

NEWS RELEASE

JDA Entering Final Phase

29 April 2019: Ncondezi Energy Limited ("Ncondezi" or the "Company") (AIM: NCCL) provides the following update on the process to sign a binding Joint Development Agreement ("JDA") for the Company's integrated 300MW power and coal mine project in Tete Mozambique (the "Project").

Following the announcement on 20 March 2019, the JDA process has entered the final phase of negotiations with its strategic partners, China Machinery Engineering Corporation ("CMEC") and General Electric South Africa (PTY) Limited ("GE"). Positive developments continue to be made on the JDA and the Company believes a final form JDA ready for execution is close to being finalised. All parties continue to provide commitments to sign the JDA as soon as possible, and this will require more time than the current target date of the end of April 2019. The Company is targeting an update to the market as soon as the JDA is in final agreed form and ready for submission for signature by the each of the parties.

In addition, during the week of 22 April 2019, Ncondezi joined the Mozambique government delegation in Beijing, China, for the Second Belt and Road Forum for International Cooperation. During the visit, Ncondezi, CMEC and GE held successful meetings with His Excellency Mr Filipe Nyusi, President of the Republic of Mozambique, the Governor of Tete and the Deputy Minister of Mineral Resources and Energy ("MIREME"). The meetings focused on the current status of the Project and critical next steps, including the signing of the JDA. Government re-emphasised the importance of new energy generation in the country's strategic planning and provided its support for the Project, encouraging the Company and its strategic partners to continue working to deliver the Project. Follow up meetings with the Mozambican Government will be targeted post execution of the JDA.

Non-Executive Chairman, Michael Haworth, commented:

"Significant progress has been made on the JDA over the last month with alignment being reached on a majority of the commercial points. The final JDA draft is expected at any moment and the Company asks for investor patience during these closing stages. At this time, no material delays in signing the JDA are expected. The Company's successful attendance as part of the Mozambican Government delegation in China for the Second Belt and Road Forum for International Cooperation provided an opportunity to raise the profile of the Project and provide the Company's strategic partners with further support and comfort from government."

China Machinery Engineering Corporation Vice President, Fang Yanshui, commented:

"CMEC is looking forward to realising the JDA soon and believes that together with GE and Ncondezi there is strong confidence to deliver the high-efficiency and advanced Ncondezi integrated power plant and mine to bring reliable power supply to the Mozambique power market."

General Electric Power regional executive sub-Saharan Africa, George Njenga, commented:

"We look forward to concluding the JDA, the next major development milestones as the Ncondezi project will be an important addition to the Mozambique's energy mix, adding much needed capacity that will further enhance regional energy security."

Enquiries

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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.

About Ncondezi

Ncondezi is a power development company which owns 100% of the 300MW Ncondezi Coal Power Project which is one of the most advanced development power project's in Mozambique. The project is strategically located in the Tete Province in northern Mozambique, a power generating hub that distributes power across the region. The Company is targeting delivery of first power onto the Mozambican grid by 2023 through a 25 year offtake agreement to meet existing demand.