



**SHUMBA**  
E N E R G Y  
Powering the Future

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Grand Bay, 30529  
Republic of Mauritius

**(A public company registered in the Republic of Mauritius - Company No. 111905 C1/GBL)**

## **QUARTERLY MARKET UPDATE – 31 MARCH 2026**

Botswana continues to be the jurisdiction that continues to receive both top investment and policy ratings for Mineral resources development in Africa by the Fraser Institute maintaining a top 10 rating (7) in the latest 2025 survey, continuing to offer stability to investors.

The global reset of the narrative with respect to Coal & hydrocarbon based energy sector has continued to gain momentum firmly entrenching the fact that Coal and its related conversion technologies of today delivers the most economical and stable form of baseload electrical energy, steel, cement, and many other infrastructure product requirements required by 21<sup>st</sup> century economies.

The company continues to progress on its key development objectives maintaining a leading position of the advanced energy projects in Botswana toward mitigating the SADC regional energy deficit now sitting at c.12Gw daily and 90Gw structurally to meet regional economic growth targets of all the countries in SADC.

Our emphasis remains on state-of-art technology deployment and low impact, potentially stackless emissions. Main activity areas development of production and export of thermal coal, generation of utility scale renewable energy by 2027, medium term (3 to 5yrs) generation of new base load energy from 'HELE' (High Efficiency Low Emissions) thermal power plants, and short term (1 to 3 yrs) production of Diesel Fuel and by-product Char using state-of-art STL (Solids to Liquids) modular technologies with experienced USA partners.

### **TATI SOLAR PV PROJECT - Ownership: 75%**

The Tati Solar Project is a 105 MWp solar photovoltaic facility being developed in Botswana's North-East District, within a Single Factory Special Economic Zone.

We are pleased to report continued progress on the Tati Solar Project during Q1 2026. Following the execution of the EPC contract in December 2025, the project advanced into the construction mobilisation phase, with the EPC partner engaged on site-readiness, procurement coordination, construction planning and pre-construction implementation activities. In parallel, the project advanced toward financial close, with substantive progress across the finance document suite and the O&M agreement.

### **Expenditures**

The project development expenditures for the quarter were as follows;

***All figures in USD***

<b>Description</b>	<b>Expenditure</b>
Site Development	80 416
Other Development Costs	-
<b>Total</b>	<b>80 416</b>

**SECHABA PROJECT - Ownership: 100%**

While discussions with Eskom continue for a more strategic partnership approach our tender for supply remains valid to August 2026 subject to price escalation negotiations.

The discussions and due diligence by Indina parties, including government controlled entities continues positively for a potential acquisition of a control position in the Sechaba Project with a view to fast track development of the 300MWp Sechaba IPP and opening of its mineable export quality reserves to feed sub-continental markets.

The process to conclude the surface rights authorisation with the relevant authorities and making the application for mining lincense continues positively.

**MORUPULE SOUTH RESOURCES PROJECT (MSRP) - Ownership: 97.5%**

Following review of the multiple EOIs received for potential schemes of arrangement for development of the MSRP, NDAs entered into for sharing of project data and information have resulted in more in-depth discussions that continue to progress.

The discussions regarding confirmation of logistics and port loading arrangements for export from the MSRP have opened evacuation pathways with progressive discussions ongoing with a major RBCT quota holder and a significant trading company in this regard.

**MABESEKWA PROJECTS - Ownership: 100%**

The Mabesekwa No.1 Mine and 600MWp Independent Power plant project (MEIPP) remains under option from an offshore investor that was extended until end of Q4/2026 Fyr (Jun 2026) on the back of the evacuation pathways for export of some production being available via SADC Indian Ocean ports other than RSA.

The EOI for MEIPP development received from the South Korean energy fund resulted in NDA and detailed information exchange and detailed development pathway and scaling is under discussion. The significant work by the company in completing final submission for funding approval is on track to be lodged during mid Q4/2026 Fyr (June 2026).

The Mabesekwa No.2 Mine, associated modular Coal to Liquids Plants are still intended to be developed under several JVs covering Botswana and several regional businesses in different sectors from processing centres to retail distribution.

Private funding arrangements with several US and RSA funders are still in progress awaiting conclusion of arrangements for local manufacture in South Africa under licence to cut time to delivery and commissioning by as much as 6 months. The form of performance guarantee to be provided by the supplier is accordingly linked thereto and yet to be concluded.

**Additional Information:**

The development activities per license and money used per activity in the quarter is disclosed in the table herein below. It is to be noted that prudently the company continues to limit external project development expenses in favour of continuing as much work as possible utilising internal resources of its professional experienced employee team.

The quarterly cash flow update is attached herewith.

The abridged unaudited financial statements for the 12 month period ended 30 June 2025 were published with the audit being underway.

The quarterly reporting to the department of mines is as follows;

*All figures in USD*

	PL053 & PL218		PL428		PL121
<b>Direct Expenditure</b>		<b>Direct Expenditure</b>		<b>Direct Expenditure</b>	
Drilling	-	Drilling	-	Drilling	-
Geotechnical	-	Geotechnical	-	Geotechnical	-
Environmental	-	Environmental	-	Environmental	-
Consulting	-	Consulting	-	Consulting	-
<b>Total</b>	<b>-</b>	<b>Total</b>	<b>-</b>	<b>Total</b>	<b>-</b>
<b>Indirect Expenditure</b>		<b>Indirect Expenditure</b>		<b>Indirect Expenditure</b>	
Salaries and Wages	10 800	Salaries and Wages	5 400	Salaries and Wages	10 800
Travel & Accommodation	-	Travel & Accommodation	-	Travel & Accommodation	-
Administrative Costs	-	Administrative Costs	-	Administrative Costs	-
Financing Costs	106 794	Financing Costs	53 397	Financing Costs	106 794
<b>Total</b>	<b>117 594</b>	<b>Total</b>	<b>58 797</b>	<b>Total</b>	<b>117 594</b>

By order of the Board

*This Announcement is issued, in compliance with the Botswana Stock Exchange Equity listing requirements and pursuant to Section 87 of the Securities Act 2005, Rule 5 of the Securities (Disclosure Obligation of Reporting Issuers) Rules 2007.*

*The Board of Directors of the Company accepts full responsibility for the accuracy of the information contained in this Announcement.*

**APPENDIX 8A**  
Mining Company Quarterly Cash flow Update

Name of Company

Shumba Energy Ltd

BSE Code

SHUMBA-EQO

Financial Year

01 July 2025 to 30 June 2026

Quarter ended ("current quarter")

31-Mar-26

**Consolidated statement of cash flows**

		Current quarter USD	Year to date USD
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors	19,407	112,449
1.2	Payments for		
	(a) exploration and evaluation	-	-
	(b) development	(80,416)	(864,740)
	(c) production	-	-
	(d) administration	(64,350)	(286,734)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Trading Costs	-	-
<b>Net Operating Cash Flows</b>		<b>(125,359)</b>	<b>(1,039,025)</b>
<b>Cash flow related to investing activities</b>			
1.8	Payment for purchase of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of :		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Proceeds from rights use	-	-
<b>Net investing cash flows</b>		<b>-</b>	<b>-</b>
1.13	Total operating and investing cash flows brought forward	-	-
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	62,527	1,491,939
1.17	Repayments of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if significant)	-	42,533
<b>Net financing cash flows</b>		<b>62,527</b>	<b>1,534,472</b>
<b>Net increase (decrease) in cash held</b>		<b>(62,832)</b>	<b>495,447</b>
1.20	Cash at beginning of quarter/year to date	687,129	128,850
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	<b>624,297</b>	<b>624,297</b>

**Payments to directors of the company and associates of the directors payments to related entities of the company and associates of the related entities**

- 1.23 Aggregate amount of payment to the parties included item 1.2  
1.24 Aggregate amount of loans to the parties included in item 1.10  
1.25 Explanation necessary for an understanding of the transactions

Current quarter  
USD

65,000

-

Payment to the directors. Payment included as directors are considered related parties.

-

### Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a significant effect on consolidated assets and liabilities but did not impact cash flow

None

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

The outlays are mainly the development expenditure for the renewables projects

### Financing facilities available

Add notes as necessary for an understanding of the position.

- 3.1 Loan facilities  
3.2 Credit standby arrangements

	Amount available USD	Amount used USD
	-	-
	-	-

### Estimated cash outflows for next quarter

- 4.1 Exploration and evaluation  
4.2 Development  
4.3 Production  
4.4 Administration  
**Total**

	USD
	-
	440,000
	-
	95,000
	535,000

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

- 5.1 Cash on hand and at bank  
5.2 Deposit at call  
5.3 Bank overdraft  
5.4 Other (provide details)  
**Total: Cash at end of quarter (item 1.22)**

	Current quarter USD	Previous quarter USD
	624,297	687,129
	-	-
	-	-
	-	-
	624,297	687,129

### Changes in interest in mining tenements

	Tenement reference	Nature of interest	Interest at the beginning of quarter	Interest at the end of the quarter
6.1	Interest in mining tenements relinquished,	<i>No change</i>		
	reduced or lapsed			
6.2	Interests in mining tenements acquired or increased	<i>No change</i>		