

19 April 2018

Maatla Energy

("Maatla" or the "Company")

Maatla Energy announce approval of Environmental Impact Assessment and submission of Mining License application for Mmamabula Coal Mine

Johannesburg, 19th of April 2018, Maatla Energy is developing a mid-tier coal mining and energy company in Botswana. The company, launched in February at the IHS Energy South African Coal Exports Conference, is working diligently to fast-track the development of its export mine. With the help of a highly experienced management team, Maatla Energy hope to become a leading coal company in Botswana.

Maatla Energy, via its 100% subsidiary Maatla Resources with the flagship asset being The Mmamabula Coal Mine, is today pleased to announce the approval of the Environmental Impact Assessment (EIA) as well as that the Mining License application has been submitted for approval. The Mmamabula Coal Mine is located in one of the main coal fields in Botswana and contains over 90 million tons of high grade thermal coal. The project has a mine life in excess of 25 years and is targeting production of 50,000 tonnes per month, ramping up to 100,000 tonnes per month within the first year of production. The Company is on track to commence site establishment and construction activities in 2018 and first coal sales in 2019, dependant on financial close and timeous award of Mining License.

There is an upward movement in the international coal price and an increasing demand for high grade sized coal in the Southern African inland market. The price of high grade sized coal has remained stable in comparison to the API4 Index and is currently selling at a premium. Maatla Energy's Mmamabula Coal Mine will produce high-grade coal for the regional sized coal market. The mining project is in close proximity to existing railway infrastructure and will produce coal for cement and lime producers, paper mills, chemical industries, brickworks, breweries, sugar estates, hospitals and general boiler applications in Southern Africa.

Botswana is a stable jurisdiction with the highest investment rating in Africa, and a vision to expand the coal sector, along with investing in export rail infrastructure. The company is strategically well positioned to supply coal to the region, especially with the Mmamabula Coal Mine's access to the planned Waterberg Rail link for future off-shore exports.

CEO Jacques Badenhorst commented:

"We are very excited about Maatla Energy's EIA approval and the recent submission of the Mining License application. The Company is making great progress to reach production by mid 2019 and we are eager to reach this momentous milestone. There is currently a large deficit for high grade sized coal in the region, and we, as a Company, are hoping to capitalise on this opportunity in the very near future".

ENQUIRIES:

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NOTES TO EDITORS

Maatla Energy is developing a mid-tier coal mining and energy company in Botswana. The company is capitalizing on extensive exploration work to fast track the development of an export mine and a coal to liquids business. The Mmamabula Coal Project of Maatla Energy is located in the well explored Mmamabula Coalfields 145km north of Gaborone in Botswana. The company, headed by South African and Botswana business professionals, has assembled a team of mine development experts to take the Company into production. The mission of Maatla Energy is to develop the coalfields of Mmamabula to generate and supply coal and energy which will power Botswana's economy and assist in achieving energy security in the long term.