the report believe that when the upgrades at the two plants are completed, the combined capacity could reach 125 MW. The report concludes that the rehabilitation of the two plants would secure a long-term, reliable supply of clean electricity to support Ivanplats’ development and operation of the Kamoa Mine. The report also concludes that the rehabilitation project would be beneficial for SNEL, providing the DRC with two completely rehabilitated power plants in a relatively short period of time, with increased installed capacity and guaranteed sales over the long term, without requiring a large, up-front outlay of capital by SNEL.

Ivanplats and SNEL established the framework for the commercial terms of the development in a 2011 MOU, which would see power from the Mwadingusha and Koni plants fed into the national grid, and the grid would supply 100 MW to Kamoa after the completion of the plant upgrades. Ivanplats believes that 100 MW would be sufficient for the infrastructure for the initial phase of mine development, which presently envisages an initial mining rate of 7.5 million tonnes per annum, with an associated onsite smelter. Surplus electricity generated by the upgraded plants would be available to SNEL for sale to residential and commercial consumers.

“The Feasibility Report confirms the viability of our approach to invest directly in the supply of electricity, which is one of the foundations of our plans for Kamoa’s early development,” said Mr. Friedland.

“The installation of modern power generating equipment at the existing Mwadingusha and Koni dams will secure hydropower for our Kamoa Project in a relatively short timeframe, reduce greenhouse-gas emissions, help to ensure reliable, affordable energy for future generations and maximize regional economic benefits in Katanga.”

The Mwadingusha and Koni plants are in cascade, with Koni directly downstream from Mwadingusha on the Lufira River at the mouth of Lake Tshangalele, north of Likasi and approximately 250 kilometres northeast of Kamoa.

Mwadingusha, commissioned in 1930, has an installed capacity of 71 MW; Koni, commissioned in 1950, has an installed capacity of 44 MW.

The Stucky Report, which also reflects terms of June 2012 pre-financing agreement between SNEL and Ivanplats, includes the following conclusions: