

Reliable, cost-effective Energy Solutions for Bulk Users

Revolutionizing Energy Procurement for Municipalities

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Green Energy
Solutions



Storing
Dispatchable Energy



Proudly
South African

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01 Power Procurement Challenges

Power procurement challenges confronting large Bulk Energy Municipal Users in South Africa include:

- **Spiraling Eskom power charges and difficulty of mitigation thereof;**
- **Annual escalation of Eskom charges of 13.8% average over the past 10 years to date and approximate 32% increase approved by NERSA for 2023/4;**
- **Projected tariff escalation for the next 10 years of over 500%;**
- **Limited guarantee of reliable 24/7/365 supply due to capacity shortage resulting in load shedding;**
- **Social/corporate/national responsibility to migrate to green/renewable energy and decarbonization credits.**



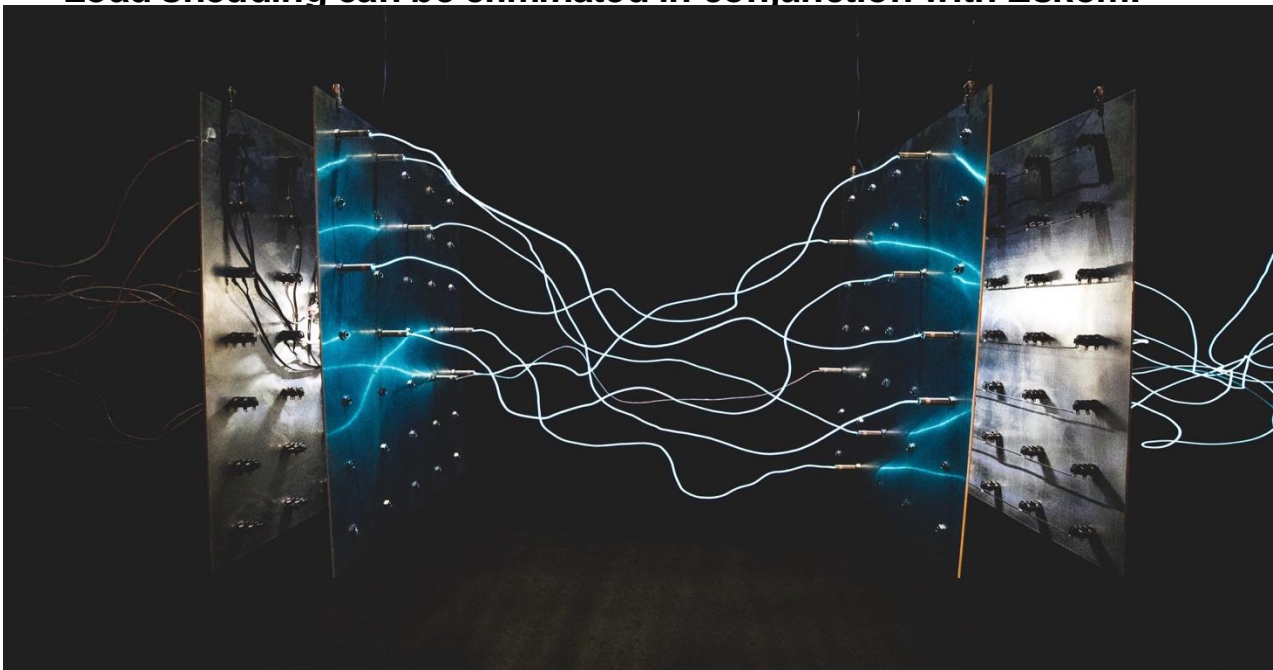
02 The InovaSure Solution Benefits

- Significant savings on current Eskom invoice - depending on load profiles;
- Annual escalation on **Green Energy** supplied that is significantly less than projected Eskom escalation;
- Massive reduction in total energy spend over 25 years;
- Between 57% and 80% of energy usage will be from renewables as facilitated by InovaSure (certified “**Green Energy**”) and will abide by future regulatory changes;
- **Green Energy** supplied via Eskom Distribution / Transmissions with Eskom endorsement through current InovaSure Eskom Distribution Wheeling arrangements;
- Storage of a portion of the **Green Energy** via battery to ensure compliance with Grid Code and maximum use of **Green Energy** 24/7/365;
- The Bulk Energy User client benefit from ZERO funding and operations cost together with ZERO solution risk;
- Assists Eskom to stabilize and ensure future SA economic growth by reducing the demand for Eskom’s scarce and expensive power at peak times.



03 How are these Benefits achieved?

- The InovaSure solution comprises off-site “Energy Vaults” - comprising Photo Voltaic (“PV”) and/or Battery (“BESS”) Power Plant/s (without any associated financial risk to the client);
- After an Energy Vault Service Delivery Agreement (SDA) is concluded with InovaSure and the project built, between 20% and 43% of the power is purchased by the client off-taker from Eskom ONLY.
- Between 57% and 80% **Green Energy** is generated, wheeled and provided to the client by InovaSure and its collaborators from renewables - in combination with battery storage;
- A SDA is concluded with each InovaSure Bulk Energy User Municipality which has a real current and future value as a financial instrument;
- De-carbonization goals are addressed from the large-scale implementation of renewable energy by InovaSure and its collaborators.
- Load shedding can be eliminated in conjunction with Eskom.



04 Key Features

- **Eskom Relationship Remains Unchanged – the Municipality maintains their existing Eskom connection while incorporating InovaSure as an additional energy provider.**
- **Reduced Renewable Energy Tariffs – Access to lower-cost Solar PV energy.**
- **Time of Use (TOU) Tariffs – Leverages dynamic pricing for cost efficiency.**
- **Highly Secure Transactions – Ensures the delivery of active energy and payment security.**
- **Pre-Paid Meters & Payments – Compatible with most installed prepaid meters.**
- **Independent ESCROW Fund Management – Ensuring automatic and structured payments to:**
 - **Electricity Generators**
 - **Eskom for Debt Settlements**
 - **Municipalities for their share**
- **Eskom Debt Settlements – Payments are made upfront, reducing outstanding liabilities.**
- **Digital Energy Token Trading – Modernizing energy transactions through tokenized payment structures.**

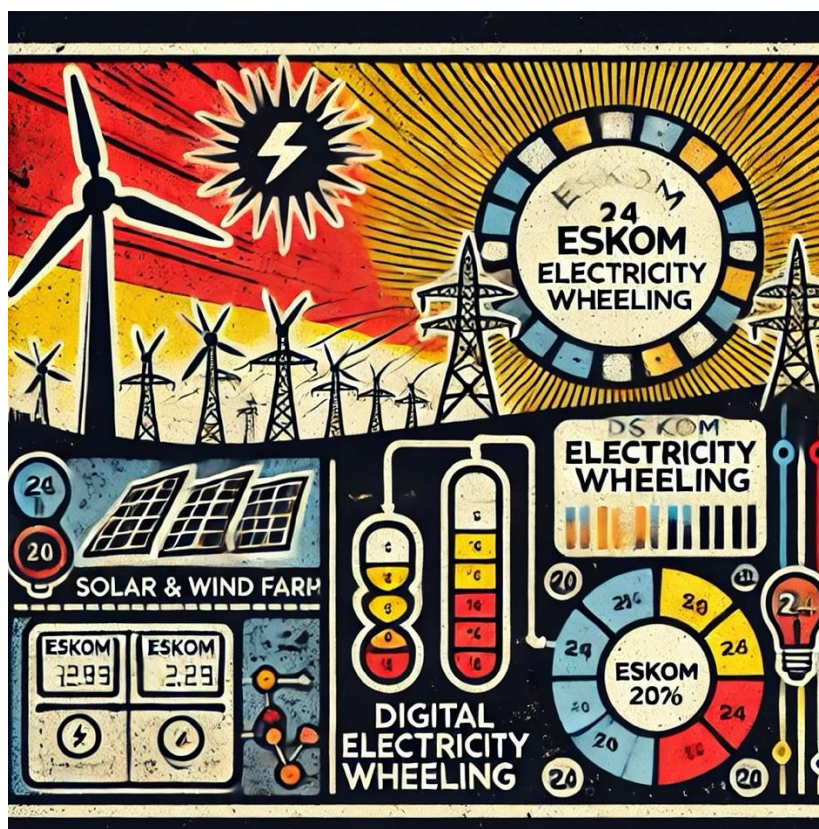
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TECHNOLOGY

PEG[®] EW SYSTEM OVERVIEW



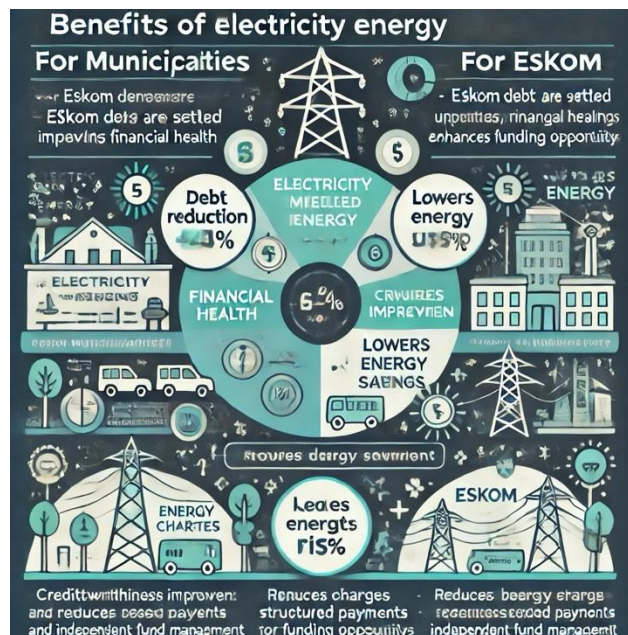
05 Take-on Process Overview

1. **Client Notification:** The client informs Eskom of its agreement with InovaSure.
2. **Heads of Terms (HoT) & SDA:** Eskom Distribution requires a SDA agreement to proceed.
3. **Eskom Wheeling Agreement:** Formalizes the arrangement for energy injection.
4. **Energy Injection & Metering:** Once the generation site is operational:
 - Eskom meters total energy consumption ("Active Energy") and applies standard "WIRES" charges.
 - InovaSure's metered Active Energy is deducted from Eskom's total Active Energy charges.
 - The client benefits from reduced Eskom payments by offsetting with InovaSure energy supply.



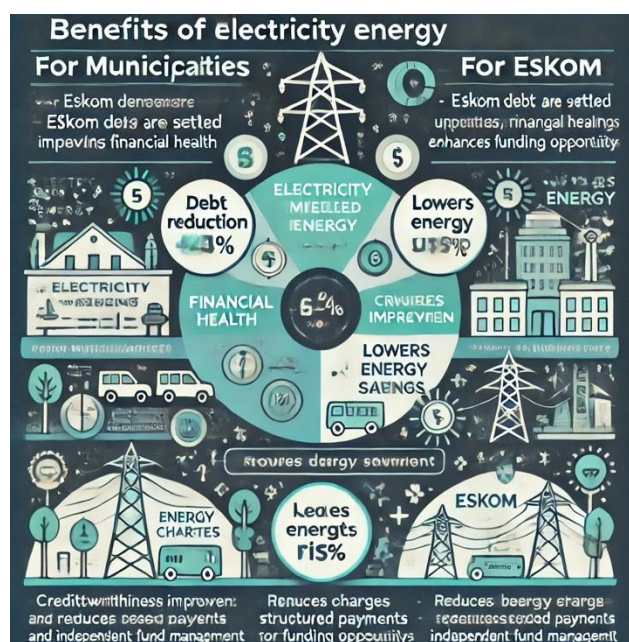
06 Benefits for Municipalities

1. **Debt Reduction – Eskom debts are settled upfront with each transaction, improving financial health.**
2. **Creditworthiness Improvement – Reduces risk ratings and enhances funding opportunities.**
3. **Lowers energy costs to Municipality clients**
4. **No Tender required, as there is no cost to the Municipality, but the Municipality must follow the Municipal Finance Management Act (MFMA) of South Africa, the sections that involve community participation and oversight are primarily found in Chapter 8.**



07 Benefits for Eskom

1. **Municipality Debt Reduction – Eskom Municipality debts are settled upfront, with each prepaid token transaction at a reasonable and affordable percentage agreed by the Municipality and improving ESKOM’s financial health.**
1. **Maintains Revenue Streams – WIRES charges (~14%) compensate Eskom for wheeling energy.**
2. **Reduces Bad Debt Risk – Ensures structured payments via independent fund management.**



08 InovaSure Background

InovaSure and its team of collaborators have spent the past decade specifically addressing the Eskom generation capacity shortage challenges and have had the benefit of working in partnership with the biggest and most established equipment and services companies worldwide to design the Energy Vault Program in a unique manner to address the specific problems encountered.

We have presented the Energy Vault solution to most of the First World Countries large EPC Operators over the past decade and have received a positive response from them all to bid for the implementation phases of our projects.

The InovaSure Corporate Energy Vault projects will therefore all represent a joint effort by the best-of-the-best worldwide in assisting InovaSure and its collaborators to assist Eskom to address its current generation capacity shortage and eliminate load shedding.





**Empowering Bulk Users with Financially
Sustainable Energy Solutions**

InovaSure

Ensuring Living Security

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