

KWAMA – Ilute

Kwama (the Borrower) is an IPP that is currently being established with Buffalo Energy, Western Renewable and Oak as the founding shareholders. Kwama is seeking an equity bridge loan with a bullet repayment to cover its share of project equity capex. Kwama has two projects in late-stage development: Ilute (25MWac) and Unika I (200MW wind), as well as seven additional projects in its pipeline.

Ilute is the most advanced project within the Kwama pipeline, under the special purpose vehicle, Ilute Solar Limited. Kwama owns 30% of Ilute, with Serengeti Energy Limited holding the remaining 70%. Ilute Solar comprises a 32MWp / 25MWac Solar Photovoltaic (PV) facility, located approximately 15km northwest of Sesheke town, on the western bank of the Zambezi River in Sesheke District, Western Province, Zambia. Power will be sold through a 25-year Power Purchase Agreement to GreenCo Power Services Ltd, which buys from renewable energy independent power producers and sells to utilities and private buyers via the Southern African Power Pool.

The project encompasses 60ha within a larger 250ha site designated for potential future expansion, incorporating solar arrays, a 6.5km transmission line, and associated supporting infrastructure. This investment involves land acquisition, potential economic resettlement, biodiversity impacts, and health, safety, and security concerns during construction. It is expected to create 100–150 jobs during construction and 5–10 permanent jobs during operation, with direct benefits to local communities through employment, procurement, and a dedicated community development fund (1% of construction cost and 1% of annual revenue).

The project is planned for a 12-month construction period and a minimum operational life of 25 years. Stakeholder engagement has been extensive and ongoing, involving traditional leaders, district officials, and affected communities. The project has established transparent processes for compensation and employment, ensuring fair access and support for vulnerable households, and setting up a Stakeholder Engagement Plan and a Grievance Redress Mechanism (“GRM”) managed by a Community Liaison Officer.

The GRM provides a structured process for communities, employees, and supply chain partners to raise and resolve grievances. Community members can submit complaints in writing or verbally, including anonymously, with timelines for resolution and escalation if needed.