

## NEWS RELEASE

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### Power Tariff Process Update

17 January 2020: Ncondezi Energy Limited ("Ncondezi" or the "Company") (AIM: NCCL) is pleased to provide an update on its power tariff finalisation and submission process for the integrated Ncondezi 300MW coal fired power project and coal mine in Tete, Mozambique (the "Project").

**Highlights:**

- Tariff financial model on track for submission to Strategic Partners at the end of January 2020
- Targeting competitive tariff rate in line with recently agreed tariff rates with Electricidade de Moçambique ("EDM")
- Supporting EPC information received and under review by Ncondezi technical team
- Supporting O&M information currently under optimisation process with Strategic Partners
- Tariff submission remains on track for Q1 2020
- Target tariff negotiation finalisation expected during H1 2020

**Ncondezi Chief Executive Officer, Hanno Pengilly said:** *"The process to finalise a tariff offer for submission to EDM is well underway and on track for submission in Q1 2020. The Company continues to work closely with its strategic partners and tariff financial advisor to achieve a competitive firm tariff offer in line with the latest agreed tariff rates in Mozambique. The updated tariff financial model is expected to be submitted to the Company's Strategic Partners before the end of January 2020 for review and comment. Following this, the Company expects the model to be further optimised for final sign off by all parties ahead of submission to EDM."*

*The Ncondezi Project is one of the most advanced development stage baseload power projects in Mozambique, and is being designed to provide low cost reliable 24 hour power whilst meeting the strictest emission standards. The Project is aligned with government strategy for additional baseload power on the grid by 2023 and universal energy access by 2030."*

## Enquiries

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## About Ncondezi Energy

Ncondezi is an African power development company with an advanced staged, integrated 300MW thermal coal power plant and mine project located in the Tete Province, Northern Mozambique.

The Company is focused on providing reliable, affordable and accessible baseload energy which will secure against the effects of water drought and intermittency of new renewables. This project supports Mozambique's energy strategy of universal electricity access by 2030. According to the World Bank, only 30% of the Mozambican population had access to energy in 2017. The Ncondezi Project would provide 300MW of reliable and available power helping to close the infrastructure gap of the region and serving as a catalyst for economic development.

The power plant will be designed to be equipped with state-of-the-art emissions controls technologies that will reduce local air pollutants, minimizing the plant's impact on the environment and ensuring its compliance with the most stringent emission standards

In April 2019 the Company announced a proposed Joint Venture with GridX Africa Power Development to enter into the Commercial and Industrial ("C&I") renewable and battery storage sector and in October 2019 announced their first investment in an off grid solar battery project. The move into the C&I solar and battery storage sector offers a significant opportunity for the Company to complement the existing large-scale baseload power project and access near-term low-risk annuity income streams which have significant growth potential.