

28 January 2011

NCONDEZI COAL COMPANY LIMITED
("Ncondezi" or the "Company")

Settlement of placing shares

Ncondezi (AIM: NCCL), a coal exploration and development company with coal assets in the Tete Province in Mozambique, is pleased to announce that following the successful placing of 12 million ordinary shares in the Company announced on 13 January 2011 (the "Placing Shares"), it has issued the 5,940,000 certificated Placing Shares that formed part of the Placing (the "Certificated Shares").

The Certificated Shares, representing 5% of the issued share capital, have been subscribed for by Evergreen Resources Holding (HK) Limited ("Evergreen"). Evergreen is a Hong Kong based entity with interests in shipbuilding, port construction, logistics, oil services and resource investments. The Company welcomes Evergreen as a shareholder and looks forward to co-operating in infrastructure in Mozambique where its experience and abilities will be of mutual benefit.

Following the admission to trading of the Certificated Shares, the Company's issued share capital consists of 119,667,861 ordinary shares of no par value each. None of these ordinary shares are held in Treasury.

Therefore, the total number of voting rights in the Company is 119,667,861. This figure may be used by shareholders as the denominator for the calculations by which they will determine whether they are required to notify their interests in, or a change to their interest in, the Company under the FSA's Disclosure and Transparency Rules.

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About Ncondezi Coal Company Limited:

Ncondezi Coal Company Ltd is an exploration and development company with four coal exploration and prospecting licences in the Tete Province of Mozambique. The Company holds prospecting and exploration licences over more than 73,160 ha in the Zambezi Basin, a geological environment considered to be one of the last undeveloped coal basins in the world.

Exploration work is most advanced on the Ncondezi Project, which comprises licence areas 804L & 805L, and is located approximately 40km northeast of the provincial capital Tete and 10km from the Sena railway. The Ncondezi Project covers an area of approximately 38,700ha and has a JORC coal resource of 1.8 billion tonnes. A scoping study completed in early 2010 confirmed the economic potential for an open pitable 10 million tonne per annum export thermal coal operation with coking coal potential. It is the Company's objective to complete a definitive feasibility study on the Ncondezi Project in the second half of 2012 and move to initial production in the second half of 2014.

Further details about Ncondezi Coal Company Ltd can be found on the company's website:
www.ncondezi.coal.com.