

For Immediate Release

ZESCO Secures Power Supply from South Africa with Support from GreenCo and First Quantum Minerals – A Partnership to Finance Power Imports and Alleviate Zambia’s Energy Crisis



Lusaka, Zambia, October 9, 2024 at the Presidential Delivery Unit Forum– ZESCO with financial backing from **GreenCo Power Services Limited (GreenCo)** and **First Quantum Minerals Ltd (FQM)**, has signed an Electricity Supply Agreement with GreenCo to secure additional electricity imports from South Africa to help mitigate Zambia’s ongoing energy crisis, caused by record low water levels at Lake Kariba, the country’s primary hydroelectric source. This signing was followed by the signing of the Power Supply Agreement between FQM and GreenCo.

This tripartite collaboration will start with 125MW of additional power imports, with potential to increase to 250MW and expand to other GreenCo clients. GreenCo and FQM will fully finance these emergency imports. Of the 125MW, 40MW will be allocated to FQM, with 85MW supplied to Zambia’s national grid to support households, hospitals, and businesses. ZESCO has committed to gradually returning this electricity to GreenCo once hydropower capacity is restored, expected in 2025.

“This partnership demonstrates how the public and private sectors can collaborate to secure vital energy supplies for both industrial and residential users,” said **Wezi Gondwe, GreenCo’s Head of Business Development and Executive Director.** ***“By supporting ZESCO, we’re ensuring stable power for Zambian industries and residents.”***

FQM, a major mining company and power consumer in Zambia, will maintain its operations while contributing to domestic energy supply, reducing the impact of load shedding for the country. ***“First Quantum is dedicated to Zambia’s economic and energy stability,”*** said **Anthony Mukutuma, Zambia Director at FQM.** ***“This agreement supports our operations while easing pressure on the national grid.”***

This initiative aligns with FQM’s broader commitment to Zambia, including its \$1.35 billion investments in projects like the Kansanshi mine S3 Expansion and Enterprise nickel mine. These developments strengthen Zambia’s role in global copper and nickel production, crucial for renewable energy supply



and global decarbonization. GreenCo's role goes beyond financing. By blending imported and local power generation, GreenCo ensures a stable electricity supply for FQM in the medium term. Over the past year, GreenCo has worked closely with ZESCO to devise creative solutions to the country's electricity challenges. As a member of the **Southern African Power Pool (SAPP)**, GreenCo facilitates regional power trading, essential during energy crises and for developing Zambia's energy resources.

"We thank Eskom for their critical support during this challenging period, and GreenCo and FQM for their financial assistance. We also express gratitude to the Southern African Power Pool (SAPP) and neighboring utilities for their cooperation in ensuring regional energy stability," said Engineer Victor Mapani, Managing Director ZESCO.



About GreenCo

GreenCo is a renewable energy buyer and trader operating in Southern Africa, including Zambia, South Africa, Zimbabwe, and Namibia. It purchases power from renewable energy generators and sells it to utilities, consumers, national power trading markets, and the Southern African Power Pool (**SAPP**), where it is a licensed trader. GreenCo is backed by key creditworthy and reputable shareholders, including the Danish Investment Fund for Developing Countries (**IFU**), the development arm of the Government of Denmark, and InfraCo Africa, part of the Private Infrastructure Development Group (**PIDG**). GuarantCo, rated AA- by Fitch, serves as GreenCo's payment liabilities guarantor to independent power projects (**IPPs**), as part of a facility that also benefits from a commitment from U.S. International Development Finance Corporation (**DFC**); mobilizing private sector investment in renewable energy on the back of GreenCo's power purchase agreements.

For more information see: www.africagreenco.com, www.ifu.dk, www.PIDG.org, www.infracoafrica.com, www.guarantco.com, www.dfc.gov

About First Quantum Minerals Ltd

First Quantum Minerals Ltd is a global metals and mining company producing mainly copper, gold and nickel. The company's assets are in Zambia, Spain, Mauritania, Australia, Finland, Turkey, Panama, Argentina and Peru. In 2023, First Quantum globally produced 708,000 tonnes of copper, 227,000 ounces of gold and 26,000 tonnes of nickel. In Zambia it operates the Kansanshi mine and smelter in Solwezi and the Sentinel mine in Kalumbila. The company is listed on the Toronto Stock Exchange. For more information please see: <http://www.first-quantum.com/>

About ZESCO

ZESCO Limited is a national power utility wholly owned by the Government of the Republic of Zambia that supplies electricity and energy solutions within Zambia and the Sub Region. ZESCO's operations cut across the electricity value chain being generation, transmission, distribution, and supply of electricity. The Corporation owns and operates a number of hydropower stations with a combined power generating capacity of circa 2,900 Megawatts. For more information please see: <https://www.zesco.co.zm/>