

AN OPEN LETTER TO OUR SUPPORTERS

5th February 2021

We would like to share the news of our recent work and achievements:

We formally commenced our USTDA grant funded Feasibility Study on 2nd February 2021; this is a major milestone for us.

A year ago, in early 2020, we had planned to follow up on our 2019 geothermal drilling programme at Bweengwa River with two or three deep slim wells targeting the upflow that was conjectured to feed the ~100°C outflow found in four of the previously drilled temperature gradient/slim wells. The 2020 programme was to have started that April in order to make the most of the dry season. Such planning and optimism was premature! We lost five months worktime due to restrictions relating to the pandemic.

With a massive effort we managed to get a multi-national team and most equipment on site in early September, and were able to deepen a previously drilled well (LOC-18) and drilled three new slim wells; we then ran well flow tests, completing that phase at the end of January 2021.

Our 2020 drill and flow test programme established that a 100-110°C reservoir is hosted in the top of the Precambrian basement, and that is extensive with good porosity and inter-well communication. This shallow reservoir continues to support our understanding of a shallow outflow resource that overlays hotter upflow from deeper within the basement.

The decision was made to focus on what has been established and come back to resolve the as yet unconstrained challenges (following the adage that *a bird in the hand is worth two in the bush...*); thus the initial feasibility study is to be on the shallow reservoir; we will publish the findings in due course. We anticipate the Study will identify sufficient enthalpy for commercial power generation and cascading direct-use applications of thermal energy that will form the cornerstone for community uplift, food security, climate change mitigation and environmental enhancement.

The updated picture library tells the story of the drilling, the testing and the weather! It does not show the professionalism and determination of all in overcoming the challenges of operating at this time with multiple bottlenecks in the logistics supply lines and the need to keep our teams safe.

We are also proud to state that the programme has been completed without injury or accident.

Finally, a big thank you to our employees and to our contractors Geologica Geothermal Group (Geothermal consultants - USA) and Global Drilling and Exploration (Drilling and ancillary services - Singapore). Also, Allterrain Services (Camp Services - Zambia), Voyagers Rentals (4x4 Vehicles - Zambia), CC Systems (Communications - Zambia) and Abacus (Temporary accommodation – Zambia)

We look forward to taking the Bweengwa Project to the next stage!

Peter Vivian-Neal
Chief Executive

Summary of 2020 work:

- Deepen previously drilled slim well (LOC-18 from 200m to 450m.
- Drilled three new slim wells.
- Down well pressure monitored in six wells including the first three drilled 2020 to establish wellfield communication.
- All wells drilled in 2020 flow with artesian pressure; all flow and pressure recovery tested.
- Drilling identifies 100-110OC geothermal reservoir at 200-400m depth at top of Precambrian basement.
- Feasibility Study now commenced on this reservoir.
- Anticipate the Study will identify sufficient enthalpy for commercial power generation and cascading direct-use applications.
- Future exploration to target deeper up flow and additional systems already identified at Bweengwa River; with objective of increasing size of resource.