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# AIIM consortium achieves financial close on 89MW Castle Wind Farm for Sibanye-Stillwater

Cape Town, South Africa – AIIM consortium reaches Financial Close on 89MW Castle Wind Farm (Castle) to supply renewable energy to Sibanye-Stillwater’s South African mining operations via an Eskom wheeling agreement.

The consortium consists of African Infrastructure Investment Managers (AIIM), through its renewable energy project development and delivery platform African Clean Energy Developments (ACED), and Reatile Renewables (Pty) Ltd.

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This milestone marks the effective date of the Power Purchase Agreement (PPA) between the project company and Sibanye-Stillwater and the commencement of construction. The energy will originate from Castle Wind Farm, located near the town of De Aar in the Northern Cape province of South Africa and will result in energy cost savings, increased energy security and decarbonisation benefits for Sibanye-Stillwater, a multinational mining and metals processing group. The addition of increased power generation capacity to the national grid will contribute to offsetting the power deficit currently being experienced in the country.

AIIM has been a strong proponent of increasing the ability of South African pension funds to invest in unlisted infrastructure investments. These assets provide an attractive option for pension funds to meet their investment return aspirations, and also help address the significant infrastructure backlog the country is facing. The backlog includes power generation and transmission infrastructure, rail and ports infrastructure, as well as the water sector. In the power generation sector alone, AIIM has identified an equity investment opportunity of more than R100 billion in the period to 2030.

Sechaba Selemela, Investment Principal at AIIM, noted that “the transaction was another step towards greater reliance on renewable energy and solving South Africa’s energy crisis”. Selemela added that, “with this transaction, which follows on a similar wind farm development Msenge Emoyeni reaching financial close in

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March, AIIM continues to be committed to investing in renewable energy projects that will have a positive impact and make an impact over the long term.”

AIIM is a division of Old Mutual Alternative Investments, a project through the IDEAS Managed Fund, infrastructure equity funds which invests in energy infrastructure. ACED is a renewable energy project in the AIIM stable.

Simphiwe Mehlomakulu, Executive Chairman of Old Mutual, said, “We are delighted to support big businesses such as Sibanye-Stillwater in Africa. We continue to bring tangible solutions to the grid and sustainable generation capacity to the grid.”

This transaction will be the second private placement to have reached financial close. This milestone was achieved by the originator of both projects.

James Cumming, General Manager at ACE Investment, said, “We reached Financial Close on Castle for Sibanye-Stillwater. All those involved at Sibanye-Stillwater, ACE Investment, and all those involved in this huge effort to conclude these transactions are to be congratulated on this project. We now look forward to reaching financial close on more renewable energy projects to life over the next few months. South Africa is obviously in urgent need of.”

Rand Merchant Bank, a division of FirstRand Bank, is the financial arranger for the project.

Neal Froneman, CEO of Sibanye-Stillwater, said, “This transaction is delivering over 550 MW of our renewable energy capacity in our journey to carbon neutrality by 2040. It will be reducing carbon emissions and mitigating the impact of climate change on electricity and provides energy security for our operations. Additionally, it will also contribute to the economic growth of South Africa. We look forward to bringing more renewable energy projects to life over the next few months.”

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