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Company [Kiwara PLC](#)
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Kiwara plc

("Kiwara" or the "Company")

Kiwara and International Finance Corporation finalise initial US \$6 Million Equity Subscription

The Board of Kiwara plc is pleased to announce that the contemplated equity subscription announced on 29th April 2009, to be made by the International Finance Corporation ("IFC"), has been finalised, subject only to Kiwara shareholder approval.

The key features of the subscription are:

- An initial strategic equity subscription of US \$6.0 million (£3.6 million) with a three year warrant package;
- Total equity investment package of up to US \$15.0 million;
- Investment by IFC provides Kiwara with a highly credible strategic investor necessary for the progression of the Company's rapidly emerging base metals projects in an environmentally and socially sustainable manner;
- The initial subscription allows Kiwara to extend and consolidate the Kalumbila copper project and to extend strike and infill drilling at Kawako where exceptional nickel sulphide values have been reported.

The Subscription

On 29th April 2009 the Company reported that the IFC had disclosed its intention, subject to board approval, to purchase equity to value of US \$6 million. The price as determined at that time was the fifteen day moving weighted average price, which at the time of the disclosure was 18.697p per share. The warrant package consists of one full warrant per ordinary share purchased, and is valid for three years from completion and is struck at a price of 37p, which is double the initial investment price.

The initial subscription will result in the issue of approximately 19.5 million shares; the actual number of such shares being determined by the prevailing US Dollar - Sterling exchange rate upon the subscription date. The IFC will have the option to purchase the same number of shares within the three year period at 37p per share.

This subscription is subject to approval by Kiwara shareholders, for which an EGM will be called; the subscription date will be within 5 business days of shareholder approval.

Colin Bird (Chairman) said **"We are naturally delighted that the IFC have taken such a significant stake in our rapidly developing Zambian focused base metals company. The investment will form the core of the funds to consolidate our Kalumbila copper deposit and investigate the size potential of our Kawako nickel discovery. We look forward to working with the IFC."**

Saleem Karimjee, IFC Country Manager for Southern Africa said **"IFC's investment in Kiwara demonstrates our commitment to supporting projects in regions where economic growth is most needed and that are environmentally and socially sustainable. IFC's investment and Kiwara's potential participation in IFC's program to support small and medium enterprises linked to mining is the start of a partnership will increase economic growth and create more opportunities for Zambians."**

About Kiwara:

Kiwara is an exploration company with a focus on base metals in the Republic of Zambia, which is a major copper producing country.

Kiwara, through its majority owned subsidiary, Kalumbila Minerals, holds Prospecting Licence 267 which is within the Kabompo Dome in North Western Zambia, a geologically complex antiformal feature, which contains a number of base metal and uranium targets. This is within the area considered to be the western extension of the Copperbelt, an increasingly significant mining area that contains the recently developed Kansanshi and Lumwana copper mines.

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