

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS ENDED 31 DECEMBER 2018**

	GROUP- Quarter 2		COMPANY- Quarter 2		GROUP- 6 months ended		COMPANY- 6 months ended	
	to 31 Dec 18	to 31 Dec 18	to 31 Dec 2017	to 31 Dec 2017	31-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17
	USD	USD	USD	USD	USD	USD	USD	USD
Revenue	161 310	-	254 035	-	348 884	254 035	-	-
Cost of sales	(100 633)	-	(86 929)	-	(208 276)	(86 929)	-	-
Other income	276 144	29	22	22	306 107	22	25 052	22
Operating expenses	(182 129)	(56 833)	(330 673)	(25 157)	(610 290)	(330 673)	(94 813)	(25 157)
Employee costs	(235 981)	-	(15 929)	(15 929)	(261 721)	(15 929)	-	(15 929)
Depreciation, amortisation and impairment expenses	(3 085)	-	(3 185)	-	(4 903)	(3 185)	-	-
<b>Operating loss</b>	<b>(84 373)</b>	<b>(56 804)</b>	<b>(182 659)</b>	<b>(41 064)</b>	<b>(430 198)</b>	<b>(182 659)</b>	<b>(69 761)</b>	<b>(41 064)</b>
Finance income	4 028	212 971	7 069	-	13 365	7 069	403 162	-
Finance cost	(229 811)	(229 811)	-	-	(362 764)	-	(362 764)	-
<b>Profit (loss) for the period</b>	<b>(310 156)</b>	<b>(73 644)</b>	<b>(175 590)</b>	<b>(41 064)</b>	<b>(779 597)</b>	<b>(175 590)</b>	<b>(29 363)</b>	<b>(41 064)</b>
Taxation	-	-	-	-	-	-	-	-
<b>Profit (loss) from continuing operations</b>	<b>(310 156)</b>	<b>(73 644)</b>	<b>(175 590)</b>	<b>(41 064)</b>	<b>(779 597)</b>	<b>(175 590)</b>	<b>(29 363)</b>	<b>(41 064)</b>
Other comprehensive income	-	-	-	-	(4 243 619)	-	-	-
Available-for-sale financial assets adjustment	(3 184 465)	-	-	-	(812 110)	-	-	-
Exchange difference on translating foreign operations	(509 139)	-	370 659	-	(811 196)	(329 849)	-	-
<b>Total comprehensive profit (loss) for the period</b>	<b>(4 003 760)</b>	<b>(73 644)</b>	<b>195 069</b>	<b>(41 064)</b>	<b>(5 834 412)</b>	<b>(505 439)</b>	<b>(29 363)</b>	<b>(41 064)</b>
<b>Profit (loss) attributable to:</b>								
Owners of the parent	(282 545)	(73 644)	(162 133)	(41 064)	(697 487)	(162 133)	(29 363)	(41 064)
Non-controlling interest	(27 611)	-	(13 457)	-	(82 110)	(13 457)	-	-
	<b>(310 156)</b>	<b>(73 644)</b>	<b>(175 590)</b>	<b>(41 064)</b>	<b>(779 597)</b>	<b>(175 590)</b>	<b>(29 363)</b>	<b>(41 064)</b>
Basic earnings per share (in thebe)	-	0.001126	-	0.000267	(0.0002830)	(0.00071)	(0.00011)	(0.00017)
Diluted earnings per share (in thebe)	-	0.001126	-	0.000267	(0.0002830)	(0.00071)	(0.00011)	(0.00017)
Number of Shares	275 452 343	275 452 343	247 465 428	247 465 428	275 452 343	247 465 428	275 452 343	247 465 428

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018**

ASSETS	GROUP		COMPANY	
	31-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17
	USD	USD	USD	USD
<b>Non-Current Assets</b>				
Property, plant and equipment	17 697	24 928	-	-
Goodwill	2 745 662	-	-	-
Exploration assets	4 583 234	11 715 121	-	-
Investment in subsidiary	-	-	2 036 706	2 182 688
Loans	-	-	18 703 745	13 585 264
Financial Assets	4 540 925	-	-	-
<b>Current Assets</b>				
Inventories	-	45 037	-	-
Receivables and prepayments	693 772	542 991	1 855 306	1 782 843
Cash and cash equivalent	361 026	190 384	-	30 405
<b>Total Assets</b>	<b>12 942 316</b>	<b>12 518 461</b>	<b>22 596 286</b>	<b>17 581 200</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity attributable to owners of the parent				
Stated capital (including advance against stated capital)	17 621 778	14 789 207	17 621 778	14 789 207
Reserves	(8 951 490)	775 431	-	-
Accumulated loss	(1 809 779)	(6 514 236)	(2 133 377)	(1 696 787)
Non-controlling interest	(73 453)	(365 203)	-	-
<b>Total equity</b>	<b>6 128 056</b>	<b>8 685 199</b>	<b>15 488 401</b>	<b>13 092 420</b>
<b>Non-Current Liabilities</b>				
Convertible Loan notes	2 906 528	1 427 364	2 906 528	1 427 364
Deferred consideration	1 500 000	-	1 500 000	-
<b>Current Liabilities</b>	<b>4 406 528</b>	<b>4 406 528</b>	<b>4 406 528</b>	<b>4 406 528</b>
Loans from group companies	-	-	-	-
Trade and other payables	2 407 732	2 405 898	2 701 357	3 061 416
Current tax payable	-	-	-	-
<b>Total Current Liabilities</b>	<b>2 407 732</b>	<b>3 833 262</b>	<b>2 701 357</b>	<b>4 488 780</b>
<b>Total Liabilities</b>	<b>6 814 260</b>	<b>6 260 626</b>	<b>7 107 885</b>	<b>6 981 204</b>
<b>Total Equity and Liabilities</b>	<b>12 942 316</b>	<b>12 518 461</b>	<b>22 596 286</b>	<b>17 581 200</b>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 6 MONTHS YEAR ENDED 31 DECEMBER 2018**

CASH FLOWS FROM OPERATING ACTIVITIES	GROUP		COMPANY	
	31-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17
	USD	USD	USD	USD
Cash generated from operations	(975 619)	(609 370)	4 028	(993 765)
Interest Income	13 365	-	403 162	-
Tax Paid	(1 330)	-	-	-
Finance Costs	(362 764)	-	(362 764)	-
Net cash from operating activities	(1 326 348)	(609 370)	44 426	(993 765)
Net cash from investing activities	(3 021)	(1 662 523)	(403 161)	(1 000 000)
Net cash from financing activities	337 793	-	337 793	-
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(991 576)</b>	<b>(2 271 893)</b>	<b>(20 942)</b>	<b>(1 993 765)</b>
Cash and cash equivalent at the beginning of the period	1 352 602	2 473 623	21 471	2 024 170
Effects of exchange rate movements	-	(11 346)	-	-
<b>Total cash and cash equivalents at the end of the period</b>	<b>361 026</b>	<b>190 384</b>	<b>529</b>	<b>30 405</b>

**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 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 demands.

300M tonnes of coal from the Mabesekwa Resources has been transferred to Kibo Energy Botswana as reported in the recent transaction thus giving Shumba Energy approximately 26% of Kibo Mining plc

**Shumba Energy Projects - Resources Statement**

Name	Seam	JORC Category	Seam Thickness (M)	Gross In-Situ Tonnes ('000)	Calorific Values
					MJ/kg
<b>Mabesekwa Project</b>					
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
<b>Sub Total</b>				<b>990</b>	
<b>Sechaba Project</b>					
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
<b>Inferred Resources</b>				<b>883</b>	
<b>Sub Total</b>				<b>1144</b>	

By order of the board

Date 01 April 2019

The unaudited financial statements for the 6 Months ended 31 December 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.