

THIS DOCUMENT IS IMPORTANT AND MUST BE READ IN ITS ENTIRETY TO FULLY UNDERSTAND THE RISK ASSOCIATED WITH AN INVESTMENT IN AFRICA CLEAN ENERGY SOLUTIONS LIMITED.

ANY FORECASTS, ESTIMATES AND VALUATIONS INCLUDED HEREIN CONSTITUTE A JUDGEMENT BY THE BOARD OF DIRECTORS AS AT THE DATE OF THIS DOCUMENT AND THERE CAN BE NO ASSURANCE OR WARRANTY THAT FUTURE RESULTS WILL BE CONSISTENT WITH SUCH OPINIONS, FORECASTS AND ESTIMATES.

THIS DOCUMENT AND THE OFFER TO SUBSCRIBE FOR NEW SHARES AFRICA CLEAN ENERGY SOLUTIONS LIMITED IS CONFIDENTIAL, IS ADDRESSED TO THE PLACEE ONLY, AND MAY NOT BE USED BY ANY OTHER PERSON. APPLICATIONS WILL ONLY BE CONSIDERED BY THE PERSON TO WHOM THIS DOCUMENT HAS BEEN ADDRESSED.

The definitions on pages 7 to 8 of this document apply to this page.

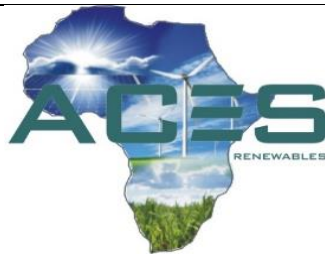
If you are in any doubt as to the action that you should take, please consult your broker, banker, legal adviser, accountant or other professional adviser immediately.

Action required

Attention is drawn to the “Details of This Private Placing” section on pages 13 and 14 of this document.

CAUTIONARY

Africa Clean Energy Solutions Limited has a limited track record of financial performance or income generation. Although every step has been taken by the Directors to reduce the risk in an investment in Africa Clean Energy Solutions Limited, any person who wishes to invest in the Company must understand and be fully aware that any investment in the Company can only be considered to be of a “Development Stage Capital” nature and therefore the risks associated with such an investment are higher.



AFRICA CLEAN ENERGY SOLUTIONS LIMITED
(Incorporated in the Republic of Mauritius)
Registration number: 152282

SEM Share code ACES N000

ISIN: MU620N00008

PLACING DOCUMENT

Relating to:

- ❖ The Private Placement of Ordinary Shares as follows:
 - 5,000,000 New Ordinary Shares of No Par Value and issued at US\$1.00 each

and enclosing

- ❖ An Application Form

This Document has not been and will not be registered as a prospectus with the Financial Services Commission of Mauritius (the “**FSC**”). This Document will not be approved by the FSC. This Document and the Ordinary Shares are not and should not be construed as advertisement or as an offer or sale of securities to the public. The FSC takes no responsibility for the contents of this Document. The Ordinary Shares may not be offered or sold, directly or indirectly, to the public in Mauritius and it is not intended that the Ordinary Shares be issued to more than 25 investors.

Neither this Document, nor any other offering material or information contained herein relating to the offer of the Ordinary Shares may be treated as a prospectus and be released or issued to the public in Mauritius or used in connection with any such offer.

The directors of ACES, whose details are set out on page 2 of this Document accept full responsibility for the accuracy of the information contained in this document and certify that, to the best of their knowledge and belief, and after making reasonable inquiries, this document complies with the Securities Act 2005 of Mauritius (the “Securities Act”), any regulations made under the Securities Act or any FSC Rules and /or any applicable securities legislation, and that there are no facts the omission of which would make any statement in this document false or misleading and that they have made all reasonable enquiries to ascertain such facts as required by law.

Date of Signature by Directors: 20 November 2019

CORPORATE INFORMATION

| Directors | Registered Office |
|--|---|
| <p>Gaetan Siew (Chairman) Le Matin Calme, Butte a L'herbe, Calodyne, Mauritius</p> <p>Johan David Kruger (CEO) 109 9th Street Linden 2104, South Africa</p> <p>Melvyn Antonie (COO) 24 John McKenzie Drive Emmarentia Ext 1 2195, South Africa</p> <p>James S. Friedlander 53 Harley Street Flat 2, London, W1G 8QP United Kingdom</p> <p>Toorisha Nakey-Kurnauth Baldeo Chumun St, Triolet, Mauritius</p> | <p>c/o Intercontinental Trust Limited Level 3, Alexander House 35 Cybercity Ebene 72201 Mauritius</p> |

Smitha Algoo-Bissonauth

Lot 147, Morc 2

L'Avenir, St- Pierre

Mauritius

Antoine Kon- Kam King

LOT B19, Rue de la Grande Riviere,

Au Bout Du Monde,

Ebene, Mauritius

Company Secretary

Intercontinental Trust Ltd

Level 3, Alexander House

35 Cybercity,

Ebene, 72201

Mauritius

Auditors

BDO & Co

10, Frere Felix de Valois Street

Port Louis

Mauritius

**SEM authorized
representative and sponsor**

Perigeum Capital Ltd

Level 4, Alexander House

35 Cybercity,

Ebene, 72201

Mauritius

Bankers

AfrAsia Bank Ltd

Bowen Square

10, Dr Ferriere Street

Port Louis

Mauritius

Date of Incorporation: 8
December 2017

Place of Incorporation: Mauritius

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DEFINITIONS

Throughout this Document, unless otherwise indicated, the words in the first column have the meanings stated opposite them in the second column, words in the singular include the plural and vice versa, words importing natural persons include corporations and associations of persons and any reference to one gender includes the other gender:

| | | |
|-------------------------------------|--|--|
| “The Act” | | the Companies Act No. 15 of 2001 of Mauritius as may be amended, supplemented or replaced from time to time ; |
| “Board of Directors” or “Directors” | | the members of the Board of Directors of the Company whose details are set out in Corporate Information and on page 2 of this Document; |
| “Business Day” | | any day other than a Saturday, Sunday or an official public holiday in Mauritius; |
| “Document” | | this Document incorporating the Annexures; |
| “Carbon Credits/CER” | | a certified emission reduction, commonly known as a “certified carbon credit”, is a tradable instrument created under the Clean Development Mechanism; |
| “CDM” | | Clean Development Mechanism as defined in terms of the Kyoto Protocol; |
| “Clean Energy” | | Clean energy may also be called <i>renewable energy</i> or <i>green energy</i> and it specifically refers to energy produced usually from renewable resources; |
| “COP 21 Protocol” | | the COP 21 Protocol is a protocol to the United Nations Framework Convention on Climate Change (UNFCCC), aimed at fighting global warming, which came into effect in 2016 at the Paris Convention; |
| “Mauritius” | | The Republic of Mauritius; |
| “Ordinary Share” | | an ordinary share of no par value in the issued share capital of ACES; |
| “ACES” or “the Company” | | Africa Clean Energy Solutions Limited, registration number 152282, a Company incorporated in Mauritius on 8 December 2017 ; |
| “ACES GROUP” | | ACES, its subsidiaries as referred to in this document and companies associated with ACES in South Africa and Namibia as reflected in Clause 12 of this document; |
| “ACES UK” | | Africa Clean Energy Solutions (ACES) Limited, duly incorporated |

| | |
|-----------------------------|---|
| | in accordance with the Company laws of England And Wales, its registration number being 10121592; |
| “SACE” | South Africa Clean Energy Solutions Limited, a public unlisted company incorporated according to the laws of South Africa, its registration number is 2007/022753/06; |
| “SEM” | Stock Exchange of Mauritius |
| “Tana Biomass” | Tana Biomass Generation Limited, a subsidiary of ACES UK (which hold 70% of the issued shares), being a private company duly incorporated in accordance with the Company laws of Kenya, its registration number being PVT/2016/019580; |
| “Tana Solar” | Tana Solar Limited, a wholly owned subsidiary of ACES UK, (which hold 70% of the issued shares) being a private company duly incorporated in accordance with the Company laws of Kenya, its registration number being PVT/2016/005624; |
| “Unergy” | Unergy (Pty) Limited, a wholly owned subsidiary of ACES UK, (which holds 75% of the issued shares) being a private company duly incorporated in accordance with the Company laws of Uganda, its registration number being 67957; |
| “UNFCCC” | United Nations Framework Convention on Climate Change is a treaty which provides a framework in terms of which parties that have adopted that treaty may agree specific goals that they want to achieve in terms of the programmes that will help reduce Green House Gases; |
| Voluntary Carbon Credit/VER | A verified certified emission reduction, commonly known as a “voluntary carbon credit”, is a tradable instrument verified under such voluntary protocols such as the Gold Standard and the Voluntary Carbon Standard; |

AFRICA CLEAN ENERGY SOLUTIONS LIMITED

(Incorporated in Mauritius)

Registration number: 152282 C1/GBL (“**ACES**” or “**the Company**”)

SEM share code: ACES.N0000

ISIN: MU0620N00008

DIRECTORS

G. SIEW (CHAIRMAN) (MAURITIUS); JD KRUGER (RSA) (CEO); MJ ANTONIE (RSA) (COO); TOORISHA NAKEY-KURNAUTH (MAURITIUS); SMITHA ALGOO-BISSONAUTH (MAURITIUS); JS FRIEDLANDER (USA); AKK KING (MAURITIUS)

TERMS AND CONDITIONS OF THE PRIVATE PLACING

1. INTRODUCTION

The growing tendency in the world is to move away from carbon based energy supply to the use of cleaner forms of energy.

The Kyoto Protocol, which was signed by 187 nations and which was replaced by COP 21 is aimed at reducing carbon emissions by the introduction and use of Clean Energy.

The African continent has a great need for energy in order to grow their economies and provide a significant opportunity to its citizens in the fields of education, health and industrialisation.

Africa is increasingly looking at renewable energy as a means of increasing its electricity supply.

After extensive research, the Directors of ACES have formulated an approach in taking advantage of specific opportunities in the Clean Energy market in African, specialising in “waste –to- energy” and solar technologies, including, if possible, using the financial mechanism which has been developed by the United Nations to introduce alternative Clean Energy solutions internationally.

2. PURPOSE OF DOCUMENT

The purpose of this document is to:

- **Set out the rationale and approach of ACES in the Clean Energy Market in Africa particularly in Kenya, Uganda, Ethiopia, Tanzania, Cote d’Ivoire, Malawi and Zambia and other selected countries**
- **Provide the investor with a business case;**
- **Set out a detailed action plan to meet the objectives;**
- **Set out the financial needs of ACES;**
- **Set out the terms and conditions of the placing of Ordinary Shares.**

3. COMPANY BACKGROUND AND NATURE OF BUSINESS

The Group was established by Dave Kruger and Melvyn Antonie in 2007 with the specific objective of providing clean energy and clean energy solutions to its chosen customer base and they

formulated the strategy and nature of business of ACES.

Initially they concentrated on opportunities in South Africa and Namibia and as these markets became saturated it was decided in 2015 to explore opportunities in Sub Sahara Africa more particularly Kenya and Uganda initially and subsequently Zambia.

The nature of business of ACES is as follows:

- ACES and its group companies provides clients with clean energy solutions;
- ACES concentrates on renewable plants between 5MW to 50 MW, as a controlling shareholder, but may participate in larger plants as a minority shareholders.
- ACES then finances, builds, owns and operates the plant and sells the energy to client's on a long-term contract basis;
- Where clients express the desire to retain ownership, ACES provides a turn-key solutions;
- ACES, either through its own resources or through associate third parties, identifies suitable Clean Energy projects falling essentially within the
 - "Biomass/Biogas" and Waste –to – Energy technology;
 - Solar technologies;
 - Wind technologies;
 - Hydro technologies;
- ACES assesses a project's capability to provide partial or total Clean Energy solution and a project's economic viability
- Once the first stage is complete, ACES prepares a comprehensive feasibility study and if such a project is deemed to be feasible and profitable ACES funds the project from its own resources or externally;
- Should ACES provide or arrange finance for a project it will provide management skills on an on- going basis;
- Acquire existing plants or plants in the final stages of development for cash or exchange of shares provided the acquisition meets the due diligence requirements of ACES and its minimum Internal Rate of Return of 12,5% after tax cash flow;
- If the CDM mechanism is still in force, submit the project to the United Nations for accreditation.

ACES only concentrates its efforts on National Energy Utilities, mining, commercial and industrial opportunities in Africa.

The business plan, which was approved by SEM for the listing of ACES is available for inspection. The three year projections of the income statement, cash flow and balance sheet is set out in Annexure "A"

The business plan sets out the summarised income statement, balance sheet and cash flow for the five years to 30 June 2024 as well as the detailed assumptions on which the above forecasts are based.

4. OBJECTIVES OF ACES

The objectives of ACES are to:

- Establish ACES as a leading clean energy company in Sub-Sahara Africa in 5 MW to 50 MW segment through organic growth and consolidation in a fragmented market through value added acquisitions;
- Leverage expertise in the biofuel, solar, wind renewable space to make a significant contribution to the growth in clean energy electrification in Sub Sahara Africa;
- Deliver a Significant return for its shareholders;
- Meet the 21st century challenges of supplying Clean Energy thereby meeting the environmental needs particularly as they apply to Africa;

- Provide assistance to the poor, destitute and AIDS victims;
- Obtain a secondary listing on an International Stock Exchange during 2020.

5. ACES STRATEGY

The ACES strategy can be divided into two phases:

A short-term strategy is designed to develop, finance, build and own projects using its preferred technologies in the geographical areas of operation through organic growth.

The long-term strategy of ACES is:

- to continue to develop, finance, build and own projects using its chosen technologies in the geographical areas of operation;
- achieve consolidation in the fragmented markets through partnerships and acquisitions that meet ACES requirements and returns; and
- generate a strong positive cash flow for the benefit of the group and its shareholders.

6. RATIONALE FOR ACES STRATEGY

Africa Opportunity

More than two-thirds of the current population on Africa (>600 million people) in sub- Sahara Africa lack access to energy. According to the World Bank almost 87% of these are in the rural areas. A significant opportunity exists in mini grid systems to produce clean energy to a rural community and area.

ACES current and future business model creates an ideal opportunity to exploit the growth potential arising from the demand that is forecast to grow from 2,700 GwH to 5,800 GwH. Rising consumption demand for electricity with the doubling of the population of Africa by 2040 creates a massive opportunity for growth in the clean energy sector. Mini-grids are emerging as a core viable and effective solution to the electrification of the rural areas and has the potential for a significant role in the effort to achieve universal access.

South Africa, Ethiopia, Kenya and Uganda are all seen as big markets for growth in the sector. ACES presence in these markets provides an ideal opportunity for achieving scale through organic growth and acquisitions

A Whole New Industry for Job Creation

The skills development in carbon reduction projects and the establishment and operations of such plants provides the potential to create thousands of jobs in Africa. This new industry will increase the tax revenue base of African countries.

The Biomass and Biogas developments are very important in the creation of new skills and employment in Africa as the raw material required is obtained mainly from agricultural by-products, which is a large employer.

The provision of energy to many countries in Africa will allow those countries to supply energy for commercial, industrial and domestic purposes, which will have a direct impact of creating many new job opportunities, improving the quality of life for their citizens and is sustainable for many years.

Erratic Supply of Electricity

Although South Africa has developed a very successful model for the creation of renewable energy and although the supply of energy has stabilised, once the South African economy expands at a rate higher than 2, 5% per annum, the supply of energy will once again prove to be a restriction on growth with its detrimental economic effects to commerce and industry. This will encourage both commerce and industry to look for alternative and sustainable sources of energy, which can be controlled or owned by them.

Many countries in Africa have experienced a very erratic supply of energy due to the lack of infrastructure and reliable grid ties. In addition the source of energy is limited due to the lack of infrastructure and carbon related resources. Renewable energy, particularly in the form of Solar and Biogas/Biomass is a natural and very economical source of energy for the African continent. Africa experiences very high solar radiation, which is ideal to install solar plants, making Africa one of the most efficient continents for the production of solar energy. Solar energy can be installed for regional and local use with an economical cost to install or improve the infrastructure or grid ties. The African continent has the capability of producing food and energy feedstock for the Biogas and Biomass technologies at very economical prices and in sufficient quantities. This aspect is also a very good job creator for the continent.

7. LISTING

ACES was listed on the Stock Exchange of Mauritius Ltd on 31 May 2019, and intends to apply for a secondary listing on alternative International Stock Exchange during 2020. The investigative process for a secondary listing has commenced.

Set out in Annexure "C" is the trading history of ACES since listing on SEM on 31 May 2019. ACES is a small cap company with its shares tightly held and with a restriction having been placed on the trading of shares by SEM to 10% for the first two years, which applies to shareholders who were on the register on 28 May 2019.

The ACES group has made major strides in obtaining projects in various parts of Southern Africa and Africa resulting the substantial requirement for cash to invest.

Full details of these projects are set out in Annexure C of this document.

ACES owns the entire issued share capital in ACES UK. ACES UK holds the controlling interests of the group in Kenya, Uganda and Zambia. When appropriate ACES will acquire the business of South African Clean Energy Solutions Limited ("SACE"), the original company formed by Kruger and Antonie. The requisite approvals for the purchase and sale of the business of SACE from the South African Regulators.

SACE owns the investments in the South African and Namibian projects.

The detailed group structure of ACES is set out in Paragraph 13 of this document

ACES has embarked on a Private Placement to raise up to US\$5,000,000, which will be required to fund the projects in Kenya and Uganda to financial close, provide a portion of equity to be provided by the ACES group to the Kenyan and Ugandan projects and working capital for the group for the following twelve months. Details of the expected expenditure is set out in Clause 9 of this document.

Financial close is defined as having completed all the requirements to commence with the projects viz. completed the Environmental Impact Studies, Grid Connection Studies and Assessments,

Topographical Studies, Technical Assessments, Power Purchase Agreements, Generating Licences, Transmission Agreements and firm commitments of funding.

Subsequently to Financial Close each project will enter the construction stage. It is at this stage that the ACES group will be required to contribute its equity portion to the project.

The directors are of the opinion that an increased number of opportunities available to ACES will need to continue to raise further cash by the issue of new ordinary shares. The fund raising will be to meet its immediate working capital and investment needs as described below and the need to contribute to the capital expenditure for the projects designed, built and owned by ACES.

As the Group is investigating acquisition of existing projects in final stages of development the need for additional equity will be needed in addition to the US\$5 million.

In terms of the listing particulars approved by the SEM on the listing of ACES, ACES indicated that once the projects in Kenya and Uganda reach financial close or acquisitions are finalised, ACES will need to raise its portion of equity, which could total US\$35 million. These funds will be raised by way of a new issue of shares in ACES, (which in turn will advance the funds to the respective operating subsidiaries) or the group could sell of a portion of its investment in the respective project company and contribute those proceeds to the project.

8. PURPOSE OF THIS PRIVATE PLACING

The Group has raised US\$2,328,000 in cash by the issue of new ordinary shares in SACE and US\$634,000 in by the issue of new shares in ACES. These amounts include substantial amounts contributed by Kruger and Antonie to SACE.

The purpose of this Private Placing is to raise sufficient funds to meet the financial needs of the ACES group to bring the Kenya and Uganda projects to financial close, investigate further opportunities in Africa and provide the group with working capital for the following twelve months.

9. USE OF PROCEEDS FROM THIS PLACING

The total amount to be raised in terms of this Private Placing of Ordinary Shares is a US\$5,000,000.

This placing is a one of a series of placings that will take place once the projects in Kenya and Uganda reach financial close.

In order to bring the prospects in Kenya and Uganda to financial close and future working capital ACES will require a minimum of US\$1,000,000 to be expended over the next six to nine months.

Should ACES raise the total amount of US\$ 5,000,000 it will enable ACES to meet its immediate needs and bring the projects in Kenya and Uganda to financial close, while at the same time retain its shareholdings in the subsidiaries. It will also provide the group with funds to make new acquisitions.

In addition, ACES will have sufficient working capital for the foreseeable future.

Should the full amount of US\$5,000,000 not be raised but only the minimum amount of US\$ 1,000,000 is raised, the ACES group would have to reduce its shareholding in Kenya and Uganda, as reflected below, by raising equity in the subsidiaries as further development capital.

Set out in the table below is a summary of the use of the funds based on the total amount raised and assuming only the minimum amount is raised.

| USE OF FUNDS | TOTAL AMOUNT RAISED US\$5,0 M | PERCENTAGE SHAREHOLDING RETAINED | AMOUNT RAISED US\$ 1,000,000 | PERCENTAGE SHAREHOL RETAINED |
|--------------------------------|-------------------------------|----------------------------------|------------------------------|-----------------------------------|
| Kenya | 1,500,000 | 70% | | 35% retained and the balance sold |
| Uganda | 1,550,000 | 40% | | 40% retained and the balance sold |
| Working Capital | 750,000 | | 375,000 for 6 months | |
| Annual Listing and Admin Costs | 200,000 | | 100,000 | |
| Existing Commitments | 250,000 | | 250,000 | |
| New Countries investigated | 700,000 | | 275,000 | |

10. DETAILS OF THIS PLACING

In order to raise the necessary cash to meet the objectives set out above ACES intends issuing up to 5,000,000 New Ordinary Shares at US\$1, 00 each on the terms and conditions set out in this document.

ACES hereby offers for subscription:

5,000,000 units of new ordinary shares at US\$1.00 each for subscription in terms of this placing to raise a total of US\$5,000,000.

The minimum amount that ACES intends to raise in terms of this placing is US\$ 1,000,000.

Applications will only be considered by those persons to whom this document has been addressed and on the application form attached to this document and from no other person.

The application form, which is attached hereto, must be completed and returned to ACES at either;

Intercontinental Trust Limited

Level 3

Alexander House

35 Cybercity

Ebene Mauritius

OR

101 Oxford Road,

Saxonwold, 2132

Johannesburg

Or P.O. Box 48392, Roosevelt Park, 2129

Payment for the amount reflected on the completed application form must be paid by "Electronic Funds Transfer" made out to

Beneficiary's Name: AFRICA CLEAN ENERGY SOLUTIONS LIMITED

Beneficiary's Account Number: 05980000000018

Beneficiary's IBAN: MU31AFBL250105980000000018USD

Swift Code: AFBLMUMU

AfrAsia Bank Ltd

Bank's Address:

Bowen Square

10, Dr Ferriere Street
Port Louis
Mauritius

Email Address: aces@intercontinentaltrust.com

The private placing opened on 15 October 2019 and will close on 28 February 2019, or such other date as the Directors of ACES may decide, and which be announced to the market.

The Directors reserve the right to allot some applications in full and others in part or to reject any application.

The Directors reserve the right to pay certain recognised institutions or persons a placing commission not exceeding 7% (seven percent) of the value of the shares placed, and which applications bear the stamp or name and signature of that institution or person.

11 SHAREHOLDERS AFTER THE PRIVATE PLACING

Following the Private Placing the shareholding of the ACES will be as follows:

| Director | Shares beneficially held directly | Shares beneficially held indirectly | Shares non-beneficially held indirectly | Total Shares held | Total Options Held Indirectly |
|---|-----------------------------------|-------------------------------------|---|-------------------|----------------------------------|
| J. Rampedi | | | 1 255 682 | 1 255 682 | |
| M,J. Antonie | | | 5 340 031 | 5,340,031 | 201,000 |
| JD. Kruger | | | 5,867,047 | 5,867,047 | 200,000 |
| CT Wood | 208,975 | 50,000 | | 258,975 | 150,000 |
| A Ally | 700,640 | | | 700,640 | 208,364 |
| P Norman | | | 4,331,558 | 4,331,558 | 308,364 |
| JS Friedlander | | | | 37,505 | |
| Existing Public | 8,623,451 | | | 7,977,604 | 356,695 |
| New Shareholding from Private Placement | 5,000,000 | | | 5,000,000 | |
| Total | | | | 31,099,042 | 1,424,423 |

12 COP 21

Global warming is the increase in the average temperature of the oceans and the atmosphere. Some members of the scientific community strongly contend that human activity has caused the global warming and the related climatic problems.

In February 2007, a report by the Intergovernmental Panel on Climate Change (“IPCC”) concluded that the increase of the planet’s average temperature since the middle of the 20th century is due to the observed increase of greenhouse gases created by man.

To combat this phenomenon, a number of major agreements have been adopted by the international community. The United Nations Framework Convention on Climate Change (“UNFCCC”), which came into effect on 21 March 1994, The **Kyoto Protocol**, which came into effect on 16 February 2005, which was replaced by COP 21 in 2016..

In order to stabilise the concentration of greenhouse gases in the atmosphere thereby preventing any further climatic disturbances, the various Protocols established a system whereby greenhouse quotas can be commercially exchanged and provide two other flexible mechanisms – Joint Implementation and Clean Development Mechanism.

Under the Protocol, 37 industrialized countries committed themselves to a reduction of four Greenhouse Gases (GHG) (carbon dioxide, methane, nitrous oxide, sulphur hexafluoride and two groups of gases (hydrofluorocarbons and perfluorocarbons) produced by them and all member countries give general commitments.

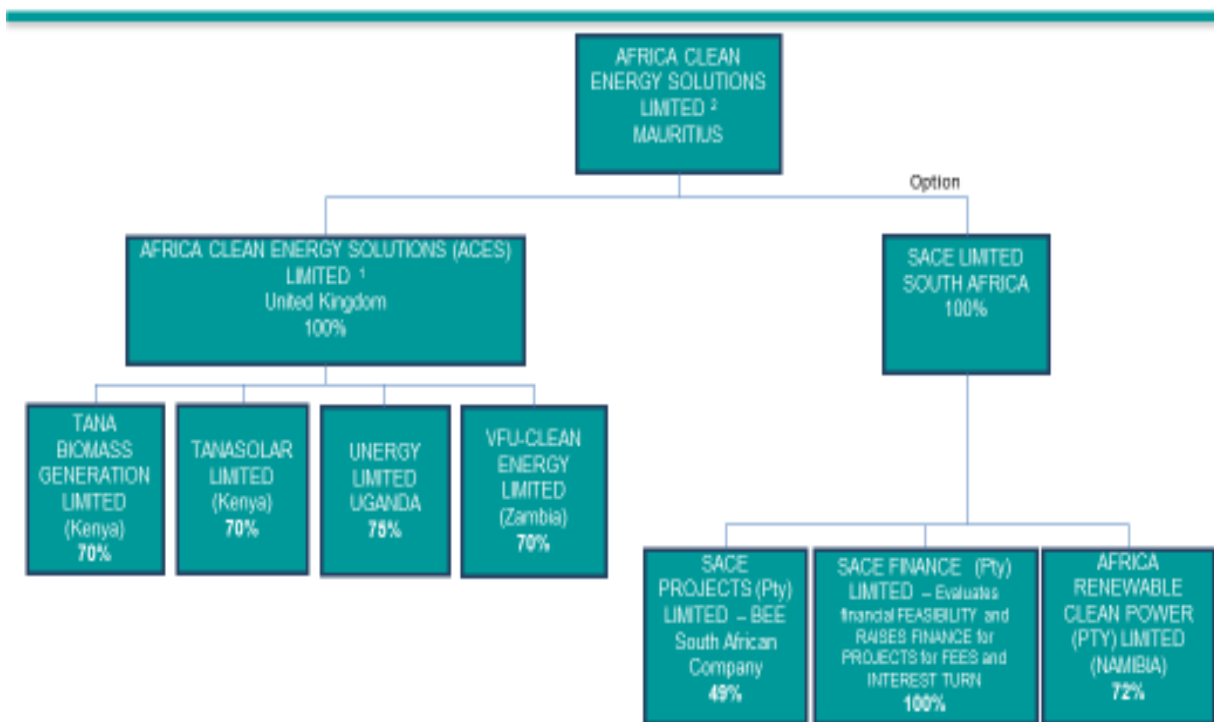
The five principal concepts of the Protocols are:

- commitments to reduce greenhouse gases that are **legally binding** for signatory countries, as well as general commitments for all member countries;
- implementation to meet the Protocol objectives, to prepare policies and measures which reduce greenhouse gases; increasing absorption of these gases and use all mechanisms available, such as Joint Implementation, Clean Development Mechanism and emissions trading; being rewarded with offsets which allow less greenhouse gas emissions at home;
- minimizing impacts on developing countries by establishing an adaptation fund for climate change;
- accounting, reporting and review to ensure the integrity of the Protocol;
- establish a compliance committee to enforce commitment to the Protocol.

Although RSA is a signatory to the Protocols, it is a “non-bound” member.

13 CORPORATE STRUCTURE OF THE ACES GROUP

The aces group structure on the completion of the acquisition of aces UK and SACE is set out in the diagram below:



1. Incorporated in England and Wales under Company Registration number 10121582.
2. Incorporated in Mauritius



13

NOTE 1: Aces UK is currently 100% held by ACES

NOTE 2: ACES intends acquire 100% of the business of SACE for the issue of new shares.

14 CURRENT LIST OF PROJECTS

Set out in Annexure “B” is a detailed list of all projects that the ACES group is involved in and their status of development.

15. ACQUISITION OF THE BUSINESS OF SACE

The South African Regulators has granted permission to ACES to acquire the business of South African Clean Energy (“SACE”) in exchange for new shares. A circular to the respective shareholders is being prepared together with the underlying value for SACE. The acquisition must be completed by 31 December 2019. The major assets of SACE are:

- **72% of Africa Renewable Clean Power (Pty) Limited (“ARCP”) - Namibia:**
 - ARCP holds 15% in two 5 MW Solar plants in Namibia. The plants are completely constructed and Commercial Operating Date for both projects have now been achieved. Energy is being supplied to Nampower.

- **49.9% of SACE Projects (Pty) Limited - South Africa:**
 - Application for a generating license has been submitted for the two projects under way in SACE Projects namely the 2.4 MW solar plant in Uitenhage and 4.2 MW Biogas plant in Mpumalanga.
 - SACE Projects has a conditional debt term sheet for the solar project.
 - The terms and conditions of the PPA have been finalised and will be signed in the near future

The total liabilities of SACE is R15, 062,760 (US\$1,038,811) at a rand to US Dollar exchange rate of 14.50 to 1 US Dollar. The loan bear interest at the South Africa Prime Overdraft Rate

Subject to final valuation of the assets of SACE the net asset value of the business of SACE is currently estimated at US\$1,750,000

The acquisition is subject to the approval by the shareholders of ACES and SACE, The final documents will be posted to shareholders of ACES and SACE shortly.

16. POTENTIAL ACQUISITIONS

The Group is investigation a number of acquisition opportunities in various African countries like Uganda and Malawi in the hydro, wind and solar fields.

The possibilities are still under the due diligence process, which once completed will require the approval of the Board of ACES

17. ACCESS TO TECHNOLOGY

The policy of the ACES group is to access clean energy technology is rather than own or develop such technology. It will investigate and use the most appropriate Solar or Biomass/Biogas or Wind or Hydro technology available in the market.

In doing so the ACES Group only uses the technology provided by leaders in their field and who have the balance sheet and bankable capability to provide the required performance guarantees for the equipment supplied, as opposed to developing its own clean energy technology.

18. MANAGEMENT TEAM

The initial management team comprise the directors. MJ Antonie and JD Kruger are appointed by the Board of Directors as the only Executive Directors. All other directors are non-executive.

19. DIRECTORS' EMOLUMENTS AND BENEFITS

Non-executive director of ACES and its subsidiaries will receive remuneration as agreed by the Board as a director in carrying out their fiduciary duties as directors.

The remuneration of JD Kruger as the Chief Executive Officer and MJ Antonie, the Chief Operating Officer is to be decided by the Board of ACES. They currently receive an annual remuneration of US\$ 132,000 and US\$68,000 from SACE respectively

20. TAX ADVANTAGES

The following summary describes the material tax consequences in connection with the purchase, ownership and disposal of the Ordinary Shares. This summary is based upon applicable laws, regulations and interpretations in effect as at the date of this Document, all

of which are subject to change, possibly with retroactive effect. The following summary does not purport to provide a comprehensive description of all tax considerations that may be relevant to a decision to purchase, own or dispose the Ordinary Shares, particularly in relation to the unique circumstances of each prospective investor. Neither these statements nor any other statements in this Document are to be regarded as advice on the tax position of any holder of the Ordinary Shares or of any person acquiring, selling or otherwise dealing in securities, or on any tax implications arising from the acquisition, sale or other dealings in the Ordinary Shares.

Prospective investors of the Ordinary Shares are advised to consult their own tax advisors regarding the overall tax consequences of the purchase, ownership or disposal of the Ordinary Shares. Additionally, this Document does not discuss the local tax consequences that may apply in the jurisdiction of a prospective investor. Prospective investors should consult their own tax advisors regarding any applicable tax laws and regulations relating to the purchase, holding or disposal of the Ordinary Shares that are in force in their country of residence or citizenship.

Neither the Company, the Initial Purchasers nor any other person involved in the Offering of the Ordinary Shares, accepts responsibility for any tax effects or liabilities resulting from the subscription, purchase, holding or disposal of the Ordinary Shares.

The following is a description of certain material Mauritius income tax consequences in connection with an investment in the Ordinary Shares. The discussion is a general summary of the present law in force in Mauritius as at the date of this Document, which may be subject to prospective or retroactive change. The following description is not to be regarded as tax advice. The discussion also does not consider any circumstances that are particular to each prospective investor, and it only considers tax consequences arising under Mauritius law.

Dividends paid on the Ordinary Shares to non-residents not carrying on any business in Mauritius are not subject to tax in Mauritius. There is no tax (by way of withholding or otherwise) on payments of interest to non-residents by a Mauritius resident company out of its foreign source income.

Gains or profits made by a Shareholder from the sale or redemption of the Ordinary Shares will not be subject to any tax in Mauritius.

21. CHANGE OF CONTROL

Upon completion of the private placing ACES reserves the right to allocate shares such that no single shareholder will hold in excess of 29,9% of the total shares in issue of ACES, thereby not triggering a mandatory takeover rules applicable in Mauritius.

22. GENERAL

Regulation of the Company

The Company was incorporated in Mauritius as a public company with limited liability under the laws of Mauritius. It holds a Category 1 Global Business License issued by the Financial Services Commission (“FSC”) of Mauritius.

Under its global business license, the Company must only conduct such business or activity, being business or activity permissible under the laws of Mauritius and those of the jurisdiction where the business or activity is being carried out.

Exchange control laws and regulations have been suspended in Mauritius since 1994. The Company is a global business company and is therefore not subject to any exchange control restrictions in Mauritius. Any payments made to or by the Company are therefore not restricted by the exchange control regulations. However, the Company will have to comply with the exchange control regulations of the countries where the investments are envisaged.

Mauritius Anti-Money Laundering Regulations

To ensure compliance with the Financial Intelligence and Anti-Money Laundering Act 2002 and the Code on the Prevention of Money Laundering and Terrorist Financing (the “Code”), issued by the FSC, documents for the purpose of verifying the identity of the applicant, the source of funds and obtain confirmation that the application monies do not represent directly or indirectly, the FSC, the Company will require an applicant for the Ordinary Shares to provide certain information proceeds of any crime. The request for information may be exempted where an applicant is a regulated financial services business based in Mauritius or in an equivalent jurisdiction (i.e., subject to the supervision of a public authority) or in the case of public companies listed on recognized stock exchanges, as set out in the Code. The Company must comply with the provisions of the Financial Services Act 2007, the Prevention of Corruption Act 2002, the Prevention of Terrorism Act 2002 and the Mutual Assistance in Criminal Matters Act 2002 and may be required to comply with the Financial Transactions Reporting Act 2004, and any regulations made under those Acts (“Acts”). Consequently, the Company may have to disclose to the relevant authorities any information, which they require pursuant to the Acts or such other relevant laws and regulations, and the Company may have to report any suspicious transactions.

In the event of delay or failure by the applicant to produce any information required for verification purposes, the Company may refuse to accept the application and the subscription monies relating thereto until proper information has been provided.

Each applicant for the Ordinary Shares acknowledges that the Company shall be held harmless against loss arising because of a failure to process or delay in processing an application for the Loan Stock Units if the applicant has not provided such information and documentation as requested by the Company in full with sufficient detail.

In accordance with the anti-money laundering laws, the Company will appoint a resident as its money laundering reporting officer (“MLRO”). The duties of the MLRO will include receiving and evaluating internal suspicious transactions reports and, where appropriate, filing these with the Mauritius Financial Intelligence Unit (“FIU”). Persons connected with the Company are required to report any suspicions of money laundering to the MLRO. If requested by any relevant authority including, without limitation, the FIU, the MLRO may pass on information about any applicant for the

Ordinary Shares to any such regulatory authority. It is a term of subscription that any applicant will be deemed to have consented to the passing on of such information to any such authority.

FATCA and the Common Reporting Standard

FATCA

The Foreign Account Tax Compliance Act ("FATCA"), a portion of the 2010 Hiring Incentives to restore Employment Act, became law in the U.S. in 2010. It requires financial institutions outside the U.S. ("foreign financial institutions" or "FFIs") to pass information about "Financial Accounts" held by "Specified US Persons", directly or indirectly, to the U.S. tax authorities, the Internal Revenue Service ("IRS") on an annual basis. A 30 per cent withholding tax is imposed on certain U.S. source income of any FFI that fails to comply with this requirement. On 27 December 2013, the Republic of Mauritius entered into a Model 1 Intergovernmental Agreement ("IGA") with the U.S. The Company would hence have to comply with such Mauritius IGA as implemented into Mauritius law by the "Agreement for the Exchange of Information Relating to Taxes (United States of America – FATCA Implementation) Regulations 2014" (the "FATCA Law") in order to comply with the provisions of FATCA rather than directly complying with the U.S. Treasury Regulations implementing FATCA. Under the FATCA Law and the IGA, the Company may be required to collect information aiming to identify its direct and indirect investors or unit holders that are Specified U.S. Persons for FATCA purposes ("FATCA reportable accounts"). Any such information on FATCA reportable accounts provided to the Company will be shared with the Mauritius tax authorities, which will exchange that information upon request on an automatic basis with the Government of the U.S. Depending on the exposure to withholding under FATCA and the costs of compliance, the Company will determine whether to comply with the provisions of the FATCA Law and the IGA to be deemed compliant with FATCA. The Company will continually assess the extent of the requirements that FATCA and notably the FATCA Law place upon it.

To ensure the Company's compliance with FATCA, the FATCA Law and the IGA in accordance with the foregoing, the General Partner may:

- request information or documentation, including tax self-certifications, U.S. IRS W-8 or W-9 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of an investor's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such investor's FATCA status;
- report information concerning an investor (and Controlling Persons of investors that are Passive Non-Financial Foreign Entities) and their account holding in the Company to the Mauritius tax authorities if such account is deemed a FATCA reportable account under the FATCA Law and the IGA;
- report information to the Mauritius tax authorities (Administration des Contributions Directes) concerning payments to investors with FATCA status of a non-participating foreign financial institution; and
- deduct any applicable U.S. withholding taxes from certain payments, such as Pass thru Payment withholding taxes should these be implemented, made to an investor by or on behalf of the Company in accordance with FATCA, the FATCA Law and the IGA.

The Company must communicate any information to the investor according to which (i) the Company is responsible for the treatment of the personal data provided for in the FATCA Law; (ii) the personal data will only be used for the purposes of the FATCA Law; (iii) the personal data may only be

communicated to the Mauritius tax authorities (Administration des Contributions Directes); (iv) responding to FATCA-related questions is mandatory and accordingly the potential consequences in case of no response; and (v) the investor has a right of access to and rectification of the data communicated to the Mauritius tax authorities (Administration des Contributions Directes).

The Company reserves the right to refuse any application for Interests if the information provided by a prospective investor does not satisfy the requirements under FATCA, the FATCA Law and the IGA.

Investors should consult their professional advisers on the possible implications of FATCA on their investment in the Company.

Common Reporting Standard

Mauritius is a signatory to the Convention on Mutual Administrative in Tax Matters (the "Convention") which provides for exchange of certain information with countries who have signed the Convention.

Mauritius has also signed the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information (the "Agreement") which provides for automatic exchange of information pursuant to the common standard on automatic exchange of financial account information in tax matters developed by the OECD with G20 countries ("CRS"), with other countries who have signed the Agreement and are parties to the Convention.

Apart from becoming a signatory to the Convention, Mauritius has also brought necessary amendments to the Income Tax Act, 1995 ("Income Tax Act") for the implementation of CRS. Section 76 of the Income Tax Act has been amended to add a new paragraph (5A) that gives powers to the Director-General of MRA to require any person to establish, maintain and document such due diligence procedures as he may determine and to provide him with information of a specified description at such time and in such form and manner as he may determine. Under CRS, the Company will have to report annually to the MRA on the financial accounts (as defined under CRS) held by non-residents for eventual exchange with relevant treaty partners.

Litigation statement

ACES and its subsidiary companies are not involved in any legal or arbitration proceedings, nor is the director of ACES aware of any proceedings, which are pending or threatened in respect of ACES or any of its subsidiary companies.

Material loans

The ACES group has no loans.

The Directors of SACE have provided SACE with shareholders loans totalling R15, 062,760 (US\$1,038,811). As part of the acquisition of the business of SACE, ACES will assume these loans, when the acquisition of the business is complete.

Material contracts

At the date of the Document, and other than as disclosed in this Document, ACES or its subsidiaries have not entered into any material contracts outside the ordinary course of business of ACES.

ACES has not entered into any promoter's agreements during the three years preceding the issue

of this Document.

Adequacy of Capital

The Directors are of the opinion that a minimum of US\$1,000,000 needs to be raised from this placement to ensure it has sufficient capital to meet its obligations for the foreseeable future.

Material Changes

There have been no material changes to the affairs of the company since its formation.

23. DIRECTORS RESPONSIBILITY STATEMENT

Each director accepts full responsibility for the accuracy of the information given in this Document and certify that, to the best of his knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Document contains all information required by law.

24. INFORMATION ON THE DIRECTORS AND EXECUTIVE MANAGEMENT

Set out in Annexure D below are the brief resume of each director of the Group

None of the Directors has been:

- Disqualified by any court from acting as a director of a Company or from acting in the management or conduct of the affairs of any Company or been the subject of any public criticism by statutory or regulatory authorities (including recognised professional bodies);
- Convicted of an offence resulting from dishonesty, fraud or embezzlement or convicted in any jurisdiction of any criminal offence or any offence under legislation relating to the Act;
- Adjudged bankrupt or entered into any voluntary creditors' liquidation or been sequestered in any jurisdiction or been an executive director of any Company at the time or within the twelve months preceding any of the following events taking place; receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company/voluntary arrangements or any composition or arrangement with creditors generally or any class of creditors; or
- Barred from entering into any profession or occupation.

25. DIRECTORS' INTERESTS AFTER THE ISSUE OF NEW SHARES

Set out in the table below are the details of the holdings of the ACES shares held by group directors.

| Director | Shares beneficially held directly | Shares beneficially held indirectly | Shares non-beneficially held indirectly | Total Shares held | Total Options Held Indirectly |
|----------------|-----------------------------------|-------------------------------------|---|-------------------|----------------------------------|
| J. Rampedi | | | 1 255 682 | 1 255 682 | |
| M,J. Antonie | | | 5 340 031 | 5,340,031 | 201,000 |
| JD. Kruger | | | 5,867,047 | 5,867,047 | 200,000 |
| CT Wood | 208,975 | 50,000 | | 258,975 | 150,000 |
| A Ally | 700,640 | | | 700,640 | 208,364 |
| P Norman | | | 4,331,558 | 4,331,558 | 308,364 |
| JS Friedlander | 37,505 | | | 37,505 | |
| Total | | | | 18,121,438 | 1067,728 |

ACES issued options to individuals as referred to above.

Options for shares totaling 407,364 shares have been exercised but not issued as yet.

The options can be converted into shares in ACES shares at 1, 7 US\$ cents, which options must be exercised by 31 December 2019.

However, once ACES acquires the business of SACE, in exchange for shares the directors of SACE will have an indirect non-beneficial shareholding in ACES shares held by SACE.

Otherwise, as disclosed in this document, the directors have no direct or indirect beneficial interest in transactions effected by ACES during the current financial year or in the preceding financial year and which remain in any respect outstanding or unperformed, or in the acquisitions.

No payment has been made to any director in the three years preceding the date of issue of this document as an inducement to become a director.

The current issued share capital comprises 26,099,042 shares.

After the potential issue of the 5,000,000 Ordinary Shares, the total number of issued shares will be 31,099,042, excluding the 407,364 shares still to be issued from the exercise of options.

26. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the Registered Office of ACES in Mauritius or at 101 Oxford Road, Rosebank, Johannesburg from the date of this Document during normal business hours on business days:

- a signed copy of this Document;
- the memorandum of association and articles of ACES and its subsidiaries;
- copies of the terms and conditions of the options;
- Draft purchase and sale agreement to acquire the business of SACE;
- Details of the assets and liabilities of SACE;
- Detailed amended financial projections and assumptions;
- The Listings Particulars of ACES dated 31 May 2019
- The Business Plan of ACES dated May 2019;

For and on behalf of

Africa Clean Energy Solutions Limited

Signed by the Directors at Mauritius on 20 November 2019

GAETAN MICHEL SIEW HEW SAM

JAMES STUART FRIEDLANDER

TOORISHA NAKEY-KURNAUTH

MELVYN JOSEPH ANTONIE

ANTOINE KON - KAM KING

SMITHA ALGOO-BISSONAUTH

JOHAN DAVID KRUGER

ANNEXURE A

THREE YEAR PROJECTIONS FOR YEARS ENDING 30 JUNE 2020 TO 2022

The detailed projected income statement, balance sheet and cash flow projections and the detailed assumptions on which these projections are based as set out on page 43 to 51 of the business plan.

Set out below is the summarised income statement and balance sheet of the aces group based on the detailed assumptions contained in the business plan and the following additional or amended assumptions:

- The original assumptions contained in the business plan assumed financial close and commercial operating dates of the projects in Kenya and Uganda as set out in the business plan in May 2019. Since that date it has become clear that the financial close and Commercial Operating Date of the projects in Kenya and Uganda will only take places as set out in Annexure “B” hereto;
- Unergy Limited the company operating in Uganda has issued 35% of its issued shares to Metier, a private equity company operating in South Africa and Uganda in order to provide Electricity Regulatory Authority of Uganda with the financial support it requires before issuing a PPA.
- The forecast income expected from the investment in SACE is included in the assumptions.
- 75% of the profit after tax earned by aces will be reinvested in its subsidiary companies and to grow the group;
- Of the remaining 25% the dividend cover will be not less than 3 times;
- The group will fund projects on a 75% debt and 25% equity basis.

ACES - SUMMARY FINANCIALS

| Years | 1 | 2 | 3 | 4 |
|-------|---|---|---|---|
|-------|---|---|---|---|

SUMMARISED INCOME STATEMENT

Operating income

| | | | | |
|------------------|---------------|------------------|------------------|-------------------|
| Development Fees | - | - | 5,022,000 | 5,750,000 |
| Management Fees | - | 892,857 | 3,914,286 | 4,339,768 |
| Dividends | - | 0 | 20,177 | 397,938 |
| Interest | 23,807 | 138,848 | 311,703 | 684,465 |
| | 23,807 | 1,031,705 | 9,268,165 | 11,172,171 |

Group costs

| | | | | |
|----------|-----------|-------------|-------------|-------------|
| Salaries | (436,667) | (1,114,470) | (1,136,759) | (1,159,495) |
|----------|-----------|-------------|-------------|-------------|

| | | | | |
|---------------------------------|------------------|--------------------|--------------------|--------------------|
| Other expenses | (200,833) | (416,150) | (424,473) | (432,962) |
| | (637,500) | (1,530,620) | (1,561,232) | (1,592,457) |
| Interest - non core | 849 | - | 1,414 | 2,341 |
| Profit (loss) before tax | (612,844) | (498,915) | 7,708,347 | 9,582,054 |
| Tax paid | - | - | (1,090,476) | (77,437) |
| Profit (loss) after tax | (612,844) | (498,915) | 6,617,871 | 9,504,618 |

SUMMARISED CASH FLOW STATEMENT

| | | | | |
|----------------------------------|------------------|--------------------|--------------------|---------------------|
| Cash flow from operations | (612,844) | (498,915) | 6,617,871 | 9,504,618 |
| Investing activities | | | | |
| Equity | (528,689) | (4,524,410) | (5,367,664) | (16,048,483) |
| Shareholder loans: | | | | |
| <i>Advances</i> | - | - | - | - |
| <i>Repayments</i> | - | - | - | - |
| PDI loans | | | | |
| <i>Advances</i> | (400,507) | (1,515,203) | (1,190,371) | (3,823,867) |
| <i>Repayments</i> | - | 0 | 0 | 59,265 |
| <i>Interest accrued</i> | (23,807) | (138,848) | (311,703) | (684,465) |
| Cash flow from investing | (953,002) | (6,178,461) | (6,869,737) | (20,497,549) |
| Financing activities | | | | |
| Equity | 630,341 | 4,908,510 | 3,907,700 | 11,892,326 |
| Loans: | | | | |
| <i>Advances</i> | 735,506 | 2,536,056 | 2,457,154 | 4,424,647 |
| <i>Interest accrued</i> | 17,570 | 138,163 | 83,474 | 67,531 |
| <i>Repayments</i> | - | (767,190) | (4,714,075) | (3,082,333) |
| Dividends paid | - | - | (1,405,453) | (2,239,367) |
| Cash flow from investing | 1,383,417 | 6,815,539 | 328,800 | 11,062,803 |

| | | | | |
|------------------------|---------------|----------------|----------------|----------------|
| Net movement | (182,430) | 138,163 | 76,933 | 69,872 |
| Opening balance | 200,000 | 17,570 | 155,734 | 232,667 |
| Closing balance | 17,570 | 155,734 | 232,667 | 302,538 |

SUMMARISED BALANCE SHEET

Non-current assets

| | | | | |
|-------------------------|---------|-----------|------------|------------|
| Investments in projects | 528,689 | 5,053,099 | 10,420,762 | 26,469,245 |
| Loans to PDI's | 424,314 | 2,078,364 | 3,580,438 | 8,029,504 |
| Loans to projects | - | - | - | - |

Current assets

| | | | | |
|---------------------------|--------|---------|---------|---------|
| Cash and cash equivalents | 17,570 | 155,734 | 232,667 | 302,538 |
|---------------------------|--------|---------|---------|---------|

TOTAL ASSETS

| | | | |
|----------------|------------------|-------------------|-------------------|
| 970,573 | 7,287,197 | 14,233,867 | 34,801,288 |
|----------------|------------------|-------------------|-------------------|

Equity

| | | | | |
|---------------------------|-----------|-------------|-----------|------------|
| Shareholders contribution | 830,341 | 5,738,851 | 9,646,551 | 21,538,877 |
| Retained earnings | (612,844) | (1,111,759) | 4,100,659 | 11,365,909 |

Noncurrent liabilities

| | | | | |
|-------|---------|-----------|---------|-----------|
| Loans | 753,076 | 2,660,104 | 486,657 | 1,896,502 |
|-------|---------|-----------|---------|-----------|

Current liabilities

TOTAL EQUITY & LIABILITIES

| | | | |
|----------------|------------------|-------------------|-------------------|
| 970,573 | 7,287,197 | 14,233,867 | 34,801,288 |
|----------------|------------------|-------------------|-------------------|

ANNXURE B

CURRENT LIST OF PROJECTS REFERRED TO IN PARAGRAPH 14 OF THE PLACING DOCUMENT

The ACES Group is involved in a number of projects in South Africa, Namibia, Kenya, Uganda and Zambia and are investigating opportunities in Malawi, Cote d'Ivoire and Ethiopia.

Set out below is a complete list of projects ACES is working on. These projects are set out as active projects

COD means commercial operating date. I.e. when the plant has been installed, tested, approved by the authorities and producing energy in terms of the specifications.

| Name of and Country of Project | Type of Renewable | Net MW Size | Estimated Cost (US\$'Ms) | Price per kWh | IRR to ACES | Status | Percentage holding |
|--------------------------------|--|---|--------------------------|--|-------------|--|--------------------|
| KENYA | | | | | | | |
| KPLC | 20 year Hybrid comprising Solar and Biogas (active) | 10 MW Solar and 10 MW Biogas A further undertaking has been received to increase the capacity to 20 MW for Solar and 20 MW for Biogas subject to Tana upgrading the sub-station at its own cost and agreed tariff. | US\$49 million | The aggregate tariff for both the Biogas and solar is 8.85 US cents of which 15% will escalate at USA CPIX | 16,59% | Financial close 31 March 2020 and first COD(Solar) 31 Oct 2020 and final COD Oct 2021 (Biogas) | 70% |
| | 20 year Hybrid comprising Solar and Biogas (pending) | 10 MW Solar and 10 MW Biogas | US\$49 million | The aggregate tariff for both the Biogas and solar is 8.85 US cents of which 15% will escalate at USA CPIX | 16,59% | Financial close March 2021 and first COD Oct 2021 and final COD Oct 2022 | 70% |

| Name of and Country of Project | Type of Renewable | Net MW Size | Estimated Cost (US\$'Ms) | Price per kWh | IRR to ACES | Status | |
|--------------------------------|---|--------------|--------------------------|---|-------------|--|-----|
| UGANDA | | | | | | | |
| UETCL | 20 year Biogas (active) | 22 MW Biogas | US\$68million | 11,53 US cents with 50% escalating at USA CPIX | 18,56% | Permit Approval obtained from ERA Financial close 31 June 2020 and final COD Nov 2021 | 40% |
| UETCL | 20 year Biogas (pending) | 22 MW Biogas | US\$66,8million | 11,53 US cents with 50% escalating at USA CPIX | 18,56% | Financial close 30 June 2021 and final COD June 2022 | 40% |
| ZAMBIA | | | | | | | |
| ZESCO - Government of Zambia | Hybrid comprising Solar and Biogas (active) | 15 MW Solar | US\$24 million | 10 US escalation at To be agreed but not less than USA CPIX | 16,75% | Project placed on hold pending Zambian decision on the tariff | 70% |

PROJECTS UNDER CONTROL OF AN ASSOCIATE COMPANY OF THE ACES GROUP –

SOUTH AFRICA CLEAN ENERGY SOLUTIONS LIMITED

| | | | | | | | |
|----------------------------|--------------------------|--------|---|--|-------|-----------------------------|------------|
| SOUTH AFRICA ACTIVE | | | | | | | |
| Hazyview | 20 year Biomass (Active) | 4,2 MW | US\$4,5 million plus civils and connection fees | 9,1 US cents escalating at RSA CPIX | 15,0% | Finalising PPA | 49.9% |
| Port Elizabeth | 20 year Solar | 2.8 MW | US\$3,5 million plus civils and connection fees | 9,1 US cents escalating at RSA CPIX | 15,2% | Finalised PPA | 49.9% |
| NAMIBIA | | | | | | | |
| NAMPOWER | 25 year Solar (Active) | 5 MW | US\$9.1 | 11,3 US cents per kWh escalating at Namibia CPIX | 23,4% | COD reach in September 2019 | 72% of 15% |
| NAMPOWER | 25 year Solar (Active) | 5 MW | US\$9.1 | 11,3 US cents per kWh escalating at Namibia CPIX | 23,4% | COD reach in September 2019 | 72% of 15% |

ANNEXURE “C”

TRADING HISTORY OF ACES SHARES ON SEM SINCE 31 MAY 2019

| DATE -2019 | NO. OF SHARES TRADED | PRICE |
|------------|----------------------|-------|
| 31 May | 401 | 1USD |
| 3 June | | |
| 4 June | | |
| 5 June | | |
| 6 June | | |
| 7 June | | |
| 10 June | | |
| 11 June | | |
| 12 June | | |
| 13 June | | |
| 14 June | 100 | 1USD |
| 17 June | | |
| 18 June | | |
| 19 June | | |
| 20 June | 18628 | 1USD |
| 21 June | | |
| 24 June | | |
| 25 June | | |
| 26 June | | |
| 27 June | 510 | 1USD |
| 28 June | | |
| 1 July | | |
| 2 July | | |
| 3 July | 47100 | 1USD |
| 4 July | | |
| 5 July | 200 | 1USD |
| 8 July | | |
| 9 July | | |
| 10 July | | |
| 11 July | | |
| 12 July | | |
| 15 July | | |
| 16 July | | |
| 17 July | | |
| 18 July | | |
| 19 July | | |
| 22 July | | |
| 23 July | | |
| 24 July | | |
| 25 July | | |
| 26 July | | |
| 29 July | | |
| 30 July | | |
| 31 July | | |

ANNEXURE “D”

INFORMATION ON DIRECTORS OF THE GROUP.

EXECUTIVE DIRECTORS

Dave Kruger - CEO

Dave joined the Board on formation in 2007 and became the Chief Executive Officer in 2011, having previously managed a successful property development company in South Africa. Dave is responsible for the negotiations of the Group business partners in Africa and together with the African business partners are involved with negotiations with government and mining houses in Namibia, Kenya, Uganda and South Africa for the off-take of the energy from the power plant. Dave is actively involve with fund raising for the group. With more than 10 years' experience in the renewable energy space, Dave has concluded numerous developments in projects in Africa.

Melvyn Antonie - COO

Melvyn holds a BA LLB (Wits) and is an admitted attorney. He also obtained a Diploma in Banking from the Manchester Business School. He joined the Board on formation of SACE in 2007 as an Executive Director. In 1973 he joined Barclays National Merchant Bank where he became senior general manager, responsible for mergers, acquisitions, listings, bank syndicated positions and project financing. He became a director of Hill Samuel SA in 1986 and was responsible for the Corporate Finance Department. He formed The Janus Corporation as a shareholder and director in 1987 and between 1996 and 1998, as part of a joint venture, was a director of SG Corporate Finance (SA) (Pty) Limited.

NON-EXECUTIVE DIRECTORS

Gaetan Siew – Chairman of the Board

Mr. Siew is a Director/partner of Lampotang & Siew Architects Ltd since 1981 in Mauritius.

He has trained as an architect. Throughout his professional career, he has learnt that being an architect means to translate the imagination into reality. The same methodology applies to resolve complex problems into concrete solutions. As founding partner of Lampotang & Siew Architects Ltd since 1981 in Mauritius, he worked internationally (Mauritius, France, India, Madagascar, Mayotte, Seychelles, Swaziland, and Tunisia) on projects such as Airports, Hotels, Commercial and Leisure, Urban planning and Heritage projects.

He is Past President of the International Union of Architects, he travels the world to make presentations on global issues and globalisation.

Mr. Siew is an extensive traveler to over a 100 countries and has visited about 250 cities.

Smitha Algoo-Bissoonaath (Mauritian) is employed by Intercontinental Trust Limited, which is regulated by the Financial Services Commission of Mauritius. Smitha represents Intercontinental Trust

Toorisha Nakay (Mauritian) is employed by Intercontinental Trust Limited, and is regulated by the Financial Services Commission of Mauritius. Toorisha represents Intercontinental Trust

Antoine KK. King---- (Mauritian)

Antoine holds a Bachelor in Economics from Manchester University, an MBA from the London Business School, is a Fellow of the Institute of Chartered Accountants in England and Wales and a Fellow of the Mauritius Institute of Directors. For the last 30 years, Mr. King has been working as a Senior Manager and Advisor internationally in Kenya, USA, China and UK on Projects, Finance, Administration, Strategic Planning and Organisational Development. He has worked at Deloitte, London, the London Business School, the United Nations Development Programme (UNDP) and at UN-Habitat. He is currently also an Independent Board Member and Chairperson of the Audit and Risk Committee at Afri Life Ltd, Director of Antela Consulting, Board Member and President of Chinese Business Chamber (Mauritius), Vice-President of We-Recycle and a Member of the Audit Committee Forum of the Mauritius Institute of Directors (MIOD).

Jim Friedlander – (USA)

Jim is an international lawyer. After receiving his J.D. from Harvard Law School in 1966, he lived in Malawi for 5 years and Kenya for 8 years. He has worked in 25 countries in Africa, as a World Bank lawyer, as a private banker at Citibank, and as a private lawyer for large and small law firms. Over the years, Jim has been on the board of NMB Bank in Zimbabwe and a Canadian mining company listed on the TSE. Jim has advised Governments in Africa and in Eastern Europe for 33 years on their investment laws as a consultant to the World Bank/IFC. Jim is currently living in London, UK. He is a business development manager of member of the ENS Africa law firm and a partner in a law firm in Moscow, Russia (where he lived for 8 years).

DIRECTORS OF SUBSIDIARIES AND ASSOCIATE COMPANIES

Jim Friedlander – *Non-Executive Director of ACES UK and Tana Biomass Generation Limited*

Ashley Ally - *Non-Executive Director of SACE and ACES UK*

Ashley has qualifications in Electrical Engineering, Town and Regional Planning as well as Business and Public Administration. Ashley is the Chief Executive Officer of Izingwe Holdings (Pty) Ltd; an investment company specializing in infrastructure development, industrial and mining services. He serves on the Board of Directors for both listed and unlisted companies and has investments in Anglo Gold Ashanti, Powertech IST, Nedbank, Old Mutual, Aberdare Cables, Onelogix, Scaw Metals as well as CBI Electric.

Paul Norman - *Non-Executive Director of SACE and ACES UK*

Paul joined the Board in November 2015 as a Non-Executive Director. He has been an executive at MTN since 1997. He is a member of the Group Exco and has played a key role in MTN's evolution from a single country business to a global business with a footprint in 22 countries. Paul has a Master's degree in Psychology from Rhodes University and also graduated from IMD in Switzerland with an MBA. He is a qualified Psychologist and before moving into Industry, he ran his own private practise. As an HR professional Paul has positioned MTN as an employer of choice across all its markets. In 2003 Paul was also awarded HR Practitioner of the Year by the Institute for People Management (IPM). In 2012 he was recognised by the South African Board for People Practices (SABPP), with the Life Time Achievement Award. According to SABPP, the award was in acknowledgment of his great contribution to the advancement of the Human Resources profession, not only in South Africa, but across MTN's 22 countries of operation. He serves as a director on several of MTN's Subsidiary Boards. He has also established various entrepreneurial ventures in the food, motor and alternative energy sectors.

Dr Jacky Rampedi - *Non-Executive Director of SACE and ACES UK*

Dr Rampedi (MBCHB) is a graduate of Natal Medical School. He joined the Board of SACE in October 2010 as a Non-Executive Director. He is an entrepreneur, starting private practice more than 15 years' ago and

developing it into four fully operational primary healthcare clinics. In addition, he has created emergency services which are contracted to Netcare 911 and services the greater Northern Pretoria. He has extensive community involvement and, inter alia, founded PEPCO, Winterveld Aids Awareness Campaign, BMR Football Club. In 2003, Dr Rampedi launched an initiative to establish and integrated black owned Healthcare group, providing an opportunity to acquire skills and participate in mainstream economy. His achievements have demonstrated his strength of business acumen and abilities as an entrepreneur, all of which he brings to SACE as a member of the Board of Directors.

Tim Wood - *Non-Executive Director of SACE and ACES UK*

Tim spent most of his career in the Citi banking group in 12 different countries in their commercial and investment banking sectors. Most recently he was the managing director of a multimillion private equity fund for sub-Saharan Africa. He joined the Board in July 2014 as a non-executive director. His role in SACE is primarily in finance and along with Melvyn is responsible for raising funding for projects.

LOCAL PROJECT DIRECTORS

Robert W. Muchiri - *Executive Director TANA Biomass and TANA Solar KENYA*

Robert is a Kenyan agronomist with a wealth of technical skills, management experience and a track record of successful business ventures in Kenya. His local knowledge and access in this jurisdiction makes him an invaluable and integral part of the team.

Ulrich Sedi/Gaoseb - *Executive Director ARCP NAMIBIA*

Ulrich has extensive experience and an impressive track record in establishing and running businesses across all sectors. He has been involved in renewable energy for the past two years and is a co-founder of ARCP. Ulrich is well acquainted with the Fishing Industry and has been a Director and Chairperson in key companies – establishing them from inception to their current operational status. He currently serves on Boards of Naras Investment (Pty) Ltd, Trachurus Fishing (Pty) Ltd, Omankete Investment (Pty) Ltd, Kuiseb Fishing Enterprises (Pty) Ltd, Kuiseb Cold Store and Kuiseb Traders (Pty) Ltd.

Charles Mbire - *Executive Director UNERGY UGANDA*

Charles is an Economist with a Degree from the University of Essex and an MBA from Leicester University, UK. He is one of the founding shareholders and Chairman of MTN Uganda Ltd, the largest telecommunications company in Uganda and the biggest tax payer in that country. He is the director of Eskom Uganda Limited, a subsidiary of Eskom South Africa and the Chairman and CEO of Invesco Uganda Limited. Mr. Mbire is an investor and director of Rift Valley Railways (Kenya & Uganda) Ltd, Railway Concessionaire Uganda/Kenya and is the Chairman of the Board of Directors, Uganda Securities Exchange (stock exchange). He has of late invested in oil exploration, oil services, and energy and cement production. In 2010, he was appointed a member of the Uganda Presidential Investment Round Table and in 2011 was appointed to the International Monetary Fund (IMF), as a member of the Regional Advisory Group for Africa.

AFRICA CLEAN ENERGY SOLUTIONS LIMITED
SUBSCRIPTION FORM

The Directors
Africa Clean Energy Solutions Limited
C/o Intercontinental Trust Limited
Level 3, Alexander House
35 Cybercity
Ebene 72201
Mauritius
20 November 2019
Dear Sirs

IRREVOCABLE APPLICATION TO SUBSCRIBE FOR ORDINARY SHARES OF NO PAR VALUE AT US\$1.00 PER SHARE IN AFRICA CLEAN ENERGY SOLUTIONS LIMITED (“THE COMPANY”)

The Company offers up to 5,000,000 new ordinary shares of no par value at US\$1.00 per ordinary share to investors in terms of a new placing.

I/We, _____ the _____ undersigned
_____ of
_____ 1

hereby irrevocably undertake to subscribe for 2 ordinary shares at US\$1.00 per ordinary share or such lesser number as the Directors of the Company may in their sole discretion allot to me/us, on the terms and conditions as set out in the Placing Document issued on 20 November 2019.

I shall remit US\$
(.....United States Dollars), being the required funds as set out below to the account of AFRICA CLEAN ENERGY SOLUTIONS LIMITED Account Number: 05980000000018 (IBAN: MU31AFBL250105980000000018USD; Swift Code: AFBLMUMU) at AfrAsia Bank Ltd Bowen Square 10, Dr Ferriere Street Port Louis Mauritius with the reference of “ACES – Placing”.

Yours faithfully

SIGNATURE (DULY AUTHORISED)

DATE

PLEASE COMPLETE REVERSE SIDE OF THIS SUBSCRIPTION FORM

1 full name and identity/corporation number and address

2 Amount in words

AFRICA CLEAN ENERGY SOLUTIONS LIMITED

SUBSCRIPTION FORM

PLEASE COMPLETE THE DETAILS BELOW IN LEGIBLE FORM

| | |
|---|--------------------------------------|
| FULL NAMES | |
| IDENTITY NUMBER (if an individual) | |
| REGISTRATION NUMBER (if a corporation) | |
| POSTAL ADDRESS | |
| CONTACT PHONE NUMBER | |
| EMAIL ADDRESS | |
| NUMBER OF SHARES SUBSCRIBED FOR | |
| AMOUNT TRANSFERRED (in words and figures) | |
| INDICATE IF YOU WISH TO HOLD SHARES IN CERTIFICATED OR IN UNCERTIFICATED FORM | CERTIFICATED / UNCERTIFICATED |
| PROVIDE YOUR EMAIL ADDRESS IF YOU CONSENT TO RECEIVE SHAREHOLDER COMMUNICATIONS BY EMAIL | |

AFRICA CLEAN ENERGY SOLUTIONS LIMITED
SUBSCRIPTION FORM

**** PLEASE ATTACH FOLLOWING DOCUMENTS FOR COMPLIANCE PURPOSES**

If an individual

- A certified* copy of passport;
- Certified* or original proof of address not older than three months;
- Certified* or original Letter of good standing from your bank or bank reference letter;
- Duly completed and signed shareholder declaration form (a copy is herewith attached);
- Source of funds; and
- A copy of Curriculum Vitae.

If you wish to hold shares in dematerialised form, a securities account must be opened with Capital Market Brokers Limited.

If a Corporate

- A certified* certificate of Incorporation;
- A certified* copy of constitution or M&A;
- A certified* list of authorised signatories with specimen signature or mandate
- A certified* register of directors and shareholders;
- A certified* copy of latest audited financial statements;
- Duly completed and signed shareholder declaration form (a copy is herewith attached);
- Source of funds; and
- Due diligence documents to be carried on ultimate beneficial owner and on at least 2 Directors and shareholders of the corporate shareholder/director.

If you wish to hold shares in dematerialised form, a securities account must be opened with Capital Market Brokers Limited.

If a Trust

- Trust deed;
- Terms and conditions of the trust;
- Due diligence documents on the settlor and protector of the trust:
 - Certified* copy of passport;
 - Certified* copy of the proof of address (dated less than 3 months);
 - Curriculum vitae;
 - Bank reference (dated less than 3 months; certified copy or in original);
- Certified* copy of passport of beneficiary(ies);
- Source of funds
- Duly completed and signed shareholder declaration form (a copy is herewith attached);
- Other deeds (if any).

CDD on the Trustee

- Certified* copy of certificate of incorporation;
- Certified* copy of articles of association;
- Latest audited financial statements
- List of authorised signatories;
- Certified* copy of the register of directors;
- Certified* copy of the register of members;

- Due diligence documents on 2 directors of the trustee:
 - Certified copy of passport;
 - Certified copy of the proof of address (dated less than 3 months);
 - Curriculum vitae;
 - Bank reference (dated less than 3 months; certified copy or in original)

If you wish to hold shares in dematerialised form, a securities account must be opened with Capital Market Brokers Limited.

Kindly note that the above documents must be duly certified as a true copy by any one of the following persons:

- A lawyer, notary, actuary or accountant holding a recognised professional qualification;
- A serving police;
- A member of the judiciary;
- An employee of an embassy or consulate of country of issue of documentary evidence of identity; or
- A Commissioner of Oaths.

The certifier must clearly state the following details:

- His name
- His address
- His position or capacity (profession/title etc)
- Contact details (e.g phone number/emails)
- The date on which the document was certified

Date:

Intercontinental Trust Limited

Level 3, Alexander House,

35 Cybercity,

Ebene,

Mauritius.

SHAREHOLDER DECLARATION FORM

Dear Sirs,

RE: [Name of Company where shares are held] (“the Company”)

I/We, [Name of Shareholder], hereby **CONFIRM** and **DECLARE THAT:**

1. I/We am/are the beneficial owner of the [number and type of shares] (“Shares”) issued by the Company, to be registered under my / our name; and
2. I/We shall immediately inform the Company in writing if, at any time, the Shares or additional shares that may have been issued to me / [corporate shareholder name], are held on nominee for another person.

Yours faithfully,

For and on behalf of

[Name of shareholder]