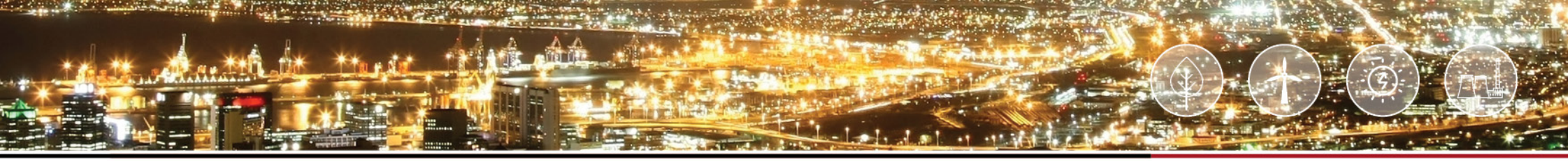
POWERING THE FUTURE

SHUMBA
ENERGY
Powering the Future

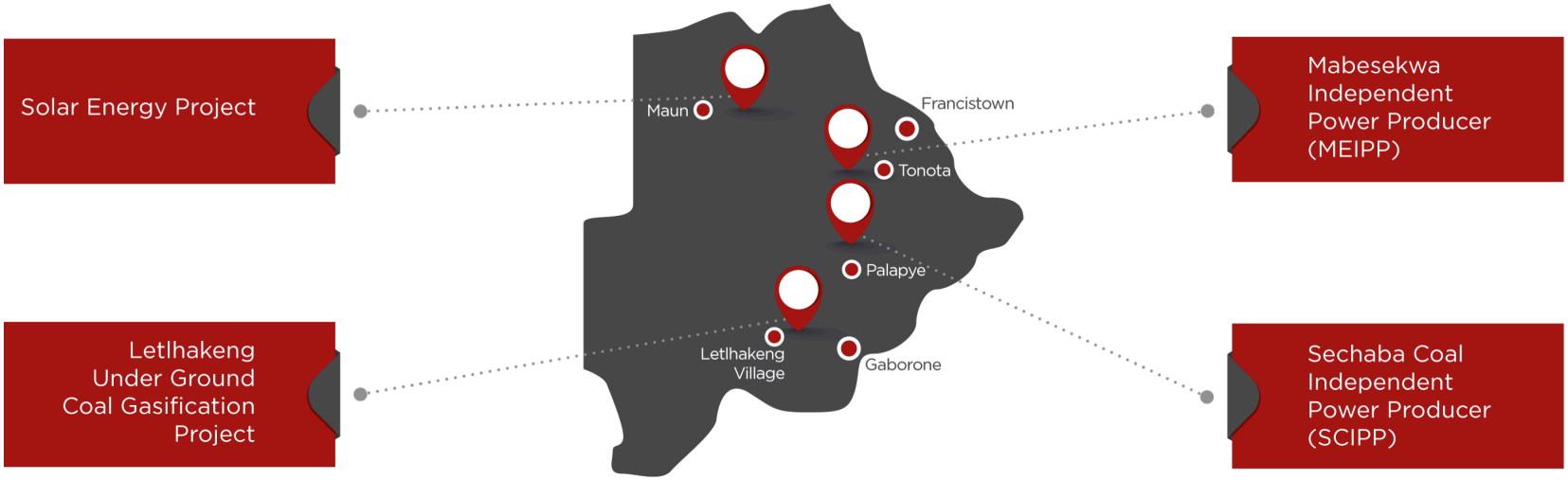


OVERVIEW | ABOUT SHUMBA

Shumba Energy is a Botswana based energy development company. Botswana has the best credit rating in sub-Saharan Africa with a stable fiscal and political setting.

Established in 2011, the company is reaching its development objectives and now owns a significant portion of advanced energy projects in Botswana, including over 2 billion tonnes of coal for Thermal Energy

Shumba is listed on the Botswana Stock Exchange (**BSE:SHUMBA**) as well as the Stock Exchange of Mauritius (**SEM:SHCL**)



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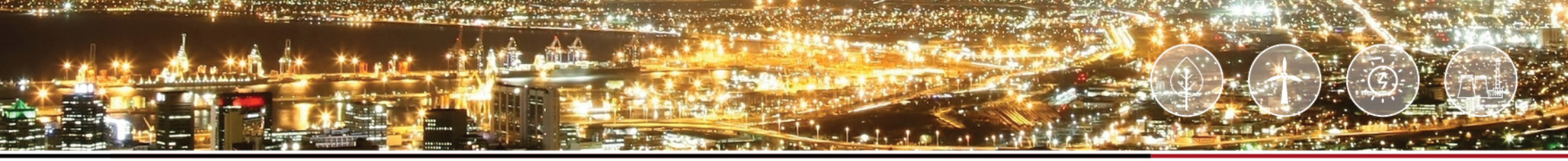
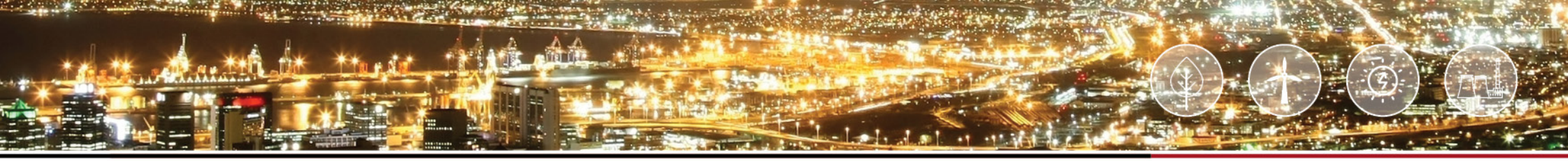


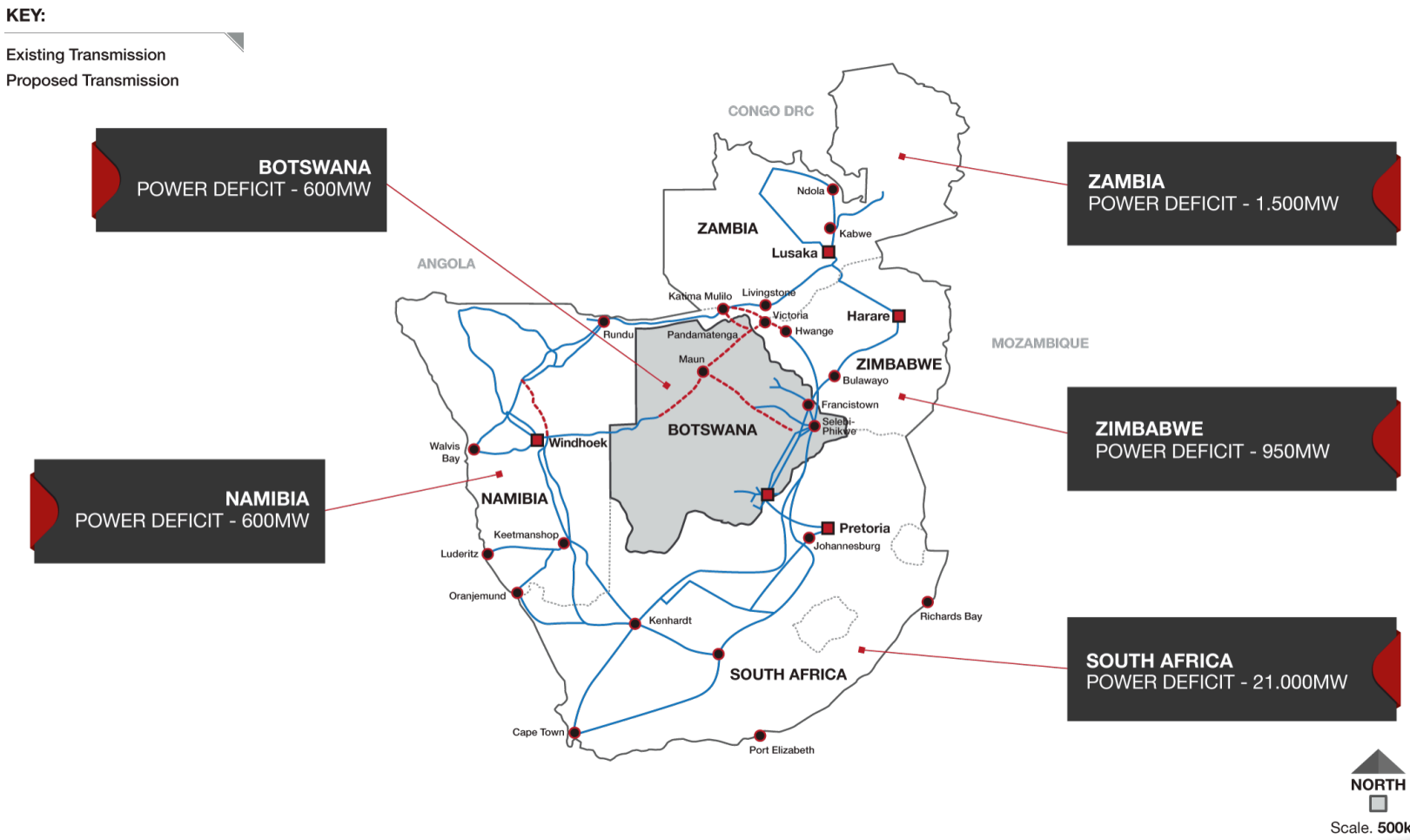
SENIOR MANAGEMENT

Shumba's Management consists of highly experienced individuals with extensive global knowledge of project development and financing.

ALAN CLEGG (PR.Eng, PMP, FSAIMM)	***Chairman***
MASHALE PHUMAPHI (MENG, IMC)	***Managing Director***
THAPELO MOKHATHI (BCOMM)	***Finance Director***
SIPHO ZIGA (LLB)	***Non Exec Director***
GRANT RAMNAUTH (BSc, MBA)	***Non Exec Director***
KAPILDEO JOORY (BA, CA)	***Non Exec Director***
BOIKOBO PAYA (BSc, MPhil)	***Non Exec Director***



PREMISE - *Opportunity for Sustainable Affordable Energy in the SADC Region*



Address **chronic power shortages** head on by supplying energy to affected countries.

Centrally located in Botswana facilitating a **regional power hub** within the **SADC region**.

Easy grid connection and regional power distribution as a result of **good transmission backbone**.

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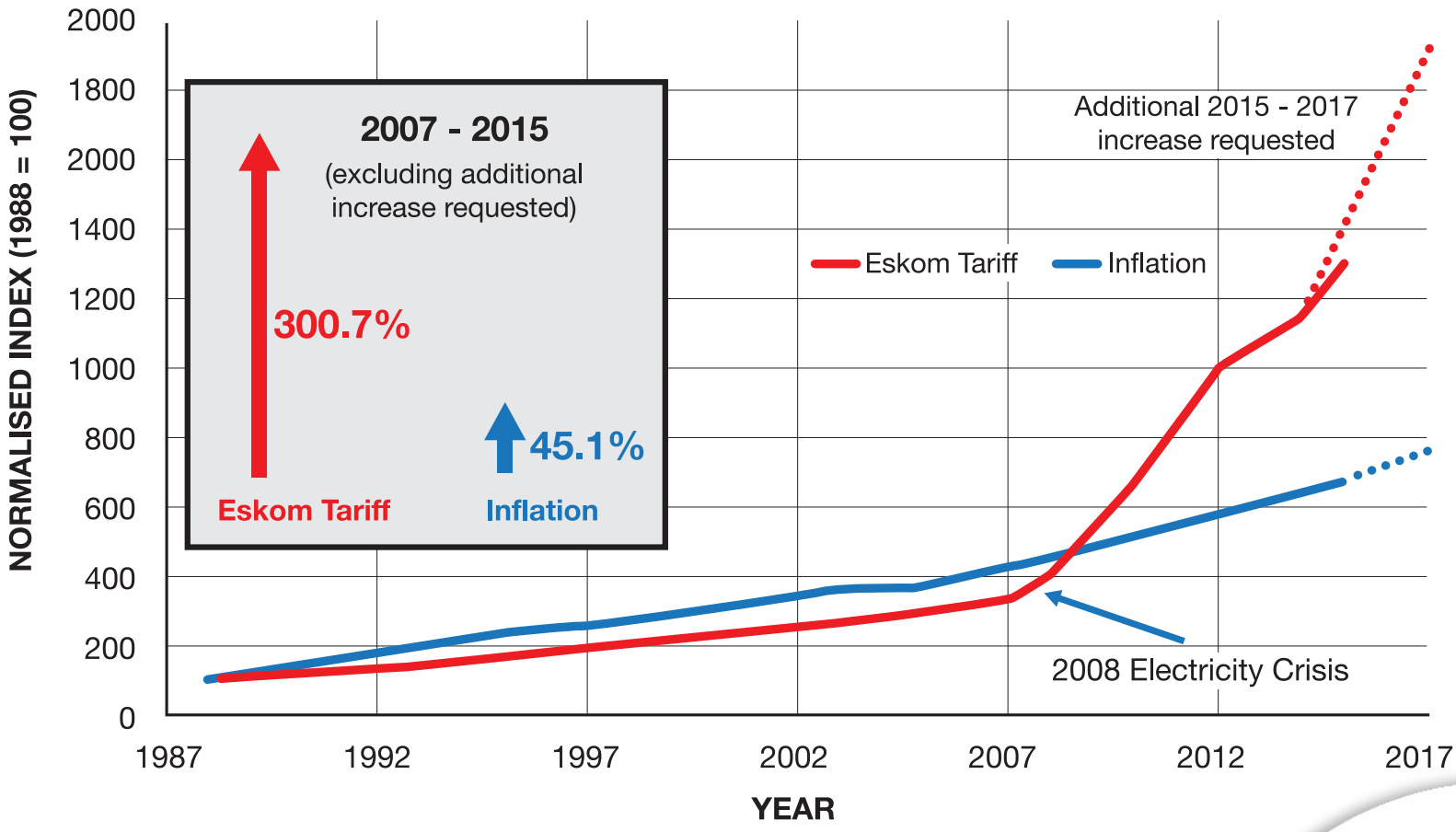
REGIONAL ELECTRICITY TARIFFS ON THE INCREASE

ESKOM AVERAGE TARIFF VS. INFLATION (CPI)



300% increase in tariffs over last 7 years!

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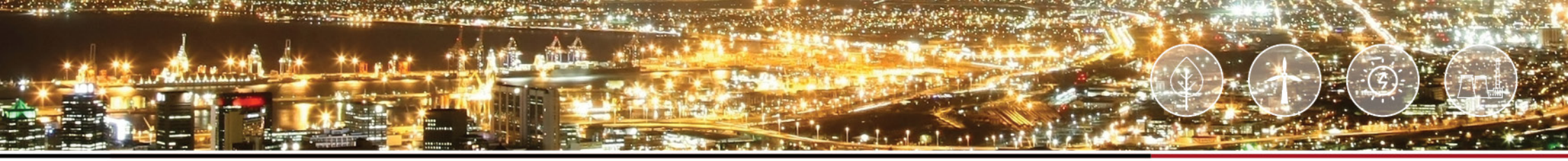

SA 3,750MW CROSS BORDER PROCUREMENT

Determination for the Procurement of 3,750 MW Coal Based Energy from outside South Africa

- Energy generation capacity is needed to contribute towards South Africa's energy security

- **3,750 megawatts to be sourced from Coal based cross border IPPs**
- Target connection to the Grid for the new generation capacity as soon as reasonably possible

- **Shumba has two advanced baseload coal-fired energy projects totalling 900MW**
- Only 3 other advanced projects targeting this opportunity in Botswana

- Regional competition is limited given lack of Infrastructure and low Country
- credit ratings **(Only Botswana, Zimbabwe and Mozambique have coal in the region)**

- **Shumba has the opportunity to become a significant regional energy producer within the next 5 years**

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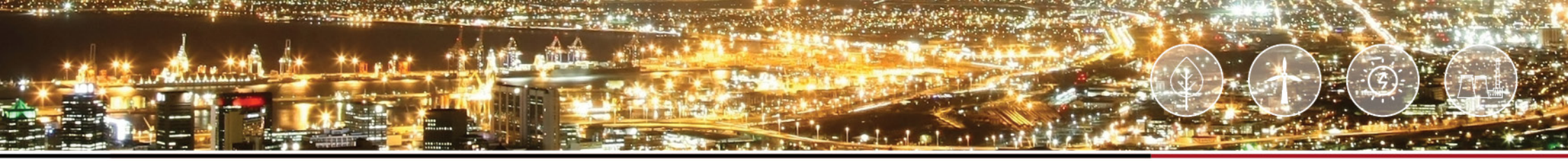

ADVANCED ENERGY ASSETS

Two Advanced Stage Coal Independent Power Producer Projects

Mabesekwa Export Independent Power Producer (MEIPP)

- In partnership with an experienced power station developer with significant generation globally
- 600MW (gross capacity) coal-fired power plant
- Integrated mine and power station. Coal-based mine-mouth Power Plant at a 1 billion tonne coal resource
- Advanced project with over 30 years of low cost open cast JORC compliant reserves
- EIA for Mine and Power Station complete
- Water allocation and surface rights approved
- Being developed to supply electricity to South Africa under the South African Coal Baseload IPP Programme for Cross Border Projects
- Shortlisted on the Government of Botswana Greenfield Coal Baseload IPP Programme which serves as a parallel bid submission.

Sechaba Coal Independent Power Producer (SCIPP)

- Shumba is a sole developer with discussions underway with several potential Strategic Partners
- 300MW (gross capacity) coal-fired power plant
- Being developed to supply electricity to Botswana and other Southern African countries.
- Coal based mine-mouth Power Plant at a 1 billion tonne coal resource
- Advanced project with over 30 years of low cost underground JORC compliant reserves
- EIA for mine supplying IPP complete
- Underground water source identified

DEVELOPMENT ENERGY ASSETS

Solar Energy Project

Shumba has secured 1000 ha of land in Botswana and are in the process of securing more land

- Site is in close proximity to transmission infrastructure and large energy consumers.
- Scoping Phase of EIA complete
- Building a scalable solar power plant to meet Botswana's electricity demands
- Co-development between Shumba, Mulilo Thermal, Sunpower and Total.
- Partners have a combined installed renewable energy capacity in excess of 2000MW, with more than 420MW allocated under the South African Renewable Energy Independent Power Producer Procurement Programme.

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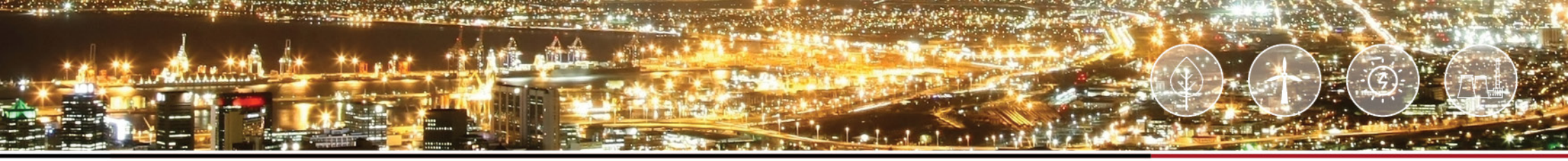
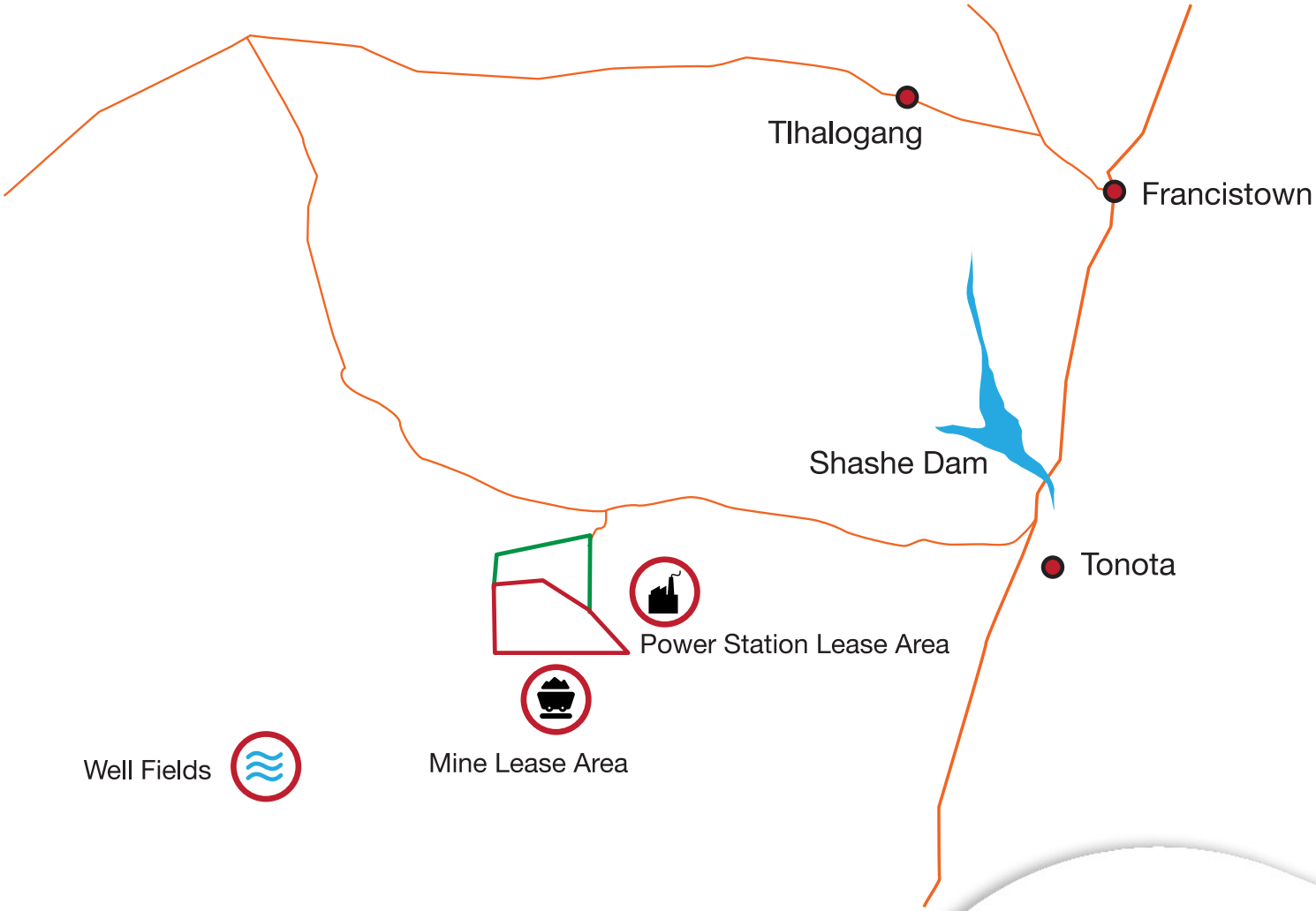


DEVELOPMENT ENERGY ASSETS

Lethlakeng Under Ground Coal Gasification Project

- Licence covers 1000km2 and an exploration target of approximately 500 million tonnes of coal over 10% of the area.
- Has significant coal resource portions over 200m in depth from the surface.
- Coal horizon has a coal seam at its base averaging 3.90m in thickness over the area.
- Located in an area historically drilled by Shell Coal in the 1970s.
- The stratigraphy and occurrences within the are have been determined from some 30 hisorical boreholes spaced 7-10 km apart.
- Shumba aims to fast track this project with the assistance of a committed strategic partner.

MABESEKWA EXPORT IPP ("MEIPP)



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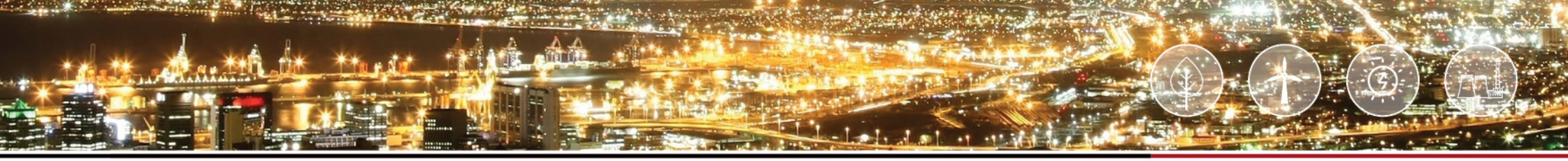

MEIPP OVERVIEW

General Project Information

Location

- Coal field located some 60 km south-west of Francistown and 40 km west of Tonota/Shashe, ca 40 km west of the main railway and main A1 road transport highway
- Power Plant to be built between 5 km and 6 km from the coal mine mouth, with a conveyor belt (included in Project costs) constructed by EPC to transport the coal

Coal Supply

- Coal supply for the MEIPP Project from dedicated coal mine
- The coal resource is estimated at over 840 Mt at an average depth of between 50 m and 60 m, starting at a depth of 18 m with an average thickness of 18 m
- Pre-feasibility study on mine, plant and associated infrastructure was completed by the end of July 2015

- **Mine-mouth Power Plant**
- **Over 840 Mt of coal**
- **CV of 17 - 19 MJ/kg (washed at 1.8 t/m³)**
- **CV of ≈ 14.5 MJ/kg (ROM)**
- **Ash content < 30%**

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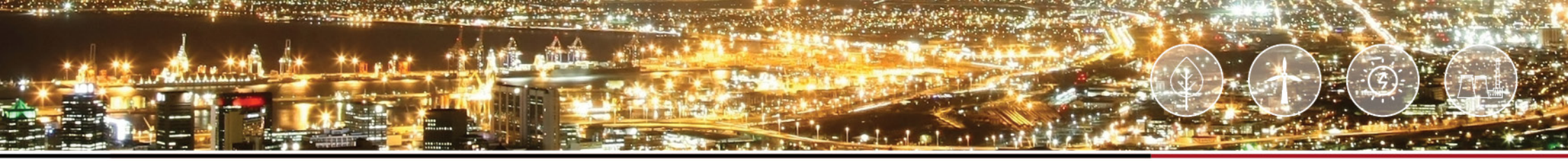

MEIPP OVERVIEW

General Project Information

Water Supply

- Supply secured from Shashe Dam, piped in along existing servitudes
- A backup supply will be obtained from a nearby well field

Limestone Supply

- Sourced from either Botswana or South Africa
- Limestone would provide for a CaCO3 content of >90% and water content of 1%

Grid Connection

- Grid integration studies in respect of shallow connection to the BPC network completed and indicate:
  - a loop-in-loop-out connection to a new 400 kV line (to be built by BPC, completion 2019), envisaged to pass some 10 km from the MEIPP site
  - An additional 400 kV line to be constructed from the MEIPP to Francistown (approx. 70 km)
- Deep connection to SA requires an approx. 250 km, 400 kV line from Isang (Botswana) to Watershed (SA)

- **Back-up water solution**
- **Limestone with >90% CaCO3 and less than 1% water**
- **Straight forward Grid Intergration**

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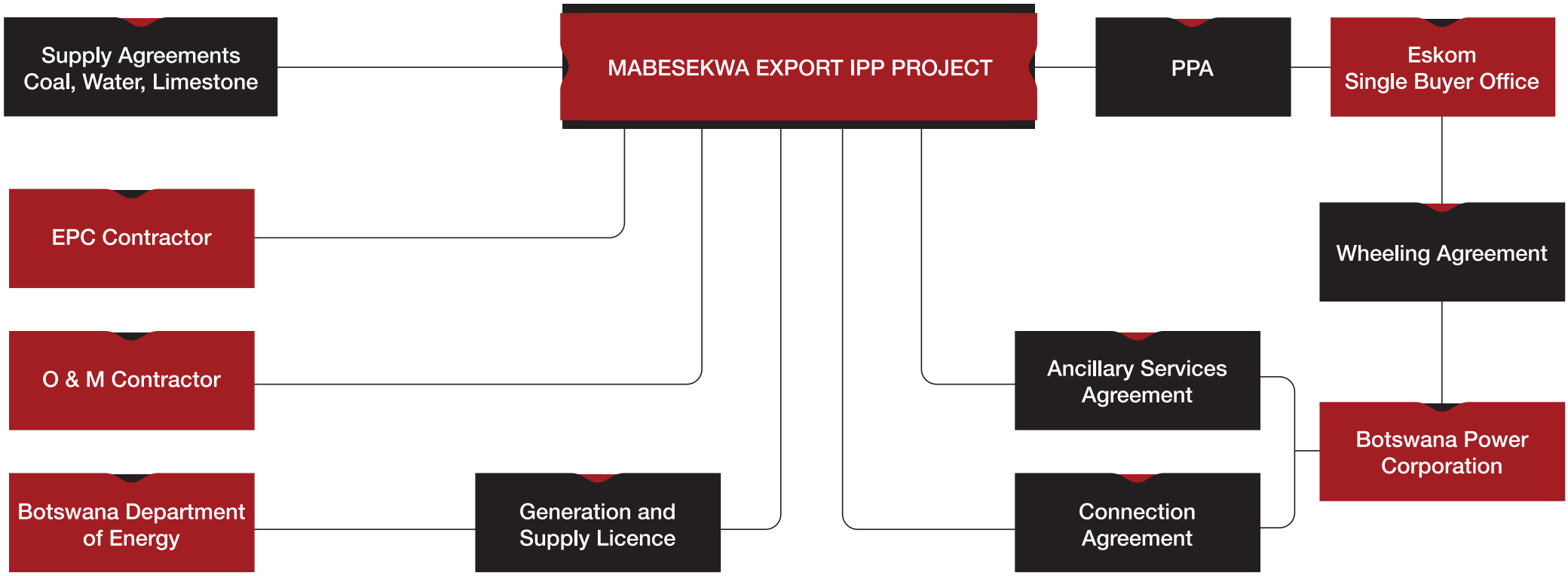
MEIPP PROJECT STRUCTURE



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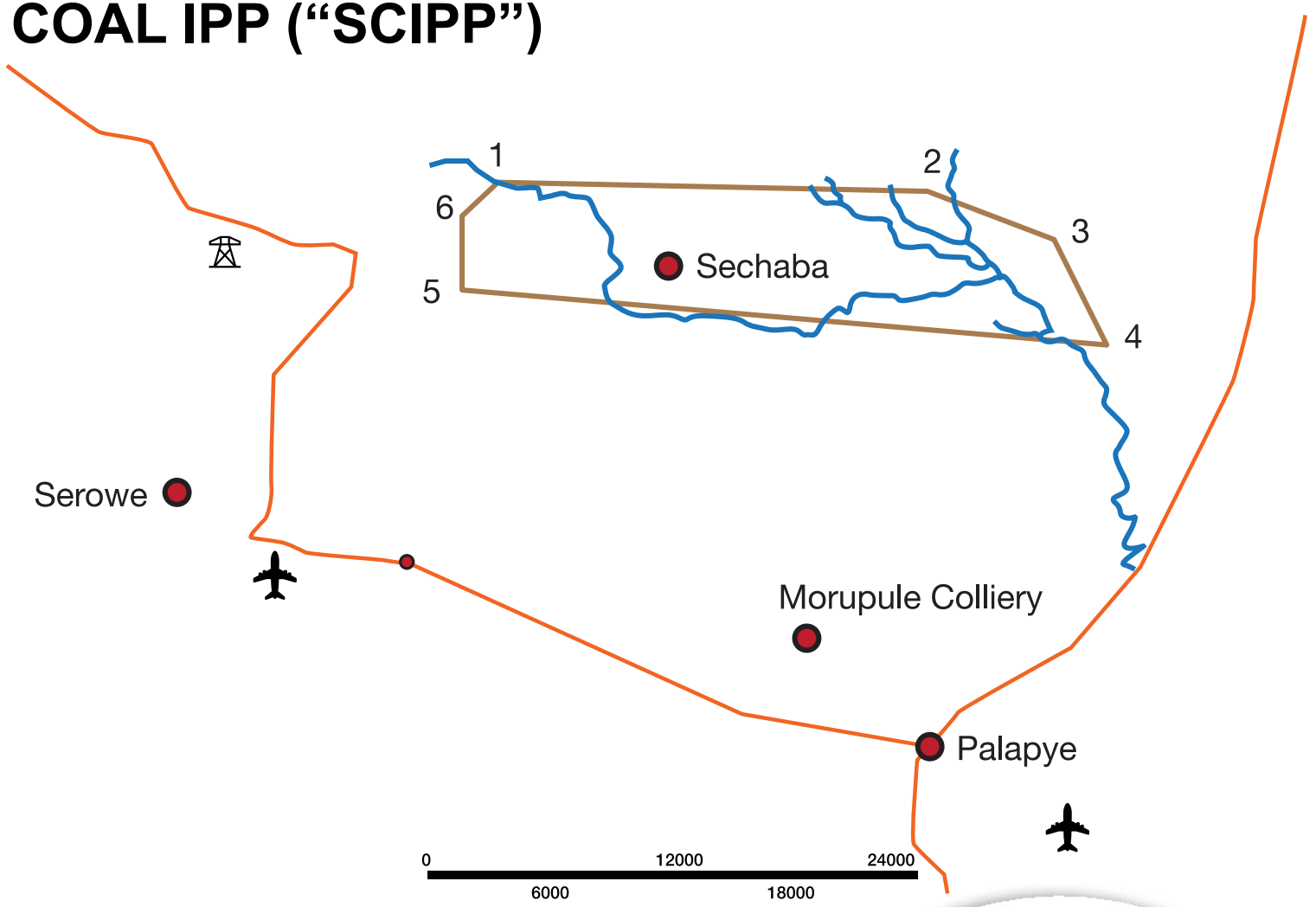
SECHABA COAL IPP (“SCIPP”)



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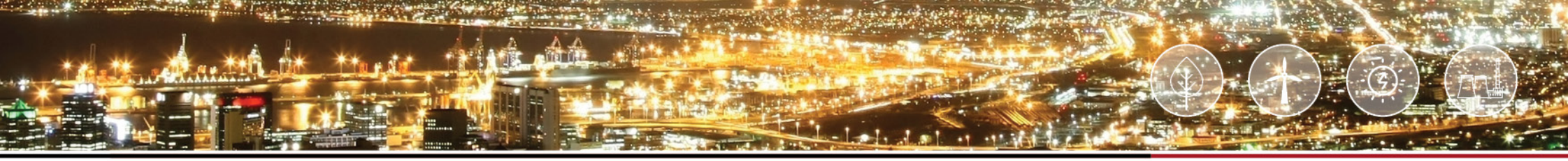

SCIPP OVERVIEW

PROJECT INFORMATION

Location

- The Sechaba Coal field is located some 40km north of Palapye
- The SCIPP site is about 10km west of the main railway and main A1 road transport highway connecting Botswana to South Africa in the south and Zimbabwe to the north; and In the vicinity of the Morupule power station complex

Project Technical Details

- The SCIPP power plant is envisaged to be configured as a 2 x 150MW (gross capacity) coal-fired power plant.
- The boiler furnace will be of the circulating fluidized bed subcritical natural circulation type.

Coal Supply

- The estimated in-situ coal resource is 1,144 Mt in accordance with JORC Code,
- Two main coal seams. Average seam thicknesses are 2.6m (Taukome Bright) and 3.7m(Morupule Main) with the coal found at average depths of 30-100m, to be accessed by underground mining.
- Pre-feasibility study on mine, plant & associated infrastructure was completed by the end of July 2014

- **Good Proximity to existing infrastructure**
- **300MW Mine-mouth Power Plant**
- **Over 1,100 Mt of coal**
- **Pre – Feasibility Studies Completed**

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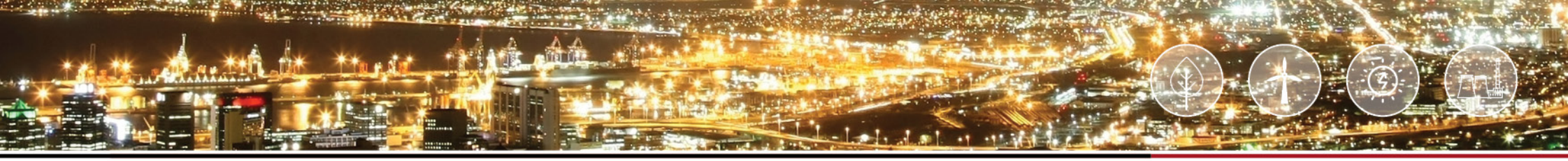

SCIPP OVERVIEW

PROJECT INFORMATION

Water Supply

- Based on a feasibility study undertaken, it is anticipated to use ground water as the primary source of water for power plant operation.
- Groundwater will be drawn from aquifers in the vicinity of the SCIPP project site.

Limestone Supply

- Sourced from either Botswana or South Africa
- Limestone would provide for a CaCO3 content of >90% and water content of 1%

Grid Connection

- The SCIPP power plant will be connected at 400kV into a nearby Botswana Power
- Corporation's 400kV substation, located some 27km in a south south-westerly direction from the proposed power station site.
- Transmission to the north and west of Botswana will be achieved via the ZIZABONA inter connection currently being developed by the Southern Africa Power Pool.

- **Ground water solution**
- **Limestone with >90% CaCO3 and less than 1% water**
- **Straight forward Grid Intergration**

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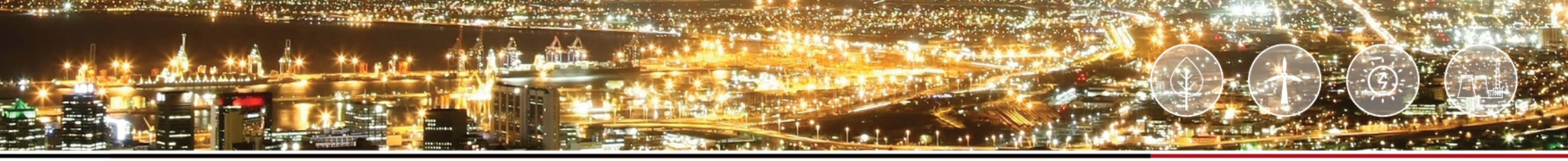
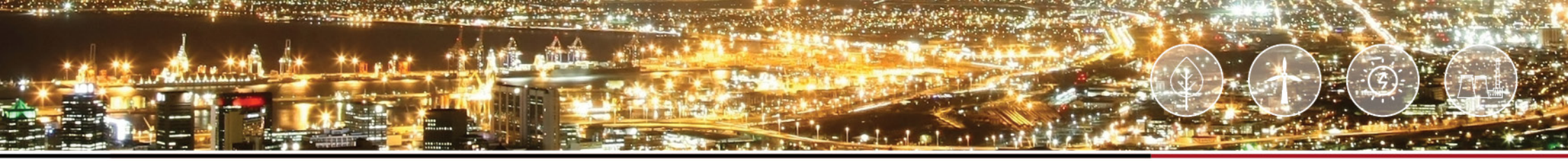


INDEPENDENT TECHNICAL SUPPORT

Project development supported by credible and experienced technical partners

• **GEMECS, South Africa**	Exploration/Geological/Mine Resource Planning
• **Ukwazi, South Africa**	Mining Engineering
• **DRA Global, South Africa**	Surface Infrastructure and Processing
• **PB Power, South Africa**	Power Station Design and Selection
• **Wellfield Consulting Services, Botswana**	Water Supply Solution
• **Trans Africa Projects, South Africa**	Transmission Integration & Power Export
• **Ecosurv, Botswana**	Environmental & Social Impact Assessment .
• **Fieldstone, South Africa**	Transaction Advisors
• **CRESCO,South Africa**	Mine Financial Modelling
• **Norton Rose, South Africa**	Legal
• **EON, Germany**	Power Plant Owner's Engineer
• **ECMA Consulting, South Africa**	Mining Owner's Engineer



INVESTMENT SUMMARY | HIGHLIGHTS

1. Low-cost coal energy generation
2. Few advanced IPP opportunities in Botswana and the region
3. Power supply proposed to commence from 2020
4. Initial Minimum 265 MW of supply to grid
5. 85% average plant availability over life of PPA
6. Long-term (25 yrs+) ‘take-or-pay’ PPAs
7. Project locations with excellent infrastructure access
8. Water source in vicinity or Project sites
9. Environmental studies Complete on Advanced Assets
10. BPC and Government of Botswana supportive of initiatives

- **Credible initiatives, able to offer competitive power solutions for regional deficit**
- **Market opportunities in Botswana and neighbouring countries**
- **Power supply would be supported by large quality coal or Solar resource with dedicated reserves towards IPP supply**
- **IPPs may make use of and support ZIZABONA initiative**
- **Transmission solutions for export to neighbouring countries identified**

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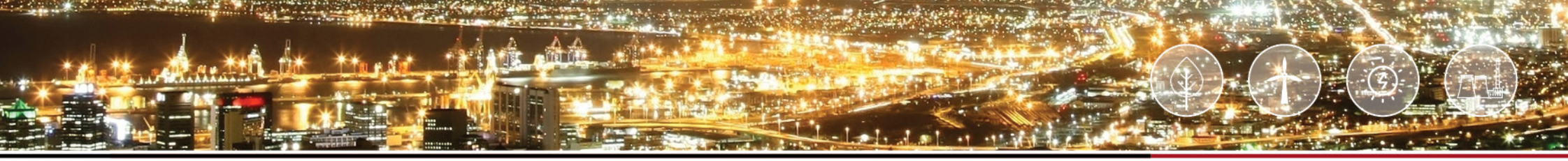

PROJECT TIMELINE AND POTENTIAL CASH FLOWS

Short timeframe to substantial cash flows for over 30 years

PROJECT TIME LINES

Bid Preparation/Direct Negotiation – 6 months

Time to reach financial close – 9 months

Construction of Project – 3 years

Project operation – 30 years

KEY FINANCIAL INDICATORS

Equity Rate of Return : 20%

Project life span: 30 years of cash flows

Power Station CapEx:
300MW – USD 850 million
600MW – USD 1,250 million

Mine CapEx: USD 50m

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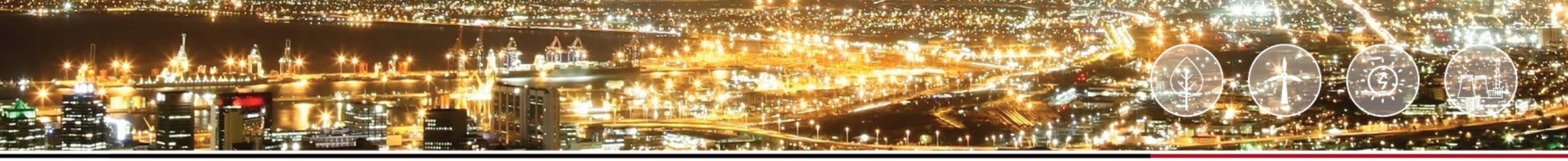


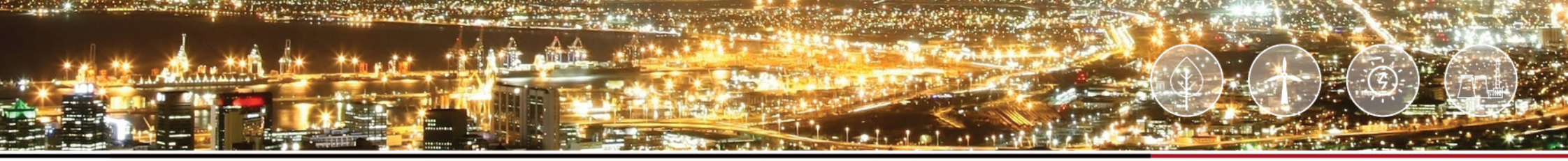
CORPORATE SUMMARY

Dual listed on Botswana Stock Exchange (BSE) and Stock Exchange of Mauritius (SEM)

CURRENT SHARES IN ISSUE	250m
MARKET CAPITILISATION	USD 28 million
CASH POSITION	USD 3.5 million (Well funded to Financial Close)
OUTSTANDING OPTIONS AND WARRANTS	Nil
DEBT	Nil

Major Shareholders (Botswana Institutions have taken large positions recently)

MANAGEMENT	42%
TOP 20	94%



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THANK YOU

Mashale Phumaphi | Managing Director
email. phumaphi@shumbaenergy.com

www.shumbaenergy.com

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