

## **NEWS RELEASE**

12 June 2013

### **Exxaro's energy JV, Cennergi, achieves financial closure on two wind projects**

Diversified South African-based resources group Exxaro Resources Limited (Exxaro) is pleased to note that Cennergi (Pty) Limited, its cleaner energy joint venture with Tata Power, has recently achieved financial closure on two wind farm projects.

The Amakhala Emoyeni and Tsitsikamma Community Wind Farm projects were awarded to Cennergi in terms of the Department of Energy's (DoE) Renewable Energy Independent Power Producer's Procurement Programme (REIPPPP) in 2012 and consist of a total 229MW, which is 35% of the wind allocation of the REIPPPP Round 2.

Power Purchase Agreements and Implementation Agreements for the projects were signed with Eskom and the DoE on 9 May 2013. The investment in both projects is about R7 billion, which has been funded through various lenders, namely Standard Bank, the International Finance Corporation and Nedbank Capital. Exxaro and Tata Power will fully fund the equity for the projects which is about R1,8 billion.

The 134MW Amakhala Emoyeni Wind Farm Project is located near Bedford in the Eastern Cape. A total of 56 turbines will be installed on the land. The Cookhouse and Bedford Community Trusts together own 5% of the equity of the project.

The 95MW Tsitsikamma Community Wind Farm is located close to Clarkson in the Eastern Cape and is expected to achieve commercial operation with its 31 turbines in 2016. Cennergi owns 75% of the project with Watt Energy and the Tsitsikamma Development Trust owning the remaining 25%.

Exxaro chief executive officer, Sipho Nkosi, commended the efforts of all involved in reaching financial closure. "This is a magnificent and substantial achievement. The Cennergi team has laid a great foundation for achieving its goal of becoming Southern Africa's leading independent power producer. We would also like to thank all the investors who have demonstrated their support for Cennergi, Exxaro and Tata Power to succeed in the emerging energy market in South Africa."

Nkosi added that in terms of Exxaro's energy strategy the group is actively participating in cleaner energy initiatives such as Cennergi, both to reduce its carbon footprint and to secure security of supply.

Ends

### **Note to editor**

#### **Exxaro**

Exxaro is one of the largest South African-based diversified resources groups, with interests in the coal, mineral sands, ferrous and energy markets. [www.exxaro.com](http://www.exxaro.com)

**Cennerg**

Cennerg focuses on the investigation of feasibility, development, ownership, operation, maintenance, acquisition and management of electricity generation projects in Sub-Saharan Africa. The initial project pipeline focuses on renewable energy projects in Southern Africa and Cennerg's strategy is to create a balanced portfolio of generation assets.

[www.cennerg.co.za](http://www.cennerg.co.za)

**Tata Power**

Tata Power is India's largest private sector power utility with an installed generation capacity of about 8000MW and a presence in all the segments of the power sector.

[www.tatapower.com](http://www.tatapower.com)

**Enquiries:**

Mzila Mthenjane

Executive Head: Strategy and Corporate Affairs

Tel: +27 12 307 4481

Email: [mzila.mthenjane@exxaro.com](mailto:mzila.mthenjane@exxaro.com)