

NEWS RELEASE

Power Plant EPC Contract Signed

9 September 2021: Ncondezi Energy Limited ("Ncondezi" or the "Company") (AIM: NCCL) is pleased to announce that the Engineering, Procurement and Construction ("EPC") power plant contract for the integrated Ncondezi 300MW coal fired power project and coal mine in Tete, Mozambique (the "Project") has been signed with China Machinery Engineering Corporation ("CMEC") at a virtual signing ceremony.

The EPC contract confirms CMEC as the main contractor to provide design, engineering, manufacturing, procurement, construction, erection, installation and commissioning of the Ncondezi 2x150MW coal-fired power station on an EPC turnkey basis. The EPC contract is valid for 3 years and subject to standard conditions being met before construction can start, including the achievement of Financial Close at the Project.

Ncondezi Chief Executive Officer, Hanno Pengilly said: *"We are delighted to sign the power plant EPC contract, the main construction contract for the Project. This represents a material de-risking event and demonstrates the commitment of our strategic partner CMEC going forwards."*

"Together with our partners we are now focused on delivering the remaining milestones and look forward to providing further updates in due course."

CMEC President, Mr Fang Yanshui said: *"Following the recent positive progress with all parties, CMEC is pleased to have signed the power plant EPC contract as committed this quarter. This is an important milestone for the Project and CMEC is committed to working with Ncondezi to deliver the Project in the near future."*

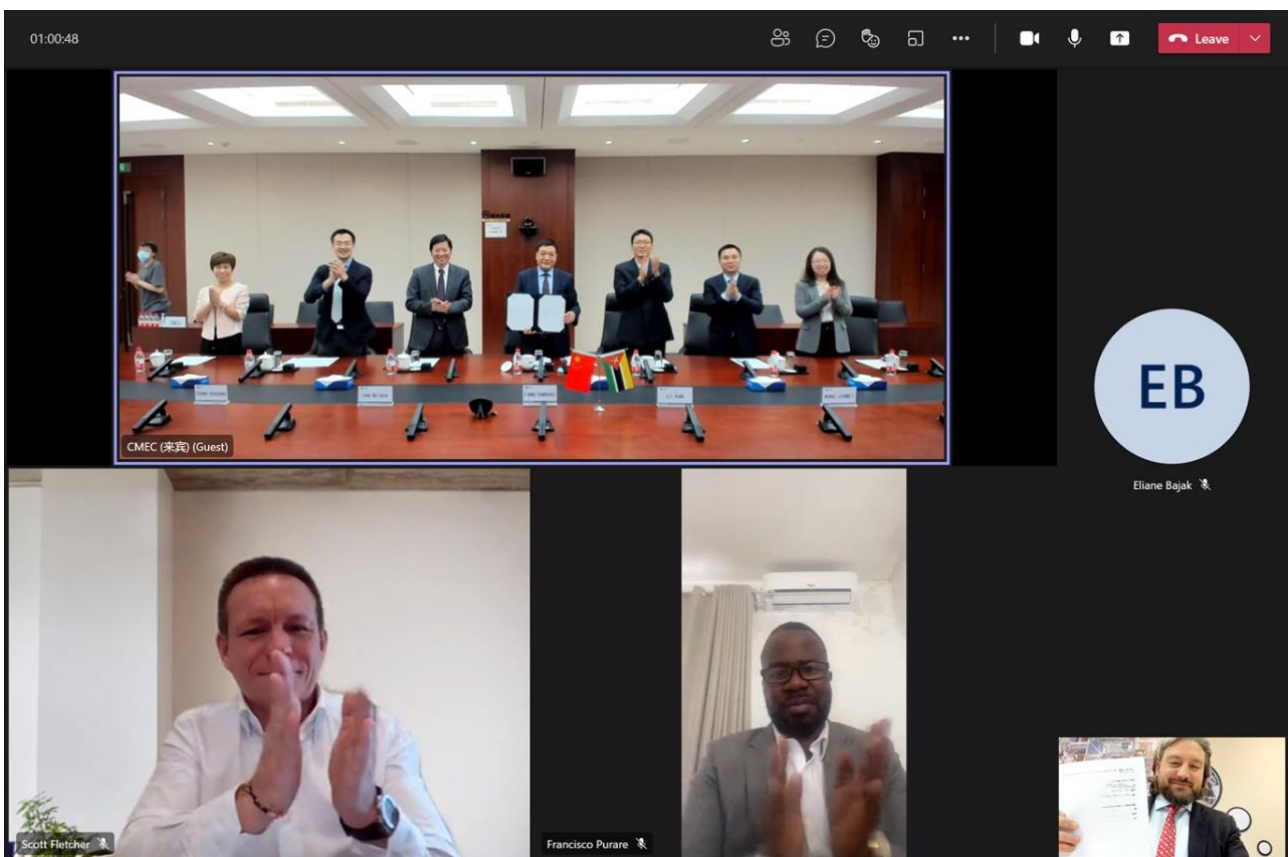


Image 1: Virtual EPC Contract Signature Ceremony

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 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 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.