

SHUMBA ENERGY LTD

MINUTES OF THE ANNUAL MEETING HELD AT IFS COURT, BANK STREET, TWENTYEIGHT, CYBERCITY, EBENE 72201, REPUBLIC OF MAURITIUS, ON 28 DECEMBER 2018 AT 10:00 HOURS (MAURITIUS TIME).

PRESENT: **MR ALAN MITCHELL CLEGG**
(Proxy for ordinary shareholders as per annexure 1)

MS POOJA NAPAUL
(Representing SANNE Mauritius, Secretary)

1. OPENING

The Corporate Secretary confirmed that the notice and agenda of the meeting had been sent to all those entitled prior to the meeting.

The Corporate Secretary tabled the duly signed proxy forms received from shareholders, within the deadline of at least 24 hours before the meeting, as prescribed in the Constitution of the Company, under Annexure 1 to these minutes appointing the Chairman as their proxy for this meeting and any adjournment thereof. Mr Alan Mitchell Clegg was elected Chairman of the meeting.

The Corporate Secretary informed the meeting that the shareholders present in person or by proxy represented 218,943,142 shares out of 291,819,493 shares in issue in the Company as of the record date of 22 November 2018 or 75.03% of the shares with voting rights. The Secretary reminded the meeting that pursuant to Article 34(b) of the Constitution of the Company, the quorum for the meeting of shareholders was at least one third of the voting shares of the Company. It was confirmed that a quorum was present and the Chairman accordingly declared the meeting quorate and validly constituted to proceed with the business of the day.

The Secretary also informed the meeting that Messrs Thapelo Mokhathi, Siphon Alec Ziga, Alan Mitchell Clegg, Mashale Phumaphi, Munesh Sharma (Grant) Ramnauth, Kapildeo Joory and Boikobo Paya were interested in resolutions 2, 3, 4, 5, 6, 7 and 8 respectively and generally for resolutions 9 and 10, therefore they and any related party shareholders or shareholders acting in concert to them or their proxy would also abstain from voting on those resolutions.

The Corporate Secretary then tabled and read the notice of the meeting.

2. MINUTES OF PREVIOUS ANNUAL MEETING

The minutes of the previous Annual Meeting held on 29 December 2017 was approved.

3. RETIREMENT AND RE-APPOINTMENT OF DIRECTORS

The Chairman informed the meeting that pursuant to Article 16.3 of the Constitution of the Company, all directors of the Company should retire at each Annual Meeting. However, Article 16.3 also provides that directors required to retire at the Annual Meeting of the Company are eligible to be re-elected at the Annual Meeting of the Company.

It was therefore noted that the directors of the Company, namely Messrs Thapelo Mokhathi, Siphon Alec Ziga, Alan Mitchell Clegg, Mashale Phumaphi, Munesh Sharma (Grant) Ramnauth, Kapildeo Joory and Boikobo Paya would retire in accordance with the above provision of the Constitution.

It was also proposed to re-appoint Messrs Thapelo Mokhathi, Siphon Alec Ziga, Alan Mitchell Clegg, Mashale Phumaphi, Munesh Sharma (Grant) Ramnauth, Kapildeo Joory and Boikobo Paya as directors of the Company until the next Annual Meeting.

However, the re-appointment of Messrs Munesh Sharma (Grant) Ramnauth and Kapildeo Joory as directors of the Company were not approved by the requisite majority of shareholders. The Chairman accordingly thanked Messrs Munesh Sharma (Grant) Ramnauth and Kapildeo Joory for their efforts and support extended to the Company's development and secretarial requirements since its incorporation.

After due consideration, it was RESOLVED that:

- (i) the majority of the disinterested shareholders voting by proxy on the proposed re-appointment of each individual director as a separate resolution had expressed their vote in favour of the re-appointment of Messrs Thapelo Mokhathi, Siphon Alec Ziga, Alan Mitchell Clegg, Mashale Phumaphi and Boikobo Paya as directors of the Company, such re-appointment be approved until the next Annual Meeting of the Company; and
- (ii) the Secretary be requested to inform the Mauritian Authorities of the change in directors and update the directors' register.

4. REMUNERATION OF DIRECTORS OF THE COMPANY

The disinterested shareholders present by proxy, having cast their votes in favour of, it was RESOLVED that:

- (i) the directors remuneration of USD43,714, USD182,144, USD112,694, USD43,714, USD20,000, USD20,000 and USD20,000 to Messrs Alan Mitchell Clegg, Mashale Phumaphi, Thapelo Mokhathi, Munesh Sharma (Grant) Ramnauth, Kapildeo Joory, Siphon Alec Ziga and Boikobo Paya respectively for the year ended 30 June 2018 be ratified; and
- (ii) the directors remuneration of USD54,643, USD227,500, USD140,400, USD30,000 and USD30,000 to Messrs Alan Mitchell Clegg, Mashale Phumaphi, Thapelo Mokhathi, Siphon Alec Ziga and Boikobo Paya respectively for the year ending 30 June 2019 be approved.

5. FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

The Corporate Secretary tabled the audited consolidated financial statements of the Company and its subsidiaries (together the "Group") for the year ended 30 June 2018 along with the commentary of directors, the certificate from the Secretary and the auditor's report for consideration.

It was noted that:

- (i) the Company's and the Group's net assets as at 30 June 2018 stood at USD13,814,165 (30 June 2017 (restated): USD13,133,358) and USD10,210,695 (30 June 2017 (restated): USD8,850,946) respectively; and
- (ii) the Company reported a total comprehensive loss for the year ended 30 June 2018 of USD740,127 (30 June 2017 (restated): USD291,791) and the Group reported a total comprehensive profit for the year ended 30 June 2018 of USD84,770 (30 June 2017 (restated): loss of USD633,205).

After due consideration, it was RESOLVED that the audited consolidated financial statements of the Company and its subsidiaries for the year ended 30 June 2018 be adopted.

6. RE-APPOINTMENT OF AUDITORS

It was RESOLVED that:

- (i) Grant Thornton be and are hereby re-appointed auditors of the Company to hold office until the next Annual Meeting;
- (ii) the remuneration of the auditors for the year ended 30 June 2018 of USD17,650 (inclusive of VAT and disbursement) be ratified; and
- (iii) that the directors of the Company be authorised to fix the remuneration of the auditors for the year ending 30 June 2019.

7. WAIVER OF PRE-EMPTIVE RIGHTS ON NEW ISSUE OF SHARES

The Chairman referred the meeting to the Article 6(e) of the Constitution of the Company whereby it mentioned that new shares shall be issued in accordance with Section 52 of the Mauritius Companies Act 2001 and the directors shall first offer the shares to existing shareholders in order to maintain the relative voting and distribution rights of the shareholders unless the shares are issued for the acquisition of assets or otherwise directed by the shareholders. It was noted that as in previous years this waiver allowed the company to exercise its activities efficiently when carrying out its normal business of developing energy assets in Botswana and facilitated the effective funding of its projects. Any such issuance of new shares would only be undertaken subject to compliance with the BSE Listing Requirements.

The Secretary observed that 100% of the shareholders voting by proxy have expressed their vote in favour of the waiver of pre-emptive rights on new issue of shares for the period from 1 January 2019 to 31 December 2019.

Given that more than the minimum required votes have been cast in favour of the resolution, it was RESOLVED:

- (i) as a special resolution that the pre-emptive rights on new issue of shares pursuant to Clause 6(e) of the Constitution of the Company that provides for the issuance of shares for the acquisition of assets, from 1 January 2019 to 31 December 2019 be waived by the shareholders.
- (ii) as an ordinary resolution that the Directors be authorised to take such steps and sign all such other documents as would be necessary to give effect to the special resolution (i).

8. TERMINATION OF MEETING

There being no further business, the meeting was declared closed.


CHAIRMAN


SECRETARY
SANNÉ Mauritius

Annexure 1 to minutes of annual meeting dated 28 December 2018

Name of proxy appointing Chairman	Shares Held
ADOM DAVID KOFI	5,000
AFRASIA MINING AND ENERGY INVESTMENT HOLDINGS LTD	6,769,389
BLACK PHOENIX LIMITED	73,238,713
FNB BOTSWANA NOMINEES (PTY) LTD RE:AA BPOPF EQUITY	84,444,900
HE LIESEN	24,867,437
JOORY KAPILDEO	2,000,000
KENELM LIMITED	2,500,000
MOKHATHI FAMILY TRUST	136,000
MOKHATHI FAMILY TRUST	6,522,904
RAMNAUTH MUNESH SHARMA	14,414,894
STANBIC NOMINEES BOTSWANA RE: AA BOMAID SOCIETY	460,000
STANBIC NOMINEES BOTSWANA RE:AA BB STAFF PENSION FUND	2,292,130
STANBIC NOMINEES BOTSWANA RE:AA BOTS PULA MEDICAL AID FUND	92,963
STANBIC NOMINEES RE: AA BHC PENSION FUND	615,294
STANBIC NOMINEES RE: AA BOTSWANA VALUE FUND	588,518
Total no of votes in attendance by proxy	218,943,142
Total no of shares in issue in the Company	291,819,493
Quorum	75.03%