

Kibo Energy PLC (Incorporated in Ireland)
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("Kibo" or "the Company")



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Kibo Energy PLC ('Kibo' or the 'Company')
Increase of Land Title Area and New MoU signed at Benga Power Plant Project

Kibo Energy PLC ('Kibo' or the 'Company'), the multi-asset, Africa focused, energy company is pleased to announce that it has successfully acquired additional land contiguous to the Benga Power Plant Project ('Benga' or 'the Project') in the Tete province of Mozambique, increasing the total project area with an additional 345 hectares. Alongside hosting a 150-300MW thermal power plant, which is being developed as part of a joint-venture agreement with local energy company Termoelétrica de Benga S.A, the expanded land holding provides room for the intended renewable and long duration storage energy projects in line with Kibo's commitment to creating reliable, sustainable and affordable electricity.

In support of this commitment, the Company is pleased to announce that it has also finalised and signed a new Memorandum of Understanding ('MoU') with Mozambican state-owned electric utility Electricidade de Mocambique ('EDM'), to guide and facilitate further development of Benga, as part of EDM's mandate to develop electricity infrastructure and implement electricity projects in Mozambique. EDM is committed to increasing population access to electricity and improving the quality of service rendered to consumers by developing infrastructure for electricity generation, transmission and distribution. Furthermore, the Government of Mozambique considers the energy sector a strategic priority for the development of the country and in its desire to accelerate social and economic development, the Government encourages investment in the energy sector, either public or private and by nationals or foreigners.

The terms of the new MoU with EDM remains in essence the same as those of the MOU that preceded the latest version and focusses on facilitating the project from its current development status to fruition. (See RNS dated 12 December 2018) The current MOU will be valid for an initial period of 12 months unless the parties agree to extend its validity or to terminate it early.

Louis Coetzee, CEO of Kibo, said: *"Today's news marks a very positive development in the advancement of Benga. We have been in regular discussion with EDM to determine ways in which we can work together to commercialise the project and create affordable and reliable electricity supplies in Mozambique. This MoU marks significant progression in these talks and is testament to the quality of our project proposal. We now look forward to further de-risking and developing Benga and continuing our engagement with EDM by progressing to the next development phase, having completed*

and submitted a positive Definitive Feasibility Study and independent financial model on Benga to EDM. We firmly believe in the significant value potential of Benga following the extensive feasibility work and technical studies done to date and it is as a result of this that we decided to expand our land title; this enlarged land holding will enable us to establish the planned thermal power plant whilst also providing room to build renewable energy projects with long duration storage, in pursuit of our strategy of focused and deliberate transition away from fossil fuel based energy solutions.”

****ENDS****

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Notes

Kibo Energy PLC is a multi-asset, Africa focused, energy company positioned to address the acute power deficit, which is one of the primary impediments to economic development in Sub-Saharan Africa. To this end, it is the Company’s objective to become a leading independent power producer in the region.

Kibo is simultaneously developing three similar coal-fuelled power projects: the Mbeya Coal to Power Project (‘MCP’) in Tanzania; the Mabesekwa Coal Independent Power Project (‘MCIPP’) in Botswana; and the Benga Independent Power Project (‘BIPP’) in Mozambique. By developing these projects in parallel, the Company intends to leverage considerable economies of scale and timing in respect of strategic partnerships, procurement, equipment, human capital, execution capability / capacity and project finance.

Additionally, the Company has a 60% interest in MAST Energy Developments Limited (‘MED’), a private UK registered company targeting the development and operation of flexible power plants to service the UK Reserve Power generation market.

Johannesburg
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Corporate and Designated Adviser
River Group