

NEWS RELEASE

CEO Share Subscription

25 March 2021: Ncondezi Energy Limited ("Ncondezi" or the "Company") (AIM: NCCL) announces the issue of 4,352,403 ordinary shares of no par value in the Company ("Ordinary Shares") in aggregate (together the "New Ordinary Shares") in lieu of certain deferred salaries, awarded bonuses and outstanding contractor, adviser and consultant fees.

Highlights

- The Company's CEO, Hanno Pengilly, has subscribed for 3,240,401 Ordinary Shares in aggregate (the "CEO Subscriptions") comprising:
 - 1,996,755 Ordinary Shares at 4.5p per Ordinary Share (being the November 2020 placing price) in relation to contractual bonuses due to him on the achievement of various milestones in 2019 and 2020; and
 - 1,243,646 Ordinary Shares issued at 3.0p per Ordinary Share (being the May 2020 placing price) in relation to his deferred salary between April 2020 and November 2020.
- 754,860 Ordinary Shares issued at 3.0p per share (being the May 2020 placing price) to certain employees, contractors and consultants to the Company in relation to outstanding deferred salaries and fees accrued between April 2020 and November 2020.
- 357,142 Ordinary Shares issued at 4.2p per share (being the 30 day VWAP to 23 March 2021) in lieu of outstanding adviser fees.
- Hanno Pengilly has agreed to enter into a lock-in agreement with the Company in relation to the 3,240,401 Ordinary Shares being issued to him in relation to the CEO Subscriptions such that he will not be able to sell any of these shares for a period of 3 years from the date of issue without the prior permission of the Company.

Application will be made for the admission of the New Ordinary Shares to trading on AIM ("Admission"), with Admission expected to take place on or around 30 March 2021. The New Ordinary Shares will rank pari passu in all respects with the existing Ordinary Shares of the Company.

Total Voting Rights

Following Admission, the Company's issued share capital will comprise 370,714,119 Ordinary Shares, each with voting rights. The above figure of 370,714,119 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.

Ncondezi Chairman, Michael Haworth said:

"Today's announcement confirms the execution of commitments made in May and November 2020 by the Company's senior management, key contractors and consultants to align themselves with shareholders by taking shares in lieu of salaries, fees and bonuses. At the height of the COVID-19 pandemic, 30% of salaries

and fees were deferred for 8 months to ensure that the Company was adequately funded until the end of 2020. Hanno Pengilly also confirmed, in November 2020 his intention to subscribe for shares in the company in relation to all of his 2019 and 2020 bonus due to him.”

May 2020 Deferred Salaries and Fees

On 15 May 2020, as part of the Company’s £650,000 placing and subscriptions announcement, the senior management team and certain contractors and consultants to the Company agreed to defer 30% of salaries and fees until 30 November 2020 amounting to £48,114. Agreement has been reached for £22,646 of the deferred salaries and fees to be satisfied through the issue of 754,860 Ordinary Shares at the 15 May 2020 placing price of 3.0p per Ordinary Share.

Separately, Hanno Pengilly has agreed to subscribe for 1,243,646 shares at the 15 May 2020 placing price of 3.0p per Ordinary Share in relation to the deferral of 30% of his salary between 1 April 2020 and 30 November 2020.

Hanno Pengilly 2019 and 2020 Performance Bonus

On 25 November 2020, as part of the Company’s £750,000 placing, Hanno Pengilly confirmed his intention to apply up to US\$120,000 of any contractual bonus due to him on the achievement of various milestones in 2019 and 2020 in subscribing for new ordinary shares in the Company at the November 2020 placing price of 4.5p per Ordinary Share. Consequently, Mr Pengilly has subscribed for 1,996,755 Ordinary Shares at 4.5p per share which represents the full bonus due to him.

Related Party Transactions

The CEO Subscriptions constitute related party transactions for the purposes of AIM Rule 13 of the AIM Rules for Companies. Accordingly, the independent directors (being all of the Company’s directors other than Hanno Pengilly), consider, having consulted with the Company’s Nominated Adviser, Liberum Capital, that the terms of the Share Subscriptions are fair and reasonable insofar as the Company’s shareholders are concerned.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon publication of this Announcement and such information is now considered to be in the public domain. The person who arranged for the release of this announcement on behalf of the Company was Hanno Pengilly, CEO.

Enquiries

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

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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	Hanno Pengilly						
2	Reason for the notification							
a)	Position/status	Chief Executive Officer						
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	Ordinary shares of no par value VGG640631039						
b)	Nature of the transaction	Issue of shares in lieu of salary and bonuses						
c)	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>4.5p</td> <td>1,996,755</td> </tr> <tr> <td>3.0p</td> <td>1,243,646</td> </tr> </tbody> </table>	Price(s)	Volume(s)	4.5p	1,996,755	3.0p	1,243,646
Price(s)	Volume(s)							
4.5p	1,996,755							
3.0p	1,243,646							
d)	Aggregated information - Aggregated volume - Price	3,240,401 Average price of 3.75p						
e)	Date of the transaction	24 March 2021						
f)	Place of the transaction	London Stock Exchange, AIM						

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 nearterm low-risk annuity income streams which have significant growth potential.