

NEWS RELEASE

Shareholder Loan Restructuring Update

26 November 2019: Ncondezi Energy Limited ("Ncondezi" or the "Company") (AIM: NCCL) provides the following update on its Shareholder Loan (the "Loan") restructuring process.

Highlights:

- Ncondezi has received "in principle" support from all loan holders ("Lenders") to enter the Loan restructuring proposal as set out below (the "Restructuring"):
 - 12 month extension on existing terms, including 12% annual interest rate and ability for Lenders to swap debt for equity in part or in full at a conversion price of 10.0p per share
 - A right for Ncondezi to pay off the original principal amount of the Loan along with conversion of all interest into Ncondezi shares on AIM at a 25% to 30% premium to the 30 day volume weighted average price ("VWAP")
- Documentation for the Restructuring is being finalised for submission to Lenders
- All Lenders have indicated that they will not call in the Loan whilst the Restructuring is being finalised. The Loan currently matures on 30 November 2019
- The Loan is currently valued at US\$4.3m, including US\$2.1m principal and US\$2.2m rolled up interest
- 50% of the Loan is held by the Company's largest shareholder
- 45% of the Loan is held by Ncondezi Board and management
- The Restructuring is subject to the lenders agreeing to the documentation and the necessary related party transaction process being completed by the Company's Independent Directors
- Restructuring documentation to be finalised and is expected to be completed before the end of December 2019
- A further announcement will be made once definitive documentation to effect the Restructuring has been entered into.

Related Party Transaction

The proposed Restructuring would likely constitute a related party transaction for the purposes of AIM Rule 13 for Companies. Accordingly, should the Restructuring be accepted by all Lenders and before signing, the Company's Independent Directors would need to consider that the terms of the Restructuring are fair and reasonable insofar as its shareholders are concerned.

There can be no certainty that the transactions contemplated by this announcement will occur.

Ncondezi Chief Executive Officer, Hanno Pengilly said: *"Ncondezi is at an advanced stage of finalising the Shareholder Loan restructuring. The Restructuring will provide additional time to explore future refinancing options and the company has received several refinancing offers to date. Management are concentrating on further de-risking the 300MW Ncondezi Power Project (the "Project") over the next 3 to 6 months. and the proposed Restructuring will provide the team with sufficient time it needs to do that.*

Over the last year, the Loan has been reduced through conversion by more than US\$1.3m, and the Company is working to deliver an attractive refinancing solution for shareholders in the future."

Enquiries

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

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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.