



Minergy Limited
(Incorporated in accordance with the laws of Botswana)
(Company Number: BW00001542791)
www.minergycoal.com
("Minergy" or "the Company")

FIRST COAL EXPORTS BY RAIL

Minergy is proud to announce the export of Botswana's first coal by rail to South Africa on 17 July 2020. The coal was mined at Minergy's Masama coal mine, loaded onto trucks and transported 60km to the rail siding at Tshele Hills. This is the first of three trains bound for an industrial client in the cement sector in South Africa. The initial train consisted of 50 wagons, with each wagon carrying approximately 53 tonnes of coal product, equating to roughly 2 650 tonnes in total.

The launch was attended by the Honourable Minister of Transport and Communications, Minister of Infrastructure and Housing Development, Assistant Minister of Basic Education, local dignitaries and representatives of Minergy, Botswana Railways ("BotRail") and ABSA.

This is a significant achievement not only for Minergy but also for the export of coal from Botswana. "To watch the first train of export coal being loaded and knowing that the product reached the client, is certainly something to celebrate," said Minergy CEO Morné du Plessis. He added that this was made possible by the commitment of and funding to develop the siding received from BotRail. This method of transportation of coal greatly aids efficiency, cutting out time consuming border crossings and minimising COVID-19 exposure.

Minergy remains dedicated to ensuring skills transfer, training and the establishment of opportunities for local business in Botswana. To this end, a tender process for the transportation of coal from the mine to the rail siding was opened for future transportation, which will include participation by local transporters. Some local transporters were already utilised during this initial move of coal product from the mine to the rail siding.

It is envisaged that an off-take agreement for regular supply to the client's coal yard will soon be in place. Conclusion of this additional off-take agreement is not only important to further diversify Minergy's client base, but it also represents Minergy's first predominantly rail delivery client off-take agreement. With its now confirmed capability to deliver product to clients by rail, Minergy will also pursue opportunities with industrial customers in the Western Cape that have rail yards attached to their operations.

"This was not only a great day for Minergy but a momentous day for the Botswana coal industry," said du Plessis, adding that "the team on the ground, including Minergy employees as well as those from BotRail, are to be commended for the outstanding logistics achieved in the process".

Morné du Plessis
Chief Executive Officer
24 July 2020

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