



Press release  
9 May, 2016

## 100 MW Kathu solar project in the Northern Cape of South Africa will start construction

ENGIE is pleased to announce that the Kathu Solar Park project in South Africa, owned by an ENGIE-led consortium with South African partners, has signed a 20-year Power Purchase Agreement (PPA) with Eskom – South Africa’s state owned power utility –, making it possible for construction at the site to begin shortly. The concentrated solar park, situated in the Northern Cape Province, 600 km South-West of the national capital Pretoria, is expected to be operational in the second half of 2018.

Kathu Solar Park is a 100 MW greenfield Concentrated Solar Power (CSP) project with parabolic trough technology and equipped with a molten salt storage system that allows 4.5 hours of thermal energy storage and thus limits the intermittent nature of solar energy.

Bruno Bensasson, CEO of the ENGIE Africa Business Unit, commented: *“This is an important milestone for our first Concentrated Solar Power project in the ENGIE Group. The Kathu Solar Park project supports South Africa’s strategy of increasing the contribution of renewable power and also underlines our commitment to be a key partner in achieving sustainable energy generation in Africa.”*

The consortium, which is led by ENGIE (48.5%), includes a group of South African investors comprising SIOC Community Development Trust, the Investec bank, Lereko Metier and the Public Investment Corporation.

The project is funded by a mix of debt and equity. The debt is funded from a club of South African banks, namely Rand Merchant Bank, Nedbank Capital, ABSA Capital, Investec and the Development Bank of South Africa.

Approximately 1,200 jobs will be created during the construction phase. It is estimated that the Kathu Solar Park will save six million tones of CO<sub>2</sub> over 20 years and will further promote local economic development through various projects such as a local community trust for the benefit of communities in the John Taolo Gaetsewe District Municipality situated in the Northern Cape and sourcing of other services from local entrepreneurs.

Kathu Solar Park has been awarded preferred bidder in the third round of the Renewable Energy Independent Power Producer Procurement Program (REIPPPP) led by the South African Department of Energy (DOE).



## Notes

In Africa, ENGIE has interests in two operational wind farms, the 94 MW West Coast 1 wind farm in South Africa and the 301 MW Tarfaya wind farm in Morocco. ENGIE is also constructing two state-of-the-art thermal power generation units (Safi – 2 x 693 MW) in Morocco. Additionally in South Africa, the Group owns and operates two thermal power peaking plants, the 670 MW Avon plant (under construction) and 335 MW Dedisa plant (in operation). Through Solairedirect, it is in charge of 2 solar photovoltaic parks with a total installed capacity of 21 MW located in the Western Cape Province.

## About ENGIE

*ENGIE develops its businesses (power, natural gas, energy services) around a model based on responsible growth to take on the major challenges of energy's transition to a low-carbon economy: access to sustainable energy, climate-change mitigation and adaptation and the rational use of resources. The Group provides individuals, cities and businesses with highly efficient and innovative solutions largely based on its expertise in four key sectors: renewable energy, energy efficiency, liquefied natural gas and digital technology. ENGIE employs 154,950 people worldwide and achieved revenues of €69.9 billion in 2015. The Group is listed on the Paris and Brussels stock exchanges (ENGI) and is represented in the main international indices: CAC 40, BEL 20, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe, DJSI World, DJSI Europe and Euronext Vigeo (Eurozone 120, Europe 120 and France 20).*

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