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Kensani Eaglestone advises on US \$260 million solar project finance deal for Africa

- Google's first renewable energy investment in Africa
- One of largest solar installations on the continent – 96 megawatt

Kensani Eaglestone Capital Advisory has acted as financial advisor on the US \$260 million Jasper Solar Energy Project to be located near Kimberly in South Africa which has just achieved financial close.

The 96 megawatt (MW_{DC}) solar photovoltaic (PV) installation will be one of the largest in Africa and has attracted Google as one of its key investors in what is Google's first investment in renewable energy in Africa.

Kensani Eaglestone is a joint venture between Eaglestone, the new investment bank that focuses on sub-Saharan Africa and renewable energy, and Kensani Capital, a leading South African economic empowerment firm.

The Jasper Project, which was selected by the South African Department of Energy in May 2012 under its renewable energy procurement programme, will be one of the largest solar installations on the continent. The project will help South Africa meet its renewable energy targets, stimulate long-term economic development, create jobs and power more than 30,000 South African homes.

This is third major solar project that Kensani Eaglestone has advised on in Africa to have reached financial close in just over six months. Kensani Eaglestone, which specializes in corporate finance and project finance, was the financial advisor on two 75 MW South African solar projects worth a total of US \$594 million; the Letsatsi Project, in the Free State, and the Lesedi Project, in the Northern Cape.

The Lesedi & Letsatsi transactions won the 2012 African Renewables Deal of the Year Award.*

The Jasper Project development consortium consists of SolarReserve, a U.S. developer of utility-scale solar power projects, Intikon Energy, a South African developer of renewable energy projects and Kensani Capital Holdings.

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Registration Number 2010/021471/07

Directors: C Krige, K Starke-Dow, N Purse, N Gil

The Jasper project is located adjacent to the 75 MW Lesedi Solar Energy Project, which broke ground in February 2013.

The Jasper project has executed a 20-year power purchase agreement with Eskom, the South African power utility, and, once completed, will generate enough clean, renewable energy to power more than 30,000 homes in South Africa. The project cost of approximately ZAR2.3 billion (US \$260 million) will make this one of the single largest PV projects in Africa.

The Jasper and Lesedi Projects, along with the Letsatsi Project located near Bloemfontein, bring the consortium's portfolio of successful solar projects to a total of 244 MW, accounting for a 20% share of South Africa's solar energy market.

Comments Pedro Neto, CEO of Eaglestone: "Acting on all three of the biggest solar projects to complete in Africa over the last year is a great endorsement of the team that Kensani Eaglestone has built up in South Africa."

"We expect that these deals will act as a template for further investment in Africa's fast growing renewable energy sector."

"At Eaglestone we are particularly pleased to close this latest transaction as it brings together our two core areas of expertise: renewable energy and investment in Sub-Saharan Africa."

Kelley Starke-Dow CEO Kensani Group says: "The Kensani Group is once again honoured to be instrumental in contributing to the realisation of our governments' vision for clean, sustainable power generation that will also result in the economic upliftment of disenfranchised communities. Kensani and its partners are committed to the development of our infrastructure space through this world-class renewable energy programme."

Google participated in the project by becoming an equity investor and will help fund the project during construction. Google has invested heavily in the renewable energy industry; since 2010, the company has committed more than US\$1 billion to investments in renewable energy projects capable of producing two gigawatts of power.

Rand Merchant Bank acted as Mandated Lead Arranger and Bookrunner for the Jasper Project's debt funding requirements. Equity investment for the project was provided by Google, the Public Investment Corporation (PIC), Kensani Capital Investments, SolarReserve Intikon, Development Bank of South Africa, and the PEACE Fund, with Rand Merchant Bank providing preference share equity. International law firm Baker & McKenzie supported the project activities through its offices in Johannesburg and the United States.

Yielding approximately 300 construction jobs and 50 permanent operational jobs, the project will provide rural development programmes and education enhancement, as well as skills and technology transfer. The project is expected to generate significant additional indirect and induced jobs across the supply chain during the construction phase and during the 25-year

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plus operational period.

The project will also set aside a percentage of total project revenues for enterprise and socio-economic development, amounting to a total of approximately ZAR 230 million (\$26 million) over the life of the projects, which will be invested for the benefit of the local communities surrounding the project.

*Project Finance International Magazine

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About Kensani Eaglestone Capital Advisory (KECA)

KECA is a financial adviser focusing on providing project and corporate finance advice in the infrastructure and energy sectors. KECA is a 50:50 partnership between the South African based Kensani Capital and Eaglestone, combining both regional and international experience with local execution capabilities.

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About Kensani Capital

Kensani Capital was established in 1997 to support women in business and create financially independent entrepreneurs from the prospects emanating from South Africa's economic empowerment programme. Since then Kensani has grown to become a leading and experienced empowerment player in the Southern African infrastructure market. **Kensani** delivers a holistic solution to clients and partners throughout the infrastructure value chain, including project and corporate finance advisory, empowerment equity investment, construction and operations and maintenance.

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About Eaglestone

Eaglestone was founded in 2011 with the dual aims of being a committed partner for the development of businesses located primarily in Sub-Saharan Africa and of supporting the development of renewable energy projects on a global basis. The company has three business

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activities — financial advisory services, advisory services for asset management and brokerage — and currently has offices in Amsterdam, Cape Town, Luanda, Lisbon, London, New York and Maputo, employing over 25 staff.

Eaglestone is developing five Sub-Saharan private equity funds and it has a 50% share in a renewable energy investment company based in Luxembourg. Its UK subsidiary is authorized and regulated by the FCA.

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