Kibo Energy PLC (Incorporated in Ireland)
(Registration Number: 451931)
(External registration number: 2011/007371/10)
Share code on the JSE Limited: KBO
Share code on the AIM: KIBO
ISIN: IE00B97C0C31
("Kibo" or "the Group" or "the Company")

Unaudited Interim results for the six months ended 30 June 2019

Dated 27 September 2019

Kibo Energy PLC, the multi-asset, Africa focused, energy company, is pleased to announce its unaudited interim results for the 6 month period ended 30 June 2019.

Highlights

- Strong progress advancing diverse portfolio of major power generation and mining projects in Sub-Saharan Africa and the UK
- Engagement Letter signed with Wimmer Financial to advise Kibo on and manage all aspects related to the structuring and provision of a project finance corporate credit line facility of up to USD 900 million
- Collaboration Agreement signed with US energy storage company, ESS, to assist with integrating renewable power capacity into Kibo's African coal to power projects
- Significant advancement of Benga in Mozambique
  - Negotiation with EDM on a PPA at an advanced stage
  - Financial Model completed and EIS at advanced stage of completion
- Notable successes achieved for Mast in the UK
  - Acquired first reserve power plant site in the UK
  - Appointment of key technical contractors and power purchase off-taker
- Making headway with the MCPP in Tanzania having increased interest to 100%
  - Confirmation from the Tanzanian Government that the project can be developed for the export market
  - Post period end, granted mining rights over Mbeya Coal Deposit
- Signed Collaboration Agreement with SES
  - Company to benefit from SES's global experience in managing and operating coal fired power stations

Chairman's Statement

I am pleased to present our half-year accounts for the 6 month period ending 30 June 2019 and provide a summary of the Company's activities during the period.

As you are aware, in February, the Company received disappointing news that its Mbeya Coal to Power Project ('MCPP') did not qualify under a Tanzanian Government tender to be considered further for the delivery of coal fired electricity to the domestic market. While this setback presented a challenge to the Company, it allowed us to focus on fast-tracking the development of some of our other energy projects across Africa and in the UK. These comprise the Benga Power Plant Project (‘Benga’) in Mozambique, the Mabesekwa Independent Power Project (‘Mabesekwa’) in Botswana and Mast Energy Developments Ltd (‘Mast’) in the UK.

Operations

We made substantial progress at Benga during the period, completing a positive Definitive Feasibility Study (‘DFS’), which was presented to the Mozambique Government, advancing negotiations with Mozambican state-owned electric utility Electricidade de Mocambique (‘EDM’) on a Power Purchase Agreement (‘PPA’). Additionally, the Company completed a base case financial model for the project and is well advanced in completing the required Environmental Impact Assessment Study.

Kibo is now well positioned with Benga to realise its proposal of developing a 150 MW to 300 MW thermal power plant in the Tete province of northern Mozambique close to current thermal coal producers. It has to date met its obligation to complete a positive DFS on the project and thus maintains its 65% interest (local company Termoeléctrica de Benga holds the remaining 35% interest) with an option to increase its interest to 85%. A final review of the DFS is currently in progress. I am also pleased to note the engagement letter we signed with Wimmer Financial LLP in April to advise Kibo on and manage all aspects related to the structuring and provision of a project debt funding facility of up to USD 900 million. This, when enacted, will greatly assist with the project financing of all our African energy projects as they approach a final investment decision.

An important aspect of the Benga development and our other coal to power projects in Africa is our strategy to develop co-located and integrated renewable energy capacity on site. This will assist with lowering average greenhouse gas emissions and make the projects attractive to a larger number of potential project funders many of whom have strict environmental conditions for investment. To advance this strategy, Kibo signed a collaboration agreement with US energy storage technology company ESS Tech Inc (‘ESS’) in June. ESS is a leader in the design, manufacture, supply and installation of long-term battery storage solutions for renewable power. The collaboration agreement provides for ESS to be the preferred electricity storage technology partner for Kibo which thereby receives support and technical advice on its African power projects, and assistance in developing new project opportunities, funding and securing PPAs. The availability of effective and long-term battery storage capacity is critical to incorporating renewable energy generation as part of the baseload power output from the coal to power plants and we are very pleased to have secured collaboration with one of the leading-edge technology firms in this fast-growing field. ESS already has a strong presence in sub-Saharan Africa, partnering with Power Africa (a division of USAID) in assisting with expanding electricity grid connectivity on the continent.

Kibo’s 60% owned UK subsidiary, Mast, also made solid progress during the first half of 2019 in securing and evaluating options on small power plant sites for the development of flexible gas-fuelled electric generators servicing the rapidly developing Reserve Power market in the UK. This resulted in the acquisition by Mast of its first site, Bordersley, towards the end of June. The acquisition included grid connection and gas connection offers from the relevant UK authorities, with offers subject to successful financial close and no delays in completion to electricity generation.

In order to ensure smooth and timely development of the site, Mast has appointed experienced firms Clarke Energy (EPC contractor) and Encora Energy Limited (owners' engineer) to manage the technical aspects of the development. Mast has also significantly de-risked the project with the recent execution of a five-year PPA with Statkraft Markets GmbH, a global player in this market. The commissioning of the Bordersley plant is anticipated by the end of March 2020.

Subsequent to Mast's acquisition of Bordersley, Kibo immediately consolidated a full 100% equity and economic interest in the project by the purchase of the SPV that holds the asset, Bordersley Power Plant Limited, ('Bordersley Power') from Mast for a nominal sum of £100 cash and the 40% flow-through economic interest held by Mast's minority shareholder in Bordersley Power, St Anderton on Vaal for 46,067,206 newly issued shares in Kibo ('Consideration Shares'). The acquisition of Bordersley Power ('Bordersley Acquisition') was done through a wholly owned Kibo UK subsidiary company. The Consideration Shares are payable in five tranches; an immediate payment of 22,067,206 shares (completed) and four tranches of 6,000,000 shares to be issued commensurate with Mast reaching various milestones in the development of Bordersley up to and including electricity production having commenced. The first of the four tranches of 6,000,000 shares has also completed.

The issue price for the Consideration Shares is 5.25p per share for a total value of GBP 2,420,000, which was calculated based on the fair value sum of 40% of the projected Net Present Values of Bordersley revenues and 100% of the project royalties accruing to St Anderton on Vaal from Kibo as determined under the terms of the original agreement between Mast and Kibo announced by RNS on the 15th August 2018. A welcome term of the Bordersley Acquisition agreement is that for a period of two years following signing, St Anderton on Vaal will advance all proceeds from any sales of the Consideration Shares to Mast as a loan, which together with the other terms of the service agreement between Mast and Bordersley Power will mean that Mast will be solely responsible for the funding and development of the Bordersley site without further recourse to Kibo for funding during this two year period. Mast also continues to aggressively pursue opportunities to acquire other sites suitable for the development of flexible power plants and is currently evaluating and negotiating on several sites over which it has options.

In Tanzania, the Company continued to explore opportunities for the commercialisation of the MCPP following the news in February that it was not selected as one of the preferred tender bidders for consideration to supply coal fired power to the domestic market. Following meetings with Tanzanian Government representatives, the Company received the welcome news in April that it was being formally invited to develop the MCPP for the export market. This provides the Company with a potential opportunity to participate in the growing African power export markets and conclude agreements with local private off-takers and with regional Power Pools member countries e.g. East African and Southern African Power Pools. Further good news for the Company was received in August when we were formally issued mining license rights over the Mbeya coal deposit. As well as the source of coal for the MCPP, the Mbeya coal deposit provides additional opportunities for coal sales for export, coal to gas production and coal sales to local off-takers, which the Company is now well placed to further investigate.

The Company maintains a strong working relationship with China based global energy developer

SEPCOIII with which it has in-situ contracts for the power plant construction element of the MCPP. Kibo also continues to negotiate with SEPCOIII on the implementation of the Strategic Development Agreement first announced in October 2018 for the grant of EPC sole bidder status to SEPCOIII across all Kibo's proposed and future coal to power plants in Africa in exchange for staged equity investment in the Company. We also expanded our partner network in Africa with the signing of a collaboration agreement with STEAG Energy Services ("SES"), a manager and operator of thermal power plants globally. The collaboration will enable Kibo to benefit from SES's experience in operating and maintain coal fired power plants and provide key technical support in the development of its African power plants.

In Botswana, the MCIPP, in which we have an 85% interest, is also advancing. It is currently at feasibility stage awaiting a Mining Licence and is on a clear development path with visible deliverables.

Corporate

The Company undertook three new share issues during the period under review in respect of on-going operations and corporate activity.

During March, it re-acquired 100% equity interest in the MCPP by acquiring the 2.5% minority interest held by Sanderson Capital Partners ('Sanderson') through the issue of 126,436,782 shares to Sanderson at a price of GBP 0.01305 per share for a total value of GBP 1,650,000 and an 0.3% royalty of the future operating profits from development of the Mbeya coal deposit capped at GBP 2,000,000. The acquisition price represented an approximately 10% premium on what Sanderson originally paid for the 2.5% interest reflecting the progress made since Sanderson first acquired it. The Company believes that holding a 100% interest in the MCPP will make bringing the project to commercialisation easier in terms of making it more attractive for capital funding and expediting development. The terms of the acquisition also provided for the continuation of the Forward Payment Facility agreed between Sanderson and Kibo in December 2016 for drawdown by Kibo of up to USD 2,940,000. To the end of August, Kibo has drawn down GBP550,000 under this facility.

During June, the Company issued 10,518,741 shares at a price of GBP 1.35p to service providers for a total of GBP 142,003, which I believe demonstrates continued support and belief in the inherent value in Kibo.

During June, the Company issued 22,067,206 shares at a price of GBP 5.25p to St Anderton on Vaal for a total value of GBP 1,158,528. This represented the first tranche of shares further to Kibo's acquisition of Bordersley from Mast as discussed above.

Recent Developments

On 25 September 2019 the Company announced that is has signed a binding Heads of Agreement ('the Agreement') with Shumba Energy Ltd ('Shumba') and various subsidiaries of each party ('the Parties') to reorganise the arrangements for the MCIPP and its associated coal asset in Botswana.

We believe this reorganization and the associated additional joint venture arrangements have the potential to maximise value from our respective coal assets in Botswana. This arrangement paves the way for Kibo to become a major player in the rapidly evolving energy sector in the country. As well as providing for the amalgamation of Kibo's and Shumba's respective existing coal resources at Mabesekwa, it includes joint venture terms to develop a bespoke 300 MW coal to power plant specifically to fuel a petrochemical plant ('PCP') planned for development by Shumba in conjunction with its Chinese partners. The joint venture arrangement also provides for coal sale agreements and power purchase agreements to provide coal feedstock and electricity respectively to the PCP. The power plant will be developed in addition to the 300 MW power plant which Kibo is already advancing in Botswana as part of the existing MCIPP and in which we continue to have an 85% interest. This plant is currently at feasibility stage awaiting a Mining Licence and is on a clear development path with visible deliverables.

I encourage shareholders to read in full the recent RNS announcement on this significant development in the Company's value proposition for Botswana which we are fully committed to realising over the next few years.

Outlook

Undoubtedly, we are in a prospering sector; our four projects are directly positioned to address major energy issues in Africa and closer to home in the UK. Of today's eight billion world population, there are at least three billion with no or only erratic access to power. Given that the world population is expected to increase by a further three billion in the next 50 years, in tandem with our thirst for new technologies, average power consumption is likely to escalate. Africa already suffers from serious energy shortages, while recently in August the UK suffered major power cuts resulting from a storm. Looking ahead, we remain focused on advancing our projects towards commercialisation and helping to alleviate these bottlenecks. Accordingly, we anticipate a steady flow of news during the remainder of the year.

In conclusion I wish to thank our CEO, Louis Coetzee, and his management team for their continued hard work in steering Kibo in its strategy of becoming a key player in the development of reliable, sustainable and affordable electricity for Africa and beyond.

Christian Schaffalitzky
Chairman

Unaudited Interim Results for the six months ended 30 June 2019

Unaudited condensed consolidated interim Statement of Comprehensive Income
For the six months ended 30 June 2019

	Note	6 months to 30 June 2019 (Unaudited) £	6 months to 30 June 2018 (Unaudited) £	12 months to 31 December 2018 (Audited) £
Revenue		-	-	-
Administrative expenses		(1,375,981)	(924,829)	(2,045,613)
Exploration Expenditure		(434,888)	(402,609)	(779,443)
Impairment of intangible assets		-	-	(912,892)
Capital raising fees		(11,000)	-	(336,807)
Operating Loss		**(1,821,869)**	**(1,327,438)**	**(4,074,755)**
Other Income		1,968	578	38,042
Finance costs		(902)		
Loss before Tax		**(1,820,803)**	**(1,326,860)**	**(4,063,713)**
Tax		-	-	-
Loss for the period		**(1,820,803)**	**(1,326,860)**	**(4,036,713)**
Other comprehensive income:				
Exchange differences on translating of foreign operations, net of taxes		155,121	(247,108)	(401,751)
Total Comprehensive Loss for the Period		**(1,665,682)**	**(1,573,968)**	**(4,438,464)**
Loss for the period attributable to		**(1,820,803)**	**(1,326,860)**	**(4,036,713)**
Owners of the parent		(1,549,988)	(1,250,934)	(3,388,778)
Non-controlling interest		(270,815)	(75,926)	(647,935)
Total comprehensive loss attributable to		**(1,665,682)**	**(1,573,968)**	**(4,438,464)**
Owners of the parent		(1,394,867)	(1,578,376)	(3,776,894)
Non-controlling interest		(270,815)	4,408	(661,570)
Weighted average number of shares in issue	5	681,176,592	496,954,459	565,932,121
Basic loss per share	5	(0.0023)	(0.0025)	(0.006)
Diluted loss per share	5	(0.0023)	(0.0025)	(0.006)

Unaudited condensed consolidated interim Statement of Financial Position
As at 30 June 2019

	Note	30 June 2019 (Unaudited) £	30 June 2018 (Unaudited) £	31 December 2018 (Audited) £
Assets				
Non-current assets				
Property, plant and equipment		113,600	7,847	20,240
Intangible assets	8	28,654,525	26,972,417	26,059,525
Goodwill		300,000	-	300,000
Total non-current assets		**29,068,125**	**26,980,264**	**26,379,765**
Current assets				
Trade and other receivables		92,616	78,631	89,349
Cash and cash equivalents		227,663	1,679,453	654,158
Total current assets		**320,279**	**1,758,084**	**743,507**
Total assets		**29,388,404**	**28,738,348**	**27,123,272**
Equity				
Called up share capital	6	19,062,604	16,756,351	17,240,017
Share premium	6	40,390,159	37,719,010	39,205,318
Common control reserve		(1,767,189)	2,097,442	(18,329)
Translation reserve		(501,501)	(595,948)	(656,622)
Share based payment reserve		182,727	556,086	41,807
Retained deficit		(30,980,000)	(27,785,587)	(29,399,788)
Attributable to equity holders of the parent		**26,386,800**	**28,747,354**	**26,412,403**
Non-controlling interest		168,580	(1,378,980)	409,171
Total Equity		**26,555,380**	**27,368,374**	**26,821,574**
Liabilities				
Current liabilities				
Trade and other payables		951,592	470,646	301,698
Borrowings	9	444,960	899,328	-
Deferred vendor liability		1,436,472	-	-
Total current liabilities		**2,833,024**	**1,369,974**	**301,698**
Total equity and liabilities		**29,388,404**	**28,738,348**	**27,123,272**

Unaudited Condensed Consolidated Statement of Changes in Equity

	Share Capital	Share Premium	Share based payment reserve	Control Reserve	Foreign currency translation reserve	Retained deficit	Non-controlling interest	Total
	£	£	£	£	£	£		£
Balance at 31 December 2018 (audited)	**17,240,017**	**39,205,318**	**41,807**	**(18,329)**	**(656,622)**	**(29,399,788)**	**409,171**	**26,821,574**
Loss for the year	-	-	-	-	-	(1,549,988)	(270,815)	(1,820,803)
Other comprehensive income- translation of foreign operations	-	-	-	-	155,121	-	-	155,121
Issue of share capital	1,822,587	1,184,841	-	-	-	-	-	3,007,428
Issue of share options or share warrants	-	-	140,920	-	-	-	-	140,920
Adjustment arising from change in non-controlling interest	-	-	-	(1,748,860)	-	(30,224)	30,224	(1,748,860)
Balance as at 30 June 2019 (unaudited)	**19,062,604**	**40,390,159**	**182,727**	**(1,767,189)**	**(501,501)**	**(30,980,000)**	**168,580**	**26,555,380**
Balance at 1 January 2018 (audited)	**14,015,670**	**28,469,750**	**556,086**	**2,097,442**	**(268,506)**	**(26,534,653)**	**(1,383,388)**	**16,952,401**
Loss for the year	-	-	-	-	-	(1,250,934)	(75,926)	(1,326,860)
Other comprehensive income- translation of foreign operations	-	-	-	-	(327,442)	**-**	80,334	(247,108)

Issue of share capital	2,740,681	9,249,260	-	-	-	-	-	11,989,941
Balance at 30 June 2018 (unaudited)	**16,756,351**	**37,719,010**	**556,086**	**2,097,442**	**(595,948)**	**(27,785,587)**	**(1,378,980)**	**27,368,374**
Balance at 1 January 2018 (audited)	**14,015,670**	**28,469,750**	**556,086**	**(213,053)**	**(268,506)**	**(26,534,653)**	**927,107**	**16,952,401**
Loss for the year	-	-	-	-	-	(3,388,778)	(647,935)	(4,036,713)
Adjustment arising from change in non-controlling interest	-	-	-	194,724	-	9,364	143,634	347,722
Other comprehensive income-translation of foreign operations	-	-	-	-	(388,116)	-	(13,635)	(401,751)
Reclassification of share based payment reserve on expired share options	-	-	(514,279)	-	-	514,279	-	-
Issue of share capital	3,224,347	10,735,568	-	-	-	-	-	13,959,915
Balance at 31 December 2018 (audited)	**17,240,017**	**39,205,318**	**41,807**	**(18,329)**	**(656,622)**	**(29,399,788)**	**409,171**	**26,821,574**

Unaudited condensed consolidated interim statement of cash flow
For the six months ended 30 June 2019

	6 months to 30 June 2019 (Unaudited) £	6 months to 30 June 2018 (Unaudited) £	12 months to 31 December 2018 (Audited) £
Loss for the period before taxation	(1,820,803)	(1,326,860)	(4,036,713)
Adjusted for:			
Foreign exchange loss	13,159	(129,425)	(270,881)
Warrants issued for facilitation fees	71,230	-	-
Share based payment for overtime	69,689	-	-
Expenses settled through share issue	142,003	-	-
Impairment of intangible assets	-	-	912,892
Depreciation on property, plant and equipment	-	-	6,805
Cost settled through issue of shares	-	-	126,966
Operating income before working capital changes	**(1,524,721)**	**(1,456,285)**	**(3,260,931)**
Increase in trade and other receivables	(3,267)	(19,585)	(30,303)
Increase in trade and other payables	649,894	204,428	35,480
Net cash outflows from operating activities	**(878,095)**	**(1,271,442)**	**(3,255,754)**
Cash flows from investing activities			
Purchase of property, plant and equipment	(93,360)	-	(21,494)
Net cash used in investing activities	**(93,360)**	**-**	**(21,494)**
Cash flows from financing activities			
Repayment of borrowings	100,000	(199,709)	(200,000)
Proceeds from borrowings	444,960	251,565	251,565
Proceeds from issue of share capital	-	2,132,453	3,100,000
Net cash proceeds from financing activities	**544,960**	**2,184,309**	**3,151,565**
Net movement in cash and cash equivalents	**(426,495)**	**912,867**	**(125,683)**
Cash and cash equivalents at beginning of period	654,158	766,586	766,586
Exchange movements	-	-	13,255
Cash and cash equivalents at end of period	**227,663**	**1,679,453**	**654,158**

Notes to the unaudited condensed consolidated interim financial statements
For the six months ended 30 June 2019

1. General information

Kibo Energy PLC is a public limited company incorporated in Ireland. The condensed consolidated interim financial results consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The Company's shares are listed on the AIM Market (“AIM”) of the London Stock Exchange and the Alternative Exchange (“ALTx”) of the JSE Limited. The principal activities of the Company and its subsidiaries are related to the development of energy projects in Mozambique, Botswana, Tanzania and the United Kingdom

2. Statement of Compliance and Basis of Preparation

The condensed consolidated interim financial results are for the six months ended 30 June 2019, and have been prepared using the same accounting policies as those applied by the Group in its December 2018 consolidated annual financial statements, which are in accordance with the framework concepts and the recognition and measurement criteria of the International Financial Reporting Standards and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council issued by the International Accounting Standards Board (“IASB”) as adopted for use in the EU (“IFRS”), including the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, IAS 34 – Interim Financial Reporting, the Listings Requirements of the JSE Limited, the AIM rules of the London Stock Exchange and the Irish Companies Act 2015.

These condensed consolidated interim financial statements do not include all the notes presented in a complete set of consolidated annual financial statements, as only selected explanatory notes are included to explain key events and transactions that are significant to obtaining an understanding of the changes throughout the financial period, accordingly the report must be read in conjunction with the annual report for the year ended 31 December 2018.

The comparative amounts in the consolidated financial results include extracts from the consolidated annual financial statements for the period ended 31 December 2018.

These extracts do not constitute statutory accounts in accordance with the Irish Companies Acts 2015. All monetary information is presented in the presentation currency of the Company being Pound Sterling. The Group’s principal accounting policies and assumptions have been applied consistently over the current and prior comparative financial period.

3. Use of estimates and judgements

Preparing the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2018.

4. Adoption of new and revised standards

IFRS 16
The group has adopted IFRS 16 for the first time for the six-month period commencing on 1 January 2019.

IFRS 16 replaces IAS 17 Leases (IAS 17), IFRIC 4 Determining whether an Arrangement contains a Lease (IFRIC 4), SIC 15 Operating Leases-Incentives and SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard establishes a new definition and criteria to identify whether a contract is, or contains, a lease as well as principles for the recognition, measurement, presentation and disclosure of leases. For lessee accounting, a single accounting model is introduced that requires lessees to recognise assets and liabilities for all leases.

The Group has elected to apply the modified retrospective approach, where the Right of Use assets, classified as part of property, plant and equipment, equal the lease liabilities, classified as part of trade and other payables, on transition. There is no restatement of comparative information and the cumulative effect of initially applying IFRS 16 is recognised as an adjustment to the opening balance of retained earnings.

On adoption of IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's weighted average incremental borrowing rate as of 1 January 2019. The weighted average incremental borrowing rate applied to the lease liabilities on 1 January 2019 ranged from 10.25% to 11.5% per annum.

The associated Right of Use assets for the property leases were measured on a modified retrospective basis, with the new rules applied effective 1 January 2019. The right of use assets were measured at the amount equal to the lease liability on adoption date.

In applying IFRS 16 for the first time, the group applied the following practical expedients permitted by the standard:

- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January as short term leases;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at transition date;
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The group leases, as lessee, offices in South African & Tanzania. The table below shows the financial impact associated with the recognition and measurement of the Right to Use Asset and corresponding Lease liabilities as at 1 January 2019:

	June 2019
	£
Right of use asset recognised	11,011
Lease liability recognised	(11,011)
Depreciation expensed	1,943
Effect of discounting using the weighted average incremental borrowing rate at 1 January 2019	(601)

5. Loss per share

Basic, dilutive and headline loss per share

The basic and weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

	6 months to 30 June 2019 £	6 months to 30 June 2018 £	12 months to 31 December 2018 £
Loss for the year attributable to equity holders of the parent	(1,549,988)	(1,250,934)	(3,388,778)
Weighted average number of ordinary shares for the purposes of basic and dilutive loss per share	681,176,592	496,954,459	565,932,121
Basic loss per share	(0.0023)	(0.0025)	(0.006)

Reconciliation of Headline loss per share	6 months to 30 June 2019 £	6 months to 30 June 2018 £	12 months to 31 December 2018 £
Loss for the year attributable to equity holders of the parent	(1,549,988)	(1,250,934)	(3,388,778)
Headline loss per share	(1,549,991)	(1,250,934)	(3,388,778)
Weighted average number of ordinary shares for the purposes of headline loss per share (revised)	681,176,592	496,954,459	565,932,121
Headline loss per share	(0.0023)	(0.0025)	(0.006)

Headline earnings per share (HEPS) is calculated using the weighted average number of ordinary shares in issue during the period and is based on the earnings attributable to ordinary shareholders, after excluding those items as required by Circular 4/2019 issued by the South African Institute of Chartered Accountants (SAICA).

6. Called up share capital and share premium

Authorised ordinary share capital of the company is 1,000,000,000 ordinary shares of €0.015 each and 3,000,000,000 deferred shares of €0.009 each.

Detail of issued capital is as follows:

	Number of Ordinary shares	Share Capital £	Deferred Share Capital £	Share Premium £
Balance at 31 December 2017	**395,254,364**	**4,758,595**	**9,257,075**	**28,469,750**
Shares issued in period (net of expensed for cash)	244,776,705	3,224,347	-	10,735,568
Balance at 31 December 2018	**640,031,069**	**7,982,942**	**9,257,075**	**39,205,318**
Shares issued in period (net of expensed for cash)	159,022,729	1,822,587	-	1,184,841
Balance at 30 June 2019	**799,053,798**	**9,805,529**	**9,257,075**	**40,390,159**

The company issued the following ordinary shares during the period, with regard to key transactions:

- 126,436,782 new ordinary shares were issued on 5 March 2019 at £0.01305 per share to Sanderson Capital Partners in conversion of its 2.5% minority interest in Mbeya Development;

- 10,518,741 new ordinary shares in the company were issued on 17 June 2019 at £0.0135 per share. The shares were issued in payment of various service invoices to certain providers of professional and technical consulting services;

- 22,067,206 ordinary shares were issued on 26 June 2019 at £0.0525 per share as part consideration for the acquisition of all St Anderton's direct and indirect interests in the Bordersley power project.

7. Segment analysis

IFRS 8 requires an entity to report financial and descriptive information about its reportable segments, which are operating segments or aggregations of operating segments that meet specific criteria. Operating segments are components of an entity about which separate financial information is available that is evaluated regularly by the chief operating decision maker. The Chief Executive Officer is the chief operating decision maker of the Group.

Management currently identifies two divisions as operating segments – mining and corporate. These operating segments are monitored, and strategic decisions are made based upon them together with other non-financial data collated from exploration activities. Principal activities for these operating segments are as follows:

30 June 2019	**Mining and Exploration Group**	**Corporate Group**	**30 June 2019 (£) Group**
Revenue	-	-	-
Administrative cost	(448,966)	(927,015)	(1,375,981)
Exploration expenditure	(434,888)	-	(434,888)
Investment and other income	1,398	570	1,968
Capital raising fees	-	(11,000)	(11,000)
Finance costs	-	(902)	(902)
Loss after tax	(882,456)	(938,347)	(1,820,803)

30 June 2018	**Mining and Exploration Group**	**Corporate Group**	**30 June 2018 (£) Group**
Revenue	-	-	-
Administrative cost	-	(924,829)	(924,829)
Exploration expenditure	(402,609)	-	(402,609)
Investment and other income	578	-	578
Loss after tax	(402,031)	(924,829)	(1,326,860)

30 June 2019	**Mining Group**	**Corporate Group**	**30 June 2019 (£) Group**
Assets			
Segment assets	26,360,229	3,028,176	29,388,405
Liabilities			
Segment liabilities	286,220	2,546,804	2,833,024
Other Significant items			
Depreciation	-	-	-

30 June 2018	**Mining Group**	**Corporate Group**	**30 June 2018 (£) Group**
Assets			
Segment assets	19,206,661	9,531,687	28,738,348
Liabilities			
Segment liabilities	391,334	978,640	1,369,974
Other Significant items			
Depreciation	-	-	-

8. Intangible assets

Composition of Intangible assets	30 June 2019 £	30 June 2018 £	12 months to 31 December 2018 £
Mbeya Coal to Power Project	15,896,105	15,896,105	15,896,105
Lake Victoria	787,108	1,700,000	787,108
Mabesekwa Coal Independent Power Project	9,376,312	9,376,312	9,376,312
Bordersley Power Project*	2,595,000	-	-
	28,654,525	**26,972,417**	**26,059,525**

The company acquired the intangible asset in Bordersley in two separate transactions:

- MAST Energy Developments Limited, a 60% owned subsidiary of Kibo Energy PLC, purchased the rights to the development of a 5MW gas-fuelled power generation plant supported by a Grid Connection Offer and a Gas Connection Offer through the acquisition of Bordersley Power a Special Purpose for a consideration of GBP175,000 on 20 June 2019.
- Kibo Energy PLC, through its 100% owned subsidiary, Sloane Developments Ltd, acquired the see-through economic interest "40% of the revenue and 100% of the royalties" held by St. Anderton, the minority shareholder of MED (40%) for a consideration comprising the allotment and issue of up to 46,067,206 ordinary shares in the capital of Kibo to St. Anderton, subject to a 22,067,206 upfront minimum issue, at an issue price of GBP0.0525 per share on 26 June 2019 – refer to the Chairman's Statement for more detail on the transaction.

Intangible assets are not amortised, due to the indefinite useful life which is attached to the underlying prospecting rights, until such time that active mining operations commence, which will result in the intangible asset being amortised over the useful life of the relevant mining licences.

Intangible assets with an indefinite useful life are assessed for impairment on an annual basis, against the prospective fair value of the intangible asset. The valuation of intangible assets with an indefinite useful life is reassessed on an annual basis through valuation techniques applicable to the nature of the intangible assets.

*The recognition and measurement of the intangible assets related to the St. Anderton and Bordersley Power acquisition is based on management's provisional assessment of the financial impact based on the information currently available.

9. Borrowings

Amounts falling due within one year	30 June 2019 £	30 June 2018 £	12 months to 31 December 2018 £
Short term borrowings	444,960	899,328	-
	444,960	**899,328**	**-**

The borrowings relate to the unsecured interest free loan facility from Sanderson Capital Partners Limited which was repayable either through the issue of cash or ordinary shares in the Company.

10. Financial instruments

	30 June 2019 £	30 June 2018 £	12 months to 31 December 2018 £
Financial assets – carrying amount			
Loans and receivables held at amortised cost			
Trade and other receivables	92,616	78,631	89,349
Cash and cash equivalents	227,663	1,679,453	654,158
	320,279	1,758,084	743,507
Financial liabilities – carrying amount			
Financial liabilities held at amortised cost			
Trade and other payables	861,111	470,646	301,698
Borrowings	444,960	899,328	-
Deferred vendor liability	1,436,472	-	-
	2,742,543	1,369,974	301,698

The Board of Directors considers that the fair values of financial assets and liabilities approximate their carrying values at each reporting date due to the short term nature thereof, and market related interest rate applied.

11. Corporate transactions

Kibo Nickel Limited and its subsidiaries
The Group entered into an investment and option agreement (the "Agreement") with AIM quoted African Battery Minerals PLC (“ABM”), whereby ABM will be able to acquire up to 10 million new ordinary shares of 1.0 pence each in the capital of AIM quoted Katoro Gold PLC ("Ordinary Shares"), a subsidiary of the Kibo Group, together with up to 10 million warrants over Ordinary Shares of Katoro Gold PLC, and an option to acquire, subject to the completion of due diligence by ABM, up to a 35% interest in Katoro Gold PLC’s 100% owned Haneti Nickel Project ("Haneti") in Tanzania (the "Option") for a total consideration of up to £125,000. ABM exercised their option to acquire the 10 million new ordinary shares, together with 25% of the equity interest held by Katoro Gold PLC in Kibo Nickel Limited and its subsidiaries, effective from 3 June 2019, which resulted in a change in the interest held by the Group, without loss of control over the subsidiary.

12. Unaudited results

These condensed consolidated interim financial results have not been audited or reviewed by the Group’s auditors.

13. Dividends

No dividends were declared during the interim period.

14. Board of Directors

There were no changes to the board of directors during the interim period, or any other committee’s composition.

15. Subsequent events

Mining Rights granted for MCPP
The Group has been granted seven Mining Rights for its Mbeya Coal to Power Project ('MCPP') in Tanzania.

Disposal of Reef Miners Ltd
During August 2019, the Group entered into a conditional agreement (subject to, among other things, due diligence) to dispose of Reef Miners Limited, which owns the Imweru gold project ('Imweru' or the 'Project') and the Lubando gold project in northern Tanzania to Lake Victoria Gold Limited ('LVG') for a total staged cash consideration of up to US$1.0 million and a 1.5% Net Smelter Royalty ('NSR') ('the Proposed Disposal').

Preliminary Notice to Proceed on Bordersley
During September 2019, a preliminary notice to proceed with the construction and commissioning of the 5MW gas-fuelled power generation plant at Bordersley Power Ltd ('Bordersley'), has been issued by the Company's 60% owned subsidiary, and manager and operator of Bordersley, MAST Energy Developments Limited ('MED'). This event triggered the payment of the next tranche of shares to the original MED vendors, St. Anderton on Vaal Limited ('St. Anderton'), pursuant to the agreement for Kibo to consolidate full ownership of Bordersley by acquiring all of St. Anderton's direct and indirect interests in Bordersley (please refer to announcement dated 26 June 2019). St' Anderton has been issued 6,000,000 ordinary shares in the share capital of Kibo at a deemed issue price of GBP0.0525 per share ('First Tranche Shares').

Proposed Capital Reorganisation
The Board has proposed to reduce the nominal value of the ordinary shares in issue from €0.015 to €0.001 whilst retaining the same number of shares, thus having no direct impact on the trading price of the Company's New Ordinary Shares. The Board considers the capital reorganisation to be in the best interest of the Company and its shareholders, as the capital reorganisation will allow the Company, if appropriate, to raise money in the future by the issue of New Ordinary Shares, and therefore facilitate the continued progress of its portfolio power generation and mining projects in Sub-Saharan Africa and the UK.

It was proposed that:

- each of the Existing Ordinary Shares of €0.015 be subdivided and converted into one new 2019 Deferred Share of €0.014 each and one New Ordinary Share of €0.001 each; and
- all of the authorised but unissued ordinary shares of €0.015 each be subdivided and converted into one 2019 Deferred Share of €0.014 each and one New Ordinary Share of €0.001 each for each Existing Ordinary Share

The above proposed capital reorganisation was subject to shareholder approval, and duly approved at the Company's AGM held on 24 September 2019.

Reorganization of the Mabesekwa Coal Independent Power Project Arrangements ("MCIPP")
On 25 September 2019 the Company announced that is has signed a binding Heads of Agreement ('the Agreement') with Shumba Energy Ltd ('Shumba') and various subsidiaries of each party ('the Parties') to reorganise the arrangements for the MCIPP and its associated coal asset in Botswana. Refer to the Chairman's Statement and relevant RNS for more details in this regard.

16. Going concern

The Group currently generates no revenue and had net assets of £26,555,380 as at 30 June 2019 (31 December 2018: net assets of £26,821,574). The Directors have reviewed budgets, projected cash flows and other relevant information, and on the basis of this review and the below, they are confident that the company and the Group will have adequate financial resources to continue in operational existence for the foreseeable future.

Following the proposed capital reorganisation, the company has or has access to sufficient funds to continue the development activities for its various projects. In the event that the company is not able to raise further funding, and before any mitigating actions are taken, the company has sufficient funds for its present working capital requirements for the foreseeable future. The directors though continue to review the Group's options to secure additional funding for its general working capital requirements, alongside its ongoing review of potential acquisition targets and corporate development needs. The directors are confident in this light that such funding will be available, although there is no guarantee as to the terms of such funding or that such funding will be available. In addition, any equity funding may be subject to shareholder approvals in line with legal and regulatory requirements as appropriate. As a result, the directors continue to monitor and manage the company's cash and overheads carefully in the best interests of its shareholders.

Whilst the directors continue to consider it appropriate to prepare the financial statements on a going concern basis, the above constitutes a material uncertainty that the shareholders should be aware of.

17. Commitments and contingencies

There are no material commitments, contingent assets or contingent liabilities as at 30 June 2019.

18. Seasonality of operations

The company's operations are not considered to be seasonal or cyclical. These interim results were therefore not impacted by seasonality or cyclicality.

27 September 2019

By order of the board:

Christian Schaffalitzky	Chairman (Non-Executive)
Louis Coetzee	Chief Executive Officer (Executive)
Noel O'Keeffe	Technical Director (Non-executive)
Andreas Lianos	Financial Director (Non-Executive)
Lukas Maree	Executive Director
Wenzel Kerremans	Non-executive Director
Company Secretary:	Noel O'Keeffe
Auditors:	Crowe U.K. LLP
Brokers:	First Equity Limited Salisbury House London Wall London EC2M 5QQ
UK Nominated Adviser:	RFC Ambrian Limited Level 28, QV1 Building 250 St Georges Terrace Perth WA 6000
JSE Designated Adviser:	River Group 211 Kloof Street Waterkloof Pretoria, South Africa

Johannesburg
27 September 2019
Designated and Corporate Adviser
River Group