



INVICTUS  
ENERGY LIMITED

## Placement with Strategic Investor at Substantial Premium

DATE: 30 APRIL 2020

### HIGHLIGHTS

- **Invictus signs binding share subscription agreement with strategic Zimbabwe institutional investor Mangwana Opportunities Fund**
- **Placement agreed for 12.5 million shares to raise AUD\$0.44m**
- **Issue price of \$0.035 per share which is a premium of 91% to previous 5-day VWAP and 40% to last closing price**
- **Noted Zimbabwean businessman Mr. Joe Mutizwa to be appointed as a director to 100% owned subsidiary Invictus Energy Resources Zimbabwe**

Invictus Energy Limited ("Invictus" or "the Company"), is pleased to announce that the Company has entered into a binding share subscription agreement with the Mangwana Opportunities Fund.

Mangwana Opportunities Fund ("Mangwana" or "the Fund") is an investor owned, closed end investment company which is managed by Mangwana Capital. It is funded by Zimbabwean institutional investors including pension funds and invests primarily in the fields of Agriculture, Mining and Tourism with an investment horizon of 10 years. The Fund has prescribed asset status and has been granted tax exempt status by the Ministry of Finance.

The share subscription agreement raises the equivalent of AUD\$0.44 million through the placement of 12,564,143 shares at a share price of \$0.035; a 91% premium to the preceding 5 day VWAP of \$0.0183 and a 40% to premium to the last closing price of \$0.025. The condition precedent to the completion of the placement and the subscription agreement, is subject to approval by the Reserve Bank of Zimbabwe Exchange Control which is expected shortly. The shares issued to Mangwana will be held in escrow for 6 months from the date of completion.

Funds raised from the placement will be used advance the Cabora Bassa Project including on the ground activity and preparatory works in the project area, our CSR program within the Muzarabani and Mbire Districts and other in country activities.

### About Invictus Energy

Invictus Energy Ltd is an independent oil and gas exploration company focused on high impact energy resources in sub-Saharan Africa. Our asset portfolio consists of a highly prospective 250,000 acres within the Cabora Bassa Basin in Zimbabwe. Special Grant 4571 contains the world class multi-TCF Mzarabani and Msasa conventional gas-condensate prospects.

### Board & Management

**Dr Stuart Lake**  
NON-EXECUTIVE CHAIRMAN

**Scott Macmillan**  
MANAGING DIRECTOR

**Brent Barber**  
COUNTRY MANAGER

**Barnaby Egerton-Warburton**  
NON-EXECUTIVE DIRECTOR

**Eric de Mori**  
NON-EXECUTIVE DIRECTOR

**Gabriel Chiappini**  
NON-EXECUTIVE DIRECTOR &  
COMPANY SECRETARY

The agreement makes provision for a further equity investment by Mangwana for the project over the next 12-24 months.

#### **Appointment of Mr. Joe Mutizwa to the board of Invictus Energy Resources (Zimbabwe) Pvt Limited**

The Company is pleased to announce the appointment of respected Zimbabwean business person Mr. Joe Mutizwa, current chairman of Mangwana Capital, as a director of the Company's 100% owned local subsidiary Invictus Energy Resources Zimbabwe Pty Ltd. Joe served for ten years as Chief Executive of Delta Corporation, one of Zimbabwe's largest listed companies before taking early retirement in 2012.

He currently sits on the Presidential Advisory Council (PAC), a body appointed by Zimbabwe's President, His Excellency CDE E.D Mnangagwa, which is comprised of experts and leaders drawn from diverse sectors to advise and assist the President in formulating key economic policies and strategies in the country. Joe served on the board of the Reserve Bank of Zimbabwe (2015-2019) and currently chairs the board of Star Africa Corporation Zimbabwe (ZSE: SACL), a local sugar refiner; as well as the board of the Infrastructure Development Bank of Zimbabwe (IDBZ).

Joe has a BSc degree (with first class honours) from The London School of Economics; an MBA from the University of Zimbabwe and an MSc from HEC – Paris and Oxford University.

Invictus Managing Director Scott Macmillan commented:

*"We are pleased to announce this investment by Mangwana Opportunities Fund at a premium which strengthens our investor base and in-country presence through the appointment of Joe Mutizwa to our local subsidiary board. Our partnership with Mangwana will assist the Company in advancing key objectives in country and provide exposure for local investors to our world class Cabora Bassa project."*

Joe Mutziwa, Chairman of Mangwana Capital and incoming director of wholly owned subsidiary Invictus Energy Resources Zimbabwe commented:

*"We are delighted to become a shareholder of Invictus. Our fund investors comprise a broad range of Zimbabwe's institutional investors and our Investment in Invictus will ensure that they share in the success of the Company. The Cabora Bassa project in Muzarabani is a potential game changer for the country which can bring about significant economic benefits and energy security to the entire region. We look forward to supporting Invictus to achieve their goals in Zimbabwe and developing our partnership with them."*

For further information on Mangwana Opportunities Fund please visit:

<https://www.mangwanacapital.com/mangwana-opportunities.html>

#### **Corporate Update**

In light of the global market and oil industry environment, the Board and Management has focused on reducing costs within its control. To this end, the Company has made cuts in various categories of its corporate costs in Australia from its already low overheads. The Board and Management have agreed to reduce their annual fees and remuneration by 25-50 percent effective 1 April 2020. Securing funding from Mangwana ensures that the project spending is unaffected and our exploration program remains on track. The Board believes that the Company's cost base is now at a more appropriate level for the current circumstances and sees the Company fully funded to deliver a farmout of SG 4571.

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Authorised by Scott Macmillan, Managing Director for and on behalf of the board of Invictus Energy Limited

## ANNEXURE

### Key Terms – Mangwana Share Subscription

- Subject to Reserve Bank of Zimbabwe Exchange Control approval
- Total of up to four tranches of funding available calculated at market rates
- 12 month term which may be extended by a further 12 months
- Payments to be made to the Company's local ZWL account
- Shares will be held in voluntary escrow for a period of 6 months from issue
- On completion of first tranche of funding Mangwana have the right to appoint a director to the board of Invictus Energy Resources Zimbabwe, the Company's wholly owned subsidiary
- On completion of fourth tranche of funding Mangwana have right to nominate a director to the board of Invictus subject to normal approvals
- Agreement may be terminated by agreement of the Parties at any time

For further information on Invictus Energy, please visit the Company's website at [www.invictusenergy.com](http://www.invictusenergy.com)



#### About the Cabora Bassa Project

The Cabora Bassa Project encompasses the Mzarabani Prospect, a multi-TCF and liquids rich conventional gas-condensate target, which is potentially the largest, undrilled seismically defined structure onshore Africa. The prospect is defined by a robust dataset acquired by Mobil in the early 1990s that includes seismic, gravity, aeromagnetic and geochemical data.

**#Cautionary Statement:** The estimated quantities of petroleum that may be potentially recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially movable hydrocarbons. Prospective Resource assessments in this release were estimated using probabilistic methods in accordance with SPE-PRMS standards.

The Company is not aware of any new information and that all material assumptions and technical parameters underpinning prospective resource estimate continue to apply and have not materially changed

**\*Giant fields** are conventional oil or gas fields with a recoverable reserve of 500 MMboe or more as defined by the American Association of Petroleum Geologists (AAPG)

**\*Elephant fields** are conventional oil or gas fields with a recoverable reserve of 1 Billion boe (1,000 MMboe) or more as defined by the American Association of Petroleum Geologists (AAPG)

**SG 4571** - Special Grant Permit 4571 was granted in August 2017, the first exploration work programme has been completed. Invictus has an 80% equity stake in SG4571 via its subsidiary Geo Associates (Private) Limited

For further information, please contact:

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