

NEWS RELEASE

JDA Update

28 February 2019: Ncondezi Energy Limited ("Ncondezi" or the "Company") (AIM: NCCL) is pleased to provide an 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 1 February 2019, the Company has concluded positive meetings with the Liaison Committee, setup and chaired by the Mozambican Ministry of Mineral Resources and Energy ("MIREME"), where the updated Project work program and timetable targeting power on the grid by 2023 was presented. Following these meetings, the Company's potential strategic partners have confirmed that the process to conclude the JDA can now move forward. All parties are currently reviewing the latest draft and timetable for completion of the JDA, although the Company does not expect material slippage, if at all, from the current target timeframe of Q1 2019 or any impact on the overall timetable leading up to first power targeted in 2023.

The JDA is now being prioritised and will be followed by other project deliverables such as the receipt of binding engineering procurement, and construction ("EPC") and operations and maintenance ("O&M") contracts. This will ensure timelines of key milestones such as final tariff submission, the Power Purchase Agreement or Financial Close are as per the approved Project timetable.

Non-Executive Chairman, Michael Haworth, commented: *"Today's announcement further reinforces the serious intent of all parties to deliver the Project, one of the most advanced power development projects in the region. The positive meetings with the Liaison Committee have set the final stage for the Company and its potential strategic partners to conclude the JDA, a material de-risking event for the Project which will formally set out the terms on which the Project will be developed, funded and operated. Getting to this point has required the achievement of significant milestones to further confirm the economic and commercial viability and attractiveness of the Project, including updating EPC and O&M proposals for the Project, finalisation and submission of an updated power tariff, receipt of formal government support for the Project from MIREME and delivery of an updated work program and timetable to the Liaison Committee. The Company and its potential strategic partners have agreed to now focus on concluding the JDA as soon as possible and the timetable to deliver this milestone is being reconfirmed."*

Enquiries

For further information please visit www.ncondezienergy.com or contact:

Ncondezi Energy:	Hanno Pengilly	+27 (0) 71 362 3566
Liberum Capital Limited: NOMAD & Joint Broker	Christopher Britton / Richard Crawley	+44 (0) 20 3100 2000
Novum Securities Limited: Joint Broker	Colin Rowbury	+44 (0) 20 7399 9427

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,



www.ncondezienergy.com

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.