

Kibo Energy PLC (Incorporated in Ireland)
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ISIN: IE00B97C0C31
("Kibo" or "the Company")



Dated: 11 June 2021

**Kibo Energy PLC ('Kibo' or the 'Company')
Results for the Year Ended 31 December 2020**

Kibo Energy PLC ("Kibo" or the "Company"), the multi-asset, Africa focused energy company, is pleased to release its consolidated annual financial results for the year ended 31 December 2020. The Company's Annual Report, which contains the full financial statements, is in the process of being prepared for dispatch to shareholders. A copy of this Annual Report is also available from the Company's website at www.kibo.energy at the following link <http://kibo.energy/wp-content/uploads/Kibo-Annual-Report-2020-Final.pdf>. The financial statements are set out below and should be read in conjunction with the 2020 Annual Report.

Details of the date and venue for this year's AGM will be announced in due course.

Overview

Financial (including the consolidated results of MAST Energy Developments Plc and Katoro Gold Plc)

- Loss after tax £6,417,237 (2019: £3,903,116 loss)
 - £2,448,710 of total loss for the period stems from consolidated results of Katoro Gold Plc, which is separately funded
- Administrative expenditure year to year remains fairly consistent at £3,393,687 (2019: £2,922,927)
- Listing and capital raising fees increased from £729,072 to £1,027,658 due to the MED listing;
- Additional exploration expenditure of £1,122,676 incurred in 2020 by Kibo's subsidiary, Katoro, on the Blyvoor JV Project in South Africa;
- Cash outflow from consolidated operating activities consistent year to year £2,374,684 (2019: £2,392,495 cash outflow), including the consolidated cash outflows of MAST Energy Developments Plc and Katoro Gold Plc respectively, both which are separately funded;
- Cash outflow from company operating activities have declined year to year £396,994 (2019: £490,210 cash outflow);
- Total net debt (cash less debt) £2,046,772 (2019: £1,456,217 net debt);
- Basic and diluted EPS £0.003 loss (2019: basic and diluted £0.004 loss).

Operational highlights in the 2020 year

- Continued advancement of the development of our key projects:
 - the Benga Power Plant Project in Mozambique (“Benga Project”);
 - the Mabesekwa Coal Independent Power Project in Botswana (“MCIPP Project”);
 - the Mbeya Coal to Power Project in Tanzania (“Mbeya Project”);
 - the UK’s Reserve Power Market Projects (Bordesley Energy Project”) held by Kibo’s subsidiary MAST Energy Developments Plc; and
 - the Blyvoor Gold Tailings Project ("the Project") and the Haneti Nickel Project held by Kibo’s subsidiary Katoro Gold Plc.
- The Benga Project, located in the Tete province of Mozambique, is the Company’s highest development priority; it holds a 65% interest in the project with the remaining 35% held by a local company, Termoelétrica de Benga. The project was developed for a c. 150 MW PPA with local state electric utility Electricidade de Moçambique ('EDM'). An updated Memorandum of Understanding was signed with EDM during 2020, which provides for its continued support and commitment to negotiate a PPA for power off-take for the national grid. The project is now in the process of being upgraded to accommodate a c. 200 MW additional private commercial off taker in the form of the Tete Steel and Vanadium Project with Baobab Resources Ltd ('Baobab'). To date, the Defined Feasibility Study was updated and optimised to satisfy EDM and Baobab’s power off-take requirements with the incorporation of a grid impact assessment and integration studies as well as an updated technical and financial review of the project during the second half of 2020.
- The MCIPP Project in Botswana sees Kibo assume a 35% equity interest in the total 761 Mt Mabesekwa Coal Resource while maintaining its 85% interests in the existing MCIPP project for the development of a 300 MW coal to power plant and participate as a 35%-40% partner with Shumba for the development of a second 300 MW power with electricity output directed solely to a petrochemical plant being developed by Shumba and other parties. The project is aligned with Shumba’s progress and therefore assumes a low development priority in the Kibo portfolio.
- The Mbeya Project, with its 120 Mt Coal Resource, developed to a 1,5 million tonnes per annum mine, holds seven mining rights over the coal resource that will provide fuel to the 300 MW MCPP thermal power plant. The MCPP Environmental Impact Assessment certification for both mine and power station remain valid. The Company continues to work closely with the Tanzanian Government, partners, and other stakeholders to identify and investigate alternative commercial opportunities both within Tanzania and regionally.
- The Bordesley Energy Project progressed the Bordesley 5 MW base case with upward optimization capability of 19.12 MW, amongst other development work such as EPC Scope of Works, entering into a 20-year tenancy agreement with two 5-year extension periods with the landlord. This term is synchronous with gas reciprocating engine life expectancy and optimizes commercial and technical outcomes. Bordesley now has numerous optimization options to develop as a Reserve Power generation hub by virtue of shared infrastructure with Target 2, power generation off-take by proxy sales and economy of scale due to two close-by Reserve Power sites totalling 14.12 Mw of generating capacity which culminates in EPC and Balance of Plant ("BOP") economy of scale project costs and timelines.
- Katoro, entered into a binding conditional agreement to form a 50/50 unincorporated joint venture in South Africa, focused on the reprocessing of an existing 1.34 million ounce of gold JORC compliant tailings resource, completed technical work related to the upgrade and restatement of the Blyvoor Gold Tailings Project resource statement and completed additional technical and financial work that was conducted in response to the recommendations and

findings of the Blyvoor Scoping Study. Katoro is currently in the processes of finalizing a comprehensive funding package in accordance with the Blyvoor Joint Venture ("the JV") that will allow the construction, commissioning and operation of a mining and processing facility capable of processing 500,000 tonnes of tailings material per month, at an average Life of Mine ("LoM") gold grade of 0.29 g/t and confirmed recovery of 51%, before incorporating recovery gains from the latest metallurgical optimization tests. The optimization results indicated that overall recoveries of up to 60% can be achieved by milling the coarser fraction (+75µm) of the feedstock which comprises around 30% of the total Run of Mine ("RoM").

- Katoro, concluded the disposal of its Imweru and Lubando Gold Projects in Tanzania for a total staged cash consideration of up to US\$1.0 million and a 1.5% Net Smelter Royalty.
- Funding of £1.45 million through placing completed in late 2020 which has enabled the Company to continue with our project development plans and ongoing working capital requirements during 2021.
- The Directors continue to consider it appropriate to prepare the financial statements on a going concern basis, as the Group has sufficient funds for its present working capital requirements for the foreseeable future due to the c. £698k funds secured from warrants exercised in Kibo Energy Plc in 2021 to date and Katoro Gold Plc in excess of £500k, and funds raised in excess of £5m from the recent listing of Mast Energy Developments Plc. This is further expanded on in the annual financial statements.

Post period highlights and Outlook

- On the 14 April 2021, Mast Energy Developments Plc completed a successful IPO on the Official List of the London Stock Exchange by way of a Standard Listing raising £5.4m with a market capitalisation on admission of £23m. Kibo remains a majority shareholder at 55.4%. listed on the London Stock Exchange.
- MAST Energy Developments Plc, has progressed the acquisition transaction announced in the RNS of 7 September 2020, to the point where it is now finalizing a definitive Share Purchase Agreement ("SPA") to acquire 100% of the 9MW flexible gas power project (the 'Acquisition').
- Kibo and its local JV partners in the Benga Power Project recently attended a workshop with EDM in Maputo to discuss and agree the next steps towards the ultimate finalization of a PPA. During the meeting the final optimised definitive feasibility study, inclusive of the updated grid integration study, and a summary of an updated draft financial model was presented and discussed as the fundamentals that will guide and focus the further course of the PPA process. This will ensure that a final result is obtained at the earliest opportunity possible.
- Kibo takes major step forward in execution of the Company's renewable energy strategy, by way of commencing an extensive due diligence process in relation to the potential acquisition of all or part of a prospective portfolio of UK renewable energy projects. The opportunity consists of several attractive standalone renewable energy projects in the UK, focusing on the generation and/or storage of electric power from renewable generation sources. The portfolio consists of several waste-to-energy projects in which the Company has negotiated exclusivity and a first right to acquire, subject to successful due diligence results and an agreement on commercial terms and conditions. Any successful acquisition(s) from the project portfolio will enhance Kibo's strategy, which is focused on transforming and integrating conventional energy generation into sustainable renewable energy, and in the process support the UK's Renewable Energy Strategy.
- Kibo entered into an agreement with South Africa-based Industrial Green Solutions (Pty) Ltd ('IGES') to jointly develop a portfolio of Waste to Energy projects in South Africa (the

Agreement') with an initial target of generating more than 50 megawatts of electricity for sale to industrial users. The Agreement, which is subject to the satisfaction of certain conditions, is in line with Kibo's strategy to integrate renewable energy into its project pipeline, which includes three utility-scale power generation and mining projects.

- We are very excited about our new renewable energy initiatives which is focussed on addressing the non-recyclable plastics crisis to reduce the amount ending up in landfill by addressing this problem through a process of Pyrolysis which converts plastic waste into syngas which in turn generates electricity. Our renewable generated electricity will be sold to offtake partners, and our substantial combined project pipeline of waste to energy projects in the UK and ZA with two near term targets which we aim to take into production, will greatly assist in the realisation of our strategy and value to shareholders.

This short-form announcement is the responsibility of the directors and is only a summary of the information in the full announcement and does not contain full or complete details.

Any investment decision should be based on the full announcement published on SENS and the issuers website as a whole.

The full announcement can be found on the company's website at <https://www.kibo.enregy/investor-relations/annual-reports/> and on the JSE website at <https://senspdf.jse.co.za/documents/2021/jse/isse/kbo/KBO311220.pdf>

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

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Johannesburg
11 June 2021
Designated and Corporate Adviser
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