

## NEWS RELEASE

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### General Update

30 August 2018: Ncondezi Energy Limited ("Ncondezi" or the "Company") (AIM: NCCL) provides the following update on its Shareholder Loan (the "Loan") restructuring process and process to conclude a binding Joint Development Agreement ("JDA") for the Company's integrated 300MW power and coal mine project in Tete Mozambique (the "Project").

#### Key Highlights:

- Ncondezi has received "in principle" support from all loan holders ("Lenders") to enter the Loan restructuring proposal as announced on 10 August 2018 (the "Restructuring").
- Documentation for the Restructuring has been submitted to Lenders and is in the process of being finalised.
- All Lenders have indicated that they will not call in the Loan whilst the Restructuring is being finalised. The Loan currently matures on September 2, 2018.
- Company Chairman, Michael Haworth and Non-Executive Directors, Estevao Pale and Chris Schutte signed irrevocable commitments on 29 August 2018 to enter into the Restructuring on terms agreed by the other Lenders.
- Further to the announcement on 26 July 2018, the Company and its potential strategic partners held meetings in Maputo as planned with Mozambican state power utility Electricity de Mozambique ("EDM") and the Ministry of Mineral Resources and Energy ("MIREME").
- In the meetings, both EDM and MIREME emphasised the need to align the Project development timeline with the current regional market environment and planning, as well as the need for a support package to progress the Project and the JDA. These are currently under negotiation.
- The Restructuring is subject to the lenders agreeing to the documentation, as well as shareholder approval for the necessary share authorities to undertake a contemplated debt for equity swap in relation to the Loan.
- Restructuring documentation to be finalized is expected to be received by the end of September 2018.
- A further announcement will be made once definitive documentation to effect the Restructuring has been entered into.

#### Related Party Transaction

The proposed Restructuring would constitute a related party transaction for the purposes of the AIM Rules for Companies. Accordingly, should the Restructuring be accepted by all Lenders and before signing, the Company's Independent Directors will need to consider, having consulted with Liberum Capital Limited, the Company's nominated adviser, that the terms of the Restructuring are fair and reasonable insofar as its shareholders are concerned.

There is no certainty that the Restructuring will occur.

### Enquiries

For further information please visit [www.ncondezienergy.com](http://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.**

**Ncondezi** owns 100% of the Ncondezi Project which is strategically located in the power generating hub of the country, the Tete Province in northern Mozambique. The Company is developing an integrated thermal coal mine and power plant in phases of 300MW up to 1,800MW. The first 300MW phase is targeting domestic consumption in Mozambique using reinforced existing transmission capacity to meet current demand.