

Munich, January 25th 2018

// **CRONIMET ELECTRIFIES MOZAMBIQUE'S CHILOANE ISLAND**

Memorandum of Understanding signed to develop Mozambique's largest pre-paid solar mini-grid

CRONIMET Mining Power Solutions GmbH and their local partner MOSTE sign a ground-breaking Memorandum of Understanding with FUNAE, a public institution promoting energy access in regions where the national grid does not reach, in order to develop Mozambique's largest pre-paid solar mini-grid on Chiloane Island in Sofala Province.

The solar mini-grid will be the country's first privately developed and financed mini-grid, and is expected to generate up to 200kWp of solar power that will electrify the island's households, public institutions, commercial enterprises and water pumps. David Robinson, head of business development for CRONIMET, recently visited Chiloane Island with Joaquim Macanguisse, head of FUNAE's Beira office, to conduct a preliminary demand assessment and to meet members of the local community. "We're excited to implement this electrification project on Chiloane Island" said David Robinson, "It will provide reliable, 24-hour clean energy access to the community. This mini-grid will be transformative for the island's residents and will serve as a scalable rural electrification model for Mozambique, where more than 18 million people currently have no access to electricity."

The island is located in the East Indian Ocean approximately one kilometre from Mozambique mainland and has an estimated population of 3 000 inhabitants. Having no access to energy so far, the residents rely primarily on car batteries to meet their energy requirements.

Due to this lack of electricity, the fishermen cannot produce their own ice to cool their catch sufficiently to be able to bring it to the point of sale. With the electricity produced by the solar mini-grid, island residents will be able to produce their own ice, which will have an immediate economic impact on the entire community.

CRONIMET, MOTSE and FUNAE will form a consortium to develop the mini-grid as a public private partnership. The consortium partners expect that the Chiloane pilot project will demonstrate the viability of privately financed and operated pre-paid solar mini-grids in Mozambique, launching a new mini-grid market with the potential to provide new energy access to more than 5 million people. Upon successful implementation of the Chiloane Island mini-grid, the consortium expects to develop a portfolio of 60 or more mini-grids across Mozambique.

About CRONIMET: CRONIMET Mining Power Solutions GmbH is a German-based renewable energy company founded in 2013 that develops, builds, finances, owns and operates utility scale solar PV power plants and mini-grids across sub-Saharan Africa. In just a few years, CRONIMET has become one of the leading solar photovoltaic (PV) developers and independent power producers in Southern Africa, with operating PV plants and projects under development in Botswana, South Africa, Mozambique, Namibia, Zambia and several other African countries. To date, CRONIMET has completed, is constructing, was awarded or has achieved pre-financial close on 11 African projects representing more than 36 MW of power, and has a development pipeline consisting more than 260 MW of utility scale, solar PV-diesel hybrid and rural mini-grid projects.

About MOTSE: MOTSE is a Mozambican company that develops projects with strategic partners in the energy, mining, trade and logistics sectors. MOTSE was founded by Egideo Leite, a recognized leader of the Mozambique business community. Mr. Leite has an extensive entrepreneurial, finance, consulting and corporate track record in Mozambique, and he has been instrumental in implementing several high impact energy projects in Mozambique.

About FUNAE: FUNAE is a public institution subordinated to the Mozambique Ministry of Energy whose mission is to promote access to energy in a sustainable and rational way that contributes to the economic and social development of the country. FUNAE works in those regions where the national grid does not reach and focuses predominantly on solar electrification, power generation from biomass and mini-hydro resources, fuel distribution, mini grids and productive uses of power.

For further information please visit our website: www.crm-ps.com.