

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 9 MONTHS ENDED 31 MARCH 2018

| | GROUP- Quarter 3 | COMPANY- Quarter 3 | GROUP- Quarter 3 | COMPANY- Quarter 3 | GROUP - 9 months ended | | COMPANY - 9 months ended | |
|---|------------------|--------------------|------------------|--------------------|------------------------|------------------|--------------------------|------------------|
| | to 31 Mar 18 | to 31 Mar 18 | to 31 Mar 17 | to 31 Mar 17 | 31-Mar-18 | 31-Mar-17 | 31-Mar-18 | 31-Mar-17 |
| | USD | USD | USD | USD | USD | USD | USD | USD |
| Revenue | 38,015 | - | - | - | 292,050 | - | - | - |
| Cost of sales | (51,554) | - | - | - | (138,483) | - | - | - |
| Other income | 1,560 | 24 | - | - | 1,720 | 47 | 184 | 47 |
| Operating expenses | (191,542) | (16,863) | (324,547) | (28,156) | (780,108) | (918,596) | (59,084) | (147,110) |
| Employee costs | (15,974) | (15,974) | (25,929) | (25,929) | (47,832) | (61,397) | (47,832) | (61,397) |
| Depreciation, amortisation and impairment expenses | (288) | - | (1,659) | - | (6,696) | (6,000) | - | - |
| Operating loss | (219,783) | (32,813) | (352,135) | (54,085) | (679,349) | (985,946) | (106,732) | (208,460) |
| Finance income | 7,772 | - | 343,883 | - | 23,000 | 1,431,929 | - | - |
| Finance cost | - | - | (3) | - | - | (4,436) | - | - |
| Profit (loss) for the period | (212,011) | (32,813) | (8,255) | (54,085) | (656,349) | 441,547 | (106,732) | (208,460) |
| Taxation | - | - | - | - | - | - | - | - |
| Profit (loss) from continuing operations | (212,011) | (32,813) | (8,255) | (54,085) | (656,349) | 441,547 | (106,732) | (208,460) |
| Other comprehensive income | - | - | - | - | - | - | - | - |
| Exchange difference on translating foreign operations | 310,808 | - | (117,451) | - | 596,522 | (329,849) | - | - |
| Total comprehensive profit (loss) for the period | 98,797 | (32,813) | (125,706) | (54,085) | (59,827) | 111,698 | (106,732) | (208,460) |
| Profit (loss) attributable to: | | | | | | | | |
| Owners of the parent | (192,457) | (32,813) | 67,172 | (54,085) | (599,674) | 516,974 | (106,732) | (208,460) |
| Non-controlling interest | (19,554) | - | (75,427) | - | (56,675) | (75,427) | - | - |
| | (212,011) | (32,813) | (8,255) | (54,085) | (656,349) | 441,547 | (106,732) | (208,460) |
| Basic earnings per share (in thebe) | | | | | (0.00248) | 0.00168 | (0.00040) | (0.00079) |
| Diluted earnings per share (in thebe) | | | | | | | | |
| Number of Shares | | | | | 264,604,249 | 263,290,637 | 264,604,249 | 263,290,637 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

| ASSETS | GROUP | | COMPANY | |
|---|-------------------|-------------------|-------------------|-------------------|
| | 31-Mar-18 | 30-Jun-17 | 31-Mar-18 | 30-Jun-17 |
| | USD | USD | USD | USD |
| Non-Current Assets | | | | |
| Property, plant and equipment | 25,557 | 30,280 | - | - |
| Exploration assets | 12,061,328 | 9,949,849 | - | - |
| Investment in subsidiary | - | - | 2,182,688 | 1,890,723 |
| Capital contribution | - | - | 13,585,264 | 12,585,264 |
| Current Assets | | | | |
| Inventories | 106,025 | 19,856 | - | - |
| Receivables and prepayments | 546,446 | 261,871 | 1,783,322 | 855,640 |
| Cash and cash equivalent | 2,441,027 | 2,473,623 | 18,749 | 2,024,170 |
| Total Assets | 15,180,383 | 12,735,479 | 17,570,023 | 17,355,797 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Equity attributable to owners of the parent | | | | |
| Stated capital (including advance against stated capital) | 14,643,225 | 14,497,244 | 14,643,225 | 14,497,244 |
| Foreign currency translation reserve | 1,055,747 | 518,355 | - | - |
| Accumulated loss | (6,560,711) | (5,807,296) | (1,729,600) | (1,622,868) |
| Non-controlling interest | (354,265) | (357,091) | - | - |
| Total equity | 8,783,996 | 8,851,212 | 12,913,625 | 12,874,376 |
| Non-Current Liabilities | | | | |
| Convertible loan stock | 1,427,364 | 1,427,364 | 1,427,364 | 1,427,364 |
| Medium Term loan notes | 2,575,957 | - | - | - |
| Current Liabilities | | | | |
| Loans from group companies | - | - | - | - |
| Trade and other payables | 2,393,066 | 2,456,903 | 3,229,034 | 3,054,057 |
| Current tax payable | - | - | - | - |
| Total Liabilities | 6,396,387 | 3,884,267 | 4,656,398 | 4,481,421 |
| Total Equity and Liabilities | 15,180,383 | 12,735,479 | 17,570,023 | 17,355,797 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 9 MONTHS YEAR ENDED 31 MARCH 2018

| CASH FLOWS FROM OPERATING ACTIVITIES | GROUP | | COMPANY | |
|---|------------------|--------------------|--------------------|------------------|
| | 31-Mar-18 | 31-Mar-17 | 31-Mar-18 | 31-Mar-17 |
| | USD | USD | USD | USD |
| Cash generated from operations | 1,343,617 | (2,840,397) | (859,437) | (1,995,961) |
| Taxation (paid) received | - | - | - | - |
| Net cash from operating activities | 1,343,617 | (2,840,397) | (859,437) | (1,995,961) |
| Net cash from investing activities | (1,510,613) | 157,512 | (1,291,965) | 349,161 |
| Net cash from financing activities | 145,981 | 1,378,620 | 145,981 | 1,378,620 |
| NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS | (21,015) | (1,304,265) | (2,005,421) | (268,180) |
| Cash and cash equivalent at the beginning of the year | 2,473,623 | 3,018,829 | 2,024,170 | 1,761,265 |
| Effects of exchange rate movements | (11,581) | - | - | - |
| Total cash and cash equivalents at the end of the year | 2,441,027 | 1,714,564 | 18,749 | 1,493,085 |

Notes on Resources Statement

Shumba Energy has over 4 billion tons of coal of which an excess of 1 billion tons have been drilled to indicated and measured levels. These are the highest confidence levels of exploration drilling and allowable resources to be converted to mineral reserves for mining purposes.

Sechaba coal can be used for generating power and international export coal; and Mabesekwa coal can be used for generating power and regional export coal.

The multiple Thermal Coal products producible from Morupule South may be sold into both Power Generation and Industrial Markets, both locally and internationally according to demand and the company's overall trade and supply plans.

300M tonnes of coal from the Mabesekwa resource has been transferred to the Kibo Joint Venture as reported in the recent transaction thus giving Shumba Energy an ownership of approximately 26% in Kibo Mining Plc.

By order of the board
SANNE MAURITIUS
Corporate Secretary

Date 29 May 2018

The unaudited financial statements for the 9 Months ended 31 March 2018 is in compliance with International Financial Reporting Standards (IFRS).

The standard used for the disclosure of Mineral Resources, results, exploration is the JORC code

The Board of Directors accepts full responsibility of the accuracy of the information contained in the report.

The statement of direct and indirect directors and senior officers pursuant to section 8(2)M of the Securities (disclosure obligations of reporting issuers) rules 2005 is available free of charge at the registered office of the Company at IFS Court, Bank Street, TwentyEight, Cybercity, Ebene, 72701, Mauritius.

Shumba Energy Projects - Resources Statements

| Seam | JORC | Seam | Gross In-Situ | Calorific Values |
|---------------------------------|-----------|---------------|---------------|------------------|
| Name | Category | Thickness (M) | Tonnes ('000) | MJ/KG |
| Mabesekwa Project* | | | | |
| Lower A | Measured | 7 | 356 | 19.34 |
| Middle B | Measured | 6.35 | 317 | 15.85 |
| Upper Leaf D | Measured | 6.04 | 178 | 16.96 |
| Seam F | Indicated | 5.12 | 139 | 16.23 |
| Sub Total | | | 990 | |
| Sechaba Project | | | | |
| Morupule Main | Measured | 3.67 | 39 | 18.7 |
| Morupule Main | Indicated | 3.17 | 67 | 18.4 |
| Taukome Bright | Measured | 2.6 | 28 | 19.3 |
| Taukome Bright | Indicated | 2.58 | 84 | 20.3 |
| Morupule Upper | Indicated | 1.91 | 43 | 15.6 |
| Inferred Resources | | | 883 | |
| Sub Total | | | 1,144 | |
| Morupule South Project** | | | | |
| Serowe Bright Seam | All | 1.2 | 35 | 18.9 |
| Lotsane Bright Seam | All | 2.6 | 323 | 18.6 |
| No 2 Seam | All | 1.9 | 50 | 16.2 |
| Top Morupule Seam | All | 10.4 | 1,073 | 17.5 |
| Bottom Morupule Seam | All | 7 | 970 | 20.7 |
| Sub Total | | | 2,451 | |

*300Mt of the Mabesekwa Project is owned by Kibo Mining PLC

** 25% of the Morupule South Project is owned by SDNP Manufacture Mining and Construction Services (Pty) Ltd