

NEWS RELEASE

Project Update

28 December 2018: Ncondezi Energy Limited ("Ncondezi" or the "Company") (AIM: NCCL) provides a general update on its process to conclude a binding Joint Development Agreement ("JDA") for the Company's integrated 300MW power and coal mine project in Tete Mozambique (the "Project").

Following the announcement on 26 November 2018, the Company has continued to engage with the Liaison Committee, setup and chaired by the Mozambican Ministry of Mineral Resources and Energy ("MIREME"), to agree the updated Project work program and timetable. This process is expected to be finalised in January 2019.

The Company's targets to conclude the JDA and binding engineering, procurement, and construction ("EPC") and operations and maintenance ("O&M") contracts during Q1 2019 remain on track.

Further updates will be provided to investors at the appropriate time.

Enquiries

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Note:

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation ("MAR"). Upon the publication of this announcement via Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain. If you have any queries on this, then please contact Hanno Pengilly, Chief Development Officer of the Company (responsible for arranging release of this announcement) on +27 (0) 71 362 3566.

Ncondezi owns 100% of the Ncondezi Project which is strategically located in the power generating hub of the country, the Tete Province in northern Mozambique. The Company is developing an integrated thermal coal mine and power plant in phases of 300MW up to 1,800MW. The first 300MW phase is targeting domestic consumption in Mozambique using reinforced existing transmission capacity to meet current demand.