

NEWS RELEASE

Over Subscribed £750,000 Placing at 4.5p

25 November 2020: Ncondezi Energy Limited ("Ncondezi" or the "Company") (AIM: NCCL) is pleased to announce that it has raised a total of £750,000 before expenses by way of an oversubscribed placing at a small premium to the 30 day volume weighted average price.

Highlights

- Raised a total of £750,000 before expenses via the issue of 16,666,667 ordinary shares of no par value ("Ordinary Shares") in the Company ("Placing Shares") at a price of 4.5 pence per Placing Share (the "Placing Price") (the "Placing").
- Scott Fletcher, a Non Executive Director of the Company, has subscribed for 1,777,800 Placing Shares in the Placing for a total of £80,000. Following the Placing Scott Fletcher will be beneficially interested in 62,505,997 Ordinary Shares, representing approximately 17.06 per cent. of the Company's enlarged issued share capital.
- For each two Placing Shares subscribed for in the Placing participating investors will receive a non-transferable warrant to subscribe for an Ordinary Share with an exercise period of one year and exercisable at a price of 7.5 pence per Ordinary Share (the "Placing Warrants"). The issue of the Placing Warrants is subject to the approval of certain shareholder resolutions at the Company's Annual General Meeting on 16 December 2020 (the "AGM").
- In addition to the Placing, Hanno Pengilly, the Company's CEO, has confirmed his intention to apply up to \$120,000 of any bonus due to him on the achievement of various milestones in relation to 2019 and 2020 in subscribing for new Ordinary Shares in the Company at the Placing Price. Any such subscription will be subsequent to completion of the Placing and is conditional upon the approval of certain shareholder resolutions at the Company's AGM.

The Company will use the net proceeds of the Placing for general working capital purposes. The net proceeds together with the Company's existing cash resources are expected to cover corporate costs to complete the tariff negotiations with Electricidade de Moçambique and key agreements including the Power Purchase Agreement and Power Concession Agreement.

Ncondezi Chief Executive Officer, Hanno Pengilly said:

"We are delighted with the result of this oversubscribed Placing which puts the Company in a strong financial position ahead of a transformational year as we progress the Project towards Financial Close. In addition, I would like to thank Scott Fletcher who has made an immediate impact since joining the Board earlier this month and to welcome the new Shareholders who have participated in the Placing.

We look forward to providing further updates as we hit our milestones and continue to move the Project forwards. We also look forward to progressing our C&I solar battery strategy in a way that does not impact our cashflows at the group level, the Board will work in parallel on this and will update the market in due course."

Placing

The Company has raised gross proceeds of £750,000 before expenses, through a conditional Placing of 16,666,667 Ordinary Shares at a price of 4.5 pence per Ordinary Share, representing a small premium to the 30 day volume weighted average price and a 50% premium to the last fundraising in May 2020.

As part of the Placing, for each two new Placing Shares subscribed for the placee will receive a non-transferable Placing Warrant to subscribe for an Ordinary Share with an exercise period of one year and exercisable at a price of 7.5 pence per Ordinary Share. The issue and exercise of the Placing Warrants into Ordinary Shares is conditional upon shareholder approval of the relevant resolutions to grant the Directors authority to allot shares and disapplying pre-emption rights at the forthcoming AGM due to be held on 16th December 2020. It is expected that the relevant resolutions will be passed but there is no certainty that they will be. A total of 8,333,334 Placing Warrants will be issued. The Placing Warrants will not be listed and will be exercisable at any time for a period of one year from the date of Admission.

Application will be made for the admission of the Placing Shares to trading on AIM ("Admission"), with Admission expected to take place on or around 8 December 2020. Completion of the Placing is conditional upon, inter alia, Admission taking place. The Placing Shares will rank pari passu in all respects with the existing Ordinary Shares of the Company.

The Placing was arranged by Novum Securities Limited pursuant to a placing agreement entered into with them. In connection with the Placing, the Company has also agreed to issue 833,333 warrants over Ordinary Shares to a nominee of Novum Securities Ltd ("Novum") ("Broker Warrants"). Each Broker Warrant entitles the holder to subscribe for one Ordinary Share at the Placing Price and will be exercisable at any time for a period of one year from the date of Admission. The issue and exercise of the Broker Warrants into new Ordinary Shares is also conditional on shareholder approval of the relevant resolutions to grant the Directors authority to allot shares and disapplying pre-emption rights at the forthcoming AGM due to be held on 16th December 2020.

Voting Rights

Following Admission, the Company's issued share capital will comprise 366,361,716 Ordinary Shares, each with one voting right. The above figure of Ordinary Shares may be used by Shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the Disclosure and Transparency Rules.

Enquiries

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

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The notification below is made in accordance with the requirements of the EU Market Abuse Regulation.

Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them.

1	Details of the person discharging managerial responsibilities / person closely associated					
a)	Name	Scott Fletcher				
2	Reason for the notification					
a)	Position/status	Non-Executive Director				
b)	Initial notification /Amendment	Initial notification				
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor					
a)	Name	Ncondezi Energy Limited				
b)	LEI	2138003W75PP9STE9J18				
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted					
a)	Description of the financial instrument, type of instrument Identification code	Ncondezi Energy Limited ordinary shares of no par value VGG640631039				
b)	Nature of the transaction	Fundraising				
c)	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>1. 4.5p</td> <td>1. 1,777,800</td> </tr> </tbody> </table>	Price(s)	Volume(s)	1. 4.5p	1. 1,777,800
Price(s)	Volume(s)					
1. 4.5p	1. 1,777,800					
d)	Aggregated information - Aggregated volume - Price	 1,777,800 4.5p				

e)	Date of the transaction	24/11/2020
f)	Place of the transaction	London Stock Exchange, AIM

Note:

The information contained within this announcement in relation to the proposed Placing and Subscriptions 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 Executive Officer of the Company (responsible for arranging release of this announcement) on +27 (0) 71 362 3566.

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 to Mozambique and 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 2019, the Company entered into the Commercial and Industrial ("C&I") renewable and battery storage sector and in October 2019 announced its first investment in an off grid solar battery project. The Company has also secured the right to fund a US\$5.5m C&I project development pipeline in Mozambique through a Relationship Agreement with a C&I developer. 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.