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SOLAR ENERGY

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Mainstream Renewable Power has recently achieved financial close on its 50 MW Ilikwa solar PV plant in South Africa, marking a significant milestone in the country's renewable energy landscape.

This development is crucial as South Africa grapples with ongoing energy challenges and strives to meet its renewable energy goals.

The Ilikwa solar plant is expected to play a vital role in providing clean energy and addressing the pressing need for reliable power sources in the region.

The Ilikwa solar plant will supply energy to commercial and industrial customers through Renewable Energy Supply Agreements (RESAs).

These agreements offer shorter-term contracts, typically ranging from five to ten years, which allow businesses greater flexibility in accessing renewable energy.

By providing these options, RESAs empower smaller companies to participate in the renewable energy market, enabling them to secure affordable and sustainable power without long-term commitments that might be financially burdensome.

South Africa has been facing persistent energy supply issues, leading to frequent power outages that disrupt businesses and hinder economic productivity.

By integrating reliable renewable energy sources like the Ilikwa solar plant, companies can enhance their operational stability, ultimately boosting productivity and competitiveness across local industries.

The availability of consistent power is essential for fostering economic resilience amid these challenges. As businesses gain access to stable electricity, they can operate more efficiently and invest in growth opportunities.

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In addition to economic benefits, the Ilikwa project will have a positive environmental impact. Once operational, it will provide electricity to



over 42,000 homes and help reduce carbon emissions by approximately 100,000 tons annually.

This reduction is significant in a country where air quality is often compromised by reliance on fossil fuels. The project also emphasizes community engagement and support for sustainable infrastructure development.

By involving local communities in the planning and implementation phases, Mainstream Renewable Power aims to ensure that the benefits of the project extend beyond just energy production.

Job creation is another critical aspect of the Ilikwa solar plant. The construction and operation of the facility are expected to generate numerous jobs for local residents, contributing to economic development in the area.

This focus on local communities aligns with broader efforts to promote sustainable development in South Africa while addressing unemployment challenges.

The financing of the Ilikwa solar PV plant involves a partnership with Investec, which has provided essential pre-construction development finance as well as debt and equity financing.

This collaboration highlights how bespoke funding mechanisms can facilitate renewable projects, making it easier for similar initiatives to attract investment across South Africa's renewable energy sector.

Such innovative financing models not only support individual projects but also encourage further investment into the renewable energy landscape.

Mainstream Renewable Power's broader portfolio includes 12 GW of renewable projects, with plans for an additional 180 MW set for construction in 2025.

This momentum not only positions Mainstream as a leader in the South African renewable energy market, but also advocates for more aggressive policies aimed at expanding renewable energy adoption throughout the region.

