



Delivering power to the people

ASX RELEASE ASX:AFR

13 February 2014

CLARIFICATION STATEMENT: PRODUCTION TARGET & FORECAST FINANCIAL INFORMATION

African Energy Resources Ltd (the “Company”) refers to the Quarterly Activities & Cashflow Report released to ASX on 31 January 2014 and the Investor Presentation released to ASX on 4 February 2014 (the “ASX Releases”).

Contained within the ASX Releases are references to production targets (10Mtpa ROM operation producing 2.4Mtpa of washed export coal) and forecast financial information (cash cost of \$9.10 per tonne for a total capital cost of \$350M) being the outcomes of a scoping study for the Mmamantswe Coal Project that was prepared prior to the acquisition of the project by the Company in 2013.

Investors are advised that the production targets contained in the ASX Releases do not establish the economic viability or definite value of the Mmamantswe Coal Project. The production targets were based on the Company’s existing and previously announced Measured and Indicated Mineral Resource estimates and internal cost estimates for the Mmamantswe Coal Project. These estimates and results are not in themselves sufficient to permit the application of the type of technical and economic analysis required to define the economic viability of the Mmamantswe Coal Project to the standard required by the 2012 JORC Code.

The Company retracts the statements of estimated production and provides no estimate of economic viability either real or implied from the production targets and forecast financial information and cautions investors against using those statements as a basis for investment decisions concerning the Company’s securities.

For any further information, please contact the Company directly on +61 8 6465 5500.