

African Energy Resources (Guernsey) Ltd.

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African Energy Resources pens maiden 2.5Bt coal resource at Sese West

African Energy Resources (ASX: AFR) has estimated an initial Inferred Resource of 2.5 billion tonnes of coal at its Sese West Project in Botswana, taking its total inventory of in-situ coal to 8.7Bt.

This follows yesterday's encouraging Pre-Feasibility Study results for its 2.4Bt coal resource at Mmamabula West that showed potential for an export quality product.

Notably, Sese West is considered to represent the downdip extension of the Sese coal deposit, which is located 2 kilometres to the north.

The resource has average calorific value of 3,500kcal per kilogram on an air-dried basis and remains open to the south where further drilling is required.

Based on the depth to seam roof and the seam thickness modelled, the potential mining methods considered to date are either open pit mining in the northern (shallowest) parts of the resource transitioning to underground mining in the deeper southern areas.

A scoping study to determine development options at Sese West will commence in June.

Sese West

The Sese West coal deposit occurs in the northern belt of the Central Kalahari sub-basin, one of several Permo-Carboniferous Gondwana depositional sub-basins in the region.

The coal resource, which was based on data collected from 15 vertical diamond drill holes, occurs within Lower Karoo aged sediments and is typified by a relatively thick coal zone occurring in close proximity to the basal unconformity between the Karoo Supergroup and the Precambrian Basement.

Sediments are relatively flat-lying with very gentle dips towards the south.

The coal zone is the principal interval of economic interest and comprises a number of sub-zones or "seams" and a series of "plies" that can be recognised across the deposit.

The principal seams which can be recognised are the Sese Main (SS), Sese Top (SST) and Sese Upper (SSU).

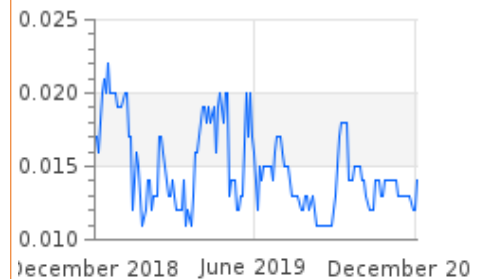
In general the coal rank ranges from medium- to low-volatile bituminous coal.

The licence area includes some dolerite intrusions and faulting with, on a macro-scale, inferred development of blocks representing half-grabens and

Price: 0.014

Market Cap: \$8.72 m

1 Year Share Price Graph



Share Information

Code: AFR

Listing: ASX

52 week High Low
0.022 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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grabens. Several major dolerite dykes are present based on geomagnetic evidence.

All but one of the 15 holes in the licence area was drilled by African Energy in 2011 and 2012 with the last hole drilled by Shell Coal in 1976.

The AFR core holes were extensively logged and sampled while the Shell hole was logged for lithology only.

Analysis

The initial Resource of 2.5 billion tonnes of coal at the Sese West Project is notable given that it increases African Energy Resources' total inventory of in-situ coal to 8.7Bt, which is of strategic significance in the region.

This also places the company in a strong position with its Saudi Arabia partner ACWA Power International to power energy starved African markets.

African Energy and ACWA are already in a consortium that has been shortlisted to a bid for the 300 megawatt Greenfield Power Project that could potentially be fuelled by a captive 1.5 million tonne per annum coal mine at its Sese Coal Project.

In addition, the diverse nature of its projects - a mix of power generation and coal exports - may also have strategic interest to major energy players and coal producers/traders.

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