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# Suma Hydro Limited



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Managing Director  
TANESCO  
P.O. Box 453, Dodoma  
Tanzania

Director General  
EWURA  
P.O. Box 2857, Dodoma  
Tanzania

21<sup>st</sup> July 2025

Dear Sir:

**Re: Submission of 2<sup>nd</sup> Quarter 2025 Progress Report for Suma Hydro Project  
(Site Reference Number Suma/Hydro/SPP/2016/64)**

Please find attached the 2<sup>nd</sup> Quarter 2025 progress report for the Suma Hydro Project.

Due to further significant delays in the shipping process for the turbine components from Italy to Dar es Salaam, the planned commissioning date for the project has now moved out to September 2025.

Yours faithfully

Michael Gratwicke  
Managing Director

c.c. Director General – REA  
Permanent Secretary - Ministry of Energy  
Executive Director – Tanzanian Investment Centre



# SUMA HYDRO LTD



## GOVERNMENT STAKEHOLDERS PROGRESS REPORT – 2<sup>nd</sup> QUARTER 2025



Project Name	Suma Hydro Power Project
Contact Person	Simion Chiutsi (Project Manager) Mobile: +255 752986411 Email: <a href="mailto:schiutsi@riftvalleyenergy.co.tz">schiutsi@riftvalleyenergy.co.tz</a>
Project Features	The project involves construction of a 4MW grid tied Hydro Electric Generation plant in the Rungwe District of Southern Tanzania.
Project Location	The project is located at Malamba Village, on the Suma River, and is approximately 15km from Wakulima Tea Factory (Katumba) located near Tukuyu town, Rungwe District, Mbeya Region. The project is being developed through a partnership between Rift Valley Energy and Suma Hydro Holdings (the replacement minority shareholder to TATEPA).
Developer	Suma Hydro Limited (Comp.Reg. 99766) P.O. Box 555, Mafinga/ Iringa, Tanzania This company is a subsidiary of the Rift Valley Energy Group ( <a href="http://www.riftvalleyenergy.com">www.riftvalleyenergy.com</a> )
Project Cost	The 4 MW Suma Hydro Power project had an initial budget of \$5,344,693 of Capex items and \$675,700 of overheads. As at end June 2025 the project has so far spent around US\$5,512,237 (inclusive of opening a cash backed Letter of Credit for the balance of costs to completion of the turbine supply contract) on Capex items, and \$1,439,215 on project overheads.
Project Financiers:	Rift Valley Energy Tanzania Ltd (RVET), Suma Hydro Holdings, and British International Investment (BII)

<b>Land, Licensing, Permit and Financing Status</b>	
Company Registration	The Company was first registered in June 2013, and subsequently changed its name to Suma Hydro Ltd in June 2015.
Ministry of Energy Support Letter	February 2016
TIC Registration	March 2016
VAT Registration	Originally registered in 2016 but de-registered in 2022 due to lack of project progress. Successfully re-registered in February 2025
TANESCO Letter of Intent	Effectively re-issued in January 2023 through the signature of the SPPA.
EIA	This was awarded to the project in October 2011. This was transferred from TATEPA to Suma Hydro Ltd in September 2016.
Generation License	Renewed (and upgraded to 4MW) in February 2023.
Water Use Permit	Renewed and is valid until 2028.
Building Permit	Obtained in May 2017. A renewal of this was done in July 2024 on request of BII.
Distribution License	Project Distribution Area Registration was completed with EWURA in December 2018.
Land Acquisition	A land title was awarded for the project in 2012. This was subsequently converted to a TIC Derivative Title in November 2019.
TANESCO SPPA	The SPPA for this project was countersigned by TANESCO in January 2023.
<b>Commercial Loan</b>	
Commercial Loan	We secured the first drawdown under the BII Facility in December 2024 (which covered the repayment of the AgDevCo loan facility dues, the expected construction costs up until the end of January 2025, as well as the various remaining BII Facility technical and legal advisor costs), and subsequently secured the second drawdown in March 2025 (which covers the expected construction costs up to project commissioning).
<b>Grant Facility</b>	No grant facility currently. The project previously had access to a Grant Facility from the African Enterprise Challenge Fund, but this was withdrawn in 2020 due to lack of a signed SPPA.

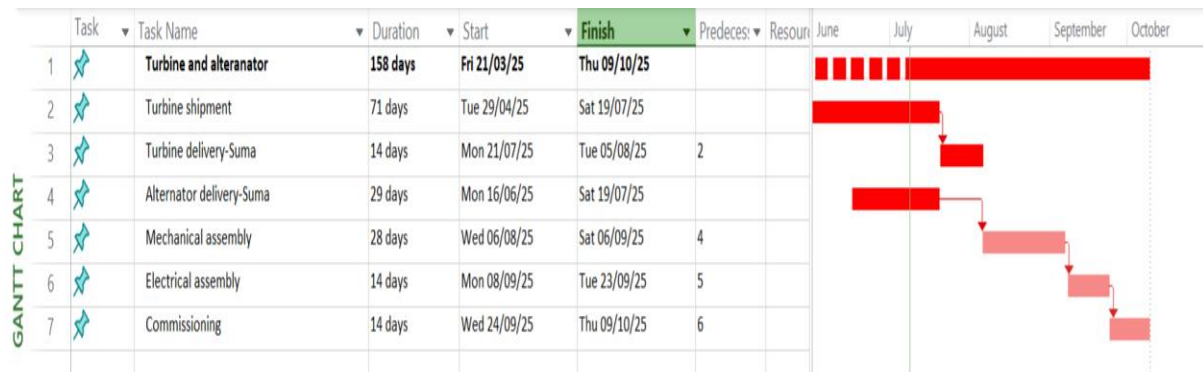
**CONSTRUCTION PROGRESS UPDATE**

<p>Access Road</p>	<p>Access road maintenance remained ongoing in preparation the first consignment which is in transit from Dar es Salaam.</p> 
<p>Weir and sediment tank</p>	<p>The diversion weir was completed in early 2018, with the sediment tank completed in February 2024 and are ready for use. Trash rakes were installed during the quarter.</p> 
<p>Site Office, Store and Site Facilities</p>	<p>The site office was been completed in 2017, and remains in daily use.</p>

<p>Headrace and Penstock construction</p>	<p>As at June 30, 2025, a total pipe length of 1550m has been installed, marking the completion of the penstock pipe installation.</p> 
<p>Powerhouse construction</p>	<p>The brick work has been done during the quarter as well as roofing and cladding. Cladding and plastering of inside walls are in progress.</p> 
<p>Overhead Crane Supply and Installation</p>	<p>Commissioned in March 2025.</p>
<p>Turbine Supply and Installation</p>	<p>Turbine component manufacture was completed in late 2024. The turbine alternator was received in Dar es Salaam port in May 2025, and was finally cleared towards the end of June 2025 after substantial delays in obtaining the VAT deferment were encountered. The alternator consignment (3 containers) have since arrived at site and have been offloaded.</p>

	<p>The main turbine consignment coming from Italy (11 containers) has been dispatched and is expected in Dar es Salaam on the 19<sup>th</sup> of July 2025. Pre clearance has been done on the consignment, and it is hoped that this will avoid any port delays.</p> <p>The target commissioning start date has now moved out to September 2025 (a consequence of delays in dispatch of the main turbine consignment from Italy).</p> 
<p>Power Line construction</p>	<p>The construction of a short (900m) 33kV powerline connecting to the TANESCO grid was completed in January 2025.</p> <p>The line has since been energised. The metering unit installation was started in June with expected completion in July 2025.</p> 
<p>Design activities</p>	<p>No new design activities in the second quarter of 2025.</p>
<p>Site Visits</p>	<p>EWURA officials visited the site during this quarter.</p>
<p>Activities expected over the course of the next quarter.</p>	<ul style="list-style-type: none"> <li>• Roofing and cladding completion</li> <li>• Penstock protection valve room construction</li> <li>• Turbine installation and commissioning</li> </ul>

**PROJECT GANTT CHART:**



Shipment of the turbine (from Italy) and alternator (from India) happened in April 2025, though the turbine consignment shipping time was very long, and is only expected at the Dar es Salaam port on the 19<sup>th</sup> of July 2025, resulting in the expected commissioning start date to likely be mid to end September 2025 as per the tentative Suma Gantt chart above.

To date the, the generator consignment (3 containers) has been offloaded at Suma site. The third container is in transit from Dar es Salaam and is expected on site on the 18<sup>th</sup> of July 2025. Key to note the consignment spend approximately two months at the Dar es Salaam port due to clearing delays associated with the VAT deferment process.

**MAIN CHALLENGES**

The delay in expected date of arrival of the turbine to site remains a challenge as it continues to push the commissioning day further away.

Report compiled by



Simion Chiutsi

Project Manager