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INTRODUCTION

The African power development sector is one of the fastest growing sectors in Africa today

Ncondezi is a leading Mozambican power development company

- Advanced stage integrated 300MW coal fired power plant and mine development project (the “Ncondezi Project” or “Project”)
- Located in Tete, northern Mozambique – regional energy growth hub

Targeting delivery of first power onto the Mozambican grid by 2023 through a 25 year offtake agreement to meet existing demand

- Provides guaranteed revenue stream for the life of the project

Focused on providing reliable, affordable and accessible baseload energy

- Secures against affects of water drought and intermittency of new renewables

Equipped with state-of-the-art emission controls technologies to meet the most stringent emission standards

World class developer China Machinery Engineering Corporation (“CMEC”) and technology provider General Electric (“GE”)

- Binding Joint Development Agreement (“JDA”) signed in July 2019

Support from top levels of government in Mozambique and China

Clear roadmap to material Project de-risking and unlocking of value over next 3 to 12 months

Proposed JV with GridX provides the opportunity to expand into the growing captive solar and battery storage sector
CORPORATE OVERVIEW

Corporate Information

**Listing:** AIM Market, London Stock Exchange (ticker NCCL)

**Sector:** Power development

**Shares in issue:** 325m

**Share price:** GBp 5.05 (as at 9 Oct, 2019)

**Market Cap:** GBP 16.4m

**Cash:** US$1.5m (Sept 2019)

**Nomad & Joint Broker:** Liberum Capital

**Joint Broker:** Novum Securities

Shareholder Breakdown

- **Africa Finance Corporation:** 57%
- **Polenergia:** 17%
- **Scott Fletcher:** 12%
- **Michael Haworth (Chairman):** 9%
- **Estevão Pale:** 5%

Board of Directors

<table>
<thead>
<tr>
<th>Director</th>
<th>Details</th>
</tr>
</thead>
</table>
| Michael Haworth       | Non Executive Chairman  
  - Founding Ncondezi investor in 2008  
  - Senior Partner at Greenstone Resources, a private equity fund in the mining and metals sector  
  - Previously Head of Mining and Metals Corporate Finance in London for JPMorgan |
| Hanno Pengilly        | Chief Executive Officer  
  - Led power project and mine development programmes  
  - Joined March 2010 |
| Jacek Glowacki        | Non Executive Director  
  - Previously CEO & Chairman of Polenergia Group, a leading private Independent Power Producer in Poland  
  - Previous operating experience includes General Manager of Nowa Sarzyna, the first private greenfield gas project in Poland, and Chief Production Engineer at Cracow Combined Heat and Power Plant, owned by EDF |
| Aman Sachdeva         | Non Executive Director  
  - President CEO of Synergy Consulting, a global infrastructure advisory and project finance company which has closed projects worth over US$12bn  
  - Clients include the World Bank as well as a number of state owned power utilities  
  - 27 years’ experience in infrastructure industry, specialising in the energy sector |
| Estevão Pale          | Non Executive Director  
  - Previously CEO of Companhia Mocambicana de Hidrocarbonetos, a leading state owned gas company in Mozambique  
  - Previously National Director Mines and Energy in Mozambique between 1996 and 2005 |
MOZAMBIQUE IS A KEY GROWTH MARKET

Mozambique is rich in conventional and renewable energy sources
- Large resources of coal (+20Bt) and gas (85tcf)
- 7.5 GW of renewable potential (5.6 GW hydro, 1.1 GW wind and 0.6 GW solar)

Leading energy generator and exporter in the Southern African Region
- Projected domestic energy demand growth of 10x over next 25 years
- Largest exporter into South Africa

$40bn development of offshore gas fields potentially transformational
- Over 4x current GDP
- LNG exports from 2022

Power generation a key development sector for Mozambique
- Targeting universal access to electricity in Mozambique by 2030
- Establish Mozambique as a southern African energy powerhouse

Mozambique targeting over 1,200MW of new power generation by 2023
- Includes 650MW of new coal power generation

World Bank has led over $730m in financing for new transmission connections in Mozambique in 2019

Note: Electricidade de Moçambique press statement, 18 October 2018
Source: Publicly available information, EDM 10 Year Strategy Paper (2018)
OVERVIEW OF MOZAMBIQUE GRID

Transmission system is developed as 3 independent networks
- Northern, central and southern
- Compromising its ability to link supply and demand centres

Northern grid a key growth area
- Mining, Agriculture, Onshore LNG processing
- Exports

North and central grids’ dependence on hydro power exposes it to the effects of water droughts
- 25% capacity reductions

Increased intermittency created by new solar generation

Planned expansion into neighbouring Malawi and Zambia

Coal an ideal choice
- Resources close to existing infrastructure
- Diversifies generation mix
- Provides stable baseload power
- Scalable

Key Power Generation Projects

Ncondezi Coal (300 MW)
Hydro (1,245 MW)
Solar (60 MW)
Gas (841 MW)

Source: Publicly available information, EDM 10 Year Strategy Paper (2018)
PROJECT OVERVIEW

- 4.0Bt JORC coal resource
- Planned open pit coal mine
- 1.5Mtpa production
- +25 year life of mine

- 300MW generating capacity
- Reliable 24 hour supply
- Power 480,000 UK households

- 25 year Power Purchase Agreement
- EDM 100% offtaker
- US$ denominated

- 2km conveyor
- 92km connection
- 2,000,000 MWh per annum
- Dedicated transmission connection onto the grid
- 220 kV lines

$1bn Integrated Power Plant & Mine Project

Note: 1 based on OFGEN 2017 TDVC medium Profile Class 2 usage of 4,200 kwh
NCONDEZI KEY ADVANTAGES

Energy security
• Secures Mozambique against drought
• Balances intermittency of renewables

Energy affordability
• Centralised generation
• Integrated project
• Large indigenous resource base
• Location

Energy accessibility
• Target first power delivery by 2023

Execution speed
• One of the most developed projects in Mozambique
• Co-development partners identified
• Sized to feed into existing grid infrastructure and demand

Cleaner generation
• State-of-the-art emissions control technologies
• Compliant with OECD guidelines
• Proposed to meet the current draft IFC/World Bank most stringent emissions guidelines for coal plants
• Reduces dependence on dirtier fuels such as diesel, kerosene and charcoal

Emission Standards

<table>
<thead>
<tr>
<th></th>
<th>World Bank</th>
<th>South African</th>
<th>Proposed Ncondezi</th>
</tr>
</thead>
<tbody>
<tr>
<td>Particulates (PM)</td>
<td>50</td>
<td>68</td>
<td>25</td>
</tr>
<tr>
<td>Sulphur Dioxide (SO2)</td>
<td>850</td>
<td>682</td>
<td>200</td>
</tr>
<tr>
<td>Nitrogen Oxides (NOx)</td>
<td>1,023</td>
<td>510</td>
<td>200</td>
</tr>
</tbody>
</table>

Note: Ncondezi Project located in Tete province which is demarcated as a non degraded air shed.
Ncondezi standards based on IFC/World Bank 2017 draft guideline limits for degraded air shed.
STRONG PROJECT SUPPORT

Governments of Mozambique and China
✓ Selected as a key infrastructure project at the 2nd China-Mozambique International Cooperation Summit in 2019

Ministry of Mineral Resources and Energy
✓ Agreed project work programme and timetable
✓ Power and Mine Framework Agreements signed
✓ Mining Concession granted – 5967C

Electricity of Mozambique
✓ Offtake contract Heads of Terms
✓ Project Delivery MoU

Project Development & Technology Provider
✓ JDA signed
✓ Agreed process to deliver key development milestones

Cornerstone Investor
✓ Leading African infrastructure development fund
✓ US$3.0bn in committed funding
JDA WITH CMEC AND GE

- Material de-risking event
- Project to be co-developed to Financial Close
- World class developers & operators of power projects
- Strong track record delivering in Africa

- CMEC to be main EPC and O&M contractor
- GE to be main technology provider for power project
- Ncondezi expected to retain 40% project equity
- Potential for reimbursement of historical costs and subscription price¹

Note: ¹ Subject to agreement between the parties, and government and lender approvals
### CLEAR PATHWAY TO VALUE UNLOCK

**Key Milestones over next 12 months**

<table>
<thead>
<tr>
<th>Event</th>
<th>Timeframe</th>
</tr>
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<tbody>
<tr>
<td>Technical team site visits and final due diligence</td>
<td>Q4 2019</td>
</tr>
<tr>
<td>Receipt of updated EPC and O&amp;M proposals</td>
<td>Q4 2019</td>
</tr>
<tr>
<td>Receipt of indicative financing terms from lenders</td>
<td>Q4 2019</td>
</tr>
<tr>
<td>Update Project Financial model and power tariff</td>
<td>Q4 2019</td>
</tr>
<tr>
<td>Finalise tariff offer with EDM</td>
<td>H1 2020</td>
</tr>
<tr>
<td>Finalisation of Ncondezi historic costs</td>
<td>Q2-Q3 2020</td>
</tr>
<tr>
<td>Finalisation of subscription price</td>
<td>Q2-Q3 2020</td>
</tr>
<tr>
<td>Finalise PPA and PCA</td>
<td>Q2-Q3 2020</td>
</tr>
</tbody>
</table>
OFF GRID OPPORTUNITY

Least-cost solution for delivering universal electricity access in the Energy for All Case, 2030

- Grid access for 150 million additional people, with hydro accounting for the lion’s share
- Decentralised solutions, mainly solar PV, for the remaining 450 million people in rural areas
- An additional $26 billion per year is needed in electricity generation and grids

Source: International Energy Agency
NEW GROWTH MARKET - GRIDX JV

Significant market demand for cost effective and reliable power in the African Commercial and Industrial ("C&I") sector

- Strong economic case against traditional power generation such as diesel generators
- Solar PV modules expected to fall 37% by 2025\(^1\)
- Battery storage systems costs forecast to fall by 67% by 2030\(^2\)

Signed term sheet with GridX Africa Development ("GridX"), to enter into a JV

- Offers strategic approach to new growth market
- Access to a portfolio of construction ready African C&I solar and battery storage projects

Access to low risk annuity business with low capital barriers to entry, significant growth potential and near-term cashflows

GridX an established player

- First solar battery project delivered in Q1 2019
- Pipeline of 15 projects at various stages of development

Low capital projects with fast delivery

- Target average total capital requirement of US$0.5-2.0m per project
- Lower capital barrier to entry compared with utility scale projects
- Expected construction timeframe within 12 months

Significant funding is moving into the sector

- Approximately US$130m raised for African captive energy solutions and storage over the last 12 months
- Over US$4bn committed globally, including US$1bn from World Bank
- Growth potential and sustainability goals driving major utilities and oil majors into the sector – Enel, Engie, EDF, Shell, Total

CONCLUSION

Advanced stage $1bn project targeting first power by 2023 – in line with Government Strategy

Focused on providing reliable, affordable and accessible power whilst meeting the most stringent emission standards

Located in growing power hub of southern Africa – Mozambique

World leading co development partners and strong support from Mozambique and Chinese governments

Clear roadmap to de-risk the Project and unlock value over next 3 to 12 months

Adequate cash resources to close out next key milestones – EPC and O&M bids and tariff negotiations

GridX JV for off grid solar & battery storage offers strategic entry point new growth market
Thank You