

Kibo Energy PLC (Incorporated in Ireland)
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(‘Kibo’ or ‘the Company’)



Dated: 20 June 2024

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

Kibo Energy PLC – Updated Corporate Restructuring and Repositioning

Kibo Energy PLC (AIM: KIBO; AltX: KBO), the clean / renewable energy-focused development company, is pleased to announce the following changes to its corporate restructuring plan, announced on 7 June 2024.

Highlights:

- Simplified restructuring plan
- Fundraise with gross proceeds of £340,000 raised at a placing price of 0.01p, conditional only on Admission to AIM
- Cobus van der Merwe proposed to join Kibo as Executive Director
- Clive Roberts proposed to join Kibo as Non-Executive Director
- Creditor Conversions arrangements remain in place subject to a revised share issue conversion price and warrant issue exercise price of 0.01p

Background:

On 7 June 2024, the Company announced a corporate re-structuring plan including proposed board changes, a divestment programme, placing and restructuring of the Company's balance sheet. Further to its subsequent announcement on 12 June 2024, the Kibo board (the “Board”) following consultation with various stakeholders and advisors, decided to reconsider its strategic direction and consequently, it can confirm that the previously announced proposed board changes will not proceed as originally planned. Additionally, and as a result of this board composition review, the proposed placing of £500,000 at 0.015 pence as originally announced, will also not proceed and the Company has arranged and agreed a revised alternative board composition and a new placing (the “Revised Arrangements”).

The details of the Revised Arrangements insofar as they impact the key details of the corporate restructuring plan announced on 7 June 2024 are detailed below.

Revised Board Changes:

Kibo proposes to appoint Cobus van der Merwe as Executive Director subject to completion of regulatory due diligence. Cobus is currently the Chief Financial Officer of the Company, a position he has held for just over 2 years. He is a qualified Chartered Accountant (South Africa) and has held senior financial, managerial and executive level positions for over 15 years in the investment management and energy, utilities and resources sectors. He has significant experience servicing clients based in the United Kingdom, Ireland and Africa with specific reference to the Energy and Resources industries. Further to this, he has extensive experience in managing bespoke investment portfolios for high net-worth individuals, including capital raising and facilitating deal making. Cobus is a member of the South African Institute of Chartered Accountants (SAICA), and also hold a BCom degree in Accounting and a BCompt Honours degree in Accounting Science.

Kibo is also proposing to appoint Clive Roberts, a significant existing shareholder in Kibo, to the Board as a Non-Executive Director and Chairman subject to completion of regulatory due diligence.

Mr. Roberts is a large shareholder in KIBO and is excited to be joining the Board as the Company starts a new journey. After a 30-year career in investment banking Clive has spent the last 10 years investing in startups and AIM companies. He has helped raise significant funding for multiple companies and his market experience will be extremely valuable to the Company going forward.

All new directors' appointments remain subject to formal signed documentation along with regulatory checks and the Board is mindful of managing the Company's cash burn until further additional funding is secured.

Coincident with these appointments, Louis Coetzee, the Company's interim Chairman and Chief Executive Officer will step down as CEO and Director. However, Mr. Coetzee will continue to assist the Company in a consulting capacity to assist, amongst other matters, with the prompt implementation and execution of the KBRP. The Board will therefore from that point, subject to the new directors' appointments outlined above, consist of Mr. van der Merwe (Executive Director), Mr. Roberts (NED and Chairperson), and Mr. O'Keeffe (NED). The Board has committed to review its composition and balance over the coming months alongside the introduction of a new project portfolio in line with the board's focus to transition Kibo to a broader based energy company, looking also at opportunities in the Oil & Gas Sector, as previously announced on 7 June 2024.

The details of the new board members' remuneration including share options and payment arrangements will be announced in a follow-up announcement coincident with their appointment. Further details of the Company's broader energy strategy, the results of an on-going review of its existing projects and a decision with regard to its secondary listing on the Johannesburg Stock Exchange will also be announced in due course.

The new board arrangements are however expected to cost significantly less than those previously announced.

Revised Fundraising and Application for Admission to Trading on AIM:

In support of the new board appointments and the restructuring of existing debts (as noted below) and, further, to enable the immediate payment of the auditors (which is required to initiate work on the Annual Report and Accounts) and to provide additional working capital the Company has conditionally raised £340,000 (the "Placing") by way of a placing of 3,400,000,000 (the "Placing Shares") new ordinary shares of EUR0.0001 each in the Company. A total of £240,000 of the Placing amount has been raised through Shard Capital Partners LLP, at a price of 0.01p per share (the "Placing Price"). The remaining £100,000 of the Placing amount has been raised through two private subscriptions of £50,000 each.

Application will be made to the London Stock Exchange for the admission of the 3,400,000,000 Placing Shares immediately upon receipt of the £340k placing proceeds referred to above, which will rank *pari passu* with the existing Ordinary Shares, to be admitted to trading on AIM ("Admission"), and it is expected that Admission will occur on or around 27th of June 2024. The Placing is conditional only on Admission.

Arrangements with RiverFort Global Opportunities PCC Limited ("RiverFort")

The Company's arrangement with RiverFort as announced on 7 June 2024 remains in place following agreement with RiverFort for the revised placing amount of £350,00. This arrangement provides for RiverFort to reduce the outstanding RiverFort Debt of £767,205 to £400,000 in exchange for transfer to RiverFort of the MED Receivable (representing 43 pence in the pound valuation). The remaining £400,000 debt has been structured as a two-year 10% annual coupon bullet without conversion rights, unless otherwise mutually agreed between the parties, and is repayable in full in cash (including accrued interest) no later than the date falling 24 months from [18]th June 2024, the signing date of a deed of variation to the amendment agreement of 6 June 2024 to the reprofiled facility agreement of 10 April 2023 (the "Maturity Date"). RiverFort will retain a fixed first priority charge over the MED

Escrow Shares. The restructuring of the RiverFort debt detailed above is conditional upon receipt of the Placing Funds and the appointment of the two new Board directors, as detailed above.

Creditor Conversion and Restructuring

The Creditor Conversion and Restructuring announced on 7 June 2024 remains in place subject to a revised share issue conversion price and warrant issue exercise price of 0.01p. A total of £132,760 of trade creditors and £141,505 of other lenders have agreed to be converted to equity and therefore a total of 2,742,650,000 shares at an issue price of 0.01 pence per share (“Conversion Shares”) and 1,585,050,000 warrants at an exercise price of 0.01 pence per share (“Conversion Warrants”) will be issued in settlement of these obligations. The Conversion Shares and Conversion Warrants will be issued as soon as the company receives authority from shareholders to increase its authorised share capital which it will seek at the next General Meeting of the Company.

The Company further confirms that the arrangement with its 100% subsidiary Kibo Mining (Cyprus) LTD (“KMCL”), including, inter alia, the termination of funding by the Company to KMCL in respect of KMCL’s ongoing working capital requirements, including its accrued payroll obligations up to 31 January 2024 (the “Payroll Debt”), and its agreement with KMCL that the latter will need to seek alternative financing in respect of such obligations currently amounting to £744,826, being the majority of the Group’s accrued Director and Staff salaries, remains in place. The Company can now confirm that the funding for the payroll debt has been secured subject to successful completion of the Placing and signing of definitive agreement in this regard which is expected to happen within 5 working days from completion of the Placing.

Balance Sheet post restructuring

The Company expects, after the transactions as outlined in this RNS, to have a more sustainable total debt and creditor position of £760,861.

Annual General Meeting:

The Company will at its next annual general meeting during 2024 seek to obtain shareholder approval to increase the company’s authorised share capital sufficient to allow for the issue of the 2,742,650,000 Conversion Shares, the 1,585,050,000 Conversion Warrants as outlined in this RNS and to renew its share issuing authorities. Application for admission in respect of the Conversion shares will be made following the AGM, contingent on approval for the increased headroom being obtained.

Total Voting Rights:

Following Admission of the Placing Shares, the Company's total issued share capital will consist of 7,760,947,764 Ordinary Shares of EUR0.0001 each. This figure may then be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company pursuant to the FCA's Disclosure Guidance and Transparency Rules.

Director Name	Before Placing Shares			After Placing Shares		
	Number of Kibo shares held	Number of Kibo Options and Warrants held	Shares held as % of current issued share capital (4,360,947,764 shares)	Number of Kibo shares held	Number of Kibo Options and Warrants held	Shares held as % of enlarged issued share capital (7,760,947,764 shares)
Louis Coetzee & Related Parties	223,198,427	Options: None Warrants: 158,541,643	5.12%	223,198,427	Options: None Warrants: 158,541,643	2.88%

Noel O’Keeffe & Related Parties	57,234,904	Options: None Warrants: 39,816,997	1.31%	57,234,904	Options: None Warrants: 39,816,997	0.74%
Clive Roberts & Related Parties	185,638,590	Options: None Warrants: None	4.26%	185,638,590	Options: None Warrants: None	2.39%

Table 1: Kibo Director & Related Parties' holdings before and after Placing, Conversions & Share issues

****ENDS****

This announcement contains inside information for the purposes of the UK version of the Market Abuse Regulation (EU No. 596/2014) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ('UK MAR'). Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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

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Johannesburg
20 June 2024
Corporate and Designated Adviser
River Group