

90MW PHOTOVOLTAIC POWER PROJECT OVERVIEW



Power scarcity in the Republic of South Africa has become an issue of national strategic importance.

In February 2014, the municipality of Polokwane (MOP), located in Limpopo Province, Republic of South Africa (RSA), issued Request For Proposal PPP5/2015 (RFP) for the funding and implementation of off balance sheet capital infrastructure projects. In response to the RFP, Jeka Resources (Pty) Ltd. (JRL), a South African registered company, submitted a proposal to develop, design, finance, construct and operate a solar PV

electricity generation facility in the form of a Solar Park (the "Project"). In response to its submission, JFL was conditionally awarded the Build Operate Transfer (BOT) Project in August 2014.

Subsequent to award, JFL executed a Letter of Intent (LOI) with Antillean Power Generation Ltd. (APG), an independent power producing company, incorporated under the laws of the Federation of Nevis to fund the Projects development up to \$170m USD in exchange for a 51% net working interest in the Project and a senior secured debenture (the "Participation Agreement").

On the basis of the APG LOI, JFL executed an LOI with MOP to purchase 90MW of solar generated power from JRL, or its nominated affiliate, for a minimum 20 years via a standardized National Treasury Guarantee. Under the terms of the MOP/JRL proposed Power Purchase Agreement (PPA), MOP will purchase all the electricity generated by the Project at a rate of \$0.09 per kWhr, plus a 6.5% annual inflation rate increase. APG has also aligned with Romano Group, a best-in-class South African solar contractor, to execute the end-to-end EPC for the project.

The Project's conceptual development schedule is 18 months with phased operational testing and integration activities commencing in early 2016. Project commissioning is planned for early June 2017.

The Project represents a significant development opportunity for MOP and its community stakeholders, who will be offered an opportunity to acquire up to a 16% equity interest in the Project. The plant will prevent approximately 329,000 tons of CO₂ emissions per year and provide clean, sustainable power for approximately 117,000 homes via direct connection to the MOP grid. The project will create 900 construction jobs during the construction phase and 45 full-time jobs for plant operations (80% South Africans, 50% local communities). The Project represents a well-managed, high-priority development opportunity for infrastructure necessary to the strategic welfare of MOP and is anticipated to create an over 6 Billion ZAR direct and indirect investment with 4 Billion ZAR tax payable in a 20-year period. The Project will also create a supply chain with 4.6 Billion ZAR in components and services (45% local content).

The Company believes it has developed a clear and efficient strategy for the execution of the Project. In addition, this model can easily be replicated to a number of similar power production opportunities in RSA and it's neighbouring communities. Detailed Project business planning is available in support of this world-class solar energy development project.