



Kibo Energy PLC (Incorporated in Ireland)
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(‘Kibo’ or ‘the Company’)

Dated: 7 June 2024

Kibo Energy PLC (‘Kibo’ or the ‘Company’)

Kibo Energy PLC - Corporate Restructuring and Repositioning

Kibo Energy PLC (AIM: KIBO; AltX: KBO), the clean / renewable energy-focused development company, is pleased to announce a corporate restructuring plan, including proposed board changes, a divestment programme, placing and restructuring of the Company's balance sheet.

Highlights:

- Partly conditional fundraising with gross proceeds of £500,000 raised at a placing price of 0.015p
- Mohammed Ashraf proposed to join Kibo as Executive Director and Chief Executive Officer
- James Parsons proposed to join Kibo as Non-Executive Director with specific focus on overseeing and implementing the restructuring
- Stefania Barbaglio proposed to join Kibo as Non-Executive Director and Chairperson
- Clive Roberts proposed to join Kibo as Non-Executive Director
- Review of potential delisting from the Johannesburg Stock Exchange
- Debt reduced to a more sustainable level with no conversion rights with all MED's related assets used as collateral to further de-leverage the Company over time
- Majority of creditors assigned to a third party or to be converted into equity

Background:

The Company's previously announced challenging trading and funding conditions continue, with total liabilities estimated at £2,381,986 as of 30 April 2024.

The creditors balance includes £860,881 of deferred Director and staff salaries, along with outstanding audit, legal and listing costs from 2023.

The Company's main assets are 83,211,746 shares in MAST Energy Development PLC ("MED") held in escrow (the "MED Escrow Shares"), a £849,253 receivable from MED (the "MED Receivable"), 134,443,738 shares in Katoro Gold plc and a small portfolio of Waste to Energy projects. MED is a circa £0.8m market capitalisation standard list company with minimal cash resources and therefore the Company expects to provide for non-receipt of the MED Receivable in its 2023 Annual Report and Accounts.

Following extensive internal and external consultation that included the Company's stakeholders, lenders and advisors, the Board has decided to implement an extensive restructuring and repositioning plan focused on transitioning Kibo to a broader based energy company, looking also at opportunities in the Oil & Gas Sector.

Board Changes:

Kibo proposes to appoint Mohammed Ashraf as Executive Director and CEO of the Company subject to completion of regulatory due diligence. Ashraf has extensive experience in advising various Federal and Government bodies, as well as the private sector, on Oil & Gas, mining and mineral business opportunities from the UK and UAE. He is Chief Executive Officer of WAC Consultants, a company specialising in providing business development consulting services to the public and private sector and has an MBA degree from the Lancaster University in the UK. Ashraf will step down as CEO of WAC Consultants subject to his successful appointment as Executive Director and CEO of the Company.

Kibo is also proposing to appoint James Parsons as a Non-Executive Director subject to completion of regulatory due diligence. James has a wealth of corporate and transactional experience on AIM and a demonstrated ability to originate advantageous asset acquisitions alongside accessing capital for junior resource plays. He is Executive Chairman of AIM traded Ascent Resources plc and a Non-Executive Director at Echo Energy plc. Mr. Parsons will have a specific mandate to oversee the restructuring and business development activities. His appointment to the Board is a condition of the RiverFort debt restructuring as detailed below.

Kibo is also proposing to appoint Stefania Barbaglio as a Non-Executive Director and Chairperson subject to completion of regulatory due diligence. Stefania is a London-based entrepreneur, business strategist and renowned PR / IR expert with over 10 years' experience in equity and digital asset markets and a solid investor network. Stefania is the founder of PR Agency Cassiopeia and considered one of the top British female opinion leaders in Crypto and AI. She has extensive experience in

business development, strategic partnerships, fundraising and marketing in both public and private sectors with a focus on innovation and sustainability. Stefania has spearheaded IR campaigns for 100+ companies since 2015, including for multiple IPOs on public markets. She is Non-Executive Director at London-listed Ondo Insurtech PLC.

It is also proposed that Clive Roberts, a significant existing shareholder in Kibo, is to join the Board as a Non-Executive Director subject to completion of regulatory due diligence. Further details regarding the terms and sequencing of Mr. Roberts' appointment will be the subject of a future announcement. All director appointments remain subject to formal signed documentation along with regulatory checks and the Board is mindful of managing the Company's cash burn until further additional funding is secured.

Following these appointments, Louis Coetzee, the Company's interim Chairman and Chief Executive Officer will step down as CEO and Director. Further involvement of Louis Coetzee with the Kibo Board is to be finalized. The Board will therefore from that point, subject to the new director appointments outlined above, consist of Mr. Ashraf (CEO and Executive Director), Mr. Parsons (NED), Mss. Barbaglio (NED and Chairperson), Mr. Roberts (NED) and Mr. O'Keeffe (NED). The Board has committed to review its composition and balance over the coming months alongside the introduction of a new project portfolio. Furthermore, Mr. Cobus van der Merwe will continue in his capacity as full-time CFO for the time being.

The three new Directors have all agreed to take a portion of their first six months' compensation in shares at the price of the capital raise referred to below and Mr. Ashraf, Mss. Barbaglio and Mr. Parsons expect therefore to be awarded 137,500,000, 55,000,000 and 110,000,000 shares being 302,500,000 shares in aggregate (the "Remuneration Shares") at an issue price of 0.015 pence per share respectively which represents the net of tax and NI balance. The awards would be made subject to additional headroom being approved by Shareholders at the next General Meeting of the Company and subject to the Company being in a position to be able to fund the associated tax liability. It is expected that their respective shareholdings post Placing and issue of Conversions and Remuneration Shares (see further details below) will be 1.39%, 0.56% and 1.11% respectively.

In addition, Mr. O'Keeffe has agreed to lock in his current equity for a period of 6 months.

Fundraising and Application for Admission to Trading on AIM:

In support of the new board appointments and the restructuring of existing debts (as noted below) and, further, to enable the immediate payment of the auditors (which is required to initiate work on the Annual Report and Accounts) the Company has conditionally raised £500,000 (the "Placing") by way of a placing of 3,333,333,333 (the "Placing Shares") new ordinary shares of EUR0.0001 each in the Company through Global Investment Strategy UK Ltd, at a price of 0.015p per share (the "Placing Price"). The first £100k of the Placing in respect of 666,666,667 Placing Shares ("Firm Shares"), will settle immediately whilst the remaining £400k of the Placing in respect of 2,666,666,666 Placing Shares ("Conditional Shares") is conditional on the three new Board appointments being concluded. As part of the Placing, Global Investment Strategy UK Ltd has been appointed joint broker and placing agent accordingly.

Application will be made to the London Stock Exchange for the admission of the 666,666,667 Firm Shares immediately upon receipt of the first £100k referred to above, which will rank *pari passu* with the existing Ordinary Shares, to be admitted to trading on AIM ("Admission"), and it is expected that Admission will occur on or around 13th of June 2024. Application for admission in respect of the Conditional Shares will be made and notified in due course.

Creditor restructuring and settlement:

The board of the Company have successfully concluded creditor restructurings which are linked to the Placing being secured. The hope is that these steps will, over time, result in the Company becoming entirely debt free.

Arrangements with RiverFort Global Opportunities PCC Limited ("RiverFort")

Given the limited cash resources of MED at this moment, the Company sees limited potential for repayment of the MED Receivable and therefore has agreed with RiverFort to reduce the outstanding RiverFort Debt of £767,205 to £400,000 in exchange for transfer to RiverFort of the MED Receivable (representing 43 pence in the pound valuation). The remaining £400,000 debt has been structured as a two-year 10% annual coupon bullet without conversion rights, unless otherwise mutually agreed between the parties, and is repayable in full in cash (including accrued interest) no later than the date falling 24 months from 6th June 2024, the signing date of an amendment agreement to the reprofiled facility agreement of 10 April 2023 (the "Maturity Date"). RiverFort will retain a fixed first priority charge over the MED Escrow Shares. The restructuring of the RiverFort debt detailed above is conditional upon Conditional Shares subscription becoming unconditional as a result of the appointment of the three new Board appointments, as detailed above.

It is noted that Mr. Parsons has been granted an option to acquire 10% of the remaining RiverFort loan for £1. Upon exercise of the option a further announcement will be made in this regard.

Creditor Conversion and Restructuring

A total of £132,760 of trade creditors and £141,505 of other lenders have agreed to be converted to equity and therefore a total of 1,828,431,043 shares at an issue price of 0.015 pence per share ("Conversion Shares") and 943,366,667 warrants at an exercise price of 0.015 pence per share ("Conversion Warrants") will be issued in settlement of these obligations. The Conversion Shares and Conversion Warrants will be issued as soon as the company receives authority from shareholders to increase its authorised share capital which it will seek at the next General Meeting of the Company. The settlement of the trade creditors and other lenders debt detailed above being conditional upon Conditional Shares subscription becoming unconditional as a result of the appointment of the three new Board appointments, as detailed above.

The Company has further resolved that in respect of its 100% subsidiary Kibo Mining (Cyprus) LTD ("KMCL"), it will not provide any further funding in respect of KMCL's ongoing working capital requirements, including its secured borrowings.

provide any further funding in respect of KMCL's ongoing working capital requirements, including its accrued payroll obligations up to 31 January 2024, and has agreed with KMCL that the latter will need to seek alternative financing in respect of such obligations currently amounting to £744,826, being the majority of the Group's accrued Director and Staff salaries. KMCL has indicated that it has finalised negotiations in this regard with a signed definitive agreement imminent. The Company and KMCL have agreed that the Company will however continue to procure project development financing on behalf of KMCL on a best-efforts basis in respect of the existing projects held under KMCL, being its waste-to-energy and biofuel projects in sub-Saharan Africa.

Balance Sheet post restructuring

The Company expects, after the transactions as outlined in this RNS, to have a more sustainable total debt and creditor position of £660,861.

Review of its second listing on the Johannesburg Stock Exchange:

The Company sees substantial costs and limited benefits in running a secondary listing and is therefore reviewing its second listing on the Johannesburg Stock Exchange. A further announcement will be made should this be cancelled.

Review of existing Company interests:

The New Board will conduct a detailed review of Company's interests to maximise value generation opportunities from a broader Energy perspective and to improve the Company's balance sheet further.

The new Board intends to pursue an energy strategy including in the oil and gas sector with a focus on possible opportunities in the Middle East and the Indian Subcontinent, including Onshore Balochistan in Pakistan.

Annual General Meeting:

The Company will at its next annual general meeting during 2024 seek to obtain shareholder approval to increase the company's authorised share capital sufficient to allow for the issue of the 1,828,431,043 Conversion Shares, the 943,366,667 Conversion Warrants and the 302,500,000 Remuneration shares as outlined in this RNS and to renew its share issuing authorities. Application for admission in respect of the Conversion and Remuneration shares will be made following the AGM, contingent on approval for the increased headroom being obtained.

Options Award:

A total of 10% of the Issued Share Capital in the Company, so enlarged by the Placing and issue of the Conversion & Remuneration Shares, is expected to be awarded to Mr. Ashraf, Mr. Parsons and Mss. Stefania Barbaglio as new share options for incentivisation, alignment and consultancy with new shareholders. Accordingly, Mr. Ashraf, Mr. Parsons and Mss. Barbaglio are each expected to be awarded 329,782,071 three-year vest, five-year expiry options with an exercise price equal to the Placing Price of 0.015p. These share options would be exercisable subject to available headroom at the time of exercise. Further, WAC Consultants, a company associated with Mr. Ashraf, would be awarded warrants at an exercise price equal to the Placing Price of 0.015p, the quantum of which to be agreed with the new board at which point the market will be updated accordingly.

Total Voting Rights:

Following Admission of the Firm Shares, the Company's total issued share capital will consist of 5,027,614,431 Ordinary Shares of EUR0.0001 each. This figure may then be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company pursuant to the FCA's Disclosure Guidance and Transparency Rules.

Following the admission of the Conditional Shares, implementation of the other measures outlined above (i.e. issue of the Conversion Shares and the Remuneration Shares) it is expected to result in the final issued share capital being approximately 9,893,462,140. Further announcements will follow upon issue of the Conditional Shares, the Conversion Shares, the Conversion Warrants and Remuneration Shares. The number of shares and warrants held by the directors of the Company and their related parties before and after these transactions is shown in Table 1 below. It is noted that the warrants showing for Kibo directors, Louis Coetzee and Noel O'Keeffe (and their respective related parties) shown in Table 1 below, post the transactions, are now being issued as they were among the Noteholders of the Company's 7% Convertible Loan Note Instrument dated 7 January 2022 who converted their Notes to Kibo ordinary shares in April 2023 (the "Conversions") and who were awarded warrants associated with the Conversions (refer Company RNS of 11 April 2023 for details). These warrants are now being issued to the Noteholders following renewal of the relevant share issuing authority to permit the warrant issues at a General Meeting of the Company on 9 February 2024 and the warrants so issued are effective from that date.

Director Name	Before Placing, Conversions & Remuneration Shares			After Placing, Conversions & Remuneration Shares		
	Number of Kibo shares held	Number of Kibo Options and Warrants held	Shares held as % of current issued share capital (4,360,947,764 shares)	Number of Kibo shares held	Number of Kibo Options and Warrants held	Shares held as % of enlarged issued share capital (9,893,462,140 shares)
Louis Coetzee & Related Parties	223,198,427	Options: None Warrants: None	5.12%	298,630,694	Options: None Warrants: 158,541,643	3.02%
Noel O'Keeffe & Related Parties	57,234,904	Options: None Warrants: None	1.31%	57,234,904	Options: None Warrants: 39,816,997	0.58%
Mohammed Ashraf & Related Parties	None	Options: None Warrants: None	0.00%	137,500,000	Options: 329,782,071 Warrants: None	1.39%
James Parsons & Related Parties	None	Options: None Warrants: None	0.00%	110,000,000	Options: 329,782,071 Warrants: None	1.11%

NAME	None	Options: None Warrants: None	0.00%	55,000,000	Options: 329,782,071 Warrants: None	0.56%
Stefania Barbaglio & Related Parties						

Table 1: Kibo Director & Related Parties' holdings before and after Placing, Conversions & Share issues

****ENDS****

This announcement contains inside information for the purposes of the UK version of the Market Abuse Regulation (EU No. 596/2014) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ('UK MAR'). Upon the publication of this announcement, this inside information is now considered to be in the public domain.

For further information please visit www.kibo.energy or contact:

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Johannesburg
7 June 2024
Corporate and Designated Adviser
River Group

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