



ISANGAWANA SOLAR PV 8MWac  
IN CHUNYA DISTRICT  
PROJECT INFORMATION MEMORANDUM

# Table of Contents

<b>1</b>	<b>Isangawana Solar pv</b>	<b>3</b>
1.1	<i>Project Description</i>	3
1.1.1	Site Location	4
1.1.2	Land ownership	5
1.1.3	Project Accessibility	5
1.1.4	Adjacent Land Uses	6
1.1.5	Existing Condition of the site	6
1.2	<i>Technology &amp; Main Equipment</i>	6
1.3	<i>Site Layout</i>	8
1.4	<i>ENERGY YIELD</i>	9
1.5	<i>Grid Connection</i>	10
1.6	<i>Off Taker: Tanzania Electric Supply Company Limited (TANESCO)</i>	10
<b>2</b>	<b>CHUNYA DISTRICT PROFILE</b>	<b>11</b>
<b>3</b>	<b>Studies &amp; Regulatory approvals</b>	<b>12</b>
3.1	<i>Overview</i>	12
3.2	<i>Project Status</i>	12
3.3	<i>Timelines</i>	13
<b>4</b>	<b>Financing of the Project</b>	<b>13</b>
4.1	<i>Financing Structure</i>	13
4.2	<i>Ownership Structure</i>	14
<b>4.3</b>	<b><i>Source and use of funds</i></b>	<b>14</b>
4.4	<i>Revenue Streams</i>	15
4.5	<i>Return summary</i>	16
<b>5</b>	<b>ECONOMIC ANALYSIS</b>	<b>17</b>
<b>6</b>	<b>SAFETY, OCCUPATIONAL HEALTH &amp; ENVIRONMENT</b>	<b>17</b>
<b>7</b>	<b>Upgrade Energy</b>	<b>18</b>
7.1	<i>Overview</i>	18
7.2	<i>Project sponsor team</i>	19
7.3	<i>Upgrade Energy Track Record</i>	21
	<i>Upgrade Energy as greenfield lead developer</i>	21
	<i>South African Projects</i>	21
	<i>International completed Projects</i>	22
<b>8</b>	<b>EPC Contractor and O&amp;M Contractor</b>	<b>23</b>
8.1	<i>Upgrade Energy Supporting Partners &amp; Advisors</i>	23

8.2	<i>IX Engineers</i> .....	23
8.3	<i>Sivest</i> .....	23
8.4	<i>Vunani</i> .....	23
8.5	<i>Delphos</i> .....	23
9	<b>Warranties</b> .....	24

# 1 ISANGAWANA SOLAR PV

## 1.1 PROJECT DESCRIPTION

The Isangawana Solar PV 9.6MWdc is a project which is coming out of Tanzania in the Chunya District. The project aims at improving energy generation needs in Chunya District and more importantly, the aspirations within the Ministry of Energy (MoE) and TANESCO in achieving goals of providing cost effective and reliable power generation and distribution within the country.

Isangawana Solar PV Project	
<b>Main characteristics</b>	
Location	Chunya, Tanzania
Rated power (AC)	8 MWac
Peak power (DC)	9.6 MWdc
Ratio DC/AC	1.2
<b>Civil characteristics</b>	
Suitable plot area	40 Acre
Ground coverage ratio (GCR)	44.00 %
Structure type	One-axis tracker
Pitch distance	10 m
<b>Electrical characteristics</b>	
PV Modules (650 Wp)	14,952
Number of inverters (300.0 kWac)	27

The proposed 8MWac solar plant by Upgrade Energy is expected to generate an estimated annual electricity output of 22,764.28 MWh/yr. This significant energy yield has been verified through the PVsyst - Simulation report generated by Upgrade Energy.

We will maximize the current network's capacity without the need for substantial upgrades. Simultaneously, Upgrade Energy will be diligently developing the essential grid connection enhancements to facilitate the second phase.

To maximize energy production, Upgrade Energy intends to utilize bifacial PV modules mounted on single-axis horizontal trackers. This advanced technology, combined with favourable weather conditions, ensures optimal solar energy capture and enhances overall plant performance.

The PV facility will consist of arrays of PV panels and respective inverter stations, supported by appropriate mounting structures. Cabling between project components will be laid underground where practical, ensuring a neat and efficient setup. An on-site substation, including a dedicated control and storage building, will be constructed to manage the power generated by the plant. Adequate laydown areas, both

permanent and temporary for the construction phase, will be provided for efficient project operations. Internal access roads and fencing will be implemented to ensure site security and accessibility.

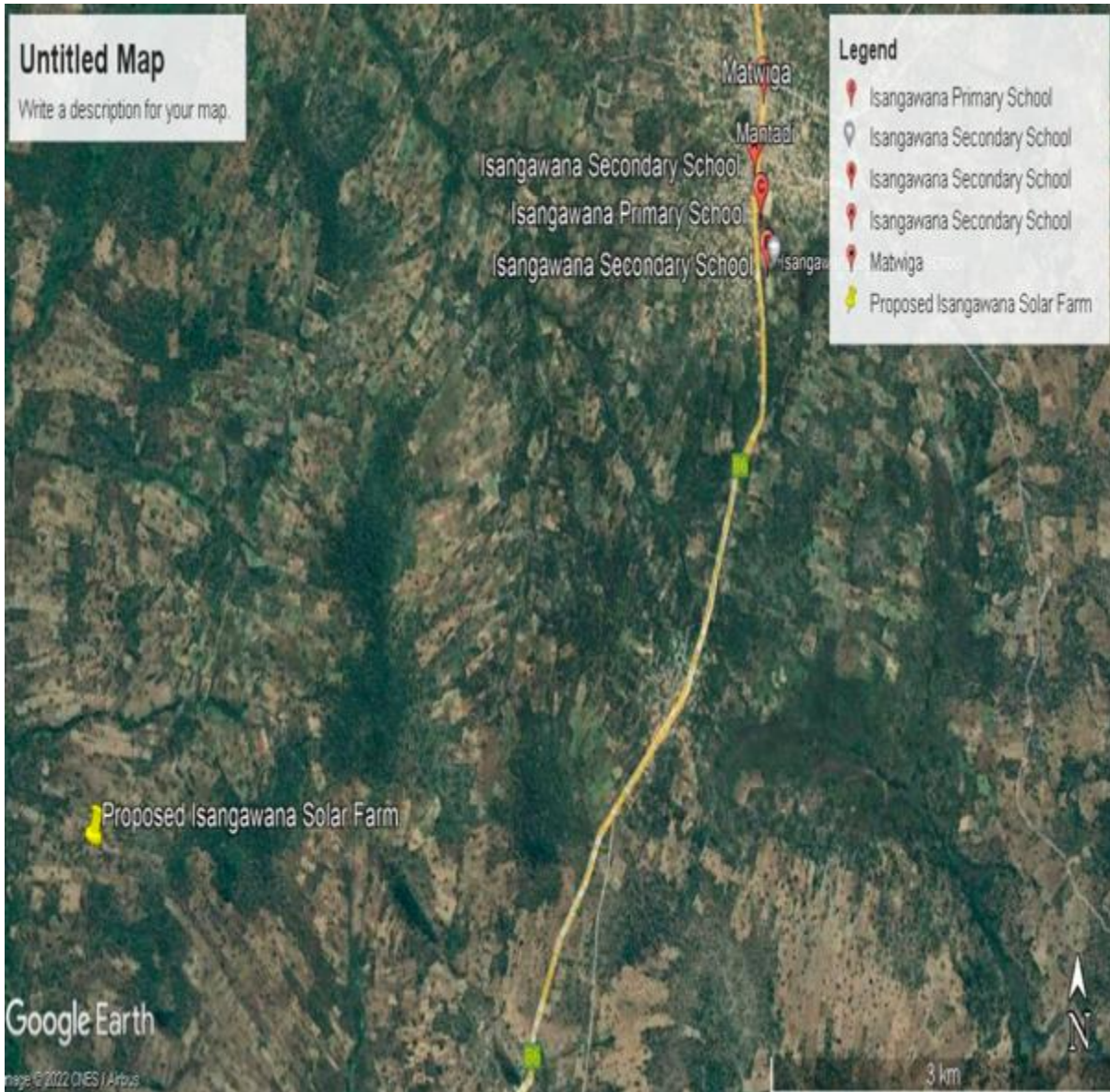
### 1.1.1 SITE LOCATION

Upgrade Energy Africa has identified a parcel of land spanning 40 acres situated in Isangawana-Chunya District within the Mbeya Region of Tanzania. Positioned approximately 140 kilometers to the north of Chunya town, this designated site is earmarked for a proposed solar power project boasting an estimated installed capacity of 8MWac. Specifically located within Matwiga Ward, Chunya district, the land currently exhibits dense vegetation predominantly comprising thorny brush and grass cover. In preparation for construction activities, it is imperative to undertake thorough clearance of this vegetation subsequent to obtaining the Environmental and Social Impact Assessment (ESIA) certification from the National Environment Management Council (NEMC). The site's strategic location near key infrastructure and services will enable efficient project development and operations.

The PV Plant location has the characteristics shown in table below.

PV Plant location characteristics	
City / Town	Isangawana
District	Chunya
Country	Tanzania
Latitude	-8.90 °S
Longitude	+33.45 °E
Altitude	1,697 m
Time zone	UTC +3

The project location is shown in the figure below.



### 1.1.2 LAND OWNERSHIP

The project developer initiated formal proceedings to acquire 40 acres of land from Isangawana Village Government for the establishment of a solar farm. The village convened a meeting to deliberate on the request, stipulating a condition that necessitates the investor's presence for a meeting with local leaders before finalizing acceptance.

### 1.1.3 PROJECT ACCESSIBILITY

Access to the proposed project site will be facilitated via a path road spanning 70 kilometers from Makongorosi town, Chunya.

#### 1.1.4 ADJACENT LAND USES.

The surrounding land utilizes include residential settlements, agricultural farmlands, and road infrastructure. Additionally, the site is situated approximately 30 kilometers from Matwiga town center.

#### 1.1.5 EXISTING CONDITION OF THE SITE

Presently, the proposed project site remains undeveloped, characterized by grass, vegetation, and shrubbery. Limited human activity, primarily grazing of domestic animals such as cows, goats, and sheep, occurs intermittently. Essential infrastructure, including electricity, water supply, communication towers, and feeder roads, is readily available in the vicinity. To uphold environmental integrity, construction activities will commence following the issuance of an Environmental Impact Assessment (EIA) certificate. Refer to figure below for further details.



## 1.2 TECHNOLOGY & MAIN EQUIPMENT

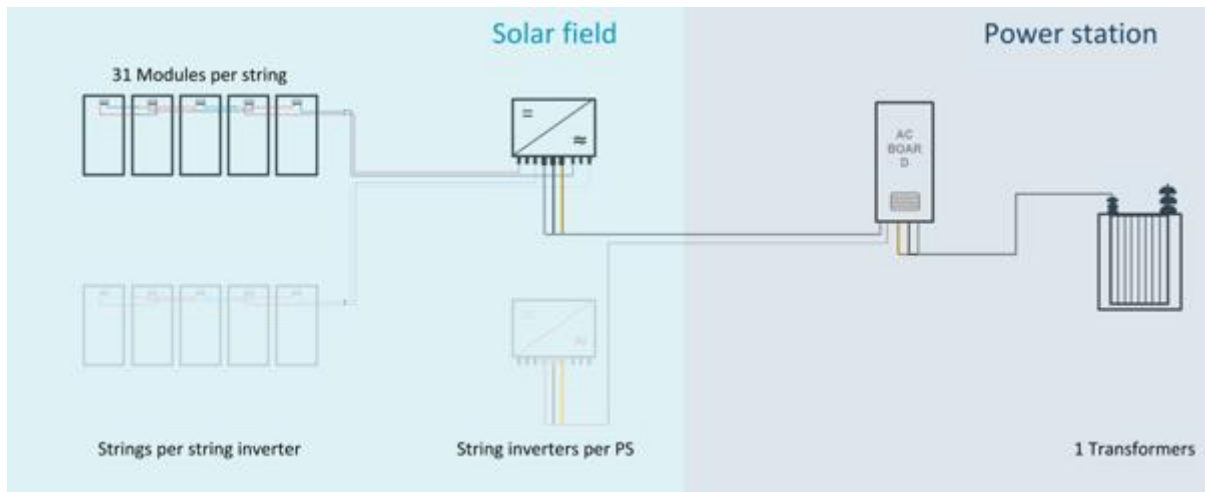
The proposed PV plant will feature a single axis tracking system, bifacial PV modules, and a string inverter layout. Infield power stations will step up the voltage, ensuring synchronization with the existing grid connection.

The main equipment used to convert the solar energy to electricity is:

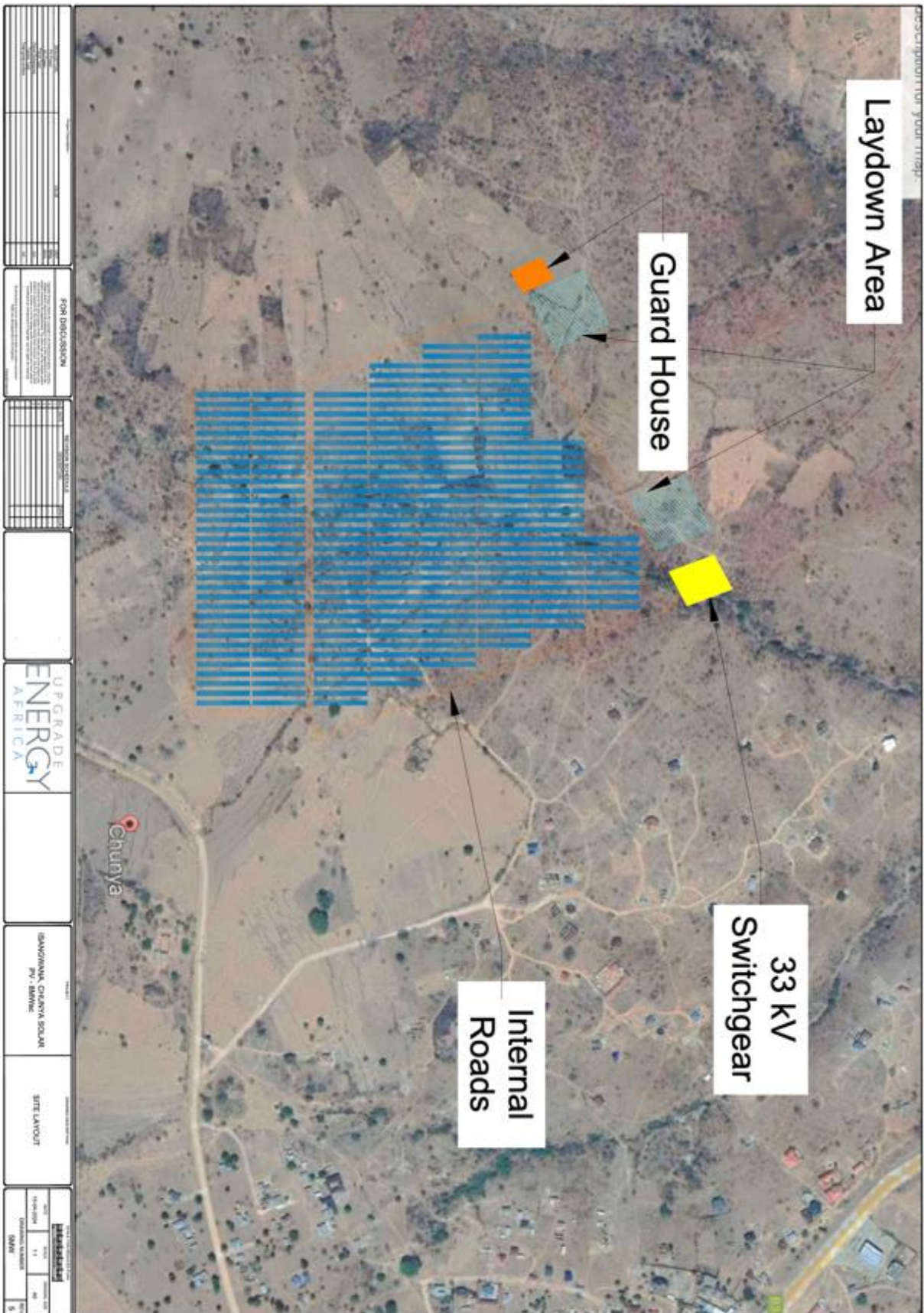
- Photovoltaic modules, which convert the solar radiation into direct current.
- The single-axis tracker, which supports and orients the PV modules to minimize the angle of incidence between the incoming sun rays and the PV modules surface during the day.
- String inverters, which convert DC from solar field to AC.
- Power Transformers, which raise the voltage level from low to medium.

- Power Stations, which hold the necessary equipment to convert the DC power to AC.

The electrical configuration of the PV plant can be seen in the figure below.



### 1.3 SITE LAYOUT



## 1.4 ENERGY YIELD

UEA calculated the yearly yield of a bifacial panel installed at 2,341 kWh/kWp using the Meternom 8.1 database. This indicates that the 9.7 MWdc/8 MWac solar farm has an annual production capacity of about 22 GWh. In order to align the panels with the position of the sun and enhance energy output, the solar farm will furthermore employ horizontal single axis trackers. Upgrade has included a 4% yield buffer in their financial model.



**PVsyst V7.4.6**  
VC1, Simulation date:  
04/09/24 09:16  
with V7.4.6

**Project: Isangawana, Chunya**  
**Variant: 8MWac/ HV Transformer**



**Upgrade Energy Africa (Pty) Ltd (South Africa)**

### Main results

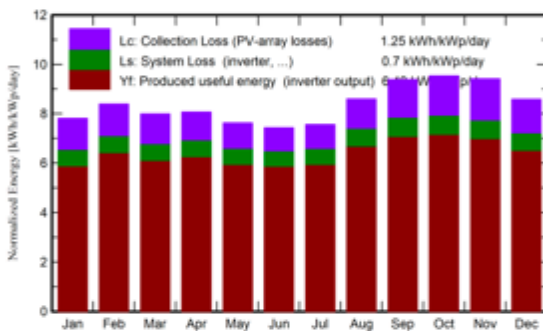
#### System Production

Produced Energy 22764278 kWh/year

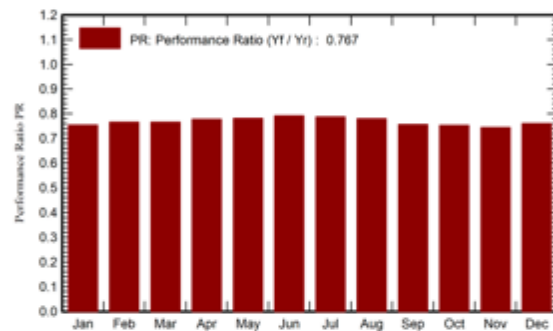
Specific production  
Perf. Ratio PR

2342 kWh/kWp/year  
76.73 %

#### Normalized productions (per installed kWp)



#### Performance Ratio PR



### Balances and main results

	GlobHor	DiffHor	T_Amb	GlobInc	GlobEff	EArray	E_Grid	PR
	kWh/m <sup>2</sup>	kWh/m <sup>2</sup>	°C	kWh/m <sup>2</sup>	kWh/m <sup>2</sup>	kWh	kWh	ratio
<b>January</b>	193.4	62.97	20.60	242.2	228.9	1975666	1775722	0.754
<b>February</b>	185.9	65.23	20.44	235.0	222.4	1938170	1748937	0.766
<b>March</b>	198.4	65.90	20.40	247.8	234.5	2048051	1844700	0.766
<b>April</b>	189.3	59.12	19.71	241.9	229.0	2025007	1828116	0.778
<b>May</b>	184.2	48.21	19.50	236.6	223.7	1991737	1796732	0.781
<b>June</b>	173.0	42.67	18.02	222.9	211.3	1898673	1716224	0.792
<b>July</b>	183.9	48.82	17.67	234.6	222.7	1989801	1795735	0.788
<b>August</b>	205.5	44.81	18.75	266.3	253.5	2235500	2019617	0.780
<b>September</b>	216.7	47.18	19.95	281.4	267.9	2292475	2068439	0.756
<b>October</b>	230.6	57.14	21.76	295.6	281.4	2394006	2162205	0.753
<b>November</b>	222.9	59.13	21.72	282.3	268.5	2262725	2041128	0.744
<b>December</b>	210.2	64.36	21.22	266.1	252.2	2181497	1966723	0.761
<b>Year</b>	2394.0	665.53	19.98	3052.8	2896.0	25233310	22764278	0.767

#### Legends

GlobHor	Global horizontal irradiation	EArray	Effective energy at the output of the array
DiffHor	Horizontal diffuse irradiation	E_Grid	Energy injected into grid
T_Amb	Ambient Temperature	PR	Performance Ratio
GlobInc	Global incident in coll. plane		
GlobEff	Effective Global, corr. for IAM and shadings		

## 1.5 GRID CONNECTION

The Isangawana Solar PV project aims to export 8MWac of power under normal operating conditions. This will be achieved through grid connections at the 33kV voltage level, the solar power will be injected to the existing 33kV Distribution line which is approx. 200m away parallel to the proposed solar project site. The solar PV-generated power will undergo conversion to 800V AC using a Power Conditioning Unit (PCU). Subsequently, it will be stepped up to 33kV voltage level via an Inverter Duty Transformer rated at 800V/33kV, integrating it with the existing distribution infrastructure. From the Transformer the high voltage power is routed through the circuit breakers to be eventually connected to the grid.

Essential components such as Current Transformers (CTs), Potential Transformers (PTs), isolators, lightning arrestors, and Automatic Bus Transfer (ABT) systems for energy measurement will be carefully arranged. The switchyard configuration and other specifications will adhere to relevant standards. Furthermore, protection, metering, and control panels necessary for the switchyard and grid feeder will be housed within the plant's switchyard.

A dedicated ABT meter will be installed either within the plant's control building or as per specific utility requirements. This meter will include both main and checking arrangements, subject to mutual agreement with the utility. Tariff meters will accurately record both import and export parameters.



## 1.6 OFF TAKER: TANZANIA ELECTRIC SUPPLY COMPANY LIMITED (TANESCO)

Tanzania Electric Supply Company Limited (TANESCO) is the state-owned entity tasked with the generation, transmission, and distribution of electricity in Tanzania. TANESCO plays a pivotal role in enhancing governance, performance, financial sustainability, and the commercial viability of the power sector, as well as ensuring the delivery of electricity services across the nation. Additionally, in the context of solar project development, TANESCO is responsible for procuring all electricity generated by the project at an agreed-upon tariff.

In May 2022, Tanzania Electric Company (TANESCO) conducted an assessment of the project and recognized the strategic significance of the areas, leading to Infinite Power Resources receiving a Letter of Intent with the site reference number: ISANGAWANA/SOLAR/SPP/2022/98.

Following the submission of feasibility studies to TANESCO for review, which were subsequently accepted, the parties proceeded with the signing of the Solar Power Purchase Agreement (SPPA). The SPPA was then submitted to the regulator, the Energy and Water Utilities Regulatory Authority (EWURA), and received approval in March 2023. Subsequently, we received a letter requesting the completion of the Interconnection and Sale Agreement application form, along with a draft PPA, for initialing and signing as applicable, which was then returned to TANESCO for counter-signing.

On November 22nd, 2023, TANESCO officially counter-signed the PPA, granting Infinite the mandate to design, build, and operate two Solar Power Projects for a contractual lifespan of 20 years. The electricity generated by these projects will be sold to TANESCO at a rate of USc.7/kWh.

## 2 CHUNYA DISTRICT PROFILE

### Geographical Location

Chunya District is situated in the North-Western part of the Mbeya Region, located in the Southwest region of Tanzania. It is one of eight districts within the Mbeya Region, lying between 7° and 9° south latitudes and 32° and 34° east longitudes. To the north, it borders Singida and Tabora Regions, while to the east, it shares boundaries with Iringa Region and Mbarali District. To the south, it is bordered by Mbozi and Mbeya Districts, and to the west, by Rukwa Region and Lake Rukwa.

### Land Area:

Chunya stands as the largest district among the nine within the Mbeya Region, covering approximately 46% of its total surface area, totaling 29,219 square kilometers. Of this land, 79% is classified as arable, with only 2% currently under cultivation. Forest reserves make up 1%, game reserves 7%, water bodies 4%, and the remaining 9% comprises other classifications.

### Administration & Demography

Chunya District is administratively divided into four divisions: Kipembawe, Kiwanja, Kwimba, and Songwe. These divisions are further subdivided into 30 wards, 73 villages, and 313 hamlets. Additionally, there are two constituencies: Lupa and Songwe. According to the 2012 Census, Chunya District has a population of 290,478.

### Economic Status

Agriculture and livestock keeping are the primary occupations of Chunya district residents, supplemented by activities such as beekeeping, petty business, and mining. The district's GDP stands at US\$170 million.

### Market

Agriculture, livestock keeping, and mining are the main economic activities in Chunya. The formal market channels for products such as tobacco and cotton involve primary cooperatives, while other crops like sunflower, sesame, groundnuts, yellow gram, and honey are marketed informally. Mining plays a significant role in the local community, particularly with small and medium-sized miners already in operation.

### Climatic Parameters

According to the District Agricultural Development Plan, Chunya District experiences the following climatic parameters:

- Rainfall: Chunya district has a unimodal rainfall regime concentrated from November to April. The long-term mean annual rainfall is 624 mm with a standard deviation of 179 mm and a coefficient of variation of 28.7%. The long term mean number of rainy days are 49 with a standard deviation of 15 days and a coefficient of variation of 30.6%. Generally, rainfall in the District is low and unreliable.

- Temperature: The annual mean, maximum, and minimum monthly mean daily temperatures are 22.0 °C, 24.4 °C (November), and 19.3 °C (July), respectively.

- Relative Humidity: The annual mean, maximum, and minimum monthly mean daily relative humidities are 80.6%, 86.0% (February), and 73.4% (July), respectively.

- Pan Evaporation: The maximum and minimum monthly mean daily pan evaporation are 6.6 mm/day (November) and 5.2 mm/day (January), respectively.

- Sunshine Hours: The average annual daily sunshine hours are 7.9 hr/day. The maximum and minimum monthly mean daily sunshine hours are 9.2 hr/day (September) and 6.5 hr/day (January), respectively.

- Wind Run: The average annual daily wind run is 95 km/day (1.1 m/s), with the wind season exceeding 140 km/day (1.4 m/sec) extending from August to December.

Based on the above analysis, the proposed site is deemed feasible for the installation of the solar power project.

## 3 STUDIES & REGULATORY APPROVALS

### 3.1 OVERVIEW

All necessary regulatory approvals have either been finalized or are in the final stages of completion.

### 3.2 PROJECT STATUS

Activity ID	ACTIVITY DESCRIPTION	Status
<b>Stage 0</b>		
<b>1</b>	<b>LAND AGREEMENTS</b>	
1.1	Option to Lease Agreement	Completed
<b>2</b>	<b>ENVIRONMENTAL</b>	
2.1	ESIA Report	Completed
<b>3</b>	<b>POWER EVACUATION</b>	
3.1	Grid Impact Assessment	Completed
<b>Stage 1 (1st stage of Turn Key Development)</b>		
<b>1</b>	<b>LAND AGREEMENTS</b>	
1.1	Land Lease Agreement	Completed
<b>2</b>	<b>ENVIRONMENTAL</b>	
2.1	Original Environmental Authorisation (EA) for the facility	Completed
<b>3</b>	<b>OTHER KEY PERMITS</b>	
3.1	Civil Aviation Authority (CAA) Consent	N/A

3.2	Wayleave	Outstanding
3.3	Service and Operating Agreement	Outstanding
3.4	Road access approval	Outstanding
<b>4</b>	<b>TECHNICAL STUDIES</b>	
4.1	Geotechnical Studies	Outstanding
<b>5</b>	<b>POWER EVACUATION</b>	
5.1	Transmission Connection Agreement	Outstanding
5.2	Prelim Design	Completed
5.3	Detailed Design Approval	Outstanding
<b>Stage 2 (Ready to build)</b>		
<b>1</b>	<b>LAND AGREEMENTS</b>	
1.1	Exercise Option Agreement by signing Lease Agreement	Outstanding
<b>2</b>	<b>LAND USE CONSENTS</b>	
2.1	Rezoning in terms of the Spatial Planning and Land Use Management Act (SPLUMA)	Not required (part of ELIDZ)
<b>3</b>	<b>ENVIRONMENTAL</b>	
3.1	EMA Certificate	Complete needs renewal
<b>4</b>	<b>TECHNICAL STUDIES</b>	
4.1	Topographical Studies	Completed
4.2	Geotechnical Studies	Outstanding
4.3	Hydrological Studies	Outstanding
4.4	Resistivity analysis	Outstanding
<b>5</b>	<b>CONSTRUCTION PERMITS</b>	
5.1	Preparation of Building Plans and Submission to Council for Approval	Outstanding
5.2	Other Construction Permits	Outstanding

### 3.3 TIMELINES

The construction will take approximately 9-10 months. Upgrade Energy aims to start delivering energy from Q3 2025. This allows for enough time to finalise the financial close by September 2024. Means to incentivise the speeding up of reaching COD could be explored.

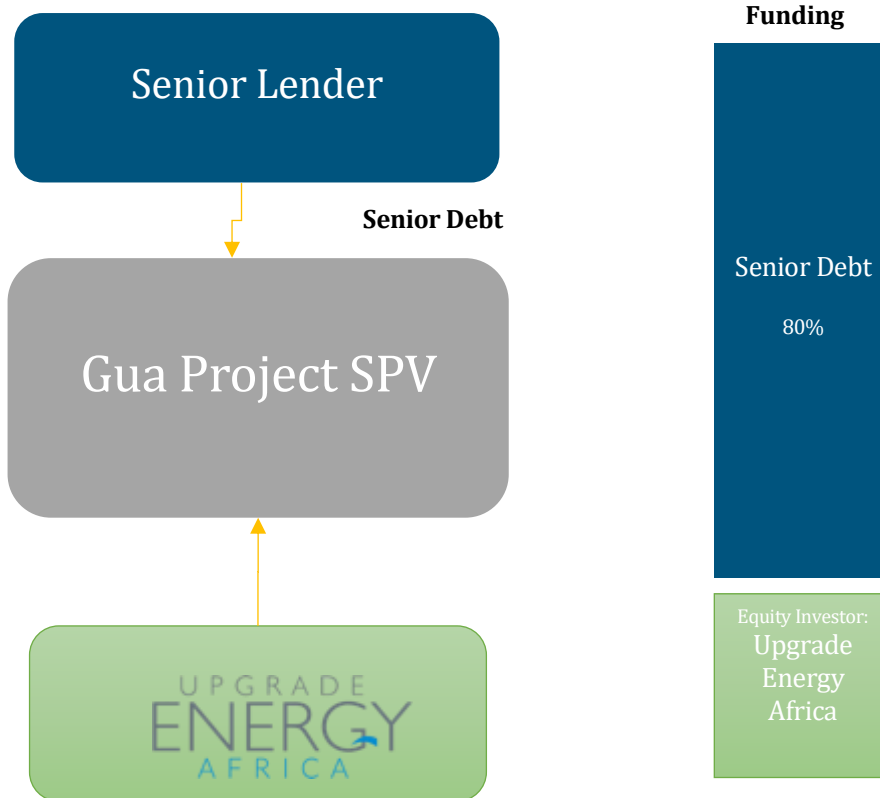
## 4 FINANCING OF THE PROJECT

This financial overview outlines the key strategies and considerations necessary to ensure the successful development and operation of your solar project.

### 4.1 FINANCING STRUCTURE

In line with best practices and financial sustainability principles, the project adopts a balanced financing structure with a target debt-equity split of 80/20. This approach ensures prudent risk management while optimizing leverage for investment returns. Equity financing, totalling approximately USD\$ 1.8 million, will be sourced from internal stakeholders and funding partners, while debt financing, amounting to approximately USD\$7.2 million, will be procured through engagements with Development Finance Institutions and commercial banks.

## 4.2 OWNERSHIP STRUCTURE



## 4.3 SOURCE AND USE OF FUNDS

Source	K USD
Debt	7,223
Equity	1,805
<b>Total</b>	<b>9,028</b>

### Debt Assumptions

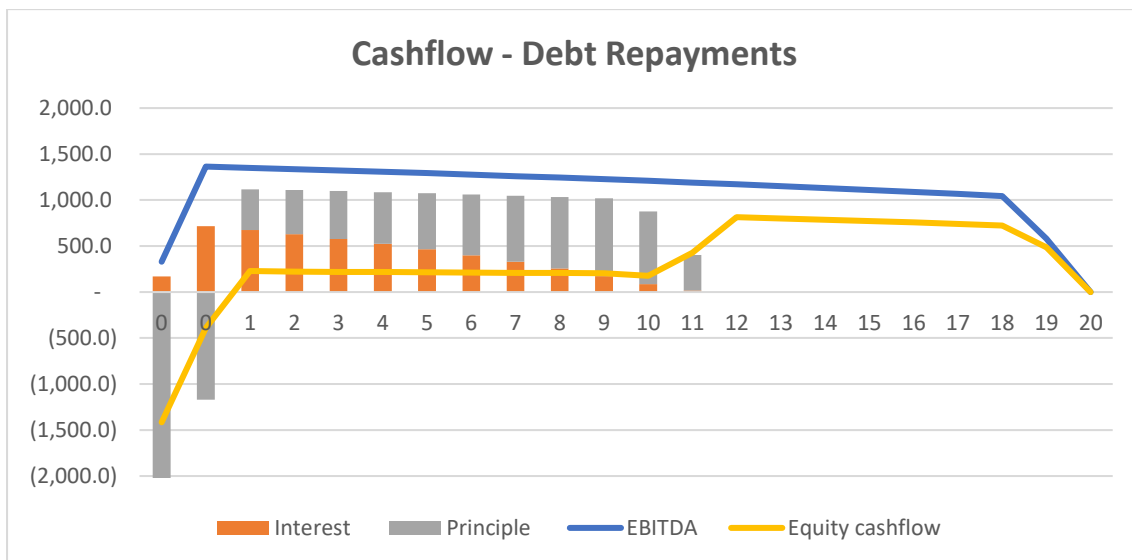
Debt Portion	80%
Tenure	7 years
Minimum DSCR	1.2x
Interest Rate	SOFR + 3.5%

## Use Fund

Description	K USD
EPC costs	6,960
Grid connection	1,171
Construction Management	150
Insurance	70
Professional fees	90
Construction finance	126
Financing costs	89
Reserves	200
Contingency	172
<b>Total Cost</b>	<b>9,028</b>

## 4.4 REVENUE STREAMS

The project's primary revenue stream is derived from a Power Purchase Agreement (PPA) with TANESCO. The PPA stipulates a tariff of USc7/kWh. The project's financial viability is bolstered by stable and predictable cash flows as reflected in the graph below. Monthly payment schedules under the PPA are designed to align with debt repayment obligations, ensuring consistent cash flow management and debt service coverage.



## 4.5 RETURN SUMMARY

The Project Return Summary provides key financial metrics and performance indicators for the solar project, offering insights into its profitability and investment potential.

<b>Return Summary</b>	
Fixed tariff	\$ 70 / MWh
PPA term	20 year
Debt term	7 year
Min DSCR	1.2X
Investor IRR	15%
Payback period	10 years
NPV @ 10%	\$ 1,087,00
Equity Multiplier	4.4 X

**COD Tariff** (USD/MWh): The project's contracted tariff is set at USc7 per kilowatt-hour (KWh)

**EBITDA Margin:** With an EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) margin of the p 87% roject demonstrates strong operational efficiency and profitability, reflecting its ability to generate substantial earnings before accounting for certain expenses.

**Project IRR** (Internal Rate of Return): The project's Internal Rate of Return (IRR) stands at 12.5% representing the annualized rate of return on invested capital and indicating the project's attractiveness as an investment opportunity.

**Min DSCR** (Minimum Debt Service Coverage Ratio): The minimum Debt Service Coverage Ratio (DSCR) of 1.2X ensures sufficient cash flow to cover debt service obligations, indicating a prudent approach to debt repayment and mitigating default risk.

**Equity NPV** (Net Present Value) at 10% Discount: At a 10% discount rate, the Equity NPV is calculated at US\$ 1.1 million, reflecting the present value of future cash flows attributable to equity investors and providing a measure of the project's value creation potential.

**Equity Multiplier:** The Equity Multiplier of 4.4X indicates the level of leverage employed by equity investors to finance the project, with higher multipliers suggesting greater reliance on debt financing relative to equity.

**Investor IRR:** The Investor IRR of 15% represents the expected rate of return for equity investors, accounting for the time value of money and reflecting the attractiveness of the investment opportunity from the perspective of equity holders.

Overall, the Project Return Summary highlights the favourable financial characteristics and investment prospects of the solar project, underscoring its potential to deliver attractive returns to investors while contributing to sustainable energy generation and economic development.

## 5 ECONOMIC ANALYSIS

The techno-economic viability of the 8MWac Solar Power Project at Isangawana, Chunya District, has been thoroughly assessed, considering various project costs and operating parameters. The key observations are summarized as follows:

### Meeting Growth of Power Demand

This project is poised to address the escalating demand for power within the Chunya district, characterized by low voltage issues. By enhancing voltage levels, it will not only cater to the burgeoning power demand but also significantly improve the quality and reliability of power supply in the region.

### Job Creation

The implementation of this project will serve as a catalyst for employment generation, offering opportunities for both skilled and unskilled Tanzanians during both the construction and operational phases. Furthermore, it will stimulate job creation across diverse economic sectors such as mining, agriculture, and commercial enterprises. This aligns seamlessly with the development objectives set for 2025, focusing on poverty alleviation and the augmentation of employment opportunities.

### Contribution to Economic Growth

The project's impact extends beyond power provision; it is poised to catalyze the development of the mining sector within the Chunya district by ensuring the delivery of quality power. Consequently, it will create an enabling environment for the growth of other sectors, fostering economic prosperity not only within the district but also on a national scale.

In essence, the 8MW Solar Power Project stands as a pivotal driver of economic growth, poised to address power demands, spur job creation, and propel the overall development trajectory of the Chunya District and Tanzania as a whole.

## 6 SAFETY, OCCUPATIONAL HEALTH & ENVIRONMENT

### Project Impact on Environment

The establishment of the Solar Power plant in Chunya will inevitably impact ecological and environmental systems. Below are the significant impacts expected during various phases of the project:

#### Construction Phase:

During the construction phase of the Solar Photovoltaic power plant, minor noise disturbances may occur in the vicinity due to excavation for foundation construction, especially if mechanical means are employed. Additionally, noise from construction equipment, emissions from motors/engines, and dust from material transfer may be present within the proposed site.

#### Start-up Phase:

Potential impacts during the start-up phase are primarily associated with technological adjustments, resulting in minimal noise within the designated site limits.

**Operational Phase:**

During the operational phase, no noise or gaseous pollutants are expected to be emitted, and there will be no consumption of chemicals or other liquid substances. The design of the Photovoltaic modules minimizes the risk of bird or bat collisions due to the low height of the support structures. Installation of a perimeter fence will further mitigate the risk of animal entry and electrical accidents. High electrical isolation of cables is ensured to prevent electric shocks, and the inclination of the photovoltaic modules reduces the radius of influence of solar rays reflection.

To address anticipated effects, the Solar photovoltaic power plant project will undergo Environmental and Social Impact Assessments (ESIAs). Consideration will be given to coexisting with other human activities based on natural resources and preserving the environment. Establishing disaster prevention and response plans is crucial due to inherent risks. The report advocates for environmental management best practices, emphasizing adherence to environmental, health, and safety (EHS) standards during the construction phase. Strict compliance with national environmental regulations will be maintained, with Environmental Management Plans and monitoring based on site baseline conditions.

**Compliance & Practices HSE**

Robust HSE management systems, including defined plans and processes, will be implemented to mitigate hazards and risks throughout the construction phase. Various mitigation tools such as risk assessments, training programs, toolbox talks, auditing, site meetings, and site monitoring will be utilized to uphold the highest safety protocols and prevent incidents. Adherence to HSE requirements and local legal regulations is mandatory, with contractors and subcontractors obligated to comply with HSE management systems at the site.

## 7 UPGRADE ENERGY

### 7.1 OVERVIEW

UPGRADE ENERGY is a solution driven international renewable energy company with operations in ten countries around the world. It was established in the global renewable energy space around the turn of the century. Our services include providing renewable energy solutions such as Solar PV, Wind, Storage solutions, Hydrogen, and Hydro. Since 2015, we have been present in South Africa and have expanded our operations to the Southern Africa (SADC) region. During this time, we have established a extensive renewable energy pipeline with a current availability of over 2,000 MW.

Our main focus is to design, develop and fund renewable energy projects, ensuring that each customer receives a unique, flexible and sustainable solution. We have extensive international experience in developing renewable projects across Europe, Africa, the Middle East, and Asia.

Visit [www.upgrade-energy.africa](http://www.upgrade-energy.africa) for more information on Upgrade Energy.

## 7.2 PROJECT SPONSOR TEAM



### Raf Vermeire - CEO

- CEO of Upgrade Energy Holdings and Upgrade Energy Africa since 2009
- A lawyer by training Raf has been involved in renewable and energy efficient solutions space across 12 countries.
- Serial entrepreneur and serial executive, leading start-ups in renewable and energy efficient solutions.
- MBA from the College of Europe



### Emil Unger - Country Director

- Emil is a Director at UEA and holds an advanced certificate in accounting.
- In 2018 he was appointed director of UEA part of the European based company.
- Entered the South African renewable energy space in 2008 and was a founding member of the South African Wind Energy Association (SAWEA).



### Arthur Vermeire - Financial Director

- Chartered Financial Analyst (CFA)
- Arthur is the CFO of UEA. He has a background in finance and law.
- He has gained financial and management experience as Director of finance for a fast-growing renewable energy IPP.
- Heads up the Upgrade Energy Africa's finance and investment team.



### Mel Chagonda - Chief Strategist

- Mel heads up business development at UEA.
- He has successfully launched several products and services into the African market.
- Launched Moben Africa, a technology company in South Africa and took the offering to Botswana, Namibia, Lesotho, Zimbabwe, Malawi, Kenya, Nigeria, Ivory Coast and Dubai



### Mandilakhe Qavane- Technical lead

- Highly skilled project engineer with extensive experience in the renewable energy sector
- Contributed to the development and execution of renewable energy projects.
- Responsible for developing and designing renewable energy projects, and construction management.
- Holds a BSC Honours Degree in Energy Studies.



**Trevor Nair - Financial Manager**

- Highly skilled financial manager with experience in auditing and financial management/analysis.
- Responsible for the day to day running of the company on the financial and administrative duties.
- Holds a B-Com Accounting degree and Associate General Accountant (SA) designation.
- Assist the financial and investment team as well as the project management te



**Sam Ngoni Mutingwende - Business Development Manager**

- - Experienced Business Development professional specialized in the energy industry, demonstrating a consistent record of success.
- - Proficient in diverse areas: Power Purchase Agreements, Electricity tariffs (Utilities & Independent Power Producers), Analytical Reviews, Renewable Energy, Electricity Regulations and Financial modeling.
- - Holds an MBA from the University of Gloucestershire (UK) and certifications including CIMA and ACCA, ensuring a robust understanding of finance and business operations.
- - Currently leading the advancement of renewable energy projects, focusing on solar and wind, in Southern Africa.



**Sana Endley - Client Relationship manager**

Highly skilled sale and relationship manager with 14 years of experience in direct sales and marketing.

Heads the sales and marketing drive of the company.

Assist in the project development, permitting, licenses and regulatory aspects of the company.

Event organiser and co-ordinator for various Upgrade Energy exhibits.



**Liesbeth Van Schoubroeck: - External Legal**

- Experienced Senior lawyer with a 30 year track record in both advisory and litigation for commercial, labour and criminal law.
- Proven history of guiding entrepreneurs with a hands on approach through international contracting.



**Servaas Van Den Noortgate - External Financial and Technical advisory**

- Over 10 years of experience in the development, financial management and asset management of renewable energy projects.
- Holds a Master of Business Engineering



**Raf Terwingen - MuniFlex and Waste to energy developer**

- Mayor of Maasmechchelen a town in Belgium

An experienced lawyer with an understanding of community development and innovative ideas for growth with communities.

## 7.3 UPGRADE ENERGY TRACK RECORD

### UPGRADE ENERGY AS GREENFIELD LEAD DEVELOPER

Upgrade Energy has developed several projects from greenfield. Responsibilities during such a development included (but not limited to):

- general responsibilities such as management of permitting applications
- facilitating SPV company set-up & administration activities)
- overseeing the engineering, procurement & management of various works packages
- management up to financial closure.
- business supporting services (capital budget development & management; support to financing & funding teams;
- facilitating commercial & legal activities
- financial close activities (management & monthly reporting, review of Owners' design criteria
- capital budget refinement & management
- staff training program requirements & schedules
- assistance to procurement and commercial & legal functions.
- Engineering of designs and project plans
- management of Performance testing
- EPC & EPC Management
- ....

### SOUTH AFRICAN PROJECTS

Project	Size MW	PPA Date	Current Status	Approximate Project Cost (USD million)	Location
Coega Wind farm	2	2010	In operation	\$ 3.1	South Africa
Postmasburg solar project*	100	2021	completed	\$ 91	South Africa
Leeudoringstad I	20	2022	Construction Ready	\$20	South Africa
Leeudoringstad II	20	2022	Construction Ready	\$ 20	South Africa
Leeudoringstad III	15	2022	Construction Ready	\$ 16	South Africa
Swartberg wind project	10	2022	Construction ready	\$ 18	South Africa

ELIDZ solar project	50	2023	Nearing shovel readiness	\$ 47	South Africa
Leeudoringstad IV	145	Tbd	In Development	\$ 130	South Africa
Grootvlei	100	Tbd	In Development	\$90	South Africa
Further solar + wind Projects in Development	1200	Tbd	In development	tbd	South Africa

\* **Postmasburg Solar Project:** One of the first private wheeling projects in South Africa.

Upgrade Energy and equity partner reached:

- PPA
- NERSA registration
- Eskom wheeling agreements
- Financial close
- Start construction Q1 2024

## INTERNATIONAL COMPLETED PROJECTS

Projects where Upgrade Energy was lead developer both in South Africa and elsewhere (Europe and Asia)

Project	Size MW	PPA Date	Current Status	Approximate Project Cost (USD million)	Location
Irshanksa Solar Project	30	2019	In operation	\$ 29.5	Ukraine
Briza Solar Project	4	2018	In operation	\$ 4.1	Turkey
UGEP Solar Project	2	2016	In operation	\$ 2.4	Philippines
Gramybel Solar Project	1	2014	In operation	\$ 1.5	Belgium
Sea Tank Terminal Solar Project	2	2019	In operation	\$ 2.4	Belgium
Sapa Lichtervelde Solar Project	2	2019	In operation	\$ 2.5	Belgium
Penyrheollas Solarfield Project	5	2018	In operation	\$ 5.1	UK
Fullerton Solar Project	4	2018	In operation	\$ 4	UK
Aplina Solar Project	2	2018	In operation	\$ 2.2	Bosnia
Numerous rooftop solar projects	100+	2008-2019	In operations	N/A	Europe

## 8 EPC CONTRACTOR AND O&M CONTRACTOR

Upgrade Energy is a company specializing in comprehensive energy solutions and services. With our extensive industry experience, we have established strong partnerships with multiple Engineering, Procurement, and Construction (EPC) as well as Operations and Maintenance (O&M) companies. We have already initiated the engagement process with our trusted partners for the upcoming project. We have commenced the Request for Proposal (RFP) process to ensure a thorough evaluation of potential partners who align with our project goals and objectives.

### 8.1 UPGRADE ENERGY SUPPORTING PARTNERS & ADVISORS

At Upgrade Energy Africa, we hold our esteemed partners in high regard, valuing their extensive experience and proven track record of successful transactions across various sectors within the African continent. Our commitment to excellence is underscored by the caliber of partners we collaborate with, each bringing unparalleled expertise to their respective fields within the region.

In our journey towards sustainable growth and impactful ventures in Africa, we have forged strong alliances with esteemed partners who share our vision and commitment to excellence. Among these trusted collaborators are:

### 8.2 IX ENGINEERS

Renowned for their unwavering dedication to engineering excellence, IX Engineers stands as a beacon of innovation and problem-solving prowess in Africa's dynamic landscape. With a deep understanding of the unique challenges and opportunities present in African markets, IX Engineers delivers tailor-made engineering solutions that not only meet but exceed expectations. Their expertise spans a wide range of sectors, from infrastructure development to renewable energy projects, positioning them as invaluable partners in our pursuit of sustainable progress.

### 8.3 SIVEST

At the forefront of environmental studies and consultancy, Sivest embodies a steadfast commitment to preserving Africa's natural heritage while fostering responsible development. With a team of seasoned experts and scientists, Sivest conducts comprehensive assessments and provides sustainable solutions that harmonize with the diverse ecosystems of Africa. Their dedication to environmental stewardship and holistic planning ensures that our projects are not only economically viable but also environmentally sound, paving the way for a greener, more resilient future.

### 8.4 VUNANI

In the ever-evolving landscape of Africa's financial markets, Vunani stands as a beacon of expertise and strategic insight. As a premier financial advisory firm, Vunani offers invaluable guidance and foresight to navigate the complexities of Africa's financial terrain. With a deep understanding of local dynamics and global trends, Vunani provides tailored solutions that empower businesses to seize opportunities, manage risks, and unlock their full potential. Their unwavering commitment to excellence and integrity makes them a trusted partner in our quest for sustainable growth and prosperity. Vunani is not only Upgrade Energy's financial advisor, they are also investors in the company.

### 8.5 DELPHOS

Facilitating access to capital and investment opportunities, Delphos plays a pivotal role in fueling growth and prosperity across Africa. Specializing in funding consulting, Delphos leverages its extensive network and expertise to connect businesses with the capital they need to thrive and expand their operations. Whether through innovative

financing structures, strategic partnerships, or investment advisory services, Delphos empowers businesses to realize their ambitions and drive positive change in Africa's markets.

In collaboration with these esteemed partners, we are confident in our ability to navigate the complexities of Africa's markets, overcome challenges, and unlock new opportunities for sustainable development and prosperity. Together, we stand united in our commitment to building a brighter future for Africa and its people.

## 9 WARRANTIES

All components shall carry the standard warranties as specified by the respective component manufacturers as detailed in the table below.

Description	Warranties
AC Cables	7 years
LV Switchgear	5 years
MV Equipment	2 years
Inverters	5 years
PV Module Substructure	10 years
DC Cables	5 years
PV Modules (Product)	12 years
PV Modules (Power Output)	30 years
Control and Monitoring System	5 years