

Ncondezi Restructures and Strengthens Management Team Ahead of Development of its Coal Project in Mozambique

22 May 2012: Ncondezi Coal Company Limited (“Ncondezi” or the “Company”) (AIM: NCCL) is pleased to announce a restructuring of the senior management team as it prepares for the development phase of its Ncondezi Coal Project (the “Project”) in Mozambique. All appointments will be effective from 1 June 2012.

Michael Haworth has been appointed to the Board as Non-Executive Chairman and will replace Richard Stuart who will remain on the Board as a Non-Executive Director. Mr Haworth is a Non-Executive Director of Zanaga Iron Ore Company and is a director of Strata Limited (“Strata”), the majority shareholder of the Company. Mr Haworth has over 12 years investment banking experience, predominantly in emerging markets and natural resources. Prior to establishing Strata in 2006, Mr Haworth was a Managing Director at J.P. Morgan and Head of Mining and Metals Corporate Finance in London.

Nigel Walls, currently Chief Operating Officer (“COO”), has been promoted to Chief Executive Officer (“CEO”) and will join the Board as an Executive Director. Since joining in January 2010, Mr Walls has been responsible for both the Project’s Definitive Feasibility Study (“DFS”) and leading all the related geological, technical and social environmental study work. Graham Mascall will step down as CEO and become a Non-Executive Director of the Company.

Paul Venter has been appointed as COO. Mr Venter has over 39 years experience across Africa, Mongolia, China and Russia in the mining, power generation and transport industries. During his recent tenure as Vice President: Energy Operations at Prophecy Coal Corp, a TSX listed company, he was instrumental in the successful commissioning of the Ulaan Ovoo coal mine in Mongolia into production within six months after the acquisition of the coal asset. He also played a pivotal role in the development phases of the first coal fired Independent Power Producer in Mongolia. Prior to this, Mr Venter was Managing Director of EN+ Group coal mining activities in Russia and has held senior management positions in the coal divisions of Eskom, Gencor and Anglo American in South Africa.

Commenting on the restructure, Graham Mascall, CEO, said *“With the DFS progressing well and on track for completion during the third quarter, now is an appropriate time to restructure the management in preparation of the Company’s next phase, the financing and development of the Ncondezi Project to production.*

Nigel is my natural successor, having been intimately involved with the Project since January 2010 and responsible for the DFS. His operational and project management experience will be critical in successfully leading the Project into production.

The power component of the project is looking very exciting and in order to fully maximise its potential, we have strengthened the management with a coal and power specialist and we welcome Paul to the team. The DFS on a coal fired power plant remains on track for completion during the third quarter.”

Incoming Chairman Michael Haworth added *“I would like to thank Richard and Graham for successfully guiding and transforming Ncondezi over the past two years. I am pleased that they have agreed to remain on the Board so we will continue to have access to their expertise and advice.”*

Hanno Pengilly, currently Manager Corporate Development, will become Chief Development Officer, reporting to the CEO. Nigel Walls, Estevão Pale and David Eshmade, Country Manager in Mozambique will join the Board of the Company’s subsidiary, Ncondezi Coal Company Mozambique Lda and Richard Stuart and Graham Mascall will step down.

In accordance with Schedule 2 of the AIM Rules, a further announcement will be made prior to appointments becoming effective on 1 June 2012.

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