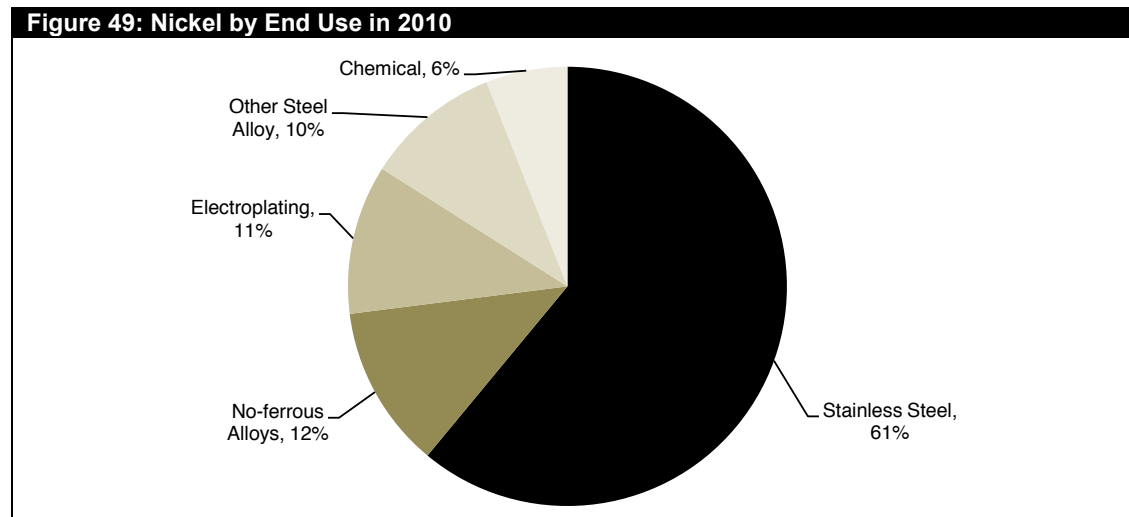
In general, demand for gold, in most sectors is considered to be robust for the short term. As developing countries such as China and India continue to grow, it is expected that they will also continue to be strong markets for gold and sustained growth in these countries is expected to buoy the gold market over the next few years.



Source: World Gold Council (2011c)

Appendix 6: The Nickel Market SR5.8(A)(I), SV2.18

Nickel is widely used in over 300,000 industrial and consumer products, with the transport, engineering and construction industry accounting for 62% of the end use of nickel. It is also used as coins by many countries either in its pure or alloy form and as durable electroplating element. The biggest use however is as an alloying metal along with chromium and other metals in the production of stainless and heat resisting steels. According to the Nickel Institute, stainless steel and other steel alloys accounts for 71% of the use of nickel by application, while non-ferrous alloys, electroplating and chemicals accounts for the remaining 29% of the first use of nickel (Figure 49)



The production of nickel over the years has been influenced largely by the rate of production of stainless steel which accounts for 61% of the first use of nickel. Strong world economic growth from 2003 to 2007 and China's steady economic growth increased the demand for stainless steel production which, in turn, encouraged nickel production and capital investment in new nickel production capacity. However, the global economic crisis in 2008 led to lower worldwide nickel production and a decline of 5.4% as compared to 2007.

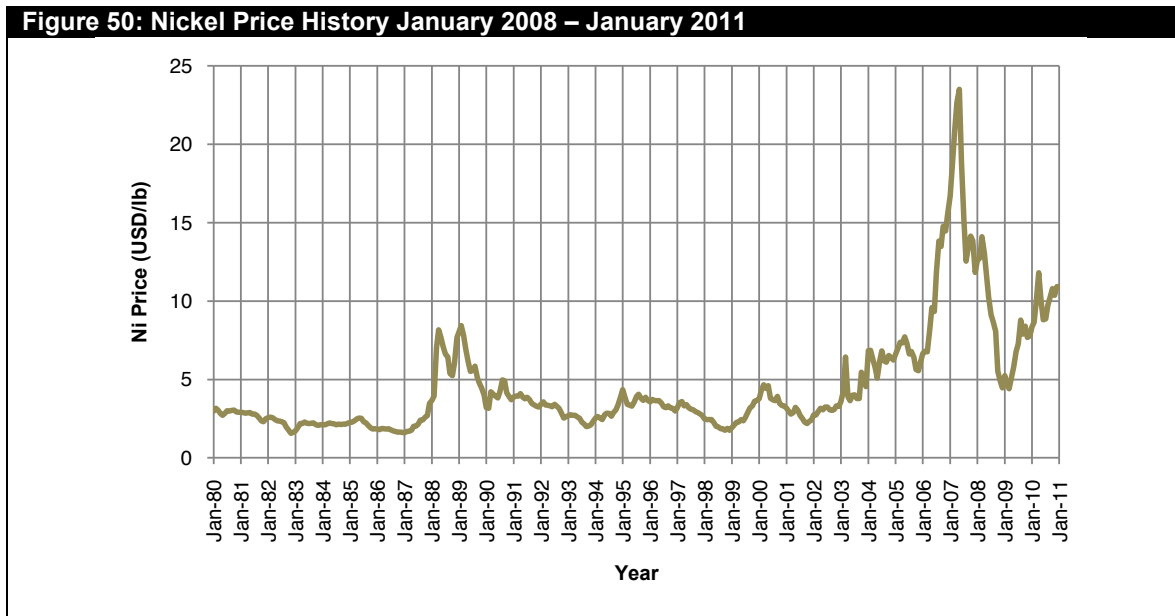
The price of nickel has shown significant volatility over the last thirty years. In the late 1980's, there was a peak in the price of nickel while in the first half of the 1990's, the economic collapse of the former "Eastern Block" countries resulted in a surge of nickel exports that drove nickel prices lower than the cash costs of production resulting in reduced nickel production in the West. Until 2003, the nickel cash price remained below USD10,000/t (USD4.54/lb).

The nickel price breached the USD14,000/t (USD6.35/lb) mark in 2005 and then escalated dramatically through 2006 before peaking at an average of USD52,179/t (USD23.67/lb) in May 2007. Nickel prices then declined until the end of 2008, when the average cash price in December 2008 hit a low of USD9,678/t (USD4.39/lb). In early 2009, nickel prices began to climb again and by August 2009, the price of refined nickel had reached USD20,000/t (USD9.07/lb). By the time of this report, the spot price for Ni was USD28,219/t (USD12.80/lb).

The future of nickel production and the nickel price is dependent on three major factors, and these are:-

- the production and consumption of stainless steel;
- the growth in China's economy; and
- the development, mining, and refining of nickel from its laterite ore deposits.

With the recovery in the global economy and the steady growth in China's economy, it is generally expected that growth in the stainless steel production will be sustained and that the consumption of nickel will continue to increase. Market analysts had forecast an increase in nickel consumption by approximately 7% in 2010 while stainless steel production was forecast at 27Mt for the same year (an increase of 8% YOY) but by the time of this report, no firm figures were available to verify these figures. Furthermore, stainless steel production is forecast to be 30Mt in 2011.



Source: INET Bridge

Appendix 7: Full Dynamics of the Conceptual DCF Models for GHR (Kibo)

Base Case

Golden Horseshoe Project Production Summary and Pre-tax DCF Valuation - All Equity Mid 2010 Money Terms									
ITEM	Year Year No.		-2	-1	1	2	3	4	5
Production (t)		DFS	Design &	Pre-strip, construction					Closure
Ore at a Aueq. cut-off of 0.75g/t		(Sunk	construction		300,000	300,000	300,000	300,000	
Processed ore		Cost)			300,000	300,000	300,000	300,000	0
Waste (t)				3,500,000	4,000,000	4,000,000	3,100,000	-	-
Stripping ratio (t waste:ore)				-	13.3	13.3	10.3	0.0	0.0
Total material				3,500,000	4,300,000	4,300,000	3,400,000	300,000	0
Ore grades (to plant)									
Au (g/t)					3.45	3.45	3.45	3.45	3.45
Ag (g/t)					-	-	-	-	-
Recoveries to dore (%)									
Au	92.5				92.50	92.50	92.50	92.50	92.50
Ag	70				70.00	70.00	70.00	70.00	70.00
Gold Dore									
Produced kg					957	957	957	957	0
Kg (Au)					956.71	956.71	956.71	956.71	0.00
(Ag)					0.00	0.00	0.00	0.00	0.00
Oz (Au)					30,759	30,759	30,759	30,759	0
(Au equivalent from Ag))	100.00				0	0	0	0	0
(Total Au equivalent ounces)					30,759	30,759	30,759	30,759	0
Grade (%Au)					100.0	100.0	100.0	100.0	0.0
(%Ag)					0.0	0.0	0.0	0.0	0.0
Revenue (\$M)									
Gold price (\$/oz)	1400.00				1400.00	1400.00	1400.00	1400.00	1400.00
Silver price (\$/oz)	14.00				14.00	14.00	14.00	14.00	14.00
Gold Dore Revenue (\$M)	0.991				42.675	42.675	42.675	42.675	0.000
Silver	0.95				0.000	0.000	0.000	0.000	0.000
Total Dore Revenue (\$M)					42.675	42.675	42.675	42.675	0.000
Refining charge - gold (\$/oz)	5.50				0.169	0.169	0.169	0.169	0.000
- silver (\$/oz)	0.50				0.000	0.000	0.000	0.000	0.000
Transport & insurance (\$/kg)	20.00				0.019	0.019	0.019	0.019	0.000
Tanzanian Royalty	2.00%				0.816	0.816	0.816	0.816	0.000
Government Royalty	4.00%				1.707	1.707	1.707	1.707	0.000
STAMICO Royalty	2.00%				0.854	0.854	0.854	0.854	0.000
Total Net Revenue (\$M)					39.111	39.111	39.111	39.111	0.000
Operating Costs									
Mining cost/t moved	1.04			1.040	1.040	1.040	1.040	1.040	1.040
Ore mining (\$M)				0.000	0.312	0.312	0.312	0.312	0.000
rehandling	0.00			0.000	0.000	0.000	0.000	0.000	0.000
Waste mining (\$M)				3.640	4.160	4.160	3.224	0.000	0.000
Mining fixed cost	4.240			4.240	4.240	4.240	4.240	4.240	0.000
Licence fees	0.015		0.015	0.015	0.015	0.015	0.015	0.015	0.000
Tailings disposal	0.00			0.000	0.000	0.000	0.000	0.000	0.000
Processing									
Fixed (\$M)	4.368				4.368	4.368	4.368	4.368	0.000
Variable (\$/t)	15.04				4.512	4.512	4.512	4.512	0.000
Pre Production or G&A fixed cost	0.750		0.375	0.750	0.750	0.750	0.750	0.750	0.000
Total Operating Cost (\$M)			0.390	8.645	18.357	18.357	17.421	14.197	0.000
\$/oz Au (nett of Ag credits)									
Total Capex (\$M)		2.000	14.400	13.750	0.000	0.000	0.000	0.000	0.000
Change in working capital (\$M)			0.098	2.064	2.428	0.000	-0.234	1.375	0.000
Pre-tax Cashflow (\$M)		-2.000	-14.888	-24.459	18.326	20.754	21.924	23.539	0.000
Cum. Pre-tax Cashflow (\$M)		-2.000	-16.888	-41.346	-23.021	-2.267	19.657	43.196	43.196
Pre-tax NPV (\$M)	17.808		Internal rate of return		30.9%				
Sloane Dev. Share (90%)	16.027								
At a discount rate of	12.00%		Open Pit Option						

Option 1

Golden Horseshoe Project Production Summary and Pre-tax DCF Valuation - All Equity Mid 2010 Money Terms									
ITEM	Year Year No.		-2	-1	1	2	3	4	5
Production (t)		DFS	Design &	Pre-strip, construction					Closure
Ore at a Aueq. cut-off of 0.75g/t		(Sunk	construction		300,000	300,000	300,000	300,000	
Processed ore		Cost)		0	300,000	300,000	300,000	300,000	0
Waste (t)				3,500,000	4,000,000	4,000,000	3,100,000	-	-
Stripping ratio (t waste:ore)				-	13.3	13.3	10.3	0.0	0.0
Total material				3,500,000	4,300,000	4,300,000	3,400,000	300,000	0
Ore grades (to plant)									
Au (g/t)					3.45	3.45	3.45	3.45	3.45
Ag (g/t)					-	-	-	-	-
Recoveries to dore (%)									
Au	92.5				92.50	92.50	92.50	92.50	92.50
Ag	70				70.00	70.00	70.00	70.00	70.00
Gold Dore									
Produced kg)					957	957	957	957	0
Kg (Au)					956.71	956.71	956.71	956.71	0.00
(Ag)					0.00	0.00	0.00	0.00	0.00
Oz (Au)					30,759	30,759	30,759	30,759	0
(Au equivalent from Ag)	100.00				0	0	0	0	0
(Total Au equivalent ounces)					30,759	30,759	30,759	30,759	0
Grade (%Au)					100.0	100.0	100.0	100.0	0.0
(%Ag)					0.0	0.0	0.0	0.0	0.0
Revenue (\$M)									
Gold price (\$/oz)	1400.00				1400.00	1400.00	1400.00	1400.00	1400.00
Silver price (\$/oz)	14.00				14.00	14.00	14.00	14.00	14.00
Gold Dore Revenue (\$M)	0.991				42.675	42.675	42.675	42.675	0.000
Silver	0.95				0.000	0.000	0.000	0.000	0.000
Total Dore Revenue (\$M)					42.675	42.675	42.675	42.675	0.000
Refining charge - gold (\$/oz)	5.50				0.169	0.169	0.169	0.169	0.000
- silver (\$/oz)	0.50				0.000	0.000	0.000	0.000	0.000
Transport & insurance (\$/kg)	20.00				0.019	0.019	0.019	0.019	0.000
Tanzanian Royalty	2.00%				0.816	0.816	0.816	0.816	0.000
Government Royalty	4.00%				1.707	1.707	1.707	1.707	0.000
STAMICO Royalty	2.00%				0.854	0.854	0.854	0.854	0.000
Total Net Revenue (\$M)					39.111	39.111	39.111	39.111	0.000
Operating Costs									
Mining cost/t moved	1.04			1.040	1.040	1.040	1.040	1.040	1.040
Ore mining (\$M)				0.000	0.312	0.312	0.312	0.312	0.000
rehandling	0.00			0.000	0.000	0.000	0.000	0.000	0.000
Waste mining (\$M)				3.640	4.160	4.160	3.224	0.000	0.000
Mining fixed cost	4.240			4.240	4.240	4.240	4.240	4.240	0.000
Licence fees	0.015		0.015	0.015	0.015	0.015	0.015	0.015	0.000
Tailings disposal	0.00			0.000	0.000	0.000	0.000	0.000	0.000
Processing									
Fixed (\$M)	4.368				4.368	4.368	4.368	4.368	0.000
Variable (\$/t)	15.04				4.512	4.512	4.512	4.512	0.000
Pre Production or G&A fixed cost	0.750		0.375	0.750	0.750	0.750	0.750	0.750	0.000
Total Operating Cost (\$M)			0.390	8.645	18.357	18.357	17.421	14.197	0.000
\$/oz Au (nett of Ag credits)									
Total Capex (\$M)		2.000	10.575	9.925	0.000	0.000	0.000	0.000	0.000
Change in working capital (\$M)			0.098	2.064	2.428	0.000	-0.234	1.375	0.000
Pre-tax Cashflow (\$M)		-2.000	-11.063	-20.634	18.326	20.754	21.924	23.539	0.000
Cum. Pre-tax Cashflow (\$M)		-2.000	-13.063	-33.696	-15.371	5.383	27.307	50.846	50.846
Pre-tax NPV (\$M)	24.272	Internal rate of return			42.5%				
Sloane Dev. Share (90%)	21.845								
At a discount rate of	12.00%			Open Pit Option					

Option 2

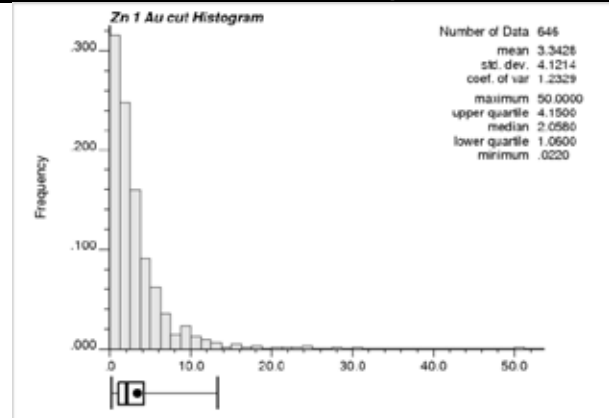
Golden Horseshoe Project Production Summary and Pre-tax DCF Valuation - All Equity Mid 2010 Money Terms

ITEM	Year Year No.		-2	-1	1	2	3	4	5
Production (t)		DFS	Design &	Pre-strip, construction					Closure
Ore at a Aueq. cut-off of 0.75g/t		(Sunk	construction		300,000	300,000	300,000	300,000	
Processed ore		Cost)		0	300,000	300,000	300,000	300,000	0
Waste (t)				3,500,000	4,000,000	4,000,000	3,100,000	-	-
Stripping ratio (t waste:ore)				-	13.3	13.3	10.3	0.0	0.0
Total material				3,500,000	4,300,000	4,300,000	3,400,000	300,000	0
Ore grades (to plant)									
Au (g/t)					3.45	3.45	3.45	3.45	3.45
Ag (g/t)					-	-	-	-	-
Recoveries to dore (%)									
Au	92.5				92.50	92.50	92.50	92.50	92.50
Ag	70				70.00	70.00	70.00	70.00	70.00
Gold Dore									
Produced kg)					957	957	957	957	0
Kg (Au)					956.71	956.71	956.71	956.71	0.00
(Ag)					0.00	0.00	0.00	0.00	0.00
Oz (Au)					30,759	30,759	30,759	30,759	0
(Au equivalent from Ag)	100.00				0	0	0	0	0
(Total Au equivalent ounces)					30,759	30,759	30,759	30,759	0
Grade (%Au)					100.0	100.0	100.0	100.0	0.0
(%Ag)					0.0	0.0	0.0	0.0	0.0
Revenue (\$M)									
Gold price (\$/oz)	1400.00				1400.00	1400.00	1400.00	1400.00	1400.00
Silver price (\$/oz)	14.00				14.00	14.00	14.00	14.00	14.00
Gold Dore Revenue (\$M)	0.991				42.675	42.675	42.675	42.675	0.000
Silver	0.95				0.000	0.000	0.000	0.000	0.000
Total Dore Revenue (\$M)					42.675	42.675	42.675	42.675	0.000
Refining charge - gold (\$/oz)	5.50				0.169	0.169	0.169	0.169	0.000
- silver (\$/oz)	0.50				0.000	0.000	0.000	0.000	0.000
Transport & insurance (\$/kg)	20.00				0.019	0.019	0.019	0.019	0.000
Tanzanian Royalty	2.00%				0.816	0.816	0.816	0.816	0.000
Government Royalty	4.00%				1.707	1.707	1.707	1.707	0.000
STAMICO Royalty	2.00%				0.854	0.854	0.854	0.854	0.000
Total Net Revenue (\$M)					39.111	39.111	39.111	39.111	0.000
Operating Costs									
Mining cost/t moved	1.04				1.040	1.040	1.040	1.040	1.040
Ore mining (\$M)					0.000	0.312	0.312	0.312	0.000
rehandling	0.00				0.000	0.000	0.000	0.000	0.000
Waste mining (\$M)					3.640	4.160	4.160	3.224	0.000
Mining fixed cost	4.240				4.240	4.240	4.240	4.240	0.000
Licence fees	0.015		0.015	0.015	0.015	0.015	0.015	0.015	0.000
Ore transport to Bulyanhulu	1.90				0.570	0.570	0.570	0.570	0.000
Tailings disposal	0.00				0.000	0.000	0.000	0.000	0.000
Processing									
Fixed (\$M)	0.000				0.000	0.000	0.000	0.000	0.000
Variable (\$/t)	15.04				4.512	4.512	4.512	4.512	0.000
Bulyanhulu revenue share	20%				6.920	6.920	6.920	6.920	0.000
Pre Production or G&A fixed cost	0.750		0.375	0.750	0.750	0.750	0.750	0.750	0.000
Total Operating Cost (\$M)			0.390	8.645	21.479	21.479	20.543	17.319	0.000
\$/oz Au (nett of Ag credits)									
Total Capex (\$M)		2.000	1.650	1.200	0.000	0.000	0.000	0.000	0.000
Change in working capital (\$M)			0.098	2.064	3.208	0.000	-0.234	-4.498	0.000
Pre-tax Cashflow (\$M)		-2.000	-2.138	-11.909	14.424	17.632	18.802	26.290	0.000
Cum. Pre-tax Cashflow (\$M)		-2.000	-4.138	-16.046	-1.623	16.009	34.811	61.101	61.101
Pre-tax NPV (\$M)	34.058		Internal rate of return		96.7%				
Sloane Dev. Share (90%)	30.652								
At a discount rate of	12.00%		Open Pit Option						

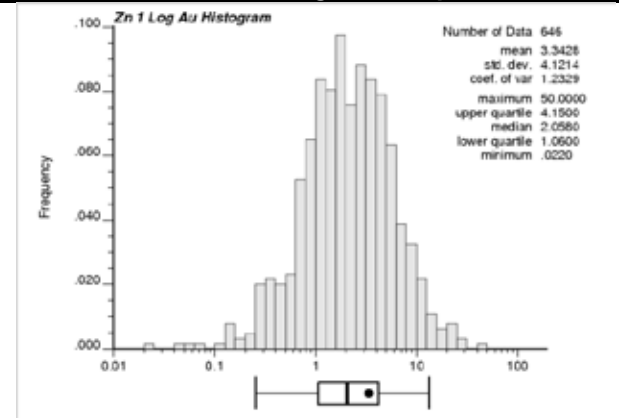
Appendix 8: QAQC Investigation Plots

Figure 51: Basic Statistics for Itetemia Zone 1 and 2 after Top-Cut Application

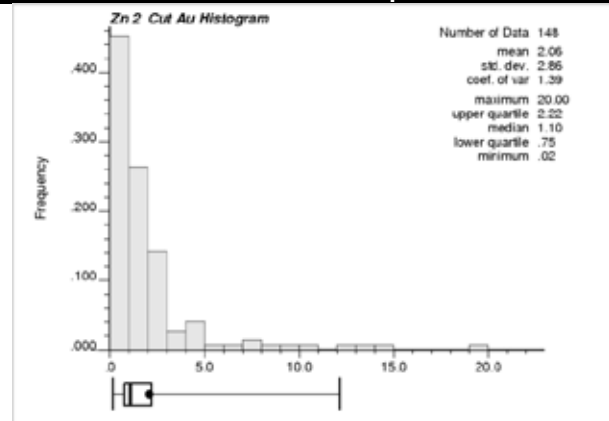
Zone 1: Cut Grades in Normal Space



Zone 1: Cut Grades in Lognormal Space



Zone 2: Cut Grades in Normal Space



Zone 2: Cut Grades in Lognormal Space

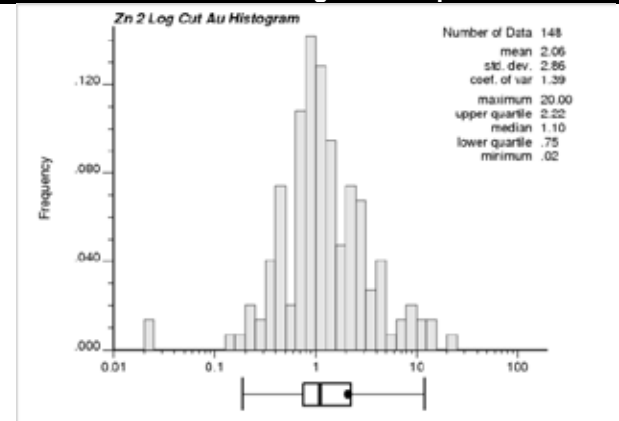


Figure 52: Evidence of Interstitial Low-Grade Inclusions in Model between Itetemia Zones 1 and 2

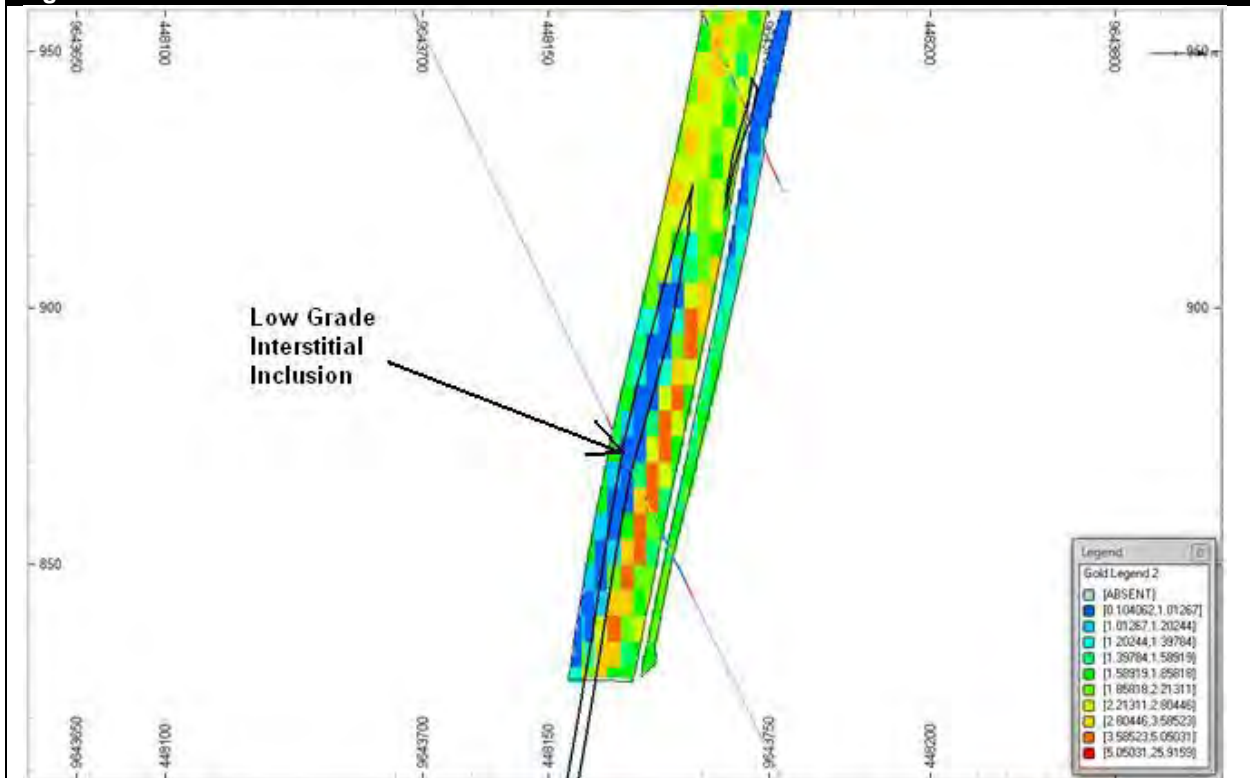


Figure 53: Itetemia Zone 1 Cut 3D Variance Plot of Model versus Drillhole Grades by Block Number

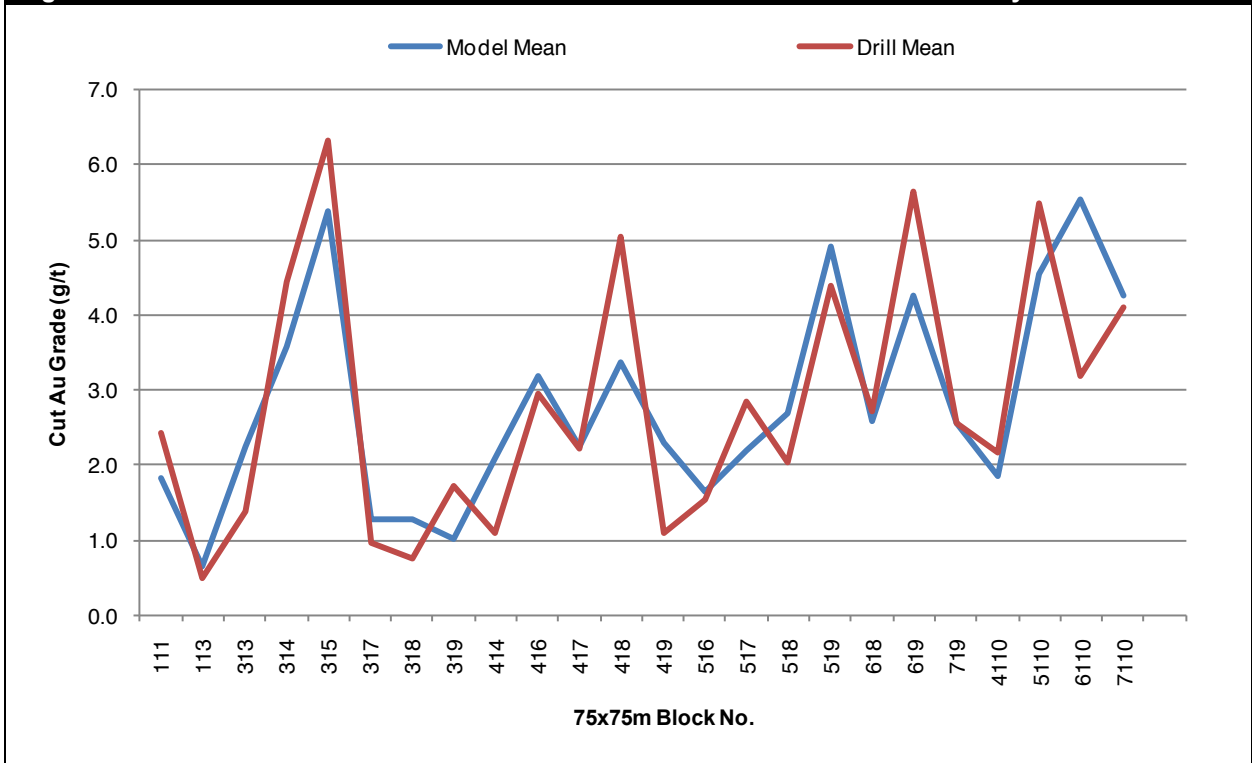


Figure 54: Itetemia Zone 1 Cut 3D Variance Scatter Plot Showing Regression Effect

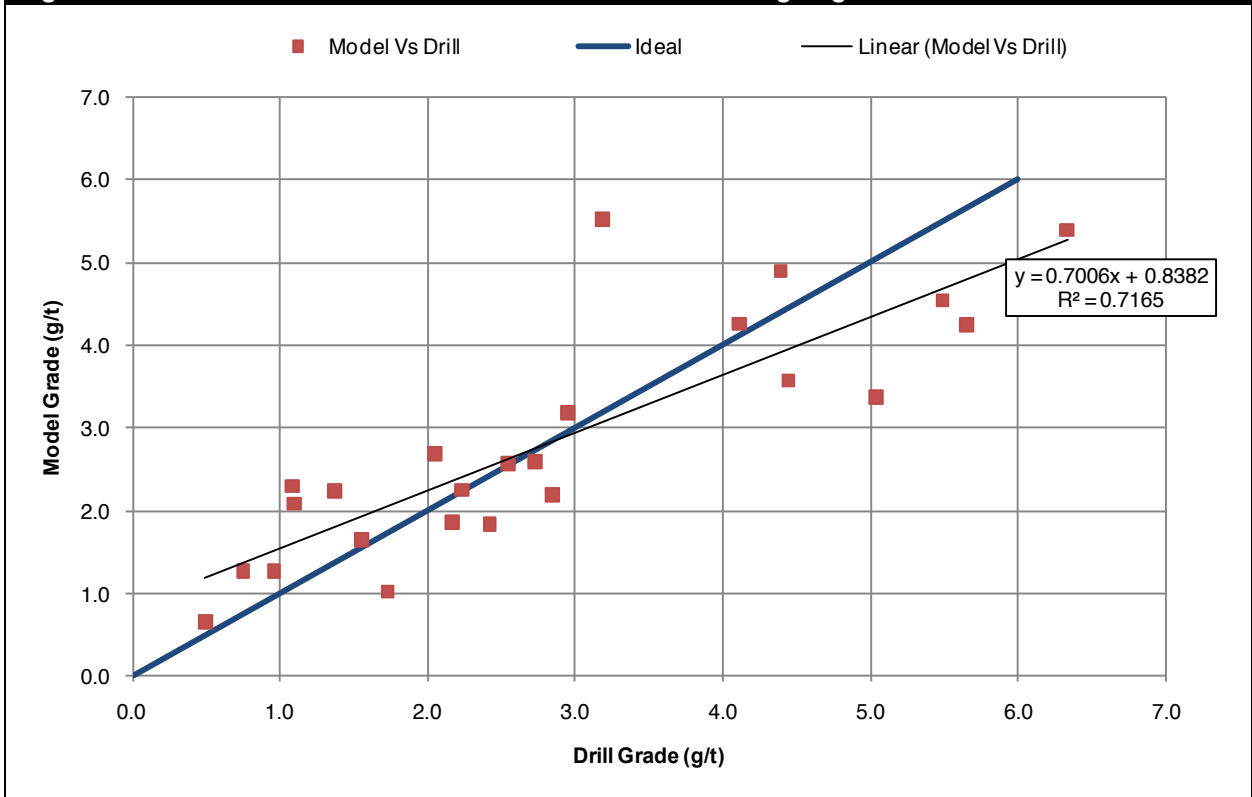


Figure 55: Itetemia Zone 2 Cut 3D Variance Plot of Model versus Drillhole Grades by Block Number

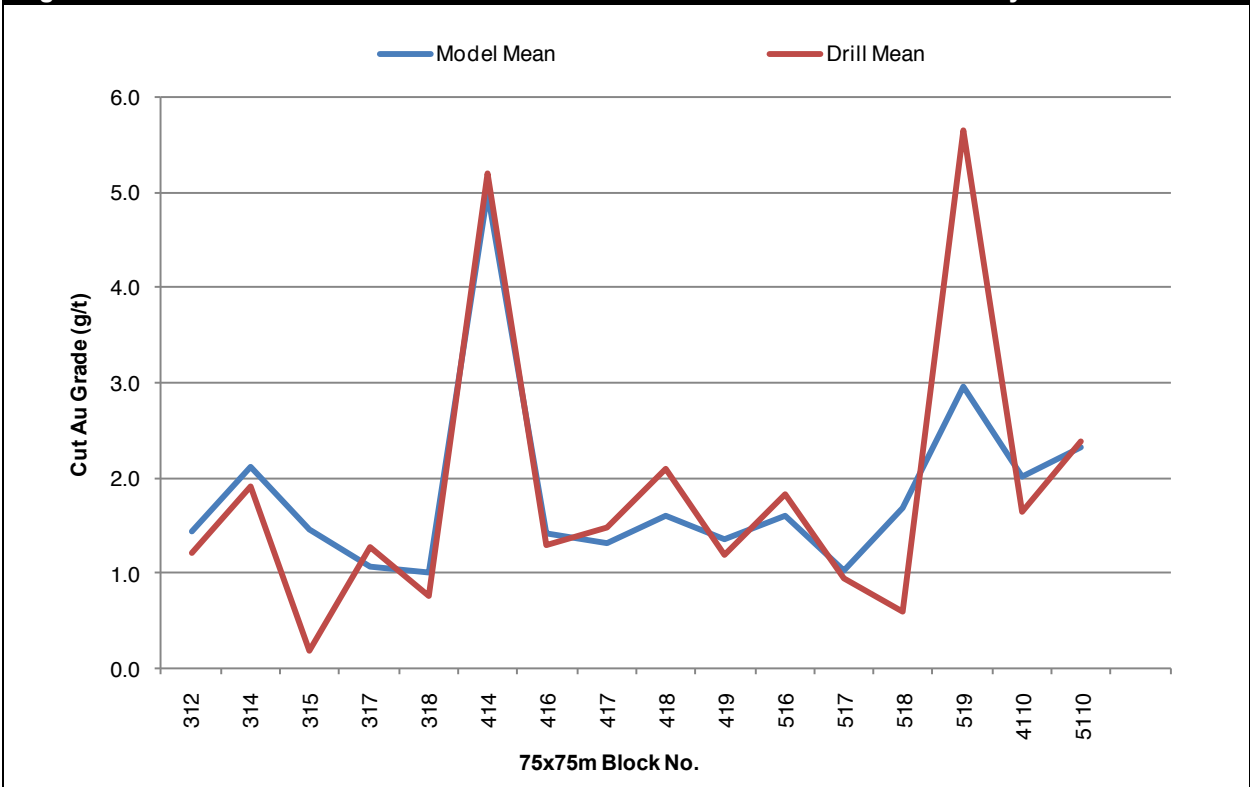


Figure 56: Itetemia Zone 2 Cut 3D Variance Scatter Plot Showing Regression Effect

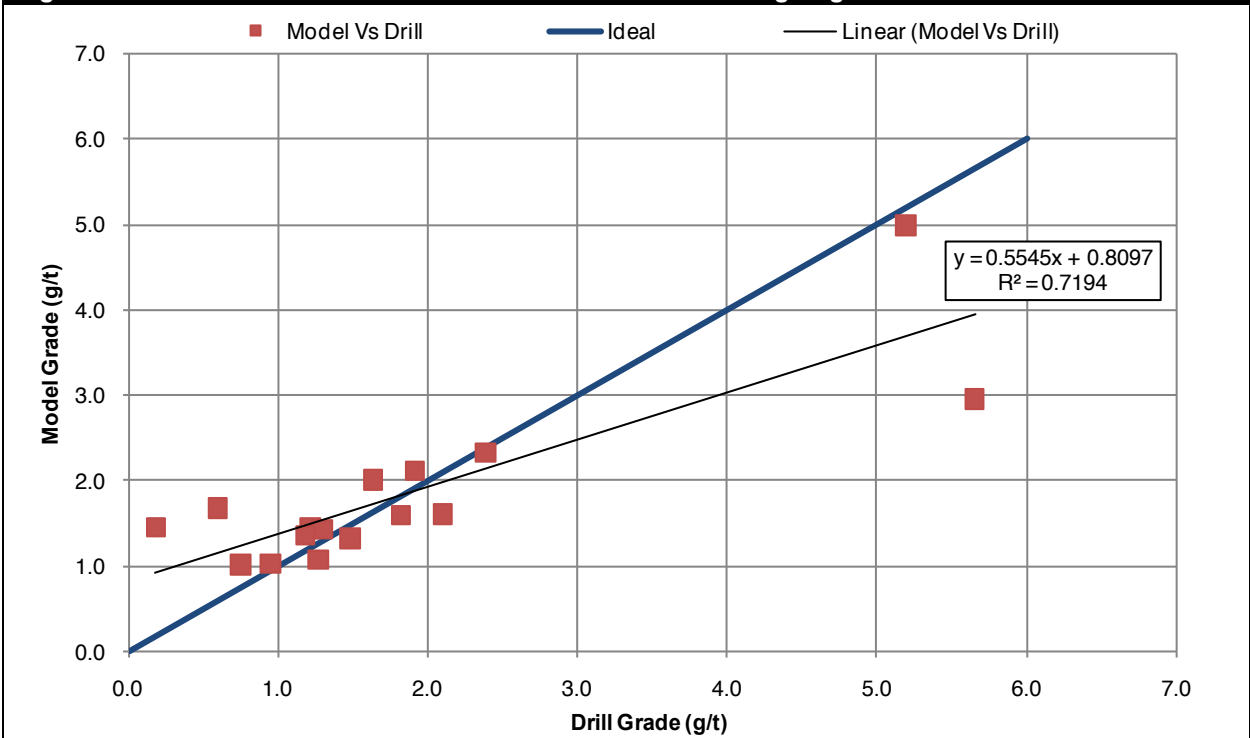


Figure 57: Basic Statistics for Luhala Kisunge Hill Central Zone after Top-Cut Application

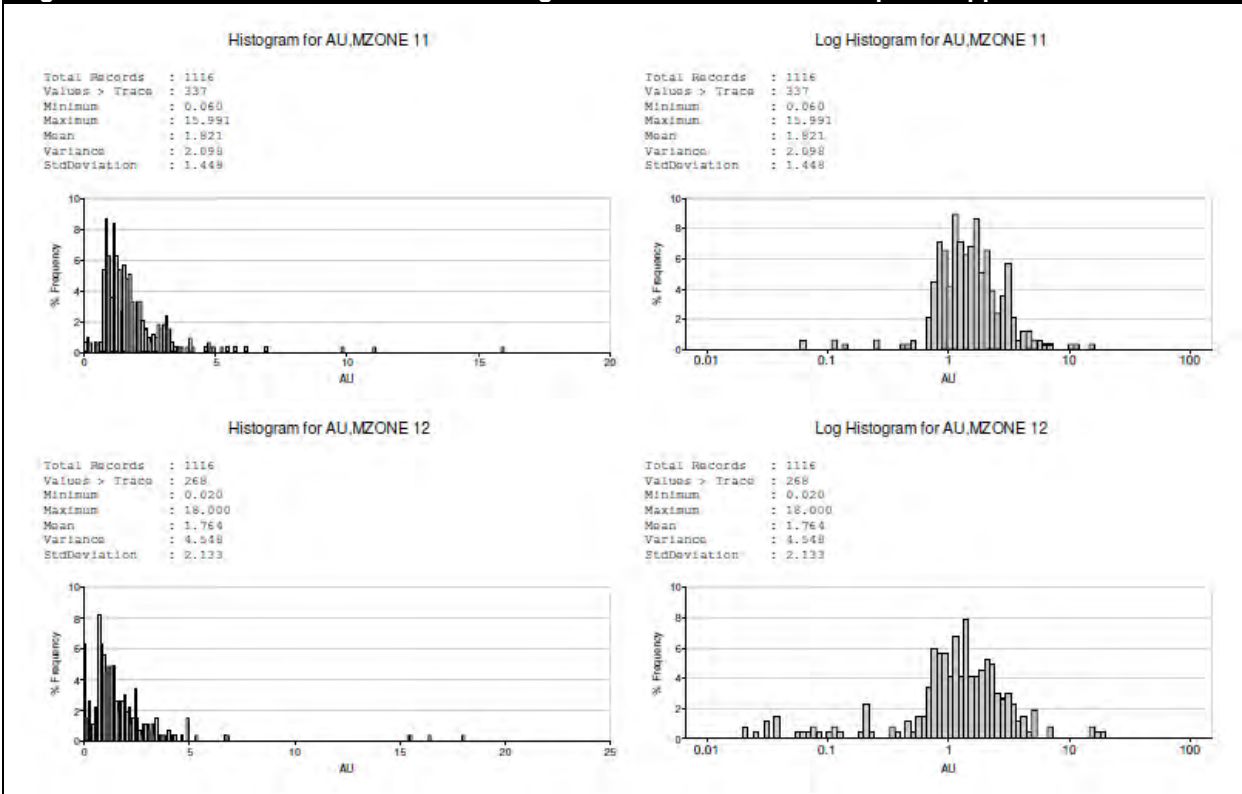


Figure 58: Basic Statistics for Luhala Kisunge East and Southern Zones after Top-Cut Application

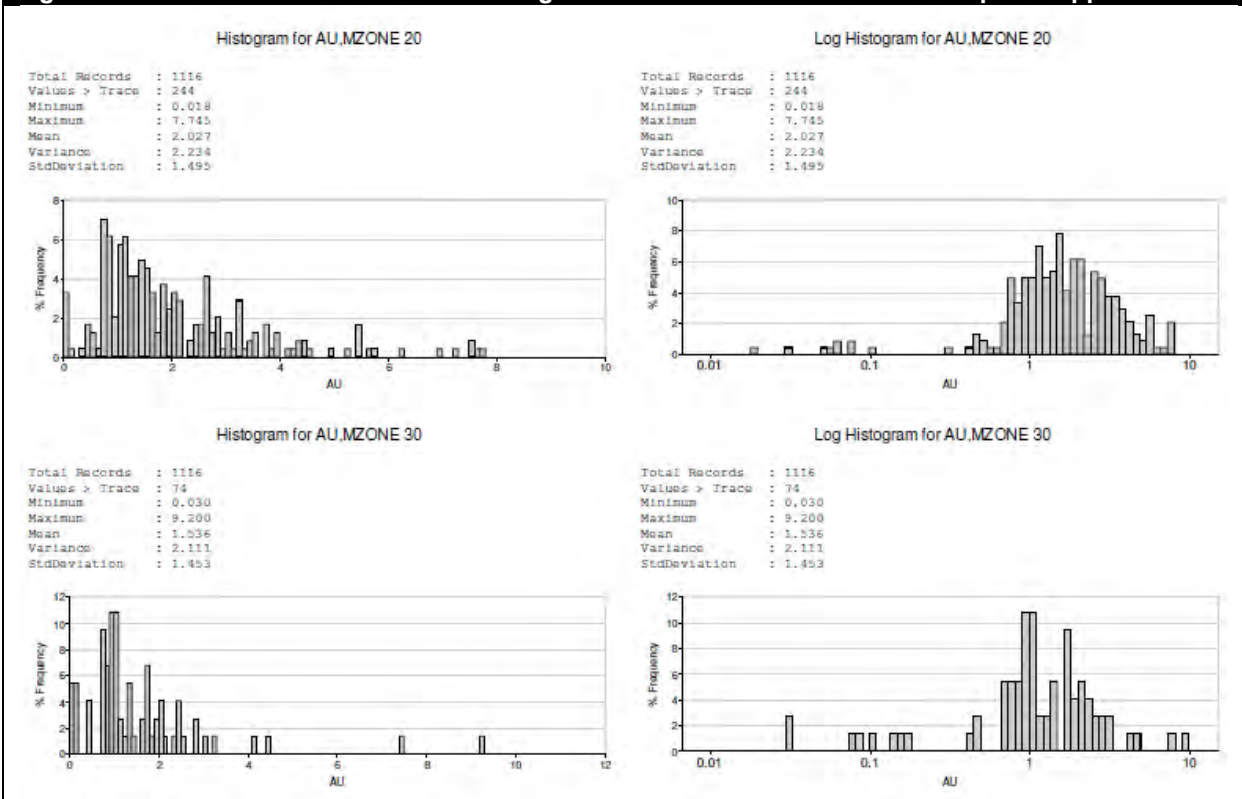


Figure 59: Basic Statistics for Luhala Shilalo West and Southern Zones after Top-Cut Application

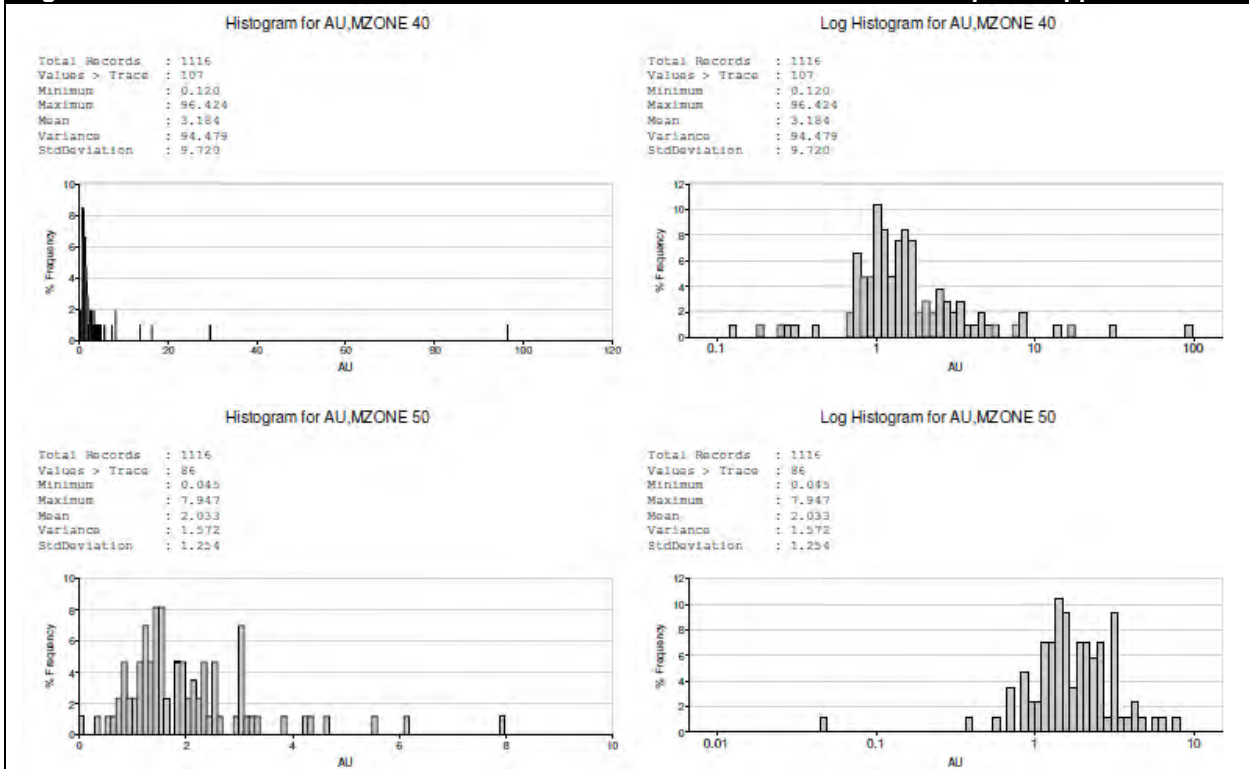


Figure 60: Luhala All Zones (Cut) 3D Variance Scatter Plot Showing Regression Effect

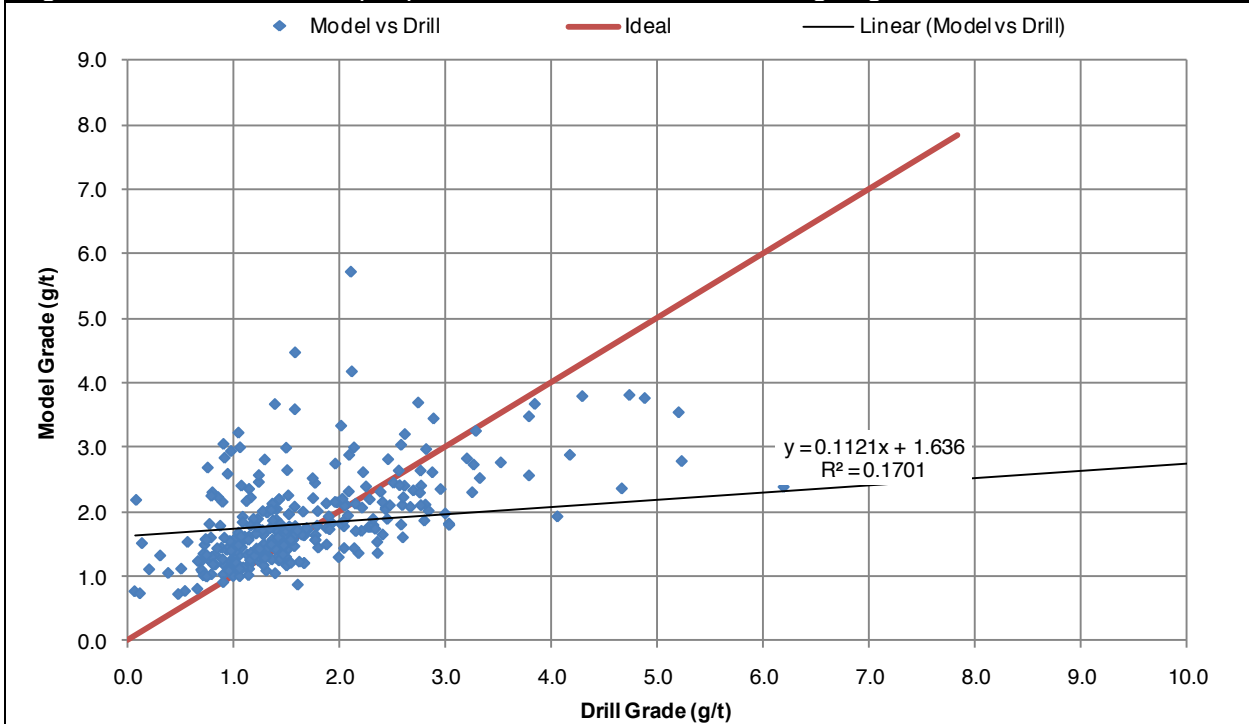
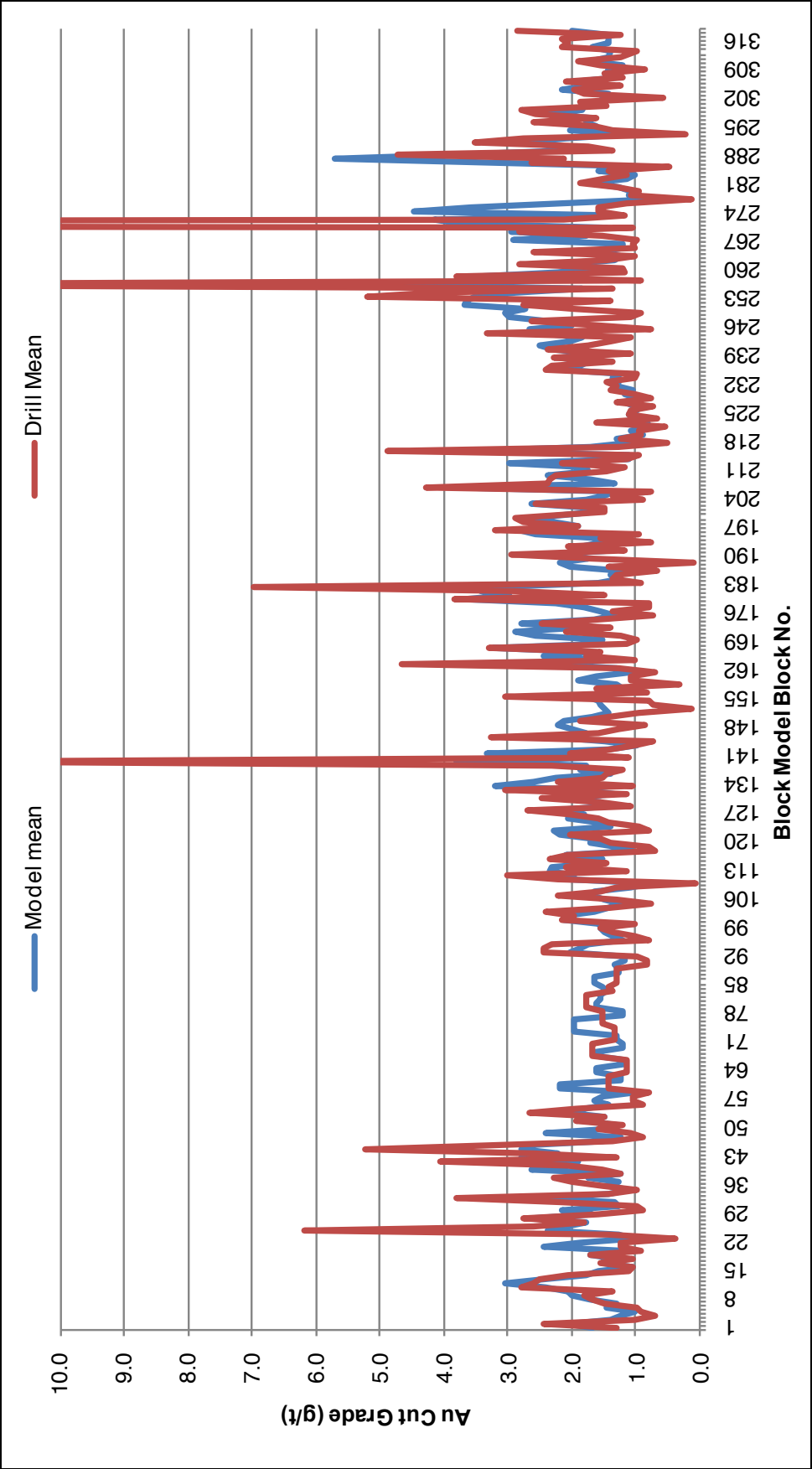


Figure 61: Luhala All Zones (Cut) 3D Variance Plot of Model versus Drillhole Grades by Block Number



Appendix 9: References SR1.3A(ii); SR2.3A(ii), SV2.11

YEAR	AUTHOR	TITLE
2011	Freeman, F	DJ WGC: 2011 Global Gold Demand Strong After 2010's 10-year High. http://news.tradingcharts.com
2011	Nickel Institute	http://www.nickelinstitute.org
2011	USGS	Mineral Commodity Summaries. http://minerals.usgs.gov/
2011	The World Gold Council	Gold Investment Digest – Fourth quarter and full year 2010. http://www.gold.org
2011	The World Gold Council	Gold Demand Trends – Full year 2010. http://www.gold.org
2011	The World Gold Council	Prices. http://www.gold.org
2010	Khayyam J.	Nickel market overview. Roskill Information Services Ltd. http://www.insg.org
2010	Lawyers' Environmental Action Team	Chapter 4.5 of Environmental Law Handbook for Business for Tanzania
2010	IMF	World Economic Outlook. http://www.resourceinvestor.com
2010	Mining Journal	New Tanzanian Mining Act
2010	Chaize, T	World Gold Production (2010)
2010	George	2008 Minerals Yearbook –Gold. http://minerals.usgs.gov/
2010	Ryan, B	World gold production to stabilize. http://www.miningmx.com
2010	Saint Barbara LLP	Preliminary Economic Assessment of Open Pit Mining of the Golden Horseshoe Deposit, Tanzania
2009	Lewis, D & Cary, R.	Competent Persons' Report KIBO MINING PLC Tanzanian Projects Central Tanzania – East Africa Gold and Nickel-Copper-Platinum Group Elements
2009	Eric Eng	The Nickel Market
2009	Resource Information Unit	Register of African Mining
2009	Geocan Resources Company	Summary of Report and Recommendations for the works conducted over the Singida-Londoni Gold Project
2009	Keers, A.,	Itetemia Preliminary Optimisation Short Report. Unpubl. Auralia Mining Consulting draft report to Kibo Mining Plc
2009	Cary, R.	Valuation of Gold and Nickel Mineral Assets Tanzania, East Africa
2009	SLR Consulting	Geological Model of Gold Mineralisation - Golden Horseshoe Reef, Itetemia Project
2009	Le Brun, S	Resource Estimate Update Report, Itetemia Gold Deposit - Golden Horseshoe Project, Tanzania. Unpubl. CSA Global Pty Ltd Rpt R200.2009. Internal report to Kibo Mining plc
2008	Le Brun, S	Summary Mineral Resource Report, Itetemia Gold Deposit, Golden Horseshoe Project, Tanzania. CSA Global Pty Ltd. Unpubl Rpt. to Kibo Mining plc
2008	Bartlett, D	Annual Geological progress Report 2007. Mzuri Resources Internal Report.
2008	Jordaan, L.S	Procedures for Exploration Soil Sampling. Mzuri Resources Internal Report.
2008	Kabete, J	A New Terrane-based Tectonic Subdivision of the Precambrian Shield of Tanzania and its Significance to Gold Metallogeny. Unpublished PhD Thesis, University of Dar es Salaam.
2008	O'Keeffe, N.	Drill Proposal 30 September 2008
2008	O'Keeffe, N.	Project Summary and Exploration Proposal
2008	Pepler, A.P	Geological Assessment and exploration Budgets for the Jubilee Resources LTD portfolio of Prospecting Licences in Tanzania. Mzuri Resources Internal Report.
2008	Scott, D	Budget/Planned Exploration Report Kiboko Exploration Project. Mzuri Resources Internal Report.
2008	Yager, T	The Mineral Industry of Tanzania
2008	Roodt, E.,	Report on Field Mapping and a General Reconnaissance of the Central Haneti Nickel/PGE Area, Kondoa District, Dodoma Province, Tanzania. Integrated Geological Solutions (Pty) Ltd. Unpubl. Internal report to Aardvark Exploration Ltd
2008	Microsearch CC	Report on the Thin Section Petrographic and Hand Specimen Descriptions, Haneti Project, Dodoma Province – Tanzania.
2008	Shanta Gold	Strategic Perspective - Shanta Gold's Future
2008	Shanta Gold	Shanta Gold Annual Report
2008	Shanta Gold	On track 2008 – advancing gold projects in Tanzania
2008	Lewis, D	Kibo Mining, Core Assessments Itetemia & Luhala Projects, Lake Victoria Goldfields, Tanzania. Unpubl. CSA (Ireland) Report CSA3702/04
2008	Lewis, D	Report on Visit to Itetemia Projects, Lake Victoria Goldfields, Tanzania. Unpubl. CSA (Ireland) Report CSA3702/03
2007	Lewis, D	Report on Field Visits to Itetemia & Luhala Exploration Projects, Lake Victoria Goldfield, Tanzania. Unpubl. CSA (Ireland) Report CSA3702/02
2007	Butt, C.R.M.	Haneti Nickel Project – Report on a field visit: May 8-13, 2007. CSIRO Exploration and Mining. Internal Report to Aardvark Exploration Ltd
2007	Barnes, S.J.	Report on petrography of samples from the Haneti Nickel Project, Tanzania
2007	Gole, M.	Petrographic description of samples TX-01, 02 and 03, Tanzania
2007	Williams, D	Mineral Resource Summary Report Itetemia Au Deposit, Tanzania. Unpubl. CSA Australia Report
2007	Arthurs, J.W.	A Geological Reconnaissance of the Uluguru Mountains, Tanzania. Unpubl. Internal Rpt to Sloane Developments Ltd
2007	Arthurs, J.W.	An interpretation of the Structure of the Udovelo Goldfield (Map)
2007	Arthurs, J.W.	Geology and Mineral occurrences in the Uluguru Mountains – Tanzania (Map)
2006	Arthurs, J.W.	A Summary of the Haneti Project. Unpubl. Internal Rpt to Sloane Developments Ltd.
2006	Arthurs, J.W.	Preliminary Report on a Visit to the Haneti Nickel Project, Tanzania. Internal Rpt to Sloane Developments Ltd
2004	Geological Survey of	The Geological Map of Njoge (Quarter Degree Sheet 145)

	Tanzania	
2003	C.M Chamberlain	Geology and Genesis of the Bulyanhulu Gold Deposit, Sukumaland Greenstone Belt, Tanzania
2003	Geological Survey of Tanzania	The Geological Map of Turiani (Quarter Degree Sheet 166)
2003	Geological Survey of Tanzania	Kibaya Geological Map (Quarter Degree Sheet 126)
2003	Geological Survey of Tanzania	Mswaki Geological Map (Quarter Degree Sheet 128)
2003	Geological Survey of Tanzania	Mvomero Geological Map (Quarter Degree Sheet 165)
2001	SRK Consulting	Independent review of the Itetemia Deposit, lake Victoria Greenstone Region – Tanzania
2001	Earle, S.	Geochemistry of Soil Samples from the Luhala Area, Tanzania
2001	Deane, J.G.	Report on phase 2 RC and Phase 3 RAB Drilling, Luhala PL 1451/2000
2000	Deane, J.G.	RAB Drilling report on the Luhala Gold Concession PL30/92
1998	MineStart management Inc	Untitled metallurgical report for Itetemia Gold., Tanzania, TanRange Exploration Corporation
1994	G. Borg	The Geita Gold Deposit in NW Tanzania – Geology, Ore Petrography, Geochemistry and Timing of Events.
1993	D.I. Groves and R.P Foster	Archaean lode gold deposits
1990	H. Barth	Explanatory Notes on the 1:500,000 Provisional Geological Map of the Lake Victoria Goldfields
1990	H. Barth	Geological Map of the Lake Victoria Goldfields
1984	B.W. Hester	Tanzania – Opportunities for Mineral Resource Development
1967	Ministry of Industries, Mineral Resources and Power	Kisungu Geological Map (Quarter Degree Sheet 127)
1966	Ministry of Industries, Mineral Resources and Power	Doma Geological Map (Quarter Degree Sheet 200)
1966	Ministry of Industries, Mineral Resources and Power	Kwekivu Geological Map (Quarter Degree Sheet 146)
1966	Ministry of Industries, Mineral Resources and Power	Mziha Geological Map (Quarter Degree Sheet 147)
1965	Geological Survey of Tanganyika	Kimamba Geological Map (Quarter Degree Sheet 182)
1961	Geological Survey of Tanganyika	Morogoro Geological Map (Quarter Degree Sheet 183)
1959	Geological Survey of Tanganyika	Kilosa Geological Map (Quarter Degree Sheet 53SE)
1958	Geological Survey of Tanganyika	Mlali Geological Map (Quarter Degree Sheet 53NE)
1957	Geological Survey of Tanganyika	Uluguru Geological Map (Quarter Degree Sheet 64NE)

Appendix 10: Glossary and Definitions **SR10A(ii)****Abbreviations**

%	Percent
°	Degrees
°C	Degrees Celsius
Aardvark	Aardvark Exploration Ltd
AIM	Alternative Investment Market
ALS SA	ALS Chemex South Africa (Pty) Limited
amsl	Above mean sea level
Au	Gold
AusIMM	Australian Institute of Mining and Metallurgy
BIF	Banded Iron Formation
CIC	carbon in column
DC	Diamond Core
DCF	Discounted cash flow
CCM	Chama Cha Mapinduzi
CPR	Competent Persons Report
CSA	CSA Australia Pty Ltd
DSC	Daniel Stewart & Company
DTM	Digital Terrain Model
Eagle Gold Mining	Eagle Gold Mining Limited
EIA	Environmental Impact Assessment
ESE	East South East
FeO	Iron Oxide
g	grams
g/t	grams per tonne
g/cm³	grams per cubic centimetre
GDP	Gross Domestic Product
GHR	Golden Horseshoe Reef
GIS	Geographic Information System
GPS	Global Positioning System
GSSA	Geological Society of South Africa
HLEM	Horizontal-Loop Electromagnetic
HUC	Haneti Ultramafic Complex
ICP-AES	Inductively Coupled Plasma Atomic Emission Spectroscopy
ID²	Inverse distance squared
IP	Induced polarisation
JORC	Joint Ore Reserves Committee
JSE	Johannesburg Stock Exchange
Jubilee	Jubilee Resources Limited
kg	Kilogram
km	Kilometre
km²	Kilometre Squared
Kibo Mining	Kibo Mining plc
LBC	LBC Resources (Pty) Ltd
LEAT	Lawyers' Environmental Action Team
LIMS	Laboratory Information Management System
LVG	Lake Victoria Goldfield
m²	Metres square
m³	Metres cubed
MAV	Mineral asset valuation
mm	Millimetre
MNRT	Ministry of Natural Resources and Tourism
Morogoro Gold	Morogoro Gold Limited
Mzuri Capital	Mzuri Capital Group Limited
Mzuri Gold	Mzuri Gold Limited
n/a	Not Applicable
NE	Northeast
NO	Number
OK	Ordinary Krigging
oz	Ounces
PEM	Price earnings multiple
PGE	Platinum Group Elements
PL No	Prospecting License Number
ppb	Parts Per Billion
ppm	Parts Per Million
QA/QC	Quality Assurance and Quality Control
RAB	Rotary Air Blast (drilling)
RC	Reverse Circulation
REG	Registration
RGB	Red, Green, Blue

RQD	Rock Quality Designations
SAIMM	South African Institute of Mining and Metallurgy
St. Barbara	St. Barbara LLP
SAMREC	South African Mineral Resources Code
Savannah	Savannah Mining Limited
SG	Specific Gravity
Sloane	Sloane Developments Limited
SLR	SLR Consulting
SRTM	Shuttle Radar Topography Mission
SW	Southwest
t	Tonnes
TanRoyalty	Tanzanian Royalty Corporation
TGS	Tanzanian Geological Survey
The Projects	Lake Victoria, Morogoro and Haneti Projects
TRA	Tanzania Revenue Authority
TZS	Tanzanian Shilling
UN	United Nations
USD	United States Dollar
USD/oz	United States Dollar per ounce
USD/km²	United States Dollar per Kilometre Squared
USD/t	United States Dollar per tonne
USDm	Million United States Dollar
VAT	Value Added Tax
Venmyn	Venmyn Rand (Pty) Ltd
VMS	Volcanogenic massive sulphide
WNW	West North West

Definitions

Aeromagnetic	Magnetic survey conducted from the air. Usually by fixed wing aircraft or helicopter.
Alteration	A change in mineralogical composition of a rock commonly brought about by reactions with hydrothermal fluids or weathering
Alluvial	Deposited by the action of running water
Amphibolite	A metamorphic crystalline rock consisting mainly of amphibole.
Anastomosing	Braided, branching, interlacing, interconnecting, net-like
Andestite	Volcanic rock comprised mainly of andesine plagioclase feldspar and one or more mafic minerals
Anticline	Fold in rocks in which the convexity is toward the younger rocks in the sequence. See Syncline.
Archaean	A geological period older than 2,500Ma.
Arsenopyrite	Arsenopyrite is an iron sulphide mineral with arsenic (FeAsS)
Assay	A chemical test performed on a sample of ores or minerals to determine the amount of valuable metals contained.
Banded Iron Formation	A rock consisting of iron oxides and cherty silica, and possessing a prominent layered or banded appearance in shades of brown or red and black.
Cenozoic	The latest of the five eras into which geologic time is divided. Representing young rocks and deposits.
Basalt	A fine grained, dark coloured, extrusive mafic igneous rock comprised primarily of calcic plagioclase and pyroxene minerals
Blank	A sample containing undetectable concentrations of the elements being prospected for.
Block Model	Computer technique for estimation of grades for individual solid blocks in a regular three dimensional array using sample data from drill holes or underground sampling
Breccia	Rock comprised of coarse, angular fragments within a finer matrix
Chert	A cryptocrystalline silica.
Chip Sample	A regular series of ore chips or rock chips taken from an exposure or at uniform intervals.
Complex	An assemblage of rocks of any age or origin that has been folded together, intricately mixed, involved or otherwise complicated.
Contact	The place or surface where two different rock types meet.
Craton	Large, ancient stable mass of the earth's crust.
Cut-off	The lower value of an ore variable, generally metal content, used to discriminate between different grade ranges of material, particularly ore and waste
Deposit	Any sort of earth material that has accumulated through the action of wind, water, ice or other agents.
Deformation	Change in the form or in the dimensions of rock caused by stress.
Development	Underground work carried out for the purpose of opening up a mineral deposit. Includes shaft sinking, crosscutting, drifting and raising.
Dilution (mining)	That proportion of waste necessarily mined in the process of extracting ore from the ground
Dip	The angle at which a planar feature is depressed from the horizontal.
Domain	Zone within a region of a mineralised body exhibiting relatively consistent structural characteristics
Duplicate	A sample taken from the same place, or a sub-sample taken from the same sample.
Dyke	Tabular body of igneous rock which cross-cuts the structure of the rocks which it has intruded
Epithermal deposit	A mineral deposit formed from hydrothermal solutions at a range of temperatures and pressure. Epithermal deposits are formed within about 1km of the earth's surface in the range of 50 to 200°C. These deposits are typically found in volcanic rocks; the chief metals are gold, silver and mercury.
Estimation	The quantitative judgement of a variable.
Exhalative	A mineral deposit originating from a vapour or gas escaping through the earth through a conduit or fissure, or molten lava or a hot spring.
Exploration	Prospecting, sampling, mapping, diamond drilling and other work involved in the search for .
Fault	A fracture in earth materials, along which the opposite sides have been displaced parallel to the plane of the movement.
Felsic	A term applied to light coloured rocks composed predominantly of feldspars and silica
Ferruginous	Containing iron.
Flow-banding	Banding in igneous flow rocks caused by alternating bands of differing mineralogical composition
Footwall	Rock mass below a fault or ore deposit
Formation	The ordinary unit of geological mapping consisting of a large and persistent stratum of some kind of rock.
Geochemical Anomaly	A concentration of one or more elements in rock, soil, sediment, vegetation, or water markedly different from the normal concentration in the surroundings.

Geochemistry	The relative and absolute abundances of the elements and atomic species (isotopes) in the earth or within samples.
Geological mapping	Process of identifying and recording the surface distribution of rock types, their age relationships and the structures affecting their distribution
Gneiss	Group of rocks with banded or foliated fabric formed by regional metamorphism.
Granitoid	A term applied to the texture of holocrystalline igneous or metasomatic rocks, such as granites, in which the constituents are mostly anhedral or xenomorphic and uniform in size.
Granulite	A high grade metamorphic rock characterised by the presence of mica and hornblend. Coarse and fine bands alternate and produce planar shistosity.
Greenschist facies	Greenschist facies is determined by the particular temperature and pressure conditions required to metamorphose basalt to form the typical greenschist facies minerals chlorite, actinolite, and albite. Greenschist facies results from temperatures of approximately 400 to 500 °C and depths of about 8 to 50 kilometres.
Greenstone	A field name for those compact, igneous rocks and sedimentary metamorphosed rocks of Archaean age.
Gridding	Process of establishing survey control by laying out a grid, usually of pegs or stakes
Hanging-wall	Rock mass above a fault or ore deposit
HLEM	A geophysical method used to infer subsurface conductive zones at various depths
Hydrothermal	A term applied to magmatic emanations high in water content and the rocks and ore deposits derived from them.
Induced polarisation (IP)	Geophysical survey technique in which a current is passed through the ground for the purpose of identifying conductive (chargeable) bodies and measuring the resistivity of sub-surface strata
Karoo	Of the same age of the Karoo rocks in South Africa. Generally between 400-200Ma.
Laterite	Residual soil developed in tropical and subtropical regions as a result of weathering. The soil is leached of silica and the residual material is enriched in hydrated oxides of iron, manganese, titanium, aluminium and nickel.
Lithologies	The description of the characteristics of rocks, as seen in hand-specimens and outcrops on the basis of colour, grain size and composition.
Lode	A mineral deposit consisting of a vein or zone of veins occurring in consolidated rocks, as opposed to alluvial or placer deposits
Mapping	See Geological mapping
Mafic	A term applied to dark coloured rocks composed predominantly of ferromagnesium rock forming silicates.
Marble	A metamorphic rock composed essentially of calcite, dolomite, or a combination of the two.
Mesothermal	A term applied to hydrothermal deposits formed at intermediate temperature and intermediate pressure.
Metallurgical Recovery	Overall proportion of the total content of individual metals within an ore recovered by processing.
Metamorphic	Rock that have undergone change from being subjected to high pressure, high temperature, and chemical alteration by solutions. They have become warped, twisted and folded, and the original minerals are rearranged and recrystallised.
Metasediment	Sedimentary rock that shows evidence of having been subjected to metamorphism.
Mineral Asset(s)	Any right to explore and / or mine which has been granted ("property"), or entity holding such property or the securities of such an entity, including but not limited to all corporeal and incorporeal property, mineral rights, mining titles, mining leases, intellectual property, personal property (including plant equipment and infrastructure), mining and exploration tenures and titles or any other right held or acquired in connection with the finding and removing of minerals and petroleum located in, on or near the earth's crust. Mineral Assets can be classified as Dormant Properties, Exploration Properties, Development Properties, Mining Properties or Defunct Properties.
Mineral Resource	A concentration of material of economic interest in or on Earth's crust in such form, quality and quantity that there are reasonable and realistic prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, estimated from specific geological evidence and knowledge, or interpreted from a well constrained and portrayed geological model. Mineral Resources are subdivided, in order of increasing confidence in respect of geoscientific evidence, into Inferred, Indicated and Measured categories. A deposit is a concentration of material of possible economic interest in, on or near the Earth's crust. Portions of a deposit that do not have reasonable and realistic prospects for eventual economic extraction must not be included in a Mineral resource.
Mineralisation	The presence of a target mineral in a mass of host rock.
Nappe	Structure in a mountain chain consisting of a major fold with both limbs lying horizontal.
Nimite	A yellow-green nickelian chlorite, with the formula $(\text{Ni};\text{Mg};\text{Fe}^{2+})_5\text{Al}(\text{Si}_3\text{Al})\text{O}_{10}(\text{OH})_8$.
OK	Ordinary kriging is the most commonly used type of kriging. It assumes a constant but unknown mean.
Orogenic	Formed as a result of mountain building processes and plate tectonics.
Outcrop	The part of a rock formation that appears on the earth's surface.

Perennial Stream	A stream which flows throughout the year.
Plateau	A upland, tableland, or elevated plain having a fairly smooth surface and bounded on at least one side but an escarpment separating it from the lower land.
Porphyry	Rocks containing conspicuous phenocrysts in a fine grained or aphanitic matrix.
Prospect	A deposit with the potential for economic extraction.
Proterozoic	A geological period before the first abundant complex life on Earth from 2,500-542Ma
Proximal	Close to.
Pyrite	Fool's gold a common yellow sulphide mineral, FeS. Pyrite forms under a wide range of pressure-temperature conditions, and so is found in many geological environments.
Pyritic	Pertaining to, resembling or having properties of pyrites.
Pyrrhotite	Pyrrhotite is an iron sulphide mineral with a variable iron content: Fe(1-x)S (x = 0 to 0.2).
Quartzite	A metamorphic rock consisting primarily of quartz grains, formed by the recrystallisation of sandstone by thermal or regional metamorphism or a sandstone composed of quartz grains cemented by silica.
RAB drilling	Rotational drilling technique in which the drill cuttings are returned to surface between the drilling rods and the wall of the hole by compressed air forced down the drill rods. The potential for sample contamination from wall rocks is possible.
Regolith	Layer of loose, incoherent rock material of any origin.
Reconnaissance	An exploratory or preliminary survey, inspection, or examination made to gain information.
Recovery	See Metallurgical Recovery
Reef	A load or vein.
Rock Quality Designations (RQD)	Measurement of core recovery percentage incorporating only pieces that are greater than 100mm in length. A quantitative index used to identify low-quality or weak rock zones
Rehabilitation	The process of restoring mined land to a condition approximating to a greater or lesser degree its original state. Reclamation standards are determined by the Department of Mineral and Energy Affairs and address ground and surface water, topsoil, final slope gradients, waste handling and re-vegetation issues.
Sample	The removal of a small amount of rock pertaining to the deposit which is used to estimate the grade of the deposit and other geological parameters.
Sampling	Taking small pieces of rock at intervals along exposed for assay (to determine the mineral content).
Saprolite	Comprising saprolite, which is a decomposed silicate rock in its original position.
Sedimentary	Formed by the deposition of solid fragmental or chemical material that originates from weathering of rocks and is transported from a source to a site of deposition.
Shear Zone	A zone in which shearing has occurred on a large scale such that rock is crushed and brecciated.
Soil Sample	A small sample of the soil, representing the area from which it was removed.
Specific Gravity (SG)	Ratio of the mass of a body to the mass of an equal volume of water. SG has no units
Standard	A sample for which the specific concentrations of certain elements is know.
Stratabound	Confined to one stratum or layer in a rock sequence
Stratigraphy	The composition, sequence and correlation of stratified rocks within the earth's crust
Stream Sediment Sampling	A small sample of the stream sediment representing the drainage area from which it was derived.
Structure	The disposition of the rock formations, that is, the broad dips, folds, faults and unconformities at depth.
Subcrop	Rock formations occurring just below the earth's surface. Often covered by younger sediments and/or soils.
Sulphide	Many important metal ores are sulphides.
Syncline	Fold in rocks in which the convexity is toward the older rocks in the sequence. See Anticline
Terrain	A complex group of strata accumulated within a definite geological epoch.
Top-cut	Upper limit applied to sample assay data to reduce the influence of very high grades when averaging over an interval.
Trenching	Making elongated open-air excavations for the purposed of mapping and sampling.
Tuff	A rock formed of compacted volcanic fragments, generally smaller than 4mm.
Ultramafic (rock)	Igneous rock containing less than 45 per cent silica, composed essentially of ferromagnesian silicates and metallic oxides and sulphides, with virtually no quartz or feldspars
Variography	A numerical estimate of the relative variability of grade between pairs of samples with increasing distance apart
Veins	A tabular or sheet like body of one or more minerals deposited in openings of fissures, joints or faults, frequently with associated replacement of the host rock.
VMS	A type of metal sulphide ore deposit associated with volcanic derived hydrothermal events in submarine environments.
Wireframe	Computerised representation of a 3-dimensional solid by a series of conjoined straight

Appendix 11: CV's SR11A(i), SV2.14

Name of Firm: Venmyn Rand (Pty) Limited
Name of Staff: Mr Andrew Clay
Company Responsibility: Managing Director
Profession: Geologist
Date of Birth: 16th April 1955
Years with Firm/Entity: 22 years
Nationality: British

Membership in Professional Societies:

CLASS	PROFESSIONAL SOCIETY	YEAR OF REGISTRATION
Member	Canadian Institute of Mining, Metallurgy and Petroleum	2006
Advisor	JSE Limited Listings Advisory Committee	2005
Issuer	JSE Issuer Services	2008
Member	JSE Issuer Mining Sub-committee	2009
Associate Member	American Association of Petroleum Geologists	2005
Member	South African Institute of Directors	2004
Fellow	Geological Society of South Africa	2003
Member	American Institute of Mineral Appraisers	2002
Member	South African Institute of Mining and Metallurgy	1998
Fellow	Australasian Institute of Mining and Metallurgy	1994
Member	Natural Scientist Institute of South Africa	1988
Member	Investment Analysts Society of South Africa	1990

Involvement in Code Writing:

POSITION	PROFESSIONAL CODE	DATE OF INVOLVEMENT
Chairman	Venmyn Advisory Checklist	2000 - present
Member	South African (SAICA) extractive industries deliberations	2003 - present
Initiator & Panel Member	SAMREC / IAS Award	2002 - present
Advisor	JSE Listing Requirements (Section 3 On-going obligations)	2002 - present
Working Group Member	SAMREC Code (Oil & Gas)	2005 - present
Working Group Member	SAMVAL Code	2001 – present
Working Group Member	SAMREC Code (Re-write Sections 1 – 5)	2005 - present
Working Group Member	SAMREC Code (Re-write)	2003 - present
Working Group Member	SAMREC Code (First Version)	1996 - 2001
Advisory Committee Member	JSE Limited	2005-present
Advisor	JSE Listing Requirements (Section 12)	1990 – present

Mr Clay currently has a special interest in incorporating oil and gas reporting procedures into the general application of mineral asset valuation.

Involvement in Fund Management

POSITION	FUND	DATE OF INVOLVEMENT
Member of Investment & Audit Committee	New Africa Mining Fund (NAMF)	2007 - present
Director	Strategic African Mineral Investment Fund (SAMI)	2008 - present

Detailed Tasks Assigned:

YEAR	CLIENT	COMMODITY	DOCUMENTATION
2010	Bauba Platinum	Platinum	Independent Strategic Technical Advisor
	African Copper	Copper	Independent Mass Balance and Orebody Fatal Flaws Assessment
	Advanced Mineral Recovery Technologies	Gold	Independent Sampling and Mass Balance Report
	Xstrata Coal	Coal	Independent Valuation Certificate
	Sephaku	Cement	Independent Technical Review
	White Water Resources	Gold	Independent Competent Persons' Report
	White Water Resources	Gold	Independent Technical Statement
	Platmin	Platinum	Independent Techno-Economic Reports and Valuation

YEAR	CLIENT	COMMODITY	DOCUMENTATION
2010	West Wits Mining	Gold	Independent Prospectivity Review
	SSC Mandarin	Gold	Independent Corporate and Technical Review
	Ultra Tech	Cement	Independent Techno-Economic Statements
	Taung	Gold	Independent Technical Review
	Taung	Gold	Independent Valuation Statement
	Sylvania	PGMs	Independent Technical and Valuation Experts Report
	Kibo Mining plc	Gold	Independent AIM Compliant Competent Person's Report
	Kalagadi	Managanese	Independent High Level Techno-Economic Review
	Lesego	Platinum	Independent Techno-Economic Valuation Report
	Lesego	Platinum	Independent Executive Summary
	G&B Resources	Li	Independent Prospectivity Review
	Miranda	Coal	Independent Technical Resource and Valuation Statement
	Loncor	Gold	Independent Techno-Economic Valuation Report
	Gentor Resources	Copper	Independent Techno-Economic Report
	ETA Star	Coal	Independent Valuation Report
	AfriSam	Cement	Independent Technical Review
	Buildmax	Cement	Independent Short-Form Competent Report
	Anglo Platinum	Platinum	Independent Valuation of the PGM Assets
	Nyota Minerals	Gold	Independent Inferred Resource Estimate
	Absolute Holdings	Platinum	Independent Competent Persons' Report
	AfriSam	Cement	Independent Technical Review
	African Copper	Copper	Mass Balance and Orebody Fatal Flaws Assessment
	Ruukki	Platinum	Short-Form Techno-Economic Statements
	Umbono Capital	PGMs	Independent Competent Persons' Report
	Anglo Platinum	PGMs	Independent Mineral Asset Valuation
	Zambia Copper Investments	Copper	Mineral Asset Valuation
White Water Resources	Gold	Short-Form Valuation Statements	
Central African Gold	Gold	NI 43 – 101 Technical Report	
Platmin	Platinum	Updated NI 43 – 101 Technical Report	
2009	G & B Resources	Uranium	Independent Competent Persons' Report
	Kalagadi	Manganese	Independent Techno-Economic Review
	Sephaku Cement	Cement	Independent Competent Persons' Report
	Metorex	Gold	Independent Fairness Opinion
	Kivu Resources	Pegmatites	Independent prefeasibility study
	Kalagadi Manganese	Manganese	Independent Tehno-Economic Review
	Taung Gold	Gold	Independent Competent Person's Report
	Sylvania Resources	Platinum	Independent Technical and Valuation Expert's Report
	Ernst & Young Jordan	Gold	Independent Valuation Report on mineral assets of a Gold Mining Concession in Ethiopia
	Dwyka Resources	Gold	Independent Technical Statement on Tulu Kapi Gold Project
	G & B African Resources	Pot Ash	Independent Prospectivity Review
	Central African Gold	Gold	Information Memorandum in the form of NI 43-101 Compliant Technical Statement
	Braemore Resources	Platinum	Fairness Opinion
	New Dawn	Gold	Independent Technical Statement
	Investec	Cement	Independent Technical Review of CILU Cement assets
	IBI	Iron ore	Independent Technical Resource Statement
	Chrometco	Chrome	Fairness Opinion
	Rand Uranium	Uranium	Mineral Resource Review and Modelling
2008	Signet Mining	Coal	Independent valuation of coal assets
	Lesego Platinum	PGMs	Independent Competent Person's Report for JSE Listing
	Norilsk Nickel	Nickel	Review of business strategy
	Minero Group	Zinc/Lead	Review of business strategy and Competent Person's Report
	Paramount Mining	Diamonds	Independent Technical Statements
	Anglo Platinum	PGMs	Independent Technical Report and valuation
	Demindex	Diamonds	Review of business strategy and Technical Advice
	Investec	Cement	Due Diligence and valuation of Cilu Cement
	DGI	Copper/Cobalt	Independent Technical Statements
	Abalengani	Platinum	Review of plant and valuation
	Absolute Holdings		Quarry valuation
	Metorex	Copper/Cobalt	Fairness Opinion
	Investec	Cement	Due diligence on Sephaku assets
	Kivu Resources	Tantalite	Tantalite strategic planning and valuation
	Tantilite Resources	Tantalite	Independent Technical Report
	DGI	Copper/Cobalt	Independent Technical Statement and valuation
Uramin	Uranium,	Resourse Review and Technical Statements	

YEAR	CLIENT	COMMODITY	DOCUMENTATION
2008	Harmony Gold Mining	Au, Uranium	Independent Technical Statements and Strategic business plan
	Harmony Gold	Uranium	Cooke Dump Resource and Financial Valuation
	Harmony Gold	Au Uranium	Reserve and Resource Audit for the group
	Nkwe Platinum	PGMs	Independent Technical Statement and Competent Person's Report
	Highveld Steel & Vanadium Corporation	Steel, Vanadium	Independent Resource and Reserve planning
	African Minerals	Diamonds	Independent Technical Statements
	Continental Coal	Coal	Independent Technical Report
	Industrial Base Metals	Base Metals	Base Metal Refinery Audit
2007	Crushco	Industrial Minerals	Independent valuation
	Kimberley Consolidated Mining	Diamonds	Independent valuation
	LionOre Mining	Nickel, PGMs	Technical and economic valuation
	PBS Group	PGMs	Project review
	Western Areas	Au	Independent valuation
	Harmony Gold Mining	Au, Uranium	Independent scoping and valuation
	Great Basin Gold	Au	Independent valuation for BEE transaction
	BRC/Diamondcore Resources	Diamonds	Valuation and Opinion provider
	Urals Investors	Diamonds Au, PGMs and Oil and Gas	Independent Transaction Report
	Energem	Diamonds	Independent Technical Statement for Koidu
	Xstrata	Cr	Independent CGT and Valuation advice
	PWC Magnetite Mine Review	Magnetite	Independent Mineral Resource Review and Valuation for apportionment calculations
	Magnum Resources	Ta	Independent Mineral Resource Review
	Gaanahoeck Coal Deposit	Coal	Prospectivity Review
	Letseng	Diamonds	Independent Competent Person's Report for disposal
	Zimplats Tenements	Platinum Group Metals	Independent Competent Person's Report for disposal
	DRD	Gold	Fair & Reasonable
	ARM Madikwa	Platinum Group Metals	Independent Valuation for Impairment Calculation
	Harmony Competitions Tribunal	Gold	Independent Expert Witness
	Ecca Holdings	Bentonite	Independent Industry Review
	DRDGold	Au	Emperor Gold Mines independent forensic review
	Kimberley Diamonds Corporation	Diamonds	Independent Listings Documentation
	Rockwell	Diamonds	Transhex Transaction Documentation
Rockwell	Diamonds	Independent Mineral Resource Review	
Caledonia Mining	Au	Independent Disposal Documentation Eersteling	
Caledonia Mining	Au	Independent Disposal Documentation Barbrook	
Adsani Tantalite Refinery	Ta	Independent Technical Report	
2006	LionOre	Ni Base Metals	Independent Valuation of Falconbridge International and Nikkelverk Refinery
	LionOre/BCL	Ni Base Metals	Independent Technical and Economic Valuation
	Vanamin	V	Independent Report for disposal
	Kurils Islands	Au	Independent Technical Report NI43-101
	Mgart Armenia	Au	Independent Assessment and Valuation for AIM
	Zimbabwe Mining Bill	All	Preparation of industry submission to government
	Energem	Oil & Gas	Preparation of National Instrument Compliance
	Ncondedzi Coal	Coal	Technical & Corporate Listing Documentation
	Metallon International - Armenia	Gold & Base Metals	Prospectivity & Exploration Programme Preparation
	Hood Tantalite	Tantalite	Independent Techno Economic Valuation Report
	Harmony Randfontein 4 Shaft	Gold	Independent Valuation
2005	Gallery Gold	Gold	Independent Competent Person's Report for disposal
	Stuart Coal	Coal	Independent Competent Person's Report for disposal
	Elementis Chrome	Chrome	Independent Industry Review
	Diamond Core	Diamonds	Independent Competent Person's Report
	Diamond Core	Diamonds	Fair & Reasonable Statement
	Kensington Resources	Diamonds	Independent Inspection & Certification of Laboratory
	Bayer Valuation	Chrome	Independent Valuation for Economic Empowerment Transaction
	Pangea Diamonds	Diamonds	Independent Competent Person's Report
	LionOre International	Nickel	Tati Nickel Review of Mineral Resources.
	Aquarius PSA2		Independent Competent Person's Report
	Aquarius	Platinum	Marikana Mineral Resources Review.
	LionOre International	Nickel	Nkomati Due Diligence and Transaction Value Calculations.
LionOre International	Nickel	World Nickel market study for group corporate work	

YEAR	CLIENT	COMMODITY	DOCUMENTATION
2004	Avgold Limited	Gold	Fair & Reasonable Opinion on the Methodologies applied and Values attributed to the Mineral Assets of ET Cons
	Aquarius	Platinum	Update of Independent Valuation of Mimosa
	Aquarius	Platinum	Independent Techno-Economic Report and Fair and Reasonable Opinion tot the PIC, DBSA and IDC on the 26% BEE Transaction for AQPISA – Document waived by the JSE.
	Mimosa Mining Company	Platinum	Mineral Resource and Ore Reserve Review
	Zimplats	Platinum	Zimplats Makwiro Valuation and Corporate Restructuring
	Assmang	Manganese	CGT Valuation
	Aquarius	Platinum	CGT Valuation
	Sishen South	Iron	CGT Valuation
2003	Unki Platinum Project	Platinum	CGT Valuation
	Hernic Ferrochrome (Pty) Ltd, Itochu Corporation	Chromite	Independent valuation of the Stellite Chromite Mine Joint Venture.
	African Diamond Holdings (Pty) Ltd	Diamonds	Independent techno-economic due diligence and valuation of African Diamond Holdings marine diamond concessions and diamond cutting operation in Walvis Bay, Namibia.
	Unki Platinum Project, Zimbabwe	Platinum	Techno-Economic Valuation Report & Fair & Reasonable Opinion
	Transvaal Ferrochrome Ltd	Ferrochrome	Independent Competent Person's Report and Valuation as a bankable Document for Australian Stock Exchange
	Aquarius Platinum (SA) (Pty) Ltd	Platinum	Independent Competent Person's Report and Valuation for the Everest South Project
	Zimbabwe Platinum Mines Ltd	Platinum	Independent valuation of Zimplats relative to the value of the Impala Platinum Ltd/AurionGold Ltd transaction.
2002	Mitsubishi Corporation	Ferrochrome	Expansion Report and Valuation on Hernic Ferrochrome (Pty) Ltd.
	Aquarius Platinum Ltd	Platinum	Acquisition Report on ZCE Platinum Ltd including the due diligence and valuation of Mimosa Mine in Zimbabwe.
	Freddev	Gold	Valuation of Mineral Rights & Royalties
	Barnex	Gold	Valuation of Mineral Rights & Royalties
	Western Areas	Gold	WA4 Project : Valuation of Mineral Rights & Royalty Agreement
	Mitsubishi	Ferrochrome	Expansion report and valuation
	Aquarius	Platinum	Acquisition Report
	Northam	Platinum	Valuation
2001	Mitsubishi Corporation	Ferrochrome	Due Diligence, Valuation and Acquisition Report
	Amcol Due Diligence	Bentonite	Independent due diligence and valuation on G&W
	Zimplats Impala Raising	Platinum	Circular to shareholders valuation report
	African Minerals	Varied	Independent competent person's report
2000	Barnato Exploration Limited	Varied	Competent person's report
	Durban Deep	Gold	Independent valuation report
	Iscor Limited	Varied	Independent valuation of exploration assets
	Harmony Gold Mining Co Ltd	Gold	Harmony / Kalgold / West Rand Cons
1999	Leighton Contractors	Tin	Pre-feasibility study Pemali Tin (Indonesia)
	Mitsubishi	Ferro-Chrome	Techno-economic valuation of Hernic Chrome
	Barnex Ltd	Wits Gold	Due diligence
1998	Camco	Diamonds	Independent Competent Person's Report and valuation
	Crown Mines and DRD	Wits Gold	Valuation
	Egyptian Government	Phosphate	Due diligence and valuation
	Great Fitzroy Mines	Copper	Competent Person's Report and Valuation
	Iscor Mining	Greenstone Gold	Due diligence and valuation
	JCI Ltd	Wits Gold	Competent Person's Report
	Randgold & Exploration Co Ltd	Gold	Competent Person's Report
	Western Areas	Wits Gold	Competent Person's Report
	CBR Mining	Coal	Due diligence
1997	Durban Roodepoort Deep Ltd	Wits Gold	Competent Person's Report
	G&W Base	Bentonite	Due diligence
	JCI Ltd	Wits Gold	Competent Person's Report
	Opaline Gold	Greenstone Gold	Competent Person's Report
	Penumbra	Coal	Due diligence
	Randgold & Exploration Co Ltd	Greenstone Gold	Competent Person's Report
	Rondebult Colliery	Coal	Due diligence
1996	African Mining Corporation*	Alluvial Gold	Project valuation
	Australian Platinum Mines NL	Platinum	Due diligence
	Benoni Gold Holdings Ltd	Wits Gold	Competent Person's Report
	Consolidated Metallurgical Industries	Ferrochrome	Competent Person's Report and valuation

YEAR	CLIENT	COMMODITY	DOCUMENTATION
1996	Durban Roodepoort Deep Ltd	Wits Gold	Competent Person's Report
	Harmony Gold Mining Co Ltd	Wits Gold	Competent Person's Report
	JCI Ltd	Wits Gold	Valuation
	Rand Leases Properties Ltd	Wits Gold	Competent Person's Report and valuation
	Randgold & Exploration Co Ltd	Wits Gold	Due diligence
1995	African Mines Limited*	Greenstone Gold	Project valuation
	Barney-Seidle Arbitration	Granite	Project valuation arbitration
	Mopet Oil*	Oil and Gas	Market analysis facilitator
	Randgold & Exploration Co Ltd	Wits Gold	Competent Person's Report and valuation
	Randgold Durban Deep	Wits Gold	Competent Person's Report and valuation
1994	Randgold Harmony Unisel Merger	Wits Gold	Competent Person's Report and valuation
	Aurora Exploration	Varied - Industrials	Competent Person's Report and valuation
	Consolidated Mining Corp	Wits Gold	Due diligence and valuation
	CRA (Australia)	Iron Ore	Due diligence
	Durban Roodepoort Deep Ltd	Wits Gold	Competent Person's Report and valuation
	Ghana Gold Mines*	Greenstone Gold	Due diligence and valuation
	Gold Fields of SA Ltd	Wits Gold	Competent Person's Report and valuation
	Hernic Chrome	Ferro-Chrome	Valuation and Strategic Analysis
	Inca	Magnesium	Due diligence and valuation
	Mitsubishi	Ferrocchrome	Due diligence and valuation
1993	Namco*	Diamonds	Competent Person's Report and valuation
	Randgold & Exploration Co Ltd	Wits Gold	Due diligence
	Namibia Oil & Gas licence applications	Oil & Gas	Working with Paul Blair licence applications
	Atomic Energy Commission	Uranium	Strategic Analysis
	Eskom	Base metals	Strategic Analysis
	JCI	Wits Gold	Financial Planning Analysis (Rehabilitation)
1992	Lonrho	Platinum	Financial Planning Analysis (Rehabilitation)
	Rand Mines Properties	Varied	Mineral rights evaluation
	Barbrook Gold Mines	Greenstone Gold	Ore resource modelling and mine valuation
	Rand Merchant Bank	Copper	Ore resource modelling and project valuation
	Rembrandt	Platinum	Mine valuation (Northam Platinum)
1991	West Rand Cons	Wits Gold	Ore resource modeling and mine valuation
	Rand Merchant Bank	Wits Gold	Ore reserve evaluation (Westonaria Gold Mine)
	Rembrandt (Gold Fields of SA)	Varied	Due diligence, valuation and strategic analysis
	Standard Merchant Bank	Greenstone Gold	Due diligence and valuation (Eersteling Gold Mine)
1990	Sequence Oil and Gas	Oil & Gas	Due Diligence Report
	Atomic Energy Corporation	Nuclear Fuels	Strategic analysis
	Consolidated Mining Corp	Wits Gold	Due diligence and valuation
	Eskom	Copper/Zinc	Strategic Market Analysis (Toll Smelter potential)
	Freddies Minerals	Feldspar - Industrials	Due diligence
	Industrial Machinery Supplies	Coal	Strategic analysis and valuation (Bricketting plant)
	Knights Gold Mine	Wits Gold	Competent Person's Report
	Rand Merchant Bank	Diamonds	Due diligence and valuation (Alluvial Mine)
	Corex	Oil & Gas	Evaluation of prospectivity
	Rand Merchant Bank	Lead/Zinc	Due diligence and valuation (Miranda Mine)
	Rand Mines	Varied	Corporate Strategic Analysis
	Rhogold	Wits Gold	Ore resource modeling
	Rice Rinaldi	Coal	Due diligence and valuation
1989	Sub Nigel Gold Mine	Wits Gold	Due diligence and valuation
	Zaaipplaats Tin Mine	Tin	Due diligence and valuation
	Avontuur Diamond Mines	Diamonds	Due diligence and valuation
	Granite Consolidated Mining	Granite	Due diligence and valuation
	Osprey Gold Mine	Greenstone Gold	Due diligence and valuation
	Rand Leases Gold Mine	Wits Gold	Ore resource modeling
	Rand Merchant Bank*	Varied	Mineral portfolio analysis (Swanson Rights)
	Rhovan	Vanadium	Competent Person's Report and valuation
1988	Vanamin Severrin Mining	Vanadium	Due diligence and valuation
	Zimco	Andalusite	Competent Person's Report and valuation
	Mullet Slate	Slate	Due diligence and valuation
1988	Rand Merchant Bank	Wits Gold	Risk assessment analysis (Peritus Exploration)
	Wit Nigel Gold Mine	Wits Gold	Ore resource modelling

Fair and Reasonable Opinions:

YEAR	CLIENT	SECURITIES EXCHANGE JURISDICTION	TRANSACTION TYPE	IMPLIED VALUE (US\$m)	DESCRIPTION
2010	Sylvania	ASX	Issuing new ordinary shares	34	Independent Professional Expert Report
2009	Chrometco	JSE	Acquisition of interest	8.3	Independent Professional Expert Report
2009	Metorex	JSE	Disposal of 6.3% interest	5.7	Independent Professional Expert Report
2009	Braemore Resources	JSE	Acquisition of interest	36.3	Independent Professional Expert Report
2007	Diamondcore/BRC	JSE	Acquisition	50	Independent F&R for Diamondcore
2006	LionOre International	TSX	Acquisition notification documentation.	650	Independent Technical and Valuation Fatal Flaws Report and F&R opinion for the Board of LionOre. Not published as an F&R.
2005	Diamond Core	JSE	Category I Merger	10.0	Independent CPR on the mineral assets of Samadi Resources SA (Pty) Ltd and Diamond Core Resources Limited.
2005	LionOre International	TSX	Acquisition notification documentation.	110.0	Tati Nickel Review of Mineral Resources.
2005	Aquarius	JSE	26% BEE	150.0	Independent Techno-Economic Valuation and Fair and Reasonable Opinion on the PIC, IDC, DBSA 26% Empowerment Transaction. Documents waived for the secondary listing.
2004	Barplats	JSE	Offer to Barplats Minorities	60.0	Offer by Platinum Consortium to take out Implats. The SRP insisted our report be prepared in full. In the end Investec wrote the Fair and Reasonable but was fully reliant upon the Venmyn work as demonstrated in the circular.
2004	Zimplats	ASX	Collapse of the Makwiro Structure for shares to Implats.	38.0	Fair Value calculation in a corporate restructure.
2003	Amplats	JSE	Acquisition price calculation for Unki Platinum.	Confidential	Preparation of an Independent Techno-Economic Valuation Report and Fair and Reasonable Opinion. Document not used as the transaction became immaterial for reporting purposes.
2003	Aquarius Platinum (South Africa) (Pty) Ltd	ASX	Opinion on the value of a Refinery Agreement.	10.0	Fair & Reasonable Opinions for Aquarius Platinum for the Impala Refinery Commitments.
2002	Consolidated African Mines Limited.	JSE	CAM acquired 40% of the Letseng diamond mine for CAM shares.	10.0	Preparation of an Independent Techno-Economic Valuation Report and Fair and Reasonable Opinion. Document used in full.
2002	Zimplats	ASX	Implats acquired a controlling interest in Zimplats by acquiring Aurion Gold shares.	50.0	Preparation of an Independent Techno-Economic Valuation Report and Fair and Reasonable Opinion. Document used in full.
2002	Aquarius	ASX	Aquarius acquires 65% in ZCE Platinum Limited.	50.0	Preparation of an Independent Techno-Economic Valuation Report and Fair and Reasonable Opinion. Document used in full.
2000	DiamondWorks	TSX	Lyndhurst a South African Company takes control of Canadian junior Diamondworks.	20.0	Preparation of an Independent Techno-Economic Valuation Report and Fair and Reasonable Opinion. Document used in full and special representation required in Toronto to explain the transaction and the assets.
1999	New Corporation Mining	JSE	Listing and acquisition documentation.	50.0	Complicated transaction and full Independent Techno-Economic Valuation prepared with Fair and Reasonable Opinion included in our report. This satisfied the JSE and the SRP.

1996	West Witwatersrand Gold Holdings Limited	JSE	Section 440k Offer	20.0	Independent Competent Persons Report on the Offer by Durban Deep to West Wits under Section 440k. Document included in circulars to both shareholders. Our Fair and Reasonable Opinion was specifically requested by the SRP.
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Key Qualifications and Description:

Mr Clay has been a serving professional in the minerals industry since 1977 when he undertook field mapping and a professional apprenticeship within the Rhodesian Geological Survey. This was at a time when fieldwork and practical application of geological principals was still fundamental to the development of geology as a science. Following this, Mr Clay has dedicated his career to the commercial incorporation of first principles scientific process to the description, reporting and valuation of mineral assets.

Having worked for a number of years with mining companies, both underground and in corporate, Mr Clay became a founding member of Venmyn in 1988. At this time the company was closely associated with Rand Merchant Bank. This relationship enabled him to pursue the process of linking technical and financial valuation. Since that time Mr Clay has been involved in growing Venmyn and is presently the Managing Director and major shareholder.

He has been involved in developing a style of reporting at Venmyn which has become internationally recognised as compliant shorter form reporting. The emphasis of the work is on concise and graphical reporting, bullet points and descriptive graphics for ease of presentation and shareholder appreciation.

He has been involved in the writing of numerous codes the South African Code for the Reporting of Mineral Resources and Reserves (SAMREC Code) and is currently on the committee writing the South African Code for the Valuation of mineral projects (SAMVAL Code). He is presently involved in the oil and gas industry where his expertise in valuation is being used to determine the relationship between the reporting methodologies in this industry relative to the rest of the mineral industry.

Mr Clay's key areas of expertise lie in the detailed financial valuation of mineral and mining projects using discounted cash flow models. In this regard he has undertaken over 25 valuations for eight different commodities over the last four years. Details of the valuations and other assignments are tabled above. These valuations have been used in listing and merger documentation both in local and international stock exchanges and for the private use of the companies concerned.

Education:

DEGREE/DIPLOMA	FIELD	INSTITUTION	YEAR
B. Sc Hons.	Geology	University College Cardiff	1976
M. Sc. Econ. Geol.	Economic Geology (awarded Corstorphine Medal for Best M.Sc. Thesis)	University of the Witwatersrand	1981
GDE	Graduate Diploma in Mining Engineering	University of the Witwatersrand	1986
M. Sc.	Mining Engineering	University of the Witwatersrand	1988
Dip. Bus. M.	Diploma in Business Management	Damelin College	1983
Tax Mgmt	Tax Management and Planning	University of the Witwatersrand	1988

Employment Record:

POSITION	COMPANY	JOB DESCRIPTION	DURATION
Managing Director and Founding partner	Venmyn Rand (Pty) Ltd	<ul style="list-style-type: none"> Mr Clay serves as the Managing Director of Venmyn and is responsible for the company's strategic process as well as finances, budgeting and operations; Venmyn operates as a techno-economic consultancy for the resources industry on a world wide basis; Mr Clay has been a key member of the SAMREC Working Group, responsible for compiling the SAMREC Code; Served on the JSE/SAMREC working committee for the development of the JSE Section 12 requirements; Serves on the Readers Panel for the JSE; Mr Clay is director of the advisory business and provides hands-on services to all the company's 	1997 – present

POSITION	COMPANY	JOB DESCRIPTION	DURATION
		major clients; <ul style="list-style-type: none"> • His expertise in financial valuation is particularly appropriate for ensuring market to market presentation of both the technical and financial issues of resources projects; • Course leader for the Witwatersrand University and Continuing Education programme on Compliance in the Minerals Industry; and • Mr Clay has a special interest in the proposed International Accounting Standards "IAS" Extractive Industries rules for determining NAV and NPV calculations in the minerals industry. 	
General Manager	RMB Resources Rand Merchant Bank	<ul style="list-style-type: none"> • Continuing business functions detailed below; • Also valuing, managing and marketing investment projects of the Resources division including deal structuring and corporate finance. 	1996 – 1997
Managing Director and founding partner	Venmyn Rand (Pty) Ltd	<ul style="list-style-type: none"> • Techno-economic evaluation of a wide range of mineral resource projects using cashflow, market capitalisation, option pricing and other comparative methods. 	1987 – 1996
Senior Geologist	Rand Mines Ltd	<ul style="list-style-type: none"> • Resident senior gold mine geologist responsible for the development and implementation of modern computerised ore reserve evaluation techniques at Harmony Gold Mine and Durban Roodepoort Deep Gold Mine. • Transferred to head office where he was responsible for all gold mine ore reserve valuation functions. This computer work involved the development and planning of very large databases for orebody modelling. 	1981 – 1988
Senior Geologist	Zimro (Pty) Ltd (Industrial Minerals Division of AAC)	<ul style="list-style-type: none"> • Market development and application of a wide range of industrial and base minerals. 	1979 – 1981
Geologist	Geological Survey of Zimbabwe	<ul style="list-style-type: none"> • Mapped a 100 km² area of granite-greenstone terrain and assisted in the compilation of a Bulletin over the area. • Assisted the small mining sector with geological advice on gold, copper, gemstones and industrial minerals. 	1975 – 1979

Languages:

English: Excellent

Afrikaans: Fair

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.


Date: 15th March 2011

Proposed Position: Minerals Industry Advisor
Name of Firm: Venmyn Rand (Pty) Ltd
Name of Staff: Neil Mc Kenna
Profession: Geologist
Proposed Position: Director
Date of Birth: 05 June 1977
Years with Firm/Entity: Joined March 2007
Nationality: South African

Membership in Professional Societies:

CLASS	PROFESSIONAL SOCIETY	YEAR OF REGISTRATION
Member/Councillor	Geological Society of South Africa	2002
Member	South African Institute of Mining and Metallurgy	2007
Member	South African Council for Natural Scientific Professions	2002
Member	Investment Analyst Society of South Africa	2009
Member	South African Institute of Directors	2009

Education:

DEGREE/DIPLOMA	FIELD	INSTITUTION	YEAR
B.Sc	Geology	University of the Witwatersrand	1998
B.Sc (Hons)	Geology	University of the Witwatersrand	1999
MSc	Geology	University of Cape Town	2001

Detailed Tasks Assigned:

YEAR	CLIENT	COMMODITY	PROJECT DESCRIPTION
2010	Kibo Mining plc	Gold	Mineral Assets Valuation of the gold assets of Morogoro Gold in Tanzania.
	Kibo Mining plc	Gold	Competent Persons Report on the Gold Assets of Morogoro Gold in Tanzania.
	Coal of Africa Limited	Coal	Mineral Assets Valuation of Noordgrens Landgoed's mineral assets foregone in 2004.
	Coal of Africa Limited	Coal	Mineral Asset Valuation of CoAL's mineral assets within South Africa.
	Trafigura	Base Metals and Gold	Mineral Asset Valuation of Proposed Greenfields project areas in Angola.
	ETA Star	Coal	Mineral Asset Valuation of certain Coal Assets in near Tete, Mozambique.
	Namakwa Diamonds	Diamonds	Mineral Resource update for Global Operations
	Namane Resources	Coal	Competent Persons Report and Valuation on Namane's Waterberg Coal Project.
	Namane Resources	Coal	Techno-economic assessment of Namane's Waterberg Coal Project.
	Sekoko Resources	Coal	Valuation of the Sekoko-Firestone JV coal assets in the Waterberg Coalfield
	Sekoko Resources	Coal	Resource update for the Sekoko-Firestone JV properties in the Waterberg Coalfield.
	Keldoron Mining	Coal	Valuation of Keldoron's Amajuba District Coal Project in South Africa
	Nyota Minerals	Gold	Mineral resource estimation of the Tulu Kapi Gold Project in Ethiopia.
	Namakwa Diamonds	Diamonds	Competent Persons Report and Valuation on Namakwa Diamonds' Mineral Assets.
	Miranda Mineral Holdings	Coal	Techno-economic assessment of Miranda's coal assets in South Africa.
	Nyota Minerals	Nickel	Mineral Experts Report on the Muremera Nickel Project in Burundi.
	Gem Diamonds	Diamonds	Mineral Resource Estimation for the Gope Project in Botswana.
	Ernst & Young Jordan	Gold and Base Metals	Valuation of Brinsley Enterprises Orshab Project in Sudan.
	Gem Diamonds	Diamonds	Mineral resource reporting audit at the Letseng Mine in Lesotho.

YEAR	CLIENT	COMMODITY	PROJECT DESCRIPTION
2009	Nyota Minerals	Gold	Scoping Study on the Tulu kapi Gold Project in Ethiopia.
	Kalagadi Manganese	Manganese	Techno-economic assessment of the Kalagadi's mineral assets in South Africa in the form of a CPR.
	VTB Bank Moscow	Uranium	Valuation of the Spitzkop Uranium Project in Namibia.
	Nyota Minerals	Gold	Drilling and sampling QA/QC audit at the Tulu Kapi Gold Project in Ethiopia.
	Leeuw Mining	Coal	Due Dilligence and Valuation of the Maloma Colliery in Swaziland.
	Metorex	Fluorspar	Fairness opinion on Metorex's disposal of the Vergenoeg project.
	Dwyka Resources	Gold	Valuation of the Otjikoto Gold Project in Namibia.
	Mike Scott & Associates	Copper	Peer review of the modelling and resource estimation of the Kitumba Copper Project, Zambia.
	Sylvania Resources	Platinum	Due Dilligence and Valuation of the mineral assets of Sylvania Resources.
	Nyota Minerals Limited	Gold	Valuation of the mineral assets of the Otjikoto Gold Project, Namibia.
	Coal of Africa Limited	Coal	Valuation of the coal assets of the Tshikunda Coal Project in South Africa.
	Rand Uranium	Uranium	Mineral Resource Modelling and Mineral Resource Classification of the Cooke Dump.
	Dwyka Resources	Gold	Prospectivity review of the Tulu Kapi Gold Project in Ethiopia
	Northam Platinum Limited	Platinum	Valuation of Micawber 278 (Pty) Limited.
	Herbert Agencies (Pty) Limited	Coal	Valuation of the coal assets of the Vischkuil Coal Project in South Africa.
	Coal of Africa Limited	Coal	Valuation of the Coal Assets of the Makhado Land Swop Transaction with Rio Tinto
	Ernst & Joung Jordan	Gold	Valuation of the Gold Assets of Brinsley Enterprises in Sudan
	Namakwa Diamonds	Diamonds	Mineral Resource and Mineral Reserve audit and update.
	Firestone Energy Limited	Coal	Valuation of the Coal Assets of the Sekoko Coal-Firestone JV Waterberg Coal Project, South Africa
	Trans Hex Group Limited	Diamonds	Valuation of the Diamond Assets of the Lower Orange River Operations, South Africa
Bonaparte Diamond Mines NL	Diamonds	Valuation of the Diamond Assets of the Savanna Diamond Project, South Africa.	
Tanzanian Royalty Exploration Corporation	Gold	A National Instrument (NI-43-101) Technical Report on the Kigosi Gold Project, Tanzania.	
Mvelaphanda Resources Limited	Platinum	Valuation of the PGE Assets of the Booyensdal Project, South Africa.	
Xstrata South Africa (Pty) Limited	Coal	Valuation of the Coal Assets of the Zonnebloem 1 Project, South Africa.	
Anglo Platinum Limited	Platinum	Valuation of the PGE Assets of Micawber 278 (Pty) Limited.	
Sekoko Resources	Coal	Valuation Update of the Coal Assets of Sekoko's Waterberg Coal Project, South Africa.	
2008	Johannesburg Stock Exchange Limited/ Metorex Limited	Multi-Commodity	Fair and Reasonable Opinion on the Rights offer by Metorex in December 2008. This involved the creation and issue of 242,538,403 shares at an issue price of 200cps resulting in a cash consideration of ZAR485,076,806.
	Minéro Mining Company	Zinc-Lead	Competent Persons Report and Valuation of the Pering Zinc-Lead Mine, in South Africa.
	Gem Diamonds	Diamonds	Minerals Resource Update of all Gem Diamonds Mineral Assets.
	BRC DiamondCore	Diamonds	Valuation of BRC DiamondCore's Silverstreams Project in South Africa.
	Sekoko Resources	Coal	Valuation of Sekoko's Coal Assets of the Waterberg Coal Project in South Africa.
	Tata Steel	Coal	Prospectivity report on certain properties within the Tuli and Soutpansberg Coalfields
	Universal Coal plc	Coal	Valuation of the Coal Assets of the Elof Coal Project in South Africa
	Anglo Platinum	Platinum	Valuation of The PGE Assets of the Booyensdal Platinum Project
	Namakwa Diamonds	Diamonds	Resource Estimation and Update for Namakwa Diamonds South African and DRC Projects.
	Harmony Gold Mining Company	Gold	Resource Estimation and Classification of the Deelkraal Dump
	Pioneer Coal	Coal	Competent Persons Report and Valuation of the Coal Assets of Pioneer Coal
	Namakwa Diamonds	Diamonds	Technical Statement on the Doornhoek Alluvial Diamond Property, South Africa

YEAR	CLIENT	COMMODITY	PROJECT DESCRIPTION
2008	Pioneer Coal	Coal	Prospectivity Review for Pioneer Coal's Soutpansberg Coal Prospecting rights.
	Target Coal	Coal	Prospectivity Review of Various Coal Properties in the Ermelo region of South Africa.
	Lidongo Group Holdings	Diamonds	Prospectivity Review of Lidonga's Riet River Prospecting Rights.
	BRC DiamondCore	Diamonds	Technical Review of mineral resources and sampling programme at the Paardeburch East Diamond Project.
	BRC DiamondCore	Diamonds	Technical Review of mineral resources and sampling programme at the Silverstreams Alluvial Diamond Project.
	Namaqua Diamonds	Diamonds	Technical review of the London Project, North West, South Africa.
	Trans Hex Group	Diamonds	Competent persons Report and Techno-Economic Valuation of Trans Hex's Lower Orange River Mineral Assets.
	Ernst & Young	Platinum	Comparative Valuation of the Booyendal Platinum Project as part of the Fair and Reasonable Opinion on the Transaction between Northam and Mvelaphanda.
	Harmony Gold Mining Company	Gold	Annual Mineral Resource and Mineral Reserve Review and Update. Identification of Strategic Opportunities at the Free State Operations.
	Gem Diamonds Limited	Diamonds	Mineral Resources Review of Gem Diamonds' Global Operations.
2007	Worldwide Coal Carolina (Pty) Limited	Coal	Techno-economic valuation of Worldwide Coal Carolina's coal assets.
	Apic Atoll (Pty) Ltd	Ferro-manganese	National Instrument 43-101F technical Report on the Riders Ferro-manganese Slag Dump, Pennsylvania, United States of America.
	Signet Mining	Coal	High level independent review of the coal resource, reserve and technical operating parameters of Tuli Coal (Private) Limited's Special Grant Area in Southern Zimbabwe.
	Anglo Platinum Limited	Platinum	An independent comparable transaction valuation of the platinum group element mineral assets of the Booyendal Project.
	Gem Diamonds Limited	Diamonds	Techno-economic valuation of Kimberley Diamond Company NL
	Gem Diamonds Limited	Diamonds	Mineral Experts Report on Kimberley Diamond Company NL
	Gem Diamonds Limited	Diamonds	Competent Persons Report on the Go25 (Gope) kimberlite.
	International Development Corporation	Ferro-Magnesium	Assessment of the geological and resource/reserve data provided to the IDC on the Riders Ferro-magnesium Slag Dump, Pennsylvania, USA, by Apic Toll Treatment (Pty) Limited as part of their application for funding.
	Harmony Gold Mining Company	Gold and Uranium	Mineral Resource Statements for Harmony's surface dump resources of the Randfontein and Free State Operations in South Africa.
	Gem Diamonds Limited	Diamonds	SAMREC compliant Resource and Reserve Statements for the mineral assets of the Cempaka Diamond Mine in Indonesia for BDI Mining Corporation (Subsidiary of Gem Diamonds Limited).
	Gem Diamonds Limited	Diamonds	SAMREC compliant Resource Statement on the mineral assets of Gope Exploration Company (Pty) Limited (Gope Project) (Subsidiary of Gem Diamonds Limited)
	Mintek/Department of Minerals and Energy	N/A	Review and recommendations on the Kumba/Exxaro proposal for Environmental Provisioning.
	Rockwell Resources (Pty) Limited	Diamonds	Compilation of Technical Statement (NI-43101) for the Wouterspan Operation.
	Gem Diamonds Limited	Diamonds	High level valuation of Cullinan Diamond Mine
	JCI Limited	Uranium	Review of and Recommendations on JCI's Laingsburg Uranium Project
	Harmony Gold Mining Company Limited	Gold and Uranium	Sample trail Audit and Competent persons sign-off (SAMREC) on Dump Drilling and Sampling
	Magnum Resources Limited	Tantalum	High Level Due Diligence of the Tantalite Valley Project, Southern Namibia
Mintek/ Department of Minerals and Energy (South Africa)	N/A	Review of the System for Financial Provisioning for Mine Closure in South Africa	
2004	De Beers Consolidated Mines	Diamonds	A study of the Relationship Between the Micro- and Macro Diamonds from Finsch Diamond Mine.
	De Beers Consolidated Mines	Diamonds	A study of the Relationship Between the Micro- and Macro Diamonds from Snap Lake Diamond Mine.

Employment Record:

POSITION	COMPANY	JOB DESCRIPTION	DURATION
Director	Venmyn Rand (Pty) Ltd	Venmyn Rand operates as a techno-economic consultancy for the resources industry on a world wide basis. Responsibilities at Venmyn include: <ul style="list-style-type: none"> Serving as Director of Venmyn and is responsible for the company's strategic process and management of internal functions and governance; Providing hands-on services to all the company's major clients; Providing minerals projects assessments; and Mr. Mc Kenna's expertise in financial valuation is particularly appropriate for ensuring market to market presentation of both the technical and financial issues of resources projects.. 	February 2009 - Present
Minerals Industry Advisor	Venmyn Rand (Pty) Ltd	Venmyn Rand operates as a techno-economic consultancy for the resources industry on a worldwide basis. Responsibilities at Venmyn include: <ul style="list-style-type: none"> Compiling technical and geological information into reports which are compliant with the SAMREC and JSE listing rules. Production of techno-economic reports for clients. 	March 2006 – February 2009
Project Manager Resource Extension Drilling	De Beers, Finsch Mine	Responsible for the Mineral Resource Evaluation Drilling of the Block 5 Extension of the Finsch Diamond Mine, Northern Cape. This role included the following activities: <ul style="list-style-type: none"> Management of diamond core drilling for volume, geological, structural and grade determinations. Co-ordination of drilling/sampling activities of four LM90 drill rigs on three underground levels (510, 650 and 888 levels). Managing the capturing of all geological data in a Datamine drill-hole database. Responsible for the managing of drilling contractors (Boart Longyear) and maintaining project schedules. Responsible for the supervision and mentorship of approximately 10 subordinates (including senior and junior geologists, geological officers and geological assistants). 	October 2006 – March 2007
Technical Assistant	De Beers Group Exploration	<ul style="list-style-type: none"> Responsible for routine reporting, and ad-hoc reviews and requests by Group Managers Office. Corporate governance of Resource Delivery Group. Technical reviews of advanced stage projects and resource statements. Compilation of position papers. Ad-hoc reports and resource reviews. Joint venture reporting. 	2005 - 2006
Technical Assistant	De Beers Africa Exploration	<ul style="list-style-type: none"> Responsible for routine reporting. liaison between field operations and laboratories. Ad-hoc technical reports and reviews. Corporate governance of Africa Management team and HOD committee. Active management of relationships and data for a Joint Venture in Madagascar. Projects tracking. Business plan management. 	2004 - 2005
Senior Geologist	De Beers Geoscience Centre	<ul style="list-style-type: none"> Industrial and exploration related diamond research Responsible for diamond related service work and decision support Supervision and mentoring for diamond related projects. Providing exploration ventures with targeting and mineral chemistry interpretations and decision support. 	2003-2004
Staff Geologist	De Beers Group Exploration Services	Exposure to various aspects of exploration and mining geology over a 13 month training period. Competencies gained include: <ul style="list-style-type: none"> diamond indicator mineral identification and interpretation. bulk sample evaluation. laboratory practices. stream and loam exploration sampling (both reconnaissance and follow-up sampling). Underground geological mapping, density measurements, waste control, bulk sampling and grade determination studies. 	2002-2003

Languages:

English: Excellent

Afrikaans: Good

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.



Date: 15th March 2011

Full name of staff member: Neil Mc Kenna

Proposed Position: Minerals Industry Advisor
Name of Firm: Venmyn Rand (Pty) Ltd
Name of Staff: Richard Tayelor
Profession: Geologist
Date of Birth: 06 October 1984
Years with Firm/Entity: Joined 2008
Nationality: South African

Membership in Professional Societies:

CLASS	PROFESSIONAL SOCIETY	YEAR OF REGISTRATION
Member	Geological Society of South Africa	2006
Member	Geo-statistical Association of South Africa	2009

Detailed Tasks Assigned:

YEAR	CLIENT	COMMODITY	PROJECT DESCRIPTION/INVOLVEMENT
2010	SSC Mandarin Group	Gold	High Level Techno-Economic Fatal Flaws Due Diligence.
	Tanzanian Royalty	Gold	Drilling, Sampling, QA/QC and Laboratory Audit for later CPR.
	Namakwa Diamonds	Diamonds	Technical resource Statement update.
	White Water Resources	Gold	Short Form Competent Persons Report for JSE and Valuation of East Rand assets.
	UltraTech Cement	Coal	Xstrata Ermelo Asset Disposal Due Diligence and Valuation.
	Consol Glass Pty Ltd	Silica	Resource confirmation in Surfer™ of Groenfontein deposit and High Level Due Diligence (Fatal Flaws analysis)
	Target Holdings	Coal	Resource confirmation in Surfer™ of Schoongezicht project.
	Namakwa Diamonds	Diamonds	Competent Persons Report and Valuation of the DRC mineral assets.
	Nyota Minerals Limited	Gold	Audit of QA/QC procedures for drilling and sampling as well as preparation laboratory audit
	GEM Diamonds Limited	Diamonds	Revision of sampling campaign and reformulation of database for resource modelling.
	Nyota Minerals Limited	Nickel	Mineral Experts Report on the Muremera Nickel Project in Burundi.
	Gem Diamonds	Diamonds	Mineral Resource Review of the Letšeng and Ellendale operations.
2009	Nyota Minerals Limited	Gold	Preliminary Scoping Study on the Tulu Kapi Gold Project in Ethiopia.
	Namakwa Diamonds	Diamonds	Mineral Resource update subsequent to Namakwa's acquisition of Gem Diamonds' DRC assets.
	Nyota Minerals Limited	Gold	Instigation and training of Internationally compliant QA/QC procedures for drilling and sampling.
	Sephaku Holdings Ltd,	Tin and limestone	Canadian National Instrument NI 43-101 compliant short form Competent Person's Report for their greenfields projects in South Africa.
	Gatumba Mining Company Ltd.	Tin/Tantalum	National Instrument NI 43-101 compliant Preliminary Assessment on the Gatumba South Project in Rwanda.
	Dwyka Resources Limited	Gold	High level review and Technical Statement.
	MSA Geoservices	Iron Oxide, copper, gold	Data verification for a mineral resource statement for a due diligence on their projects in Zambia.
	IBI International LIBAM Home Office	Iron	Independent Prospectivity Review.
	Mr. Rob Croll	Gold	Preliminary Due Diligence and Prospectivity Review on Klipwal.
Bongani Minerals (Pty) Ltd	Tungsten	Review of Riviera Tungsten deposit.	
2008	Minero Mining Company	Zinc-Lead	Competent Persons Report and Valuation of the Pering Zinc-Lead Mine, in South Africa.
	West End Diamond Mine	Diamonds	Minerals Resource Report of all Diamonds Mineral Assets.
	Universal Coal plc	Coal	Valuation of the Ellof Coal Project in South Africa.
2008	Tegan International	Coal	Prospectivity Review of Various Coal Properties in the Vryheid region of South Africa.
	Worldwide Coal Carolina (Pty) Limited	Coal	Update of Techno-economic valuation of Worldwide Coal Carolina's coal assets.

Key Qualifications:

Richard Tayelor joined the Venmyn team in October 2008. He brings with him 2 years' experience in laboratory sampling and various analytical techniques operations from the University of Johannesburg. Additionally, Richard gained experience working as a junior geologist during his studies for Georem International where experience on drill rigs, geo-hydrology and remediation of hydrocarbon and AMD were gained.

Richard studied at the University of Johannesburg where he completed a Bachelors and Honours degree in Science majoring in Geology. He completed his Graduate Diploma in Engineering (GDE) coursework with the University of the Witwatersrand in 2010 and is currently upgrading this to fulfil the completion of his Masters degree in Science with engineering at WITS University.

Richard Tayelor's key areas of expertise lies in the compilation of compliant Techno-Economic-Valuation Statements and drilling/sampling programme audits with geological modelling expertise using software packages including, but not limited to; Surfer™ and Digger™.

Education:

DEGREE/DIPLOMA	FIELD	INSTITUTION	YEAR
B.Sc	Geology	University of Johannesburg	2007
B.Sc (Hons)	Geology	University of Johannesburg	2008
GDE	Engineering	University of the Witwatersrand	2010
M.Sc in progress	Engineering	University of the Witwatersrand	2010

Employment Record:

POSITION	COMPANY	JOB DESCRIPTION	DURATION
Mineral Project Analyst	Venmyn Rand (Pty) Ltd	Venmyn Rand operates as a techno-economic consultancy for the resources industry on a worldwide basis. Responsibilities at Venmyn include: <ul style="list-style-type: none"> • Compiling technical and geological information into reports which are compliant with the SAMREC and JSE listing rules. • High level research for multiple facets of mineral projects 	October 2008 till - Present
Junior Geologist, Lab technician	University of Johannesburg	Responsible for the correct operation and maintenance of a wide range of sampling and analytical facilities at the SPECTRAU laboratories. Most importantly, sample preparation for XRF, XRD and Fusion Bead testing analysis.	October 2006 – March 2007
Junior Geologist	Georem International – Environmental Remediation Specialists	<ul style="list-style-type: none"> • Responsible for advising clients with regards to hydrocarbon soil and water contamination. • Overseeing and logging of rotary percussion drill rig for borehole exploration. • Geo-hydrology interpretation; and • Investigation and remediation of contamination sites. 	2006

Languages:

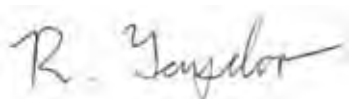
English: Excellent

Afrikaans: Fair

Zulu: Basic

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.



Date: 15th March 2011

Full name of staff member: Richard Tayelor

Appendix 12: SAMREC, SAMVAL Codes (2007 edition) & JSE Section 12 Checklists

1. SAMREC Code Checklist

TABLE 1 REFERENCE	ITEM DESCRIPTION	LAKE VICTORIA PROJECTS				MOROGORO	HANETI
		ITETEMIA	LUHALA	GREENFIELDS			
T 1.	GENERAL						
T 1.1	PURPOSE OF REPORT						
A	EXPLORATION RESULTS						
(i)	Title Page.	Title Page	Title Page	Title Page	Title Page	Title Page	Title Page
(i)	Table of Content.	Table of Contents	Table of Contents	Table of Contents	Table of Contents	Table of Contents	Table of Contents
(i)	List of Figures and Tables.	List of Figures and Tables	List of Figures and Tables	List of Figures and Tables	List of Figures and Tables	List of Figures and Tables	List of Figures and Tables
(ii)	For whom the report was prepared.	Title Page	Title Page	Title Page	Title Page	Title Page	Title Page
(ii)	Was it intended as a full or partial evaluation or other purposes.	Section 2	Section 2	Section 2	Section 2	Section 2	Section 2
(ii)	What work was conducted.	Section 2	Section 2	Section 2	Section 2	Section 2	Section 2
(ii)	Effective date of the report. (being the date at which the contents of the CPR are valid)	Section 1	Section 1	Section 1	Section 1	Section 1	Section 1
(ii)	What work remains to be done.	N/A	N/A	N/A	N/A	N/A	N/A
(iii)	Statement whether the document is SAMREC compliant.	Section 3	Section 3	Section 3	Section 3	Section 3	Section 3
(iii)	Reporting code other than SAMREC has been used.	Section 9.5.9	Section 9.6.9	N/A	N/A	N/A	N/A
(iii)	Competent Person should include an explanation of the differences.	Section 9.5.9	Section 9.6.9	N/A	N/A	N/A	N/A
B	MINERAL RESOURCES						
	See 1.1 A						
C	MINERAL RESERVES						
	See 1.1 A						
T 1.2	PROJECT OUTLINE						
A	EXPLORATION RESULTS						
(i)	Brief description of project (i.e. whether in preliminary sampling, advanced exploration, conceptual, pre-feasibility, or feasibility phase, Life of Mine plan for an ongoing mining operation or closure)	Section 9.1, Section 9.5	Section 9.1, Section 9.6	Section 9.1, Section 9.7	Section 10, Section 10.1	Section 11.1	Section 11.1
(ii)	Should include a description of the geological setting, deposit type, commodity, area of project background, and business arrangement.	Section 9.4, Section 9.5.1	Section 9.4, Section 9.6.1	Section 9.4, Section 9.7, Section 9.7.2	Section 10, Section 10.4	Section 11.4	Section 11.4
B	MINERAL RESOURCES						
	See 1.2 A						
(i)	Brief description of key technical factors that have been considered.	Section 9.5.8, Section 9.5.11	Section 9.6.8	N/A	N/A	N/A	N/A
C	MINERAL RESERVES						
	See 1.2 A						
(i)	Brief description of mining, processing and other key technical factors.	N/A	N/A	N/A	N/A	N/A	N/A
T 1.3	HISTORY						
A	EXPLORATION RESULTS						

TABLE 1 REFERENCE	ITEM DESCRIPTION	LAKE VICTORIA PROJECTS				MOROGORO	HANETI
		ITETEMIA	LUHALA	GREENFIELDS			
(i)	Historical background to the project and adjacent areas concerned, including known results of previous exploration and mining activities (type, amount, quantity and development work) previous own	Section 9.5.2	Section 9.6.2	Section 9.7.1	Section 10.5	Section 11.5	
(ii)	Reference all information used from other sources.	Section 5, Section 9.5.2, Appendix 9	Section 5, Section 9.6.2, Appendix 9	Section 5, Appendix 9	Section 5, Appendix 9	Section 5, Appendix 9	
B	MINERAL RESOURCES See 1.3 A						
(i)	Discuss known or existing historical Mineral Resources estimates and performance statistics to actual production for past and current operations, including the reliability of these and how they relate to the SAMREC Code.	Section 9.5.2, Section 9.5.9	Section 9.6.9, Section 9.6.2	N/A	N/A	N/A	
(ii)	Previous successes or failures should be referred to transparently with reasons why the project should now be considered potentially economic.	Section 9.5.9	Section 9.6.9	N/A	N/A	N/A	
C	MINERAL RESERVES See 1.3 A						
(i)	Discuss known or existing historical Mineral Reserve estimates and performance statistics to actual production for past and current operations, including the reliability of these and how they relate to the SAMREC Code.	N/A	N/A	N/A	N/A	N/A	
T1.4	KEY PLAN, MAPS AND DIAGRAMS						
A	EXPLORATION RESULTS Include and reference a location or index map and more detailed maps showing all important features described in the text, including all relevant cadastral and other infrastructure features. If adjacent or nearby properties have an important bearing on the report, then their location and common mineralized structures should be included on the maps.	Figure 2, Figure 3, Appendix 2	Figure 2, Figure 3, Appendix 2	Figure 2, Figure 3, Appendix 2	Figure 26, Appendix 3	Figure 32, Appendix 4	
(i)	All maps, plans and sections noted in this checklist should be legible and include a legend, coordinates, system of coordinates, scale bar and north arrow.	Yes	Yes	Yes	Yes	Yes	
(ii)	Diagrams or illustrations should be legible, annotated and summarized	Yes	Yes	Yes	Yes	Yes	
B	MINERAL RESOURCES See 1.4 A						
C	MINERAL RESERVES See 1.4 A						
T1.5	PROJECT LOCATION AND DESCRIPTION						
A	EXPLORATION RESULTS Description of location (country, province and closest town/city, coordinate systems and ranges etc.	Section 7, Section 9.1	Section 7, Section 9.1	Section 7, Section 9.1	Section 7, Section 71	Section 7, Section 11.1	
(i)	In respect of each property, diagrams, maps and plans should be supplied demonstrating the location of prospecting/mining rights, any historical and current workings, any exploration and all principal geological	Figure 2, Figure 3, Figure 8, Figure 9	Figure 2, Figure 3, Figure 16,	Figure 2, Figure 3, Figure 20, Figure 21, Figure 22, Figure 23, Figure 24, Figure 25	Figure 26, Figure 30, Figure 31	Figure 32, Figure 35, Figure 36	

TABLE 1 REFERENCE	ITEM DESCRIPTION	LAKE VICTORIA PROJECTS				MOROGORO	HANETI
		ITETEMIA	LUHALA	GREENFIELDS			
B	MINERAL RESOURCES features.						
	See 1.5 A						
C	MINERAL RESERVES						
	See 1.5 A						
T 1.6	TOPOGRAPHY AND CLIMATE						
A	EXPLORATION RESULTS						
(i)	All relevant issues relating to the mineral project should be stated, such as the topography and climate, noting any conditions that may affect possible mining activities.	Section 9.1, Section 9.2, Section 9.3	Section 9.1, Section 9.2, Section 9.3	Section 9.1, Section 9.2, Section 9.3	Section 10.2, Section 10.3	Section 11.2, Section 11.3	
(ii)	A general topo-cadastral map should be available to support the above statement.	Appendix 2	Appendix 2	Appendix 2	Appendix 3	Appendix 4	
B	MINERAL RESOURCES						
	See 1.6 A						
(i)	Topo-cadastral map in sufficient detail to support the assessment of eventual economics.	Appendix 2	Appendix 2	N/A	N/A	N/A	
(i)	Known associated climatic risks should be stated.	Section 9.3	Section 9.3	N/A	N/A	N/A	
C	MINERAL RESERVES						
	See 1.6 A						
(i)	Detailed topo-cadastral map.	N/A	N/A	N/A	N/A	N/A	
(i)	Where applicable aerial surveys should be checked with ground controls and surveys, particularly in areas of rugged terrain, dense vegetation or high altitude.	N/A	N/A	N/A	N/A	N/A	
T 1.7	LEGAL ASPECTS AND TENURE						
A	EXPLORATION RESULTS						
	The legal tenure should be verified to the satisfaction of the Competent Person, including a description of:	Yes	Yes	Yes	Yes	Yes	
(i)	The nature of the issuer's rights (e.g. prospecting and/or mining) and the right to use the surface of the properties to which these rights relate;	Section 8	Section 8	Section 8	Section 8	Section 8	
(ii)	The principal terms and conditions of all existing agreements, and details of those still to be obtained, (such as, but not limited to, concessions, partnerships, joint ventures, access rights, leases, historical and cultural sites, wilderness or national park and environmental setting, royalties, consents, permission, permits or authorizations)	Section 8.3	Section 8.3	Section 8.3	Section 8.3	Section 8.3	
(iii)	The security of the tenure held at the time of reporting or that is reasonably expected to be granted in the future along with any known impediments to obtaining the right to operate in the area; and	Section 8.6, Appendix 1	Section 8.6, Appendix 1	Section 8.6, Appendix 1	Section 8.6, Appendix 1	Section 8.6, Appendix 1	
(iv)	A statement of any legal proceedings that may have an influence on the rights to prospect or mine for minerals, or an appropriate negative statement.	Section 8.6	Section 8.6	Section 8.6	Section 8.6	Section 8.6	
B	MINERAL RESOURCES						
	See 1.7 A						

TABLE 1 REFERENCE		ITEM DESCRIPTION	ITETEMIA	LUHALA	GREENFIELDS	MOROGORO	HANETI
C	MINERAL RESERVES						
	See 1.7 A						
T2.	PROJECT DATA						
T 2.1	DATA MANAGEMENT AND DATABASE						
A	EXPLORATION RESULTS						
(i)		Identify and comment on the primary data elements (observation and measurements) used for the project and describe the management of these data or the database. This should describe the following relevant processes: acquisition (capture or transfer), validation, control, storage, retrieval and backup processes. Final verification of data, including QA/QC processes should also be part of the database. It is assumed that data are stored digitally but hand-printed tables with well organizes data and information may also constitute a database.	Section 9.5.4, Section 9.5.5, Section 9.5.7	Section 9.6.4, Section 9.6.5, Section 9.6.7	Section 9.7.2, Section 9.7.5	Section 10.6, Section 10.7, Section 10.8, Section 10.9	Section 11.6, Section 11.7, Section 11.8, Section 11.9
B	MINERAL RESOURCES						
	See 2.1 A						
(i)		Identify and comment on interpreted data elements derived from primary data (modelled or analyzed) and used for the project, and describe the management of these or the database.	Section 9.5.7	Section 9.5.7, Section 9.6.7	N/A	N/A	N/A
C	MINERAL RESERVES						
	See 2.1 A						
(i)		Identify and comment on interpreted and planned data elements derived from modelled data and used for the project plans, and describe the management of these data or the database.	N/A	N/A	N/A	N/A	N/A
T 2.2	SPATIAL DATA						
A	EXPLORATION RESULTS						
(i)		Describe the survey methods, techniques and expected accuracies of spatial data	Section 9.5.7	Section 9.5.7, Section 9.6.7	Section 9.7.3	Section 10.6	Section 11.6
(ii)		Representative models and/or maps and cross sections or other two or three dimensional illustrations of results should exist, showing location of samples, accurate drill-hole collar position, down-hole surveys, exploration pits, underground working, relevant geological data, etc.	Figure 8, Figure 9, Figure 11 Figure 12	Figure 16, Figure 17, Figure 18	Figure 20-Figure 25	Figure 30-Figure 31	Figure 36, Figure 38, Figure 39, Figure 40, Figure 41, Figure 42
B	MINERAL RESOURCES						
	See 2.2 A						
C	MINERAL RESERVES						
	See 2.2 A						
T 2.3	GEOLOGICAL DATA						
A	EXPLORATION RESULTS						
(i)		Describe the data acquisition or exploration or exploration techniques and the nature, level of detail, and confidence in the geological data used (i.e. stratigraphy, lithology, structure, alteration, mineralization, hydrology, geophysical, geochemical, petrography, mineralogy,	Section 9.5.2, Section 9.5.4, Section 9.5.7	Section 9.5.4, Section 9.5.7, Section 9.6.2, Section 9.6.3, Section 9.6.4,	Section 9.7.2, Section 9.7.5	Section 10.6	Section 11.6, Section 11.9

TABLE 1 REFERENCE		ITEM DESCRIPTION	ITETEMIA	LUHALA	GREENFIELDS	MOROGORO	HANETI
(ii)		geochronology, etc Acknowledge and appraise data from other parties and reference all data and information used from other sources.	Section 9.5.2, Section 9.5.3, Section 9.5.7, Appendix 9	Section 9.6.2, Section 9.6.7, Appendix 9	Section 9.7.2, Appendix 9	Section 10.6, Appendix 9	Section 11.6, Appendix 9
B		MINERAL RESOURCES See 2.3 A					
(i)		Discuss geological data that could materially influence the estimated quantity and quality of the Mineral Resource.	Section 9.5.9	Section 9.6.9	N/A	N/A	N/A
C		MINERAL RESERVES See 2.3 A					
(i)		Discuss geological data that could materially influence the estimated quantity and quality of the Mineral Reserves.	N/A	N/A	N/A	N/A	N/A
T 2.4		SPECIFIC GRAVITY AND BULK TONNAGE DATA					
A		EXPLORATION RESULTS					
(i)		If target tonnages are reported then the preliminary estimates or basis of assumptions made for bulk density or specific gravity(s) must be stated.	Section 9.5.6	Section 9.6.6	N/A	N/A	N/A
(ii)		Specific gravity samples must be representative of the material for which a grade range is reported.	Section 9.5.6	Section 9.6.6	N/A	N/A	N/A
B		MINERAL RESOURCES See 2.4 A					
(i)		Describe the method of bulk-density / specific determination with reference to the frequency of measurements, the size, nature and representativeness of the samples.	Section 9.5.6	NA	N/A	N/A	N/A
(ii)		The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity etc), moisture and differences between rock and zones within the deposit.	Section 9.5.6	NA	N/A	N/A	N/A
(iii)		Discuss assumptions for bulk density estimate used in the evaluation process of the different material materials.	Section 9.5.6	Section 9.6.6	N/A	N/A	N/A
C		MINERAL RESERVES See 2.4 A					
(i)		Include bulk densities for material mined additional to the Mineral Resource to the same order of accuracy (such as waste, stripping and dilution material).	N/A	N/A	N/A	N/A	N/A
T 2.5		GENERAL DATA					
A		EXPLORATION RESULTS					
(i)		All relevant general data should be discussed with reference to the nature, level of details and confidence.	Yes	Yes	Yes	Yes	Yes
B		MINERAL RESOURCES See 2.5 A					
C		MINERAL RESERVES See 2.5 A					
T 3		SAMPLING					
T 3.1A		SAMPLING GOVERNANCE					

TABLE 1 REFERENCE	ITEM DESCRIPTION	LAKE VICTORIA PROJECTS				MOROGORO	HANETI
		ITETEMIA	LUHALA	GREENFIELDS			
(i)	Discuss the governance of the sampling campaign, to ensure quality and representivity of samples and data, such sample recovery, high grading, selective losses or contamination, core/hole diameter, internal and external QA/QC, and any other factors that may have resulted in or identified samples bias.	Section 9.5.4, Section 9.5.5	Section 9.6.4, Section 9.6.5	Section 9.7.3, Section 9.7.4	Section 10.7, Section 10.8	Section 11.7, Section 11.8	
(ii)	State whether sample recoveries have been properly recorded and results assessed. In particular, state whether a relationship exists between sample recovery and grade, and sample bias (e.g. preferential loss/gain of fine/coarse material).	Section 9.5.5	Section 9.6.5	NA	NA	NA	
B	MINERAL RESOURCES						
	See 3.1 A						
C	MINERAL RESERVES						
	See 3.1 A						
T 3.2	SAMPLE METHOD, COLLECTION, VALIDATION, CAPTURE AND STORAGE						
A	EXPLORATION RESULTS						
(i)	Appropriately describe each data set (e.g. geology, grade, density, quality, diamond breakage, geo-metallurgical characteristics etc.), sample type, sample-size selection and collection methods. Data sets should include all relevant metadata, such as unique sample number, sample mass, collection date spatial location etc.	Section 9.5.4, Section 9.5.7	Section 9.6.4, Section 9.6.7	Section 9.7.3	Section 10.7	Section 11.7	
(ii)	Demonstrate that adequate field sampling process verification techniques (QA/QC) have been applied, e.g. the level of duplicates, blanks, reference material standards, process audits, analysis, etc. If indirect methods of measurement were used (e.g. geophysical methods), these should be describe, with attention given to the confidence of interpretation.	Section 9.5.2, Section 9.5.4, Section 9.5.5	Section 9.6.4, Section 9.6.5	Section 9.7.3, Section 9.7.4	Section 10.7, Section 10.8	Section 11.7	
(iii)	If the geometry of the mineralization with respect to the drill-hole angle is known, its nature should be reported. If it is not known and only the down-hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known')	Section 9.5.4	Section 9.6.4	N/A	N/A	N/A	
(iv)	Describe the validation procedures used to ensure the integrity of the data, e.g. transcription, input or other errors, between its initial collection and its future use for modelling (e.g. geology, grade, density, etc.).	Section 9.5.5	Section 9.5.5, Section 9.6.5,	Section 9.7.3	Section 10.7	Section 11.7	
(v)	Describe retention policy and storage of physical samples (e.g. core, sample reject, etc.	Section 9.5.4	Section 9.5.5, Section 9.6.4, Section 9.6.5	Section 9.7.3	Section 10.7	Section 11.7	
(vi)	Describe the audit process and frequency (including dates of these audits) and disclose any material risks identified, relevant metadata, such as unique sample number, sample mass, collection date, spatial location etc.	Section 9.5.4	Section 9.5.5, Section 9.6.4, Section 9.6.5	Section 9.7.3	Section 10.7	Section 11.7	
B	MINERAL RESOURCES						
	See 3.2 A						

TABLE 1 REFERENCE		ITEM DESCRIPTION		LAKE VICTORIA PROJECTS			MOROGORO		HANETI	
				ITETEMIA	LUHALA	GREENFIELDS				
(i)		Where mineral processing or metallurgical testing analyses have carried out (bulk-sampling / trial mining), include the results of the testing, details of the testing methods and procedures, and a discussion of whether the samples are representative.	Section 9.5.4, Section 9.5.13	Section 9.6.4, Section 9.6.13	N/A	N/A	N/A	N/A		
C		MINERAL RESERVES See 3.2 A								
T 3.3		SAMPLING PREPARATION								
A		EXPLORATION RESULTS Describe the location and accreditation of the laboratory or facility, summarizing the process and method used for sample preparation, sub-sampling and size reduction, and likelihood of inadequate or non-representative samples (i.e. improper size reduction, contamination, screen sizes, granulometry, mass balance, etc. For all sample types the nature, quality, verification and appropriateness of the sample-preparation technique should be discussed. (ii) If a drill core sample, state whether it was split or sawn and whether quarter, half or full core was submitted for analysis. If a non-core sample, state whether the sample was riffled, tube sampled, rotary split etc. and whether it was sampled wet or dry. (iii) Describe the quality control and quality assurance procedures adopted for all processes, including sub-sampling stages to maximize representivity of samples. This should include whether sample sizes are appropriate to the grain size of the material being sampled. (iv) Describe the audit process and frequency (including dates of these audits) and disclose any material risks identified.	Section 9.5.5	Section 9.5.5, Section 9.6.5	Section 9.7.4	Section 10.7	Section 11.8			
(i)			Section 9.5.5	Section 9.5.5, Section 9.6.5	Section 9.7.4	Section 10.7	Section 11.8			
(ii)			Section 9.5.5	Section 9.5.5, Section 9.6.5	Section 9.7.4,	Section 10.7	Section 11.8			
(iii)			Section 9.5.4, Section 9.5.5	Section 9.5.4, Section 9.5.5, Section 9.6.4, Section 9.6.5	N/A	N/A	N/A			
(iv)			Section 9.5.5	Section 9.5.5, Section 9.6.5	Section 9.7.4,	Section 10.7	Section 11.8			
(v)			Section 9.5.5	Section 9.5.5, Section 9.6.5	Section 9.7.4,	Section 10.7	Section 11.8			
B		MINERAL RESOURCES See 3.3 A								
C		MINERAL RESERVES See 3.3 A								
T 3.4		SAMPLE ANALYSIS								
A		EXPLORATION RESULTS Identify the laboratory(s) and analytical method. Discuss the nature, quality and appropriateness of the assaying and laboratory processes and procedures used and whether the technique is considered partial or total. State the accreditation status and Registration Number of the laboratory. Laboratories should be appropriately accredited. If not, this fact should be disclosed. Discuss the nature of quality control procedures adopted and quality assurance thereof (e.g. reference material, standards, blanks, duplicates, accuracy (i.e. lack of bias) and precision have been established.	Section 9.5.5	Section 9.5.5, Section 9.6.5	Section 9.7.4,	Section 10.8	Section 11.8			
(i)			Section 9.5.5	Section 9.5.5, Section 9.6.5	Section 9.7.4,	Section 10.8	Section 11.8			
(ii)			Section 9.5.5	Section 9.5.5, Section 9.6.5	Section 9.7.4,	Section 10.8	Section 11.8			
(iii)			Section 9.5.5	Section 9.5.5, Section 9.6.5	Section 9.7.4,	Section 10.8	Section 11.8			

TABLE 1 REFERENCE		ITEM DESCRIPTION	ITETEMIA	LUHALA	GREENFIELDS	MOROGORO	HANETI
(iv)		Describe the audit process and frequency (including dates of these audits) and disclose any material risk identified.	Section 9.5.5	Section 9.5.5, Section 9.6.5	Section 9.7.4,	Section 10.8	Section 11.8
B		MINERAL RESOURCES					
		See 3.4 A					
C		MINERAL RESERVES					
		See 3.4 A					
T 4.		INTERPRETATION/MODELLING					
T 4.1		GEOLOGICAL MODEL AND INTERPRETATION					
A		EXPLORATION RESULTS					
(i)		Briefly describe the regional geology.	Section 9.4	Section 9.4	Section 9.4	Section 10.4, Section 10.6	Section 11.4
(ii)		Describe the geological model, level of investigation (e.g. conceptual, prefeasibility etc.) and inference made from this model.	Section 9.5.8	Section 9.6.8	Section 9.7.2	Section 10.4, Section 10.6	Section 11.4, Section 11.6
(iii)		Discuss data density, distribution and reliability and whether the quality and quantity of information are sufficient target or deposit.	Section 9.5.8	Section 9.6.8	Section 9.7.2	Section 10.4, Section 10.6	Section 11.4, Section 11.6
(iv)		Reliable geological model and/or maps and cross sections that support interpretations should exist.	Figure 9, Figure 11, Figure 12	Figure 16, Figure 17, Figure 18	Figure 20-Figure 25	Section 10.4, Section 10.6	Section 11.4, Section 11.6
B		MINERAL RESOURCES					
		See 4.1 A					
(i)		Describe the geological model, construction technique and assumptions. Discuss the sufficiency of data density to assure continuity of mineralization and geology and provide an adequate basis for the estimation and classification procedures applied.	Section 9.5.8	Section 9.6.8	N/A	N/A	N/A
(ii)		Describe the thoroughness (precision and accuracy) with which lithological, structural, mineralogical, alteration or other geological, geotechnical and geometallurgical characteristics were recorded.	Section 9.5.8	Section 9.6.8	N/A	N/A	N/A
(iii)		Discuss whether consideration was given to alternative interpretations or models and their possible effect (or potential risk) if any, on the Mineral Resource estimate.	Section 9.5.8	Section 9.6.8	N/A	N/A	N/A
(iv)		Discuss geological discounts (e.g. magnitude, per reef, domain, etc.), applied in the model, whether applied to mineralized and/or un-mineralized material (e.g. potholes, fault, dykes, etc.	Section 9.5.8	Section 9.6.8	N/A	N/A	N/A
C		MINERAL RESERVES					
		See 4.1 A					
T 4.2		ESTIMATION AND MODELLING TECHNIQUES					
A		EXPLORATION RESULTS					
(i)		If an exploration target or deposit is reported, then the estimation techniques used to determine the grade and tonnage ranges should be described in detail.	N/A	N/A	N/A	N/A	N/A
B		MINERAL RESOURCES					
(i)		Describe the determination of an estimation techniques	Section 9.5.8	Section 9.6.8	N/A	N/A	N/A

TABLE 1 REFERENCE	ITEM DESCRIPTION	LAKE VICTORIA PROJECTS				MOROGORO	HANETI
		ITETEMIA	LUHALA	GREENFIELDS			
(ii)	applied to volume, density, grade, size distribution, value, geotechnical, geo-hydrological, geo-metallurgical or other appropriate models (e.g. section, polygon, inverse distance, geo-statistical or other method) should be stated and justified, together with key assumptions and implications thereof, including any adjustments made to data (i.e. compositing, grade cutting/capping), sample spacing, estimation unit size (block size), selective mining units, reconciliation, domain and maximum distance of extrapolation from data points. Describe assumptions and justification of correlation made between variables.	Section 9.5.8	Section 9.6.8	N/A	N/A	N/A	
(iii)	Discuss the block or grid cell size in relation to the average sample spacing and any assumptions behind modelling of selective mining units (and non-linear estimation techniques if used).	Section 9.5.8	Section 9.6.8	N/A	N/A	N/A	
(iv)	Any relevant specialized computer program (software) used should be named (with the version number) together with a reference to where all the original files are stored for this specific model.	Section 9.5.8	Section 9.6.8	N/A	N/A	N/A	
(v)	State the processes of checking and validation, the comparison of model information to sample data and use of reconciliation data, and whether the Mineral Resource estimate takes account of such information.	Section 9.5.8	Section 9.6.8	N/A	N/A	N/A	
(vi)	Describe the assumptions made regarding the estimation of any by-products or deleterious elements.	Section 9.5.8	Section 9.6.8	N/A	N/A	N/A	
C	MINERAL RESERVES						
(i) to (vi)	See 4.2 A						
T 5.	TECHNO-ECONOMIC STUDY (INCLUDING MODIFYING FACTORS)						
T 5.1	GOVERNMENTAL						
A	EXPLORATION RESULTS						
(i)	A statement should be provided to the effect that such governmental requirements as may be required have been approved.	Section 8	Section 8	Section 8	Section 8	Section 8	
B	MINERAL RESOURCES						
(i)	See 5.1 A						
C	MINERAL RESERVES						
(i)	See 5.1 A						
T 5.2	ENVIRONMENTAL						
A	EXPLORATION RESULTS						
(i)	Describe any obvious environmental factors that could have a significant effect on the prospects of any possible exploration target or deposit.	Section 8.5	Section 8.5	Section 7.6	Section 7.6	N/A	
B	MINERAL RESOURCES						
(i)	The necessary permits have been obtained, or there is reasonable basis to believe that all permits required for the	Section 8	Section 8	N/A	N/A	N/A	

TABLE 1 REFERENCE		ITEM DESCRIPTION	ITETEMIA	LUHALA	GREENFIELDS	MOROGORO	HANETI
(ii)		project can be obtained. Describe any environmental factors that could have a material effect on the likelihood of eventual economic extraction. Discuss possible means of mitigation.	Section 8.5	Section 8.5	N/A	N/A	N/A
C		MINERAL RESERVES See 5.2 B					
(iii)		A statement should be provided to the effect that all necessary permits have been approved.	N/A	N/A	N/A	N/A	N/A
(iv)		Describe future yearly environmental liabilities / compliance methods and cost, including reclamation and closure and their planned funding.	N/A	N/A	N/A	N/A	N/A
(v)		Refer to Environmental Impact Study.	N/A	N/A	N/A	N/A	N/A
T 5.3		SOCIAL					
A		EXPLORATION RESULTS					
B		MINERAL RESOURCES					
C		MINERAL RESERVES					
(i)		A statement should be provided to the effect that mandatory social-management programmes, if any, have been approved.	N/A	N/A	N/A	N/A	N/A
T 5.4		MINING					
A		EXPLORATION RESULTS					
(i)		Describe any obvious mining factors that could have a significant effect on the prospects of any possible exploration target or deposit.	Section 9.5.11	Section 9.6.12	Section 9.7.2	Section 10.6	Section 11.1
B		MINERAL RESOURCES See 5.4 A					
(i)		State the level of the techno / economic study - whether conceptual, pre-feasibility, feasibility or ongoing Life-of-Mine or strategic business plans.	Section 9.5.11	N/A	N/A	N/A	N/A
(ii)		Disclose all assumptions made regarding possible mining methods, minimum mining dimensions (or pit shell) and internal and, if applicable, external mining dilution	Section 9.5.11	N/A	N/A	N/A	N/A
(iii)		It may not always be possible to make assumptions regarding mining methods and parameters when estimating Mineral Resources. Where no mining assumptions have been made, this should be explained.	Section 9.5.11	N/A	N/A	N/A	N/A
C		MINERAL RESERVES See 5.4 A					
(i)		State what resource models have been used in the study.	N/A	N/A	N/A	N/A	N/A
(ii)		State and justify all modifying factors and assumptions made regarding mining methods, minimum dimensions (or pit shell) and if applicable, external mining dilution used for the techno-economic study and signed-off, such as mining method, mine design criteria, infrastructure.	N/A	N/A	N/A	N/A	N/A

TABLE 1 REFERENCE	ITEM DESCRIPTION	LAKE VICTORIA PROJECTS				MOROGORO	HANETI
		ITETEMIA	LUHALA	GREENFIELDS			
	capacities, production schedule, mining efficiencies, grade control, geotechnical and hydrological considerations, closure plans and personnel requirements.						
(iii)	Optimization methods used in planning, list of constraints (practicality, plant, access, exposed reserves, stripped reserves, bottlenecks, draw control).	N/A	N/A	N/A	N/A	N/A	N/A
T 5.5	TREATMENT / PROCESSING						
A	EXPLORATION RESULTS						
(i)	Describe any obvious processing factors that could have a significant effect on the prospects of any possible exploration target or deposit.	Section 9.5.11, Section 9.5.13	Section 9.6.13	N/A	N/A	N/A	N/A
B	MINERAL RESOURCES						
(i)	Discuss the level of study, possible processing methods and processing factors that could have a material effect on the likelihood of eventual economic extraction.	Section 9.5.13	Section 9.6.13	N/A	N/A	N/A	N/A
(ii)	The basis for assumptions or predictions regarding metallurgical amenability and any preliminary mineralogical test work should already be carried out.	Section 9.5.13	N/A	N/A	N/A	N/A	N/A
(iii)	It may not always be possible to make assumptions regarding metallurgical processes and parameters when reporting Mineral Resources. Where no assumptions have been made, this should be explained.	Section 9.5.13	N/A	N/A	N/A	N/A	N/A
C	MINERAL RESERVES						
(i)	Describe and justify the processing methods(s) to be used, equipment, plant capacity, efficiencies, and personal requirements.	N/A	N/A	N/A	N/A	N/A	N/A
(ii)	Discuss the nature, amount and representativeness of metallurgical test work undertaken and the recovery factors used. A detail flow sheet/diagram and a mass balance should exist, especially for multi-product operations from which the saleable materials are priced for different chemical and physical characteristics.	N/A	N/A	N/A	N/A	N/A	N/A
(iii)	State what assumptions of allowances have been made for deleterious elements and the existence of any bulk-sample or pilot-scale test work and the degree to which such samples are representative of the ore body as a whole.	N/A	N/A	N/A	N/A	N/A	N/A
(iv)	The tonnage and grades reported as Mineral Reserves must be in respect of material delivered to the facility.	N/A	N/A	N/A	N/A	N/A	N/A
T 5.6	INFRASTRUCTURE						
A	EXPLORATION RESULTS						
B	MINERAL RESOURCES						
C	MINERAL RESERVES						
(i)	Report in sufficient detail to demonstrate that the necessary facilities have been allowed for (which may	N/A	N/A	N/A	N/A	N/A	N/A

TABLE 1 REFERENCE	ITEM DESCRIPTION	LAKE VICTORIA PROJECTS			MOROGORO	HANETI
		ITETEMIA	LUHALA	GREENFIELDS		
	include, but not be limited to, processing plant, tailings dam, leaching facilities, waste dumps, road, rail or port facilities, power supply, offices, housing, security, resource sterilization testing, etc.) Detail maps showing locations of facilities should exist. Project milestone and completion dates should be stated.					
(ii)	State assessment of value, ownership, type, extent and condition of plant and equipment that is significant to the existing operation(s).	N/A	N/A	N/A	N/A	N/A
(iii)	Statement showing that all necessary logistics have been considered (electricity, reagents, fuels).	N/A	N/A	N/A	N/A	N/A
T 5.7	ECONOMIC CRITERIA					
A	EXPLORATION RESULTS					
(i)	Not usually reported. If mentioned, however, factors significant to project economics should be current and based on generally accepted industry practice and experience. Assumptions should be clearly defined.	Section 9.5.11	NA	N/A	N/A	N/A
B	MINERAL RESOURCES					
(i)	In reporting, a Mineral Resource should meet the minimum requirement of 'reasonable prospects for eventual economic extraction.'	Yes	Yes	N/A	N/A	N/A
(ii)	State and define the reasonable and realistic assumptions / parameters (albeit preliminary, e.g. cut-off grade, cut-off screen size, product price or other criteria) used to assess eventual likelihood of economic extraction.	Section 9.5.8, Section 9.5.9, Section 9.5.10, Section 9.5.11	Section 9.6.8, Section 9.6.9, Section 9.6.10,	N/A	N/A	N/A
(iii)	These assumptions and factors should be reasonable develop based on generally accepted industry practice and experience. If appropriate, state the level of study.	Section 9.5.8	Section 9.6.8	N/A	N/A	N/A
(iv)	If applied, the basis of equivalent metal should be reported.	N/A	N/A	N/A	N/A	N/A
(v)	Resource sensitivity - detailed description of method used and results obtained.	Section 9.5.9	Section 9.6.9	N/A	N/A	N/A
C	MINERAL RESERVES					
(i)	For Mineral Reserves, parameters should be detailed with engineering completed to a pre-feasibility study level as defined in the SAMREC code.	N/A	N/A	N/A	N/A	N/A
(ii)	State, describe and justify all economic criteria that have been used for the study such as capital and operating cost, exchange rates, revenue / price curves, royalties, cut-off grade, reserves pay limits.	N/A	N/A	N/A	N/A	N/A
(iii)	Summary description of method used to estimate the commodity price profile used for cut-off grade calculation, economic analysis and project valuation, including applicable taxes, indices and exchanges rates.	N/A	N/A	N/A	N/A	N/A
(iv)	The tonnages and grades reported as Mineral Reserves must be in respect of material delivery to the processing facility.	N/A	N/A	N/A	N/A	N/A
(iv)	Demonstrate that the product price assumptions are	N/A	N/A	N/A	N/A	N/A

TABLE 1 REFERENCE	ITEM DESCRIPTION	LAKE VICTORIA PROJECTS				MOROGORO	HANETI
		ITETEMIA	LUHALA	GREENFIELDS			
	reasonable and supportable. Justify assumptions made concerning production cost and value of product. Consider transportation, treatment, penalties, exchange rate, marketing and other cost.						
(v)	Allowance should be made for royalties payable, both to Government and private.	N/A	N/A	N/A	N/A	N/A	N/A
(vi)	Resource / Reserves sensitivity - detailed description of method used and results obtained.	N/A	N/A	N/A	N/A	N/A	N/A
T 5.8	MARKETING						
A	EXPLORATION RESULTS						
(i)	Describe the valuable and potentially valuable product(s) including suitability of products to market.	Appendix 5	Appendix 5	Appendix 5	Appendix 5	Appendix 6	
B	MINERAL RESOURCES						
(i)	See 5.8 A						
C	MINERAL RESERVES						
(i)	Describe product to be sold. Discuss whether there exist a ready market for the products and whether contracts for the sale of the product are in place or expected to be readily obtained.	N/A	N/A	N/A	N/A	N/A	N/A
T 6.	RISK ANALYSIS						
A	EXPLORATION RESULTS						
(i)	Generally not applied.	Section 12	Section 12	Section 12	Section 12	Section 12	Section 12
B	MINERAL RESOURCES						
(i)	Report any risk assessment completed to support the reasonable prospect of eventual economic extraction and disclose any material risks identified.	Section 12	Section 12	N/A	N/A	N/A	N/A
C	MINERAL RESERVES						
(i)	Report any risk assessment of technical, economic, political and other key risks to the project. Describe actions that will be taken to mitigate and/or manage the identified risks.	N/A	N/A	N/A	N/A	N/A	N/A
T 7.	RESOURCE AND RESERVE CLASSIFICATION						
A	EXPLORATION RESULTS						
(i)	For exploration target and deposits, specific quantities and grades / qualities should be reported in ranges, the basis of which should be explained.	N/A	N/A	N/A	N/A	N/A	N/A
B	MINERAL RESOURCES						
(i)	Describe and justify criteria and methods used as the basis for the classification of the Mineral Resources into varying confidence categories.	Section 9.5.10	Section 9.6.10	N/A	N/A	N/A	N/A
(ii)	Exceptions to the above should be discussed if they are material, and detailed reports thereof should exist.	Section 9.5.10	Section 9.6.10	N/A	N/A	N/A	N/A
(iii)	Discuss whether account has been taken of all relevant factors, i.e. relative confidence in tonnage / grade computations, density, quality, value and distribution of primary data and information, confidence in continuity of	Section 9.5.10	Section 9.6.10	N/A	N/A	N/A	N/A

TABLE 1 REFERENCE	ITEM DESCRIPTION	LAKE VICTORIA PROJECTS				MOROGORO	HANETI
		ITETEMIA	LUHALA	GREENFIELDS			
(iv)	the geological and mineralization models. State whether the result appropriately reflects the Competent Person's view of the deposit.	Section 9.5.10	Section 9.6.10	N/A	N/A	N/A	
C	MINERAL RESERVES Describe and justify criteria and methods used as the basis for the classification of the Mineral Reserve into varying confidence categories, which should be based on the Mineral Resource category, and include consideration of the confidence in all the modifying factors.	N/A	N/A	N/A	N/A	N/A	
(i)		N/A	N/A	N/A	N/A	N/A	
(ii)	Discuss the proportion of Probable Mineral Reserves, which have been derived from Measured Mineral Resources (if any), including the reason(s) therefore.	N/A	N/A	N/A	N/A	N/A	
(iii)	Only Measured and Indicated Resources can be considered for inclusion in the Mineral Reserves.	N/A	N/A	N/A	N/A	N/A	
(iv)	Mineral Resources classified as Inferred Resource lack the requisite degree of confidence to be converted to a Reserve.	N/A	N/A	N/A	N/A	N/A	
(v)	State whether the result appropriately reflects the Competent Person's review of the deposit.	N/A	N/A	N/A	N/A	N/A	
T. 8	BALANCED REPORTING						
A	EXPLORATION RESULTS Where comprehensive reporting of all exploration results is not practicable representative reporting of low and high-grades and widths should be practiced together with their spatial location to avoid misleading the reporting of exploration results.	Yes	Yes	Yes	Yes	Yes	
(i)							
(ii)	Announcements by companies should comply with the SAMREC Code, where applicable, and insofar as they relate or refer to a Competent Person's report they should: (a) Be approved in writing in advanced of publication by the relevant Competent Person's; and (b) The Competent Person's relationship to the issuer of the report, if any, should be clearly defined.	Section 2	Section 2	Section 2	Section 2	Section 2	
(iii)	If grades are reported then it should be stated clearly whether these are regional averages or if they are selected individual samples taken from the property under discussion.	Yes	Yes	Yes	Yes	Yes	
B	MINERAL RESOURCES See 8 A						
(i)	Mineral Resources should be stated as inclusive or exclusive of Mineral Reserves.	Section 9.5.10	Section 9.6.10	N/A	N/A	N/A	
(ii)	Report the Mineral Resource statements with sufficient detail indicating the source and type of mineralization, such as open pit, underground, mineralization type, facies or ore body, surface dumps, stockpiles and all other sources	Section 9.5.10	Section 9.6.10	N/A	N/A	N/A	
(iii)	The Mineral Resource will include all remnants, stockpiles, tailings, and existing pillars where there may be	NA, Section 9.5.10	NA Section 9.6.10	N/A	N/A	N/A	

TABLE 1 REFERENCE	ITEM DESCRIPTION	LAKE VICTORIA PROJECTS				MOROGORO	HANETI
		ITETEMIA	LUHALA	GREENFIELDS			
	reasonable and realistic prospects for eventual economic extraction. Inclusion or exclusion of existing pillars into the Mineral Resource will be determined site-by-site taking into consideration factors such as size, shape grade, location and historical and geotechnical factors. A detailed listing of such exclusions and reasons therefore, signed by a relevant Competent Person, should exist.						
(iv)	(Reconciliation - Report the reliability, of the current geological and resource models, and key assumptions, including the reliability of resource classifications. This should include a comparison with the previous Resource quantity and quantities, if available. Where appropriate, report and comment on any historic trends (e.g. global bias).	Section 9.5.10	Section 9.6.10	N/A	N/A	N/A	
C	MINERAL RESERVES						
	See 8 A						
(i)	Describe the Mineral Resource estimate used as a basis for the conversion to a Mineral Reserve.	N/A	N/A	N/A	N/A	N/A	
(ii)	Caution should be exercised if Inferred Resources are considered in economic studies, and if included, full disclosure and the effect on the results of the economic studies should be stated.	N/A	N/A	N/A	N/A	N/A	
(iii)	A comparison between the two possibilities, the one with inclusion and the one without inclusion, should be fully explained in the Public Report in such a way so as not to mislead the investors. Inferred Mineral Resources may not be reported as Mineral Reserves.	N/A	N/A	N/A	N/A	N/A	
(iv)	The Mineral Reserves Statement should be reported with sufficient detail indicating the source and type, facies or ore body, surface dump, stockpile and all other sources.	N/A	N/A	N/A	N/A	N/A	
(v)	State the proportion of the total Reserves that is likely to be mined within the current assured tenure timeframe.	N/A	N/A	N/A	N/A	N/A	
(vi)	Reconciliation - Report historic reliability and reconciliation of the performance parameters, assumptions and modifying factors. This should include a comparison with the previous Reserve quantity and qualities, if available. Where appropriate, report and comment on any historic trends (e.g. global bias)	N/A	N/A	N/A	N/A	N/A	
T 9	AUDITS AND REVIEWS						
A	EXPLORATION RESULTS						
(i)	The overall conclusions of relevant audits or reviews, with specific reference to compliance to relevant Codes, where significant deficiencies and remedial actions should be disclosed.	Section 9.5.4, Section 9.5.5, Section 9.5.7, Section 9.5.9	Section 9.6.4 Section 9.6.5, Section 9.6.6, Section 9.6.9	Section 9.7.3, Section 9.7.4, Section 9.7.5,	Section 9.7.4, Section 10.8, Section 10.9	Section 11.7, Section 11.8, Section 11.9	
(ii)	State type of review (e.g. independent, external) and name of the reviewer(s) together with their recognized professional qualifications.	Section 9.5.4, Section 9.5.5, Section 9.5.7, Section 9.5.9	Section 9.6.4 Section 9.6.5, Section 9.6.6, Section 9.6.9	Section 9.7.3, Section 9.7.4, Section 9.7.5,	Section 9.7.4, Section 10.8, Section 10.9	Section 11.7, Section 11.8, Section 11.9	
B	MINERAL RESOURCES						

TABLE 1 REFERENCE		ITEM DESCRIPTION	ITETEMIA	LUHALA	GREENFIELDS	MOROGORO	HANETI
		See 9 A					
(i)		The material results of any audits or Mineral Resource estimates. Specific reference regarding all material deficiencies and remedial actions should be closed.	Section 9.5.4, Section 9.5.5, Section 9.5.7, Section 9.5.9	Section 9.6.4 Section 9.6.5, Section 9.6.6, Section 9.6.9	N/A	N/A	N/A
C		MINERAL RESERVES					
		See 9 A					
(i)		The material results of any audits or review of Mineral Reserves estimates. Specific reference regarding all material deficiencies and remedial actions should be closed.	N/A	N/A	N/A	N/A	N/A
T 10		OTHER CONSIDERATIONS					
A		EXPLORATION RESULTS					
(i)		Description of any other material information that is likely to prevent or facilitate the economic potential of the project.	Section 9.5.11	N/A	N/A	N/A	N/A
(ii)		A glossary of terms used in the report.	Appendix 10	Appendix 10	Appendix 10	Appendix 10	Appendix 10
B		MINERAL RESOURCES					
		See 10 A					
(i)		Discuss possible opportunities that may affect the Mineral Resource.	Section 9.5.11	Section 9.6.14	N/A	N/A	N/A
C		MINERAL RESERVES					
		See 10 A					
(i)		While any other material information or opportunities affecting the project should be discussed, no material impediments to the profitable exploration of the property should remain.	N/A	N/A	N/A	N/A	N/A
T 11.		QUALIFICATION OF COMPETENT PERSON(S) AND OTHER KEY TECHNICAL STAFF. DATE AND SIGNATURE PAGE					
A		EXPLORATION RESULTS					
		State the accountable Competent Person's full name, address, registration number and name of the professional body or ROPO recognized by SAMREC, of which he or she is a member. State the relevant experience, of the Competent Person and other key technical staff who prepared and are responsible for the Public Report.	Appendix 11	Appendix 11	Appendix 11	Appendix 11	Appendix 11
(i)		The Competent Person's relationship to the issuer of the report, if any, should be clearly defined.	Section 2	Section 2	Section 2	Section 2	Section 2
(ii)		The Public Report should include a signature page for the Competent Person to attest to its release. Such page should include the date of sign-off and the effective date of the report.	Signature Page	Signature Page	Signature Page	Signature Page	Signature Page
(iii)							
B		MINERAL RESOURCES					
(i) to (ii)		See 11 A					
C		MINERAL RESERVES					
(i) to (iii)		See 11 A					

2. SAMVAL Code Checklist

TABLE 2 REFERENCE	ITEM DESCRIPTION	KIBO CPR
T 2.1 Executive Summary	An Executive Summary of the mineral Asset Valuation (the Valuation) should be provided.	Synopsis
T 2.2 Introduction and Scope	Introduction and scope, specifying commissioning instructions including reference to the Valuation, engagement letter, date, purpose and intended use of the Valuation. The Competent Valuator must fully disclose any interests in the Mineral Asset or commissioning entity. Any restrictions on scope and special instructions followed by the Competent Valuator, and how these affect the reliability of the Valuation.	Section 1, Section 2, Section 3
T 2.3 Identity and Tenure	The identity, tenure and locations of the property interests, rights or securities to be valued (i.e. the physical, legal and economic characteristics of the property).	Section 8, Section 9, Section 10, Section 11
T 2.4 History	History of activities, results and operations to-date.	Section 9, Section 10, Section 11
T 2.5 Geological Setting	Geological setting and mineralization should be described.	Section 9.4, Section 10.4, Section 11.4
T 2.6 Mineral Resources and Mineral Reserves	Mineral Resource and Mineral Reserve statements should be provided. They must be signed off by a Competent Person in compliance with the SAMREC Code.	Section 9.5.9, Section 9.6.9
T 2.7 Modifying Factors	A statement of modifying factors should be included, separately summarizing material issues relating to each applicable modifying factor.	N/A
T 2.8 Valuation Approaches and Methods	The valuation approaches and methods used in the Valuation should be described and justified in full.	Section 14
T 2.9 Valuation Date	A statement detailing the Report Date and the Valuation Date, as defined in this Code, and whether any material changes have occurred between the Valuation Date and the Report Date.	Section 14
T 2.10 Valuation Summary and Conclusions	A summary of the valuation details, consolidated into single material line items. The Valuation must specify the key risks and forecasts used in the Valuation. A cautionary statement concerning all forward-looking or forecast statements should be included.	Section 14.6
	The valuation conclusions, illustrating a range of values, the best estimate value for each Valuation and whether the conclusions are qualified or subject to any restrictions imposed on the Competent Valuator.	Section 14.5
T 2.11 Sources of information	The sources of all material information and data used in the report should be disclosed, as well as references to any published or unpublished technical papers used in the valuation, subject to confidentiality.	Section 5, Section 14.7
	A reference should be made to any other report that has been compiled, for the purpose of providing information for the valuation including SAMREC compliant reports and any other contributions or reports from experts.	Section 14.8
T 2.12 Previous Valuations	The Valuation should refer to all available previous valuations of the Mineral Asset that have been performed in the previous two years and explain any material differences between then and the present valuation.	Section 14.8
T 2.13 Competent Persons and Other Experts	Names and qualifications of Competent Persons or other experts who have provided the reports on which the Valuation has relied. Written consent to use and rely on such report should be obtained.	Section 5
	Significant contributions made by such experts should be highlighted individually.	N/A

TABLE 2 REFERENCE	ITEM DESCRIPTION	KIBO CPR
T 2.14 Competent Valuator	The Valuation should contain:	
	The signature of the Competent Valuator;	Signature Page
	The Competent Valuator's qualifications and in valuing mineral properties, or relevant valuation experience;	Appendix 11
	A statement that all facts presented in the report are correct to the best of the Competent Valuator's knowledge;	Section 2
	A statement that the analyses and conclusions are limited only by the reported forecast and conditions;	Section 2
	A statement of the Competent Valuator's present or prospective interest in the property or asset;	Section 2
	A statement that the Competent Valuator's compensation employment or contractual relationship with the Commissioning Entity is not contingent on any aspect of the report.	Section 2
	A statement that the Competent Valuator has no bias with respect to the assets that are the subject of the report, or to the parties involved with the assignment;	Section 2
	A statement that the Competent Valuator has (or has not) made a personal inspection of the property; and	Section 2
	A record of the Competent Persons and experts who have contributed to the Valuation.	Section 2
T 2.15 Range of Values	The valuation of a Mineral Asset must report the Competent Valuator's estimated value. A range of Values must be provided, together with the estimated value.	Section 14.4
T 2.16 Identifiable Component Asset (ICA) Values	In some valuations, the Valuation should be broken down into identifiable Component Asset (an ICA Valuation) equalling the Mineral Asset Value. This could be, for example, due to the requirements of other valuation rules and legislative practices including taxation (i.e. fixed property, plant and equipment relative to Mineral Asset Value allocations such as in recoupment or Capital Gains Tax calculations or where a commissioned Mineral Asset Valuation specifies a need for breakdown of the Mineral Asset Valuation).	N/A
	In such cases, the separate allocations value must be made by taking account of the value of every separately identifiable component asset. Allocation of value to only some and not all identifiable component assets is not allowed. This requires a specialist appraisal of each identifiable components asset of property, plant and equipment, with the 'remaining' value of the Mineral Asset being attributed to the Mineral Resource and Reserves. Such valuation must be performed by suitably qualified experts, among whom may be the Competent Valuator.	N/A
	If the Mineral Asset Valuation, the Competent Valuator must satisfy himself that the ICA Valuation is reasonable before signing off the Mineral Asset Valuation.	N/A
T 2.17 Historic Verification	A historic verification of the performance parameters on which the Mineral Asset Valuation is based should be presented.	N/A
T 2.18 Market Assessment	A comprehensive market assessment should be presented	Appendix 5, Appendix 6
T 2.19 Audits or Reviews	The results of any audits or review of the Mineral Asset Valuation should be presented, together with a commentary on the findings.	Section 14.9

3. JSE Section 12 Checklist

JSE LISTING REQUIREMENTS	ITEM DESCRIPTION	REFERENCE
Section 12.9 (a)	Have an effective date (being the date at which the contents of the Competent Person's Report are valid) less than six months prior to the date of publication of the pre-listing statement, listing particulars, prospectus of Category 1 circular.	Section 1
Section 12.9 (b)	Be updated prior to publication of the pre-listing statement, listing particulars, prospectus or Category 1 circular if further material data becomes available after the effective date.	Yes
Section 12.9 (c)	If the Competent Person is not independent of the issuer, clearly disclose the nature of the relationship or interest.	Section 2
Section 12.9 (d)	Show the particular paragraph of this section, the SAMREC Code (including Table 1) and SAMVAL Code complied with in the margin of Competent Person's Report.	In Headings
Section 12.9 (e)	Contain a paragraph stating that all requirements of this section, the SAMREC Code (including Table 1) and SAMVAL Code have been complied with, or that certain clauses were not applicable and provide a list of such clauses.	Section 2
Section 12.9 (e)(i)	Include a statement detailing the exploration expenditure incurred to-date by the applicant issuer and by other parties where applicable.	Section 13
Section 12.9 (e)(ii)	Include a statement detailing the planned exploration expenditure that has been committed, but not yet incurred, by the applicant issuer concerned.	Section 13
Section 12.9 (e)(iii)	Include a statement detailing the planned exploration expenditure that has not been committed to by the applicant issuer but which is expected to be incurred sometime in the future, in sufficient detail to fairly present future expectations.	Section 13
Section 12.9 (f)	Contain a valuation section which must be completed and signed off by a Competent Valuator in terms of and in compliance with the SAMVAL Code.	Section 14
Section 12.9 (g)	Must be published in full, on both the JSE and applicant issuer's website	Not Yet
Section 12.9 (h)	Be included in the relevant JSE document either in full or as an executive summary. The executive summary must be approved by the JSE (after approval by the Readers Panel) at the same time as the Competent Person's Report is approved by the JSE and the Readers Panel. The executive summary should be a concise summary of the Competent Person's Report and must cover, at a minimum, where applicable:	The CPR is a Full CPR, no Section 12.9(h) Executive Summary has been prepared and therefore the below are not applicable
Section 12.9 (h)(i)	Purpose	N/A
Section 12.9 (h)(ii)	Project outline	N/A
Section 12.9 (h)(iii)	Location map including area of interest	N/A
Section 12.9 (h)(iv)	Legal aspects and tenure, including any disputes, risks or impediments	N/A
Section 12.9 (h)(v)	Geological setting description	N/A
Section 12.9 (h)(vi)	Exploration programme and budget	N/A
Section 12.9 (h)(vii)	Brief description of individual key modifying factors.	N/A
Section 12.9 (h)(viii)	Brief description of key environmental issues.	N/A
Section 12.9 (h)(ix)	Mineral Resource and Mineral Reserve Statement	N/A
Section 12.9 (h)(x)	Reference to Risk paragraph in the full Competent Person's Report	N/A
Section 12.9 (h)(xi)	Statement by the Competent Person that the summary is a true reflection of the full Competent Person's Report	N/A
Section 12.9 (h)(xii)	Summary valuation table. Where the cash flow approach has been employed, the valuation summary must include the discount rate(s) applied to calculate the NPV(s) per share with reference to the specific paragraph in the Competent Person's Report. If inferred resources are used, show the summary valuation with and without inclusion of such inferred resources.	N/A

APPOINTMENT, QUALIFICATION, REMUNERATION AND BORROWING POWERS OF DIRECTORS

69. SHARE QUALIFICATION

A Director shall not be required to hold any shares of the Company by way of qualification. A Director shall, notwithstanding that he may not be a Member of the Company, be entitled to the at least the same advance notice as a Member (but not less than seven days notice) of all meetings, and entitled to attend and to speak at General Meetings, meetings of the holders of any class of shares, meeting of the Board, or any other meeting called by the Chairman for conducting the business of the Company (including but limited to any adjourned meeting whether or not notice to the Members is required).

75. OTHER COMPANIES

Any Director may become or continue to be a director, managing director, manager or other officer or Member of any other company promoted by the Company or in which the Company may have an ownership interest, and no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, manager or other officer or Member of any such other company, and the Board may exercise the voting power conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company, in such manner and in all respects as they think fit. Any Director (or proposed Director) that is (or becomes) a director, officer or employee of any other company that is (or is planning to become) a competitor of the Company shall be required, as a pre-qualification to be a Director, to declare such position, and either resign such position or may be dismissed by the Board or required to enter into a confidentiality agreement and such other agreement as the Board may from time to time require.

81. BORROWING POWERS

The Board on behalf of the Company may exercise all the powers of the Company to borrow money or to guarantee and to mortgage or charge its undertaking property and uncalled capital and (subject to the provisions of the Acts regarding authority to allot debentures convertible into shares) to create and issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

RETIREMENT AND APPOINTMENT OF DIRECTORS

83. INELIGIBLE

Any provisions of the Acts which, subject to the provisions of these Articles, would have the effect of rendering any person ineligible for appointment as a Director or liable to vacate office as Director or of requiring special notice or any other special formality in connection with the appointment of any Director shall not apply to the Company save as required by the Acts: Provided that in the case of the appointment of a Director who has attained the age of seventy his age shall be stated in the notice convening the General Meeting (or in any document accompanying the same) at which he is proposed to be elected or re-elected.

84. RETIREMENT BY ROTATION

- (a) Subject to the provisions of these Articles, at the Annual General Meeting in each year one-third of the Directors for the time being, or if their number is not three or a multiple of three then the number nearest to but not exceeding one-third, shall retire from office. A retiring Director shall retain office until the conclusion of the meeting or adjourned meeting at which he is due to retire.
- (b) Subject to the provisions of the Acts and of these Articles and until otherwise determined by the company by ordinary resolution, the Directors to retire in every year shall be the Directors

who have been longest in office since their last election or appointment. As between Directors of equal seniority, the Directors to retire shall (unless such Directors of equal seniority shall agree otherwise amongst themselves) be selected from among them by lot. A retiring Director shall be eligible for re-election.

85. DEEMED REAPPOINTMENT

The Company at the meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a person thereto. If at any such meeting the place of a retiring Director is not filled, the retiring shall, if willing to act, be deemed to have been re-elected, unless at such meeting it is resolved not to fill such vacated office, or unless a motion for the re-election of such Director shall have been put to the meeting and lost.

86. ELIGIBILITY FOR APPOINTMENT

No person, not being a Director retiring at the meeting or a person recommended by the Board shall be eligible for election as a Director at any General Meeting.

87. APPOINTMENT OF ADDITIONAL DIRECTORS

- (a) Without prejudice to the next following Articles, the Company may from time to time by ordinary resolution appoint any person to be a Director, either to fill a casual vacancy or as an addition to the Board and may also determine in what rotation such Director is to retire from office.
- (b) The Board shall have power at any time, and from time to time to appoint any person as a Director, either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these Articles. Subject to the provisions of these Articles, any Director so appointed shall retire at the next Annual General Meeting but shall then be eligible for election and any Director who so retires shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

88. REMOVAL OF DIRECTORS

The Company may by ordinary resolution of which special notice has been given in accordance with the Acts, remove any Director before the expiration of his period of office as Director (including an Executive Director but without prejudice to any claim he may have for damages for breach of any contract between him and the Company) and may by ordinary resolution appoint another person to be a Director in his stead. The person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed a Director.

89. VOTING

Except so far as the Acts otherwise allow, at a General Meeting the appointment of Directors shall be voted on individually.

92. REMUNERATION

The emoluments of any Director holding executive office for his services as such shall be determined by the board, and may be of any description, and (without limiting the generality of the foregoing) may include admission to or continuance of membership of any scheme (including any share acquisition scheme) or fund instituted or established or financed or contributed to by the Company for the provision of pensions, life assurance or other benefits for employees or their dependents, or the payment of a pension or other benefits to him or his dependents on or after retirement or death, apart from membership of any such scheme or fund.

CORPORATE GOVERNANCE

The Company will not be subject to the Combined Code on Corporate applicable to companies listed on the Official List. The Company does, however, intend, in so far as is practicable given the size and nature of the Company and the constitution of the Board, to comply with the Corporate Governance Guidelines for AIM Companies (the "QCA Guidelines") as published by the Quoted Companies Alliance (the "QCA").

The QCA Guidelines were devised by the QCA, in consultation with a number of significant institutional small company investors, as an alternative corporate governance code applicable to AIM companies. An alternative code was proposed because the QCA considered the Combined Code on Corporate Governance to be inappropriate to many AIM companies.

The QCA Guidelines state "the purpose of good corporate governance is to ensure that the company is managed in an efficient, effective and entrepreneurial manner for the benefit of all shareholders over the longer term". The guidelines set out a code of best practice for AIM companies. Those guidelines require, among other things, that:

- (a) certain matters be specifically reserved for the board's decision;
- (b) the board should be supplied in a timely manner with information (including regular management financial information) in a form and of a quality appropriate to enable it to discharge its duties;
- (c) the board should, at least annually, conduct a review of the effectiveness of the Company and its subsidiaries' system of internal controls and should report to shareholders that they have done so;
- (d) the roles of chairman and chief executive should not be exercised by the same individual or there should be a clear explanation of how other board procedures provide protection against the risks of concentration of power within the company;
- (e) a company should have at least two independent non-executive directors and the board should not be dominated by one person or group of people;
- (f) all directors should be submitted for re-election at regular intervals subject to continued satisfactory performance;
- (g) the board should establish audit, remuneration and nomination committees;
- (h) there should be a dialogue with shareholders based on a mutual understanding of objectives.

The Board consists of two Executive Directors, being Noel O'Keeffe, the managing director, and Richard Speir, the technical director, and three non-executive Directors being Christian Schaffalitzky de Muckadell, the chairman, William Payne, and Stephen Aherne. Major corporate decisions of the Company are subject to Board approval.

An audit committee, comprising William Payne and Christian Schaffalitzky has been established to operate with effect from Admission. The audit committee will determine the application of financial reporting and internal control principles, including reviewing the effectiveness of the Group's financial reporting, internal control and risk management procedures and the scope, quality and results of the external audit. William Payne will chair the audit committee.

A remuneration committee, comprising Christian Schaffalitzky and William Payne has also been established to operate with effect from Admission. It will review the performance of the executive directors and will set their remuneration, determine the payment of bonuses to executive directors and consider bonus and option schemes. Each of the executive directors will take no part in discussions concerning their remuneration. The remuneration committee is chaired by Christian Schaffalitzky. The remuneration of the non-executive directors will be reviewed by the board.

The Company will ensure, in accordance with and subject to the provisions of Rule 21 of the AIM Rules, that the Directors and applicable employees shall not deal in any of the Ordinary Shares during a close period (as defined in the AIM Rules) and will take all reasonable steps to ensure compliance by the Directors and applicable employees with this Rule 21.

KIBO MINING PLC

RULES OF THE KIBO MINING PLC SHARE OPTION PLAN

1. ESTABLISHMENT AND PURPOSE

The Plan is established by a special resolution of the Company passed on day of 2011. The purpose of the Plan is to provide for the granting of share options in Kibo Mining plc (the "Company") to its Eligible Employees and such other persons as nominated by the Board in its absolute discretion, in accordance with the provisions of these Rules.

2. DEFINITIONS

2.1 In the Plan, the following expressions bear the following meanings:

"Adoption Date"	means the date on which this Plan is adopted by the Board.
"Approved Person"	means a person who shall have been nominated and approved by the Board for the purposes of participating in the Plan pursuant to Rule 3.1.
"Auditors"	means the firm of auditors for the time being of the Company or in the event of there being more than one such firm such one of them as the Board shall select.
"Board"	means the board of directors for the time being of the Company or the directors present at a duly convened meeting of the board of directors at which a quorum is present or a duly constituted committee of such board.
"Company"	means Kibo Mining plc.
"Date of Grant"	means the date borne by the Option Certificate communicating the grant of an Option hereunder as provided in Rule 6.5.
"Disability"	means physical or mental deterioration which is sufficiently serious to prevent an Option Holder from following his normal employment, as to which the decision of the Board, having obtained appropriate independent medical advice, shall be final.
"Eligible Employee"	means any director of any Participating Company, or any employee (other than one who is a director) of any Participating Company.
"Group"	means the Company and any of its Subsidiaries.
"Market Value"	has the meaning given in section 548 of the Taxes Consolidation Act, 1997.

“Option”	means an Option granted pursuant to the Plan provided that an Option which has ceased to be capable of exercise for any reason whatsoever or, in the case of any Option which has only partially ceased to be capable of exercise, such part thereof as shall have so ceased, shall be deemed not to be an Option for any of the purposes of this Plan.
“Option Certificate”	means a certificate in respect of an Option in such form as the Board shall determine.
“Option Holder”	means an individual to whom an Option has been granted.
“Option Price”	means the price at which a Share must be subscribed for on the exercise of an Option determined in accordance with Rule 7.
“Participating Company”	means the Company or any Subsidiary to which the Plan for the time being applies.
“Participation Agreement”	means an agreement in such form as the Board shall determine.
“Plan”	means this Plan as constituted and governed by these Rules as amended from time to time.
“Realisation Event”	means: <ul style="list-style-type: none"> (i) the acquisition by any party after the date hereof of greater than 75% of the entire issued share capital of the Company (a “Sale”) provided however that a Sale not involving any third party and done solely for the purpose of reorganisation while solvent with no diminution in beneficial ownership by the Company or by the members of shares owned by them shall not constitute a Sale; and/or (ii) such other circumstances as may be resolved by the Board in its absolute discretion from time to time.
“Rules”	means these Rules as the same from time to time may be amended and for the time being may be in force, and reference herein to specific rules hereof shall be construed accordingly.
“Share”	means ordinary shares of €0.01 each in the capital of the Company.
“Subsidiary”	means any company which is, for the time being, a subsidiary of the Company within the meaning of section 155 of the Companies Act, 1963.
“Vesting Event”	means any one or more of the following: (i) a Realisation Event or (ii) such other event as may be designated by the Board from time to time to be a Vesting Event.

2.2 Where the context so admits the singular shall include the plural and *vice versa* and the masculine shall include the feminine.

2.3 The headings are for ease of reference only and shall not in any way affect the interpretation hereof.

2.4 Any reference in the Plan to any enactment includes a reference to that enactment as from time to time modified, extended or re-enacted.

3. ELIGIBILITY FOR PARTICIPATION

- 3.1 The Plan is available to any Eligible Employee who shall be nominated and approved for this purpose by the Board. Notwithstanding the foregoing, the Plan is available to such other persons as nominated and approved for this purpose by the Board in its absolute discretion.
- 3.2 No person shall be entitled as of right to participate in the Plan and the decision as to who shall have the opportunity of participating and the time and extent of their participation shall, subject to the terms of the Plan, be made by the Board in its absolute discretion. No person shall be entitled to participate in the Plan until they have entered into a Participation Agreement.

4. LIMITATION AS TO PARTICIPATION

No Option shall be capable of being granted under the Plan more than 10 years after the Adoption Date.

5. LIMITATION ON ISSUE

- 5.1 Until otherwise resolved by the Company in general meeting or where the Plan is amended in accordance with its terms:
- (1) the number of shares for which Options may be granted under the Plan on any day shall not, for the duration of the Plan, when added to the number of shares which immediately prior to that day shall have been or remain to be issued pursuant to Options granted under the Plan or any other share option scheme established by the Company, exceed 10 per cent of the number of shares in the Company for the time being in issue;
 - (ii) the maximum number of shares the subject of unexercised Options held by any individual Option Holder under the Plan or any other share option scheme established by the Company shall not for the duration of the Plan exceed in aggregate 2 per cent of the number of shares in the Company for the time being in issue.
- 5.2 For the avoidance of doubt, Shares which shall have been the subject of Options which have lapsed shall not be taken into account for the purpose of calculating whether any of the thresholds referred to in Rule 5.1 have been exceeded.

6. GRANT OF OPTIONS

- 6.1 Each Approved Person shall be granted an Option over a maximum number of Shares to be fixed by the Board or, as appropriate, the Remuneration Committee (subject to Rule 5) exercisable subject to satisfaction, or the partial satisfaction, of any Vesting Events set forth in the Option Certificate issued to the Approved Person.
- 6.2 The Board shall in its absolute discretion determine:
- (i) whether the Vesting Events (if any) referred to in an Option Certificate have been met, or partially met, and shall determine this issue, in consultation with the Auditors, if necessary; and
 - (ii) advise Option Holders in writing as soon as practicable after any such determination has been made in relation to their Options by issuing them with an Option Certificate recording the number of Options which have vested and confirming that such Certificate shall replace and supercede any Option Certificate previously issued to them.
- 6.3 Subject to Rules 6.1 and 6.2, Options may be granted at any time within 10 years from the Adoption Date.
- 6.4 Any Option granted under Rule 6.1 shall be conditional upon the grantee paying to the Company (on or before such date as the Board may in its discretion specify) the consideration payable for such Option which shall not exceed €1.00.

- 6.5 As soon as practicable after approval by the Board in accordance with Rule 3.1, each Approved Person shall enter into a Participation Agreement with the Participating Companies agreeing to be bound by the Rules, the Vesting Events (if any) and shall then receive an Option Certificate from the Company. The Option Certificate shall specify the number of Shares for which such Approved Person may subscribe, the Option Price relating thereto, the Date of Grant and the Vesting Events (if any).
- 6.6 Any Options so granted shall be personal to the grantee and non-assignable. The Option may not be cancelled and shall lapse forthwith if (except as provided by Rule 12) the Approved Person purports to transfer, assign, mortgage, charge or otherwise dispose of such Option.
- 6.7 An Approved Person shall not be entitled to any compensation or damage whatsoever or howsoever described, by reason of any termination, withdrawal or alteration of rights or expectations under the Plan.

7. OPTION PRICE

The Option Price in relation to an Option shall be determined by the Board, but shall not be less than the greater of the nominal value of a Share or the Market Value of a Share on the Date of Grant.

8. EXERCISE OF OPTIONS

Subject to Rule 15 below, any Option which has not lapsed may be exercised in whole or in part to the extent that it has vested in accordance with any applicable Vesting Events pertaining to it as specified in the relevant Option Certificate.

9. LOSS OF OPTIONS

- 9.1 Subject to Rules 9.4 and 9.5, an Option shall lapse and cease to be exercisable upon the earliest of the following events to occur after the Date of Grant:
- 9.1.1 the seventh anniversary of the Date of Grant;
 - 9.1.2 upon the Option Holder's death;
 - 9.1.3 upon the Option Holder ceasing to be an Eligible Employee;
 - 9.1.4 upon the Option Holder being adjudicated bankrupt; or
 - 9.1.5 upon the termination of the Option Holder's contract for service with any Participating Company where he is not an Eligible Employee, unless the Board determines otherwise.
- 9.2 The Option Holder shall cease to be entitled to receive any further Options pursuant to the Plan on the happening of the event referred to in Rule 9.1.3.
- 9.3 Under no circumstances shall any Option Holder ceasing to be an Eligible Employee be entitled to any compensation for loss of any right or benefit or prospective right or benefit under the Plan which he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful or unfair dismissal or other breach of contract or by way of compensation for loss of office or otherwise howsoever.
- 9.4 If an Option Holder dies his legal personal representative may within a period of twelve months after such death, and with the Board's prior written consent, (but not later than the seventh anniversary of the Date of Grant), exercise an unexercised Option (or, as the case may be, that portion of it not already exercised) provided such Option is otherwise exercisable in accordance with the terms of the Plan and upon the expiration of such period, the Option shall lapse to the extent that it has not been so exercised.

- 9.5 If an Option Holder ceases to be an Eligible Employee as a result of:
- (i) having resigned voluntarily;
 - (ii) having retired on or after reaching the normal retirement age relating to the office or employment held by him;
 - (iii) Disability prior to normal retirement age;
 - (iv) dismissal by reason of redundancy within the meaning of the Redundancy Payments Acts 1967 – 2007;
 - (v) the company employing the Option Holder having ceased to be a member of the Group; or
 - (vi) the business or part of the business in which the Option Holder's employment or office relates ceasing to be owned by the Group,

he may within a period of six months (or such other period as determined by the Board at its absolute discretion) after such event, and with the Board's prior written consent, (but not later than the seventh anniversary of the Date of Grant), exercise an unexercised Option (or, as the case may be, that portion of it not already exercised) provided such Option is otherwise exercisable in accordance with the terms of the Plan and upon the expiration of such period, the Option shall lapse to the extent that it has not been so exercised.

10. TAKE-OVER

- 10.1 In the event of Realisation Event taking place (or the Board being of the opinion that a Realisation Event is about to take place) the Board shall be entitled at its discretion and notwithstanding anything contained in these Rules or the Vesting Events (if any) applicable to any Options, to request Option Holders to exercise any unexercised Options held by them in relation to the whole or a specified portion of the Shares to which such Options relate and within such time or times and upon and subject to any other conditions or limitations as the Board may at its discretion determine.
- 10.2 If any Option Holder shall not have complied with a request made under Rule 10.1, the Board may, at its absolute discretion and, notwithstanding anything contained in the Rules, suspend the rights of any such Option Holder to exercise any Options held by such Option Holder or may cancel such rights and no compensation shall be payable to any Option Holder in either such event.
- 10.3 As an alternative to Rule 10.1, the Board may with the agreement of any person/company making an offer to acquire the whole or a specified portion of the issued share capital of the Company (the "Offeror") cancel each outstanding Option (the "Old Option") in consideration of the grant of a new option (the "New Option") to the Option Holder over shares in the Offeror or otherwise. Where an Option Holder is granted a New Option in return for his Old Option in accordance with this Rule then:
- (i) the New Option shall be treated as having been acquired at the same time as the Old Option and be exercisable in the same manner as the Old Option;
 - (ii) the New Option shall be subject to the provisions of the Plan as it had effect in relation to the Old Option immediately before the cancellation;
 - (iii) with effect from the release of the Old Option and the grant of the New Option, the provisions of these Rules shall, in relation to the New Option, be construed as if references to the Company and to the Shares were references to the Offeror (or otherwise) and to shares in the Offeror (or otherwise) as the case may be.

11. VARIATION OF SHARE CAPITAL

- 11.1 In the event of any variation of the share capital of the Company by way of capitalisation or rights issue, placing, consolidation, subdivision or reduction of capital or otherwise, the number of Shares subject to any Option and the subscription price for each of those Shares shall be adjusted in such manner as the Auditors confirm, in writing, to be fair and reasonable, provided that:
- 11.1.1 the aggregate amount payable on the exercise of an Option in full is not increased;
 - 11.1.2 the Option Price for a Share is not reduced below its nominal value.

12. MANNER OF EXERCISE OF OPTIONS

- 12.1 Upon the exercise of an Option in whole or in part, the Option Holder shall, by notice in such form as the Board may specify from time to time, specify the number of Shares in respect of which the Option is exercised, pay the Option Price (or as the case may be the appropriate portion of the Option Price) to the Company and deliver the Option Holder's current Option Certificate to the Company.
- 12.2 Subject to the Company obtaining any regulatory or other consent which is necessary to enable it to allot Shares pursuant to the exercise of the Option, and subject to the terms of any such consent, as soon as reasonably practicable after receipt by the Company of the notice exercising an Option under the Plan together with payment of the Option Price, the Board shall allot the number of Shares in respect of which the notice has taken effect to either the Option Holder, or to a nominee designated by the Board to hold any Shares allotted under this Plan in trust for and on behalf of the Option Holders.
- 12.3 As soon as reasonably practicable after allotting any Shares under the Plan, the Company shall, if the Shares are to be held in certificated form, issue to the Option Holder or the nominee designated by the Board under Rule 12.2 a definitive share certificate in respect of the Shares so allotted.
- 12.4 All fully paid Shares issued on any exercise of an Option shall rank *pari passu* in all respects with the fully paid Shares already in issue (except that they will not rank for any dividend or other distribution of the Company announced prior to the date of receipt of the notice referred to in Rule 12.1 above in relation to Shares received pursuant to exercise of the relevant Option or paid by reference to a record date prior to such date) and will be subject to all relevant provisions of the Articles of Association of the Company.

13. WINDING-UP

In the event of the Company passing a resolution for its winding-up or an order being made for the compulsory winding-up of the Company (the passing of such resolution or the making of such order shall be communicated by the Board to each Option Holder in writing) all unexercised Options shall be deemed to have lapsed and shall cease to be exercisable.

14. SHARE CAPITAL

The Company shall keep unissued sufficient Shares to enable it to satisfy the exercise in full of the Options.

15. TERMINATION

- 15.1 The Plan may be terminated at any time by ordinary resolution of the Company and shall in any event terminate on the tenth anniversary of the Adoption Date.
- 15.2 As from the date of any termination of the Plan under Rule 15.1 the Board shall not grant any further Options but no such termination shall affect or modify any subsisting rights or obligations of the Option Holders in respect of any unexercised Options already granted and notwithstanding such termination the Company and the Board shall continue to act, administer and manage the Plan in accordance with its terms.

16. ALTERATION OF PLAN

16.1 Notwithstanding any other term of the Plan, the Company may at any time by special resolution of the Company amend the Plan provided that:

- 16.1.1 no amendment may materially adversely affect an Option Holder as regards an Option granted prior to the amendment being made;

16.1.2 no amendment may be made which would make the terms on which Options may be granted materially more generous or would increase the Plan limits specified in the Rules or reduce the minimum Option Price without the prior approval of the Company in general meeting.

17. GENERAL

- 17.1 The Board's decision on any matter relating to the interpretation of the Plan and any other matter concerning the Plan shall be final and binding.
- 17.2 The Company shall bear the costs of setting up and administering the Plan.
- 17.3 The Company or its agent shall maintain all necessary books of account and records relating to the Plan.
- 17.4 The Board shall be entitled to authorise any person to execute on behalf of an Option Holder, at the request of the Option Holder, any document relating to the Plan, insofar as such document is required to be executed.
- 17.5 The Option Holder shall be responsible for obtaining any governmental, regulatory or other official consent that may be required by any country or jurisdiction in order to permit the exercise of Options by him. The Company shall not be responsible for any failure by the Option Holder to obtain any such consent or for any tax or other liability to which the Option Holder may become subject as a result of the grant or exercise of Options hereunder.

18. TAX LIABILITY

- 18.1 If an Option is exercised and the Option Holder is liable to tax, duties or other amounts on such exercise and the Company and/or his employer or former employer being part of the Group is liable to make a payment to the appropriate authorities on account of that liability the Option Holder shall grant to the Company the irrevocable authority, as agent of the Option Holder and on his behalf, to sell or procure the sale of sufficient of the Shares subject to such Option so that the net proceeds paid to the Company and/or his employer or former employer are, so far as possible, equal to but not less than the amount payable to the appropriate authorities, and the Company and/or his employer or former employer shall account to the Option Holder for any balance.
- 18.2 No Shares shall be allotted to the Option Holder until the employer or former employer has received payment of the monies referred to in Rule 18.1. This Rule 18.2 shall not apply if the Option Holder makes alternative arrangements to the satisfaction of the Company and/or his employer or former employer or the Option Holder pays to the Company (whether by cheque or by banker's draft) the amount necessary to satisfy such liabilities.

19. GOVERNING LAW

The Plan shall be governed by and construed and interpreted in accordance with Irish law and the Company and Option Holder agree to submit to the jurisdiction of the Courts of Ireland in relation to any claim, dispute or difference which may arise hereunder.

