

Kibo Energy PLC (Incorporated in Ireland)
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Dated: 01 October 2020

Kibo Energy PLC ('Kibo' or the 'Company')

Update on PPA with Baobab Resources Ltd

Kibo Energy PLC, the multi-asset, Africa focused, energy company, is pleased to provide an update on its ongoing negotiations regarding a Power Purchase Agreement ('PPA') with Baobab Resources Ltd ('Baobab') to supply c.200MW energy to Baobab's Tete Steel and Vanadium Project in Mozambique. The Baobab Power Project ("Baobab Project") together with the Company's Benga Power Plant Project ('BPPP') is being developed to produce c. 350MW – 400MW base load electricity.

Since the initial announcement on the binding term sheet with Baobab (See RNS of 18 May 2020):

- An advanced draft PPA has been prepared, which the Company will continue to work along with Baobab on, to expeditiously agree and finalize a final PPA;
- A comprehensive integration study to assess the feasibility of a 400 MW combined project for the Baobab Project and BPPP has been completed; and
- An extensive review by our preferred Engineering, Procurement and Construction Contractor ("EPC") to provide an indicative EPC price for the purposes of agreeing commercial terms in the Baobab PPA has been completed.

These preparatory work elements which provide critical inputs to enable purposeful negotiation of a PPA agreement have been successfully completed over the last two months, despite the on-going travel and operational restrictions as a result of the on-going and resurgent Covid 19 situation.

Completion of the above referred preparatory work could however not be completed in time to also conclude PPA negotiations by 30 September 2020. The original anticipated date for the finalisation of a PPA of the 30 September 2020 has therefore now been extended for a few weeks and the Company will keep shareholders updated on progress.

Louis Coetzee, CEO of Kibo Energy, commented: *We continue to make significant progress with both our projects in Mozambique. The integration study and EPC review referred to above was done in record time by our consultants and EPC, despite extreme challenges amidst COVID-19 and we now look forward to completing the PPA in the coming weeks. The finalisation of this PPA with Baobab is an exciting and significant development for our company and we are firmly focussed on concluding the terms of this deal."*

****ENDS****

This announcement contains inside information as stipulated under the Market Abuse Regulations (EU) no. 596/2014 ('MAR').

For further information please visit www.kibo.energy or contact:

Louis Coetzee	info@kibo.energy	Kibo Energy PLC	Chief Executive Officer
Andreas Lianos	+27 (0) 83 4408365	River Group	Corporate and Designated Adviser on JSE
Thomas Smith	+44 (0) 20 7392 1494	ETX Capital Limited	Broker
Bhavesht Patel / Stephen Allen	+44 20 3440 6800	RFC Ambrian Limited	NOMAD on AIM
Charlotte Page / Beth Melliush	+44 (0) 20 7236 1177	St Brides Partners Ltd	Investor and Media Relations Adviser

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

01 October 2020

Corporate and Designated Adviser

River Group