



SHUMBA
E N E R G Y
Powering the Future

Shumba Energy Ltd
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Ebene 80817
Republic of Mauritius

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

RESPONSE TO MEDIA ALLEGATIONS ABOUT SUBSIDIARY

The Board of Shumba Energy Ltd (the "Company" or "Shumba") have noted with growing concern recent articles in the Weekend Post of 21-27 November 2020 and in the Patriot of 15 November 2020 (the "Articles") alleging amongst other matters a dispute between shareholders in one of its subsidiaries Coal Petroleum (Pty) Ltd (the "Subsidiary"). The Company would like to advise the public of the following:

1. The Company strongly refutes the allegations contained in the Articles as they are false and unfounded;
2. The private individual whom is the source of said false allegations is not a shareholder or director of the Subsidiary;
3. The Company was not given an opportunity to comment on any of the Articles prior to publication;
4. The Company remains the significant majority shareholder in the Subsidiary
5. The business of the Subsidiary, including the CTL development (not the one alluded to in the Articles) at our Mabesekwa project, is carrying on as normal and has not been impacted in any way;
6. The Company has complied with all its contractual obligations for the acquisition of shares in the Subsidiary;
7. The Company is not involved in any legal proceedings in which its shareholding in the Subsidiary is contested;
8. The existing shareholders of Coal Petroleum have confirmed that they are not the source of the allegations presented in the Articles;
9. As such the Company considers the allegations as unfounded, malicious, defamatory and intentionally made to tarnish its reputation; and
10. As a result, the Company has sought legal advice and shall be taking the necessary legal actions to protect its assets, rights and reputation.

By order of the Board
26th November 2020

This Communiqué 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 Communiqué.