

African Energy Resources (Guernsey) Ltd.

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African Energy Resources Ltd powers ahead with Sese power project in Botswana

Power project developer African Energy Resources Ltd (ASX:AFR) has received a commitment from its Sese JV partner First Quantum Minerals Ltd (TSE:FM) to spend \$3 million on work programs to advance the Sese integrated power project in Botswana.

The Sese project is under the management of First Quantum and funded by that company. It will invest up to \$20 million in the Sese JV.

Many African nations are chronically short of reliable base-load power, particularly South African and Zambia. South Africa is thought to be seeking 2,500MW of new coal-fired base load power.

A project like Sese over the border in Botswana provides a window for AFR to supply new generation capacity from a developed project.

AFR has three power projects under development in Botswana and its partners are funding all of these, removing any capital investment burden on AFR.

AFR's 25% interest loan is carried to commercial operation of the Sese power station.

The new funding will be used to investigate the development of a fully integrated coal mine and mine-mouth power station.

Additional large diameter drilling will be carried out to collect about 1,000 kilograms of coal for combustion testing and physical handling test work.

This will lead to the development of the fuel specification for the proposed power station, and finalization of the coal handling and processing flowsheet.

The environmental approvals are being updated to allow up to 450 megawatt of power generation and the associated coal mining and processing.

The company will also prepare the preliminary power station design and begin negotiations for power off-take agreements with interested parties.

AFR's other power projects are Mmamabula West and Mmamantswe in Botswana.

African Energy Resources had a handy \$6 million cash position in April 2016.

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Price: 0.02

Market Cap: \$12.46 m

1 Year Share Price Graph



March 2020 September 2020 March 2021

Share Information

Code: AFR

Listing: ASX

52 week High Low
0.032 0.011

Sector: Coal

Website:
www.africanenergyresources.com

Company Synopsis:

African Energy Resources (ASX:AFR) is listed on the Australian Securities Exchange.

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