

## **Lereko Metier Sustainable Capital Fund exceeds fundraising target**

*Lereko Metier press release 4 December 2013*

Lereko Metier has raised R690 million for the final closing of its pioneering sustainable capital fund to make investments in the renewable energy, energy efficiency, water and waste management sectors. The fund exceeded initial targets and obtained support from benchmark local and international institutions.

“This asset class is driven by a supportive policy environment and our desire to make a difference. We are delighted to have exceeded our fundraise target to support Southern Africa’s development objectives and environmental commitments” says Anthony Hewat managing principal of the Lereko Metier Sustainable Capital Fund (LMSC). “LMSC targets investments which deliver social and environmental benefits as well as returns on financial capital. The fund combines the dual benefit of leveraging an established private equity house as well as a focussed team with what we believe is a leading renewables, development and clean/green track record in the region”.

The fund secured major final closing commitments from the Transnet Retirement Fund and the International Finance Corporation, as well as follow-on commitments from first closing anchors the German development finance institution, DEG, the Dutch development bank, FMO and Africa’s largest institutional investor, the Public Investment Corporation (PIC). The fund manager has also had the support of the Seed Capital Assistance Facility led by the United Nations Environment Programme.

“Our investment mandate is balanced between renewable energy projects and growth capital investments in other resource efficiency sectors, with a unique blend of team skills, experience and networks allowing for a compelling proposition to entrepreneur teams and an exciting new category for investors” added Valli Moosa chairperson of LMSC’s management company. “It is gratifying to see my deep policy interest in this sector translate into an investable commercial reality” he said.

The fund’s executives Marc Immerman and Mike Goldblatt had previously joined Lereko Metier to develop over almost five years the R5 billion 50MW Bokpoort CSP (concentrated solar power) plant in the Northern Cape. This is the largest project in the second round of the Department of Energy’s Renewable Energy Independent Power Procurement Programme (REIPPP) and the LMSC fund is a minority investor. In a second completed investment LMSC joined as an equity partner with solar photovoltaic developer AE-AMD which successfully closed two projects under the first round of the REIPPP.

The fund has also successfully partnered in three selected wind projects in the third round of the REIPPP. Marc Immerman comments: “Our first hand renewables development experience on

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complex technology coupled with the Lereko Metier private equity track record into its third decade brought real momentum to fundraising as we prove that the resource efficiency asset class is gaining traction as institutionally investable.”

“With six selected renewables projects earmarked for our fund, a major development concluded in Bokpoort and a successful buyout partnership in niche waste solutions provider Oricol Environmental Services under our belts, we believe we are well on the way to showing we can contribute to a low carbon future for our region as well as making an outperforming return” added Mike Goldblatt.

*Ends*

***About Metier:***

Metier is a private equity fund management business with a proven track record in the Southern Africa region spanning three decades.

***About Lereko:***

Lereko is a black-owned investment company founded to participate in the transformation of the South African economy, principally through making equity and equity related investment.

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