

June 08, 2015

Amu Power Company Limited

4th Floor, Geminia Insurance Plaza
Kilimanjaro Avenue, Upperhill
P.O. Box 61872 Nairobi 00200
The Republic of Kenya

Dear Sirs:

Re: Mandate Letter and Term Sheet between Industrial & Commercial Bank of China & Amu Power Company Limited

1. We refer to the mandate letter dated 5 December 2014 between you (Amu Power Company Limited) and us (Industrial and Commercial Bank of China Limited) (“the **Mandate Letter**”).
2. We refer to paragraph 17.2 of the Mandate Letter and agree that all references in the Mandate Letter to the Term Sheet shall, from the date of this letter, be to the agreed term sheet attached to this letter.
3. Subject to the amendment agreed in paragraph 2 above, the Mandate Letter shall continue without amendment and in full force and effect.

Yours faithfully

.....
For and on behalf of
Industrial and Commercial Bank of China
We acknowledge and agree to the above

.....
For and on behalf
Amu Power Company Limited
We acknowledge and agree to the above

INDICATIVE TERMS AND CONDITIONS

In Favour of

AMU POWER COMPANY LIMITED

For

LAMU Power Project

By



ICBC

中国工商银行

Industrial and Commercial Bank of China Limited

Dated June 8, 2015

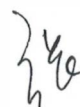
Handwritten initials/signatures

Confidentiality and Disclaimer

The following Summary of Terms and Conditions is intended for discussion purposes only. Please note that this summary term sheet does not purport to be a complete description of the terms of the proposed financing. Any offer to provide financing will require approval from ICBC's credit committee and fulfil due diligence requirement of ICBC and to the condition that no material adverse change occurs in the international money and capital markets etc. As a result, ICBC reserves the right to modify any of the terms and conditions contained herein. Nothing in the this term sheet creates a legal relationship between ICBC and any of the persons referred to in it or any other person and ICBC shall not have any liability to any person whatsoever except the legally binding provision.

This Summary of Terms and Conditions is for the sole confidential use of the persons to whom it is delivered and may not be reproduced or used for any other purpose or disclosed to any other persons without the prior written consent of ICBC and this provision is legally binding.

This Summary of Terms and Conditions shall be governed by the laws of England. Any dispute that is not resolved firstly on the basis of mutual consultation shall be finally settled by arbitration under the Rules of Arbitration of the International Chamber of Commerce. The seat of arbitration shall be Singapore.



| PARTIES | |
|---|--|
| Project: | The financing, designing, construction, ownership, maintenance, and operation of a 981.5 MW coal fired power plant in Lamu County, Kenya, which will sell power to Kenya Power and Lighting Company (“ KPLC ”) under a 25-year Power Purchase Agreement (“ PPA ”) |
| Project Company: | Amu Power Company Limited, a special purpose vehicle created by the Sponsors as the major Shareholders (“ Project Company ”) |
| Borrower: | Project Company |
| Sponsors: | <ol style="list-style-type: none"> 1. Gulf Energy Limited or its affiliate; and 2. Centum Investment Company Limited or its affiliate. or any other Sponsor approved by the Mandated Lead Arrangers |
| Lenders: | <ol style="list-style-type: none"> 1. ICBC 2. any other bank or financial institution or a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets that becomes a lender to the Project prior to Financial Close, or if after Financial Close, as a result of any syndication process. Best efforts will be made to limit the lending syndicate to no more than 8 Lenders |
| EPC Contractor: | A consortium of Sichuan Electric Power Design & Consulting Company Limited and Power Construction Corporation of China with joint and several liability. |
| Partial Risk Guarantee (“PRG”) Provider: | African Development Fund (“ ADF ”) to cover KPLC’s payment obligations under the PPA equivalent to 3 months capacity and energy payments plus 2 months of fuel payments. |

| Facility A | |
|----------------------------------|--|
| Facility Type: | Senior Secured Term Loan Facility |
| Currency: | United States Dollars ("USD") |
| Amount: | USD One Thousand Two Hundred and Forty Million (USD\$1,240,000,000) or an amount up to 85% of the EPC Contract price and 85% of Sinosure premium, subject to Sinosure consent. The Facility A will be exclusively for 85% of the EPC Contract price and 85% of Sinosure premium |
| Final Maturity Date: | Not to exceed 18 years from Financial Close (including a 4-year Capital Grace Period) with Sinosure coverage provided that the Final Maturity Date will not exceed 15 years from Financial Close (including a 4-year Capital Grace Period) in case of unavailability of the Sinosure coverage (or coverage from another financial institution acceptable to ICBC providing a guarantee or insurance) for the 3-year period from the end of 15th year to the end of the 18th year from Financial Close. |
| Disbursement: | Disbursement of Facility A shall be made through the Project Accounts at the request and on behalf of the Borrower, subject to confirmation of construction schedule milestones by the Lenders' Technical Advisor. |
| Capital Repayments: | Capital will be repaid quarterly in arrears commencing after the Capital Grace Period |
| Interest Payments: | Interest will accrue at the Facility A Interest Rate and will be payable at the end of each quarter, hereinafter referred to as "Interest Period". Subject to Sinosure Approval, Capital Repayments and Interest Payments shall be made through equal quarterly instalments (mortgage or annuity style), with quarterly adjustments in Interest Payment for changes in the Facility A Interest Rate. |
| Facility A Interest Rate: | The aggregate of the: 1. Reference Rate 2. Margin |

| | |
|---------------------------------------|---|
| | 3. Mandatory costs (if any) |
| Reference Rate: | Three (03) month USD LIBOR |
| Margin: | No more than 3.8 % per annum, assuming 95% political and PPA default risks and [50%] commercial risk are insured by Sinasure. If the coverage ratio provided by Sinasure is different from the above, the Interest Margin would need to be adjusted. |
| Default Interest Rate: | Facility A Interest Rate + 2% per annum |
| Facility A Insurance Provider: | China Export and Credit Insurance Corporation (" Sinasure ") |
| Facility A Insurance Policy: | <p>The Sinasure Insurance will cover 95% of the Facility A Amount and cover the following:</p> <ol style="list-style-type: none"> 1. 95% political risk, including PPA default risks backed by the Government of Kenya Letter of Support; and 2. 70% commercial risk subject to Sinasure approval. In case Sinasure covers only 50% commercial risk instead of 70% then in such a case the terms and conditions of Facility A will not be modified adversely by ICBC. 3. |
| Facility A Insurance Premium: | <p>At the discretion of Sinasure, an Insurance Premium is payable up front in one lump sum and calculated on the Facility A Amount plus the estimated interest. Any Insurance Premium incurred pursuant to Facility A shall be borne by the Borrower.</p> <p>Upon the Borrower's request, and subject to Sinasure's approval, ICBC would increase the Facility A Amount in order to finance 85% of the Facility A Insurance Premium.</p> |

FEES AND EXPENSES

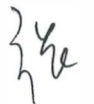
| | |
|-------------------------|---|
| Arrangement Fee: | An Arrangement Fee of 1.1% of the Facility A amount is payable on the earlier of First Drawdown and the date falling the 180 th day after the signing date of the Finance Documents. |
| Commitment Fee: | A commitment fee of 0.8% per annum (excluding VAT) is payable per Interest Period on the undrawn but committed remaining balance of the Facility A amount during the Availability Period. |
| Expenses: | <p>The Borrower shall promptly on demand pay the amount of all reasonable costs and expenses (including legal fees) reasonably incurred by Lenders in connection with:</p> <ol style="list-style-type: none">1. the negotiation, preparation (including any valuation costs), printing and execution of the this Term Sheet and Finance Documents and the Syndication, whether or not the Finance Documents are signed;2. and any amendments and waivers in relation to the Finance Documents; and3. enforcement of the rights of the Lenders under the Finance Documents, subject to such costs and expenses (including legal fees) being incurred pursuant to written engagement terms (including terms as to scope, amount and duration) that have been approved in writing by the Borrower prior to the commencement of any work under such engagement terms. |
| Increased Costs: | Subject to the usual exceptions, the Lenders will be reimbursed for increased costs associated with the introduction/ change / or change in the interpretation of any law or regulation or compliance with any law or regulation and any change in reserve requirements or capital adequacy regulations or any change in banking practice as applied and required by the relevant authorities of the jurisdiction of the Lenders. Borrower will have the option to prepay the loans of the Lender(s) who makes a claim for a material increase in Increased Costs, without any prepayment penalty. |



| | |
|---------------------------|--|
| ADF Front-End Fee: | As per the ADF Term Sheet but not exceeding [\bullet %] of the ADF Secured Amount (meaning the amount to be guaranteed under the Partial Risk Guarantee Agreement, which shall be equal to 3 months Capacity Payments and Energy 2 months Fuel Payments payable by the Power Purchaser to the Borrower under the PPA) payable on or before the date of signature of the Partial Risk Guarantee Agreement. |
| ADF Guarantee Fee: | As per the ADF Term Sheet but not exceeding [\bullet %] per annum of the ADF Secured Amount. |
| ADF Standby Fee: | As per ADF Term Sheet but not exceeding [\bullet %] per annum of the ADF Secured Amount. |

GENERAL TERMS

| | |
|-----------------------------|--|
| Facility Agent: | ICBC or its Affiliate. The Facility Agent shall act on the instructions by the Majority Lenders |
| Security Agent | ICBC or its Affiliate. |
| Majority Lenders | 66 2/3% of total commitments under the Facility A or, if loans are outstanding, 66 2/3% of such outstanding loans |
| Availability Period: | Construction Period plus 6 months up to a maximum of 4 years after which all amounts not yet drawn down under the Facility A will be automatically cancelled. |
| Breakage Costs: | Breakage Costs shall mean any costs or losses incurred by the Lenders in unwinding any funding arrangements. |
| Change of Ownership: | The Borrower shall procure that: <ol style="list-style-type: none">1. during the Construction Period, the shareholders shall not dispose of any shares in the Borrower without the prior written consent of the Facility Agent or as otherwise permitted by the Finance Documents; and2. from the Taking-Over Date being the date stated on the Taking-Over Certificate in respect of the whole of the Project (including all sections comprised in the Project) in accordance with the EPC Contract, the shareholders shall not dispose of any shares in the Borrower without the prior written consent of the Facility Agent, such consent not to be unreasonably withheld, provided that it shall be reasonable for the Lenders to withhold their consent if:<ol style="list-style-type: none">A. any new shareholder is a person named in any list of sanctioned persons with respect to embargoes, sanctions or terrorism;B. any new shareholder's reputation is not satisfactory to each of the Lenders having applied their respective policies, practices and procedures;C. any Lender is precluded by law or regulation from extending or |



| | |
|--|---|
| | <p>maintaining credit to any new shareholder; or</p> <p>D. such disposal could reasonably be expected to have a Material Adverse Effect.</p> <p>3. However the above restrictions shall not apply to:</p> <p>A. equity placements to any incoming single shareholder holding less than 10% of total paid up share capital / equity of the Borrower; or</p> <p>B. listing of the shares of the Borrower or the Sponsors and/or their affiliates on stock exchanges in Kenya or elsewhere through an IPO or Offer for sale of shares provided shares offered to Pre-IPO and general public do not exceed in aggregate 49% of the total equity / paid up capital of the Borrower; or</p> <p>C. any other transfer, sale or other form of disposal of shares in the Borrower held by either of the Sponsors (or their affiliates) at any time provided that following such transfer, sale or other form of disposal the Sponsors (or their affiliates) retains at least a 51% of their portion/interest in the Borrower</p> |
| <p>Capital Grace Period:</p> | <p>4 years from Financial Close</p> |
| <p>Conditions Precedent to Financial Close:</p> | <p>Conditions precedent to Financial Close under the Facility A must be fulfilled in form and substance satisfactory to the Lenders and will include, without limitation:</p> <ol style="list-style-type: none"> 1. execution and delivery of all Project Documents and Finance Documents; 2. subordination of all shareholder loans; 3. the obtaining (and confirmation of) comprehensive commercial insurance cover by the Borrower and the execution of the Insurance Policies to be executed on or prior to Financial Close; 4. executed Government of Kenya Letter of Support; 5. execution of Facility A Insurance Policy; |

128

1/4

6. no Event of Default (or event which could, with the giving of notice, lapse of time, determination of materiality or fulfilment of any other condition become an Event of Default ("**Potential Event of Default**")) having occurred and is continuing after the lapse of the permitted Cure Period;
7. corporate documents (including the Memorandum and Articles of Association), company resolutions and authorized signatory lists in respect of the Borrower and each Sponsor being provided to the Lenders and in order;
8. all requisite consents, licenses and permits having been obtained for the implementation of the Project (including environmental approvals and relevant Civil Aviation Approvals);
9. the conducting of a legal, regulatory, taxation, technical and financial due diligence in respect of the Borrower/ Project, the results of which are satisfactory to the Lenders;
10. An assessment of the creditworthiness of the Project, Borrower and Sponsors by Sinosure, and their receipt and acceptance of reports from independent third parties in respect of due diligence and compliance with base case and downside case debt service coverage ratios in respect of the agreed Project financial model;
11. the Borrower certifies all representations and warranties are true and accurate in all material aspects;
12. all Security Documents shall have been duly executed and all security interest created thereunder has been duly perfected and shall be in full force and effect;
13. Financial Model audit completed to the satisfaction of the Lenders;
14. Banking Base Case Financial Model reflects that the Minimum Ratio Test is satisfied from the 5th year onwards;
15. the conclusion of satisfactory EIA (and the provision to the Lenders of the related Record Decision) and Environmental Management Plan in compliance with [Equator Principles] in respect of the Project;



| | |
|--|---|
| | <ul style="list-style-type: none"> 16. all Project Accounts being opened and pledged to the Lenders; 17. legal opinions (satisfactory to the Lenders) on validity, legality and enforceability of all Finance Documents and Project Documents; 18. conclusion of the client verification process for the purpose of complying with all statutory obligations in terms of anti-money laundering legislation; 19. no Material Adverse Effect; 20. delivery of final report by Lenders' Technical Advisor; and 21. such further customary conditions as may be required by the Lenders prior to signature of the Project Documents or Finance Documents. |
| <p>Conditions Precedent to each Drawdown on the Facility A:</p> | <p>Conditions Precedent to each Drawdown under the Facility A must be fulfilled in form and substance satisfactory to the Lenders and will include, without limitation:</p> <ul style="list-style-type: none"> 1. there being no existing or continuing Event of Default or Potential Event of Default; 2. all warranties and representations being true and correct in all material aspects; 3. no Material Adverse Effect; 4. satisfactory evidence of equity commitments to the Project, in the form of third party bank guarantees, standby letters of credit, sponsor undertakings, and/or escrowed cash deposits, as agreed upon between the Lenders and the Sponsors; 5. Drawdowns of equity and debt will be pro rata; 6. no funding shortfall; 7. Minimum Ratio Test is met; and 8. such other customary conditions as may be required by the Lenders. |
| <p>Construction Period:</p> | <p>As set forth in the EPC Contract</p> |

17/8

2/20

| | |
|---|--|
| <p>Application of Drawdowns during Construction:</p> | <p>Drawdowns to include the funding of:</p> <ol style="list-style-type: none"> 1. capital expenditure; 2. financing costs, including fees and costs (to include Facility A Insurance Premia to Sinosure and the ADF Front-end Fee, ADF Guarantee Fee and ADF Standby Fee); 3. transaction and bid costs; 4. Maintenance Reserve Account; 5. Debt Service Reserve Account; 6. Costs relating to Project Consultants, lawyers and Advisors, and other project development costs; 7. Fuel Security Stock; 8. Construction Insurance; and 9. Taxes in relation to 1 to 8 above. |
| <p>Application of Operating Cash Flows:</p> | <p>Cash flow generated by the Borrower will, subject to the final structuring of the Facility A, be applied in accordance with the following order of priority:</p> <ol style="list-style-type: none"> 1. operating and maintenance costs; 2. taxation payments; 3. outstanding fees payable to the Lenders; 4. Default Interest (if any); 5. Interest; 6. Capital Repayment under the Facility A; 7. hedge payments payable under the Facility A; 8. payments into the Debt Service Reserve Account; 9. payments into the Maintenance Reserve Account; and 10. distributions to shareholders provided that the Distribution Lock-up Ratios have been satisfied. |
| <p>Debt Service Reserve Account:</p> | <p>The Borrower will establish a Debt Service Reserve Account ("DSRA") to be held in an escrow with the [onshore/offshore] Account Bank to be funded from the Debt Service Reserve Amount</p> |

Handwritten initials: NJS

Handwritten mark: } 4e

| | |
|---|--|
| <p>Debt Service Reserve Amount:</p> | <p>Equal to the forthcoming 6 month "Debt Service", defined as scheduled fees, interest, net interest rate hedging costs and principal payments under the Facility A and Facility B, to act as a buffer in the event of the inability of the Borrower to service its obligations under the Facility A.</p> <p>The Debt Service Reserve Amount shall be funded and maintained through any combination of;</p> <ol style="list-style-type: none"> 1. cash in a Debt Service Reserve Account; or 2. a letter of credit/revolving credit facility that will be considered equivalent to term debt for the purpose of the Debt to Equity Ratio. |
| <p>Project Debt Service Cover Ratio:</p> | <p>Debt Service Cover Ratio ("DSCR") for any period is the ratio of (1) to (2) below:</p> <ol style="list-style-type: none"> 1. Project revenues (including interest income but excluding all cash balances) less all operating and maintenance costs, insurance costs, taxes and plus or minus (as the case may be) withdrawals from or payments into the Maintenance Reserve Account for the period; 2. The total Debt Service on the Facility A & Facility B for the period. <p>The ratios are to be calculated on a semi-annual basis. The DSCR will be calculated on a 1 year historic and on a 3 year forward looking basis provided that for the purposes of the calculation of the DSCR on a forward looking basis, such forward looking shall not extend beyond the final maturity date.</p> |
| <p>Dispute Resolution:</p> | <p>All disputes arising out of or in connection with the Finance Documents (other than certain Security Documents) shall be finally settled by arbitration under the Rules of Arbitration of the International Chamber of Commerce. The seat of arbitration shall be Singapore.</p> |
| <p>Distribution Lock-up Ratios:</p> | <p>DSCR \leq 1.20x LLCR \leq TBD PLCR \leq TBD</p> |
| <p>Distribution</p> | <p>Distribution to shareholders allowed provided;</p> |

| | |
|------------------------------|--|
| Covenants: | <ol style="list-style-type: none"> 1. Distribution Lock-up ratios complied with; 2. No Event of Default or Potential Event of Default is continuing or will occur as a result of the distribution; 3. No distributions allowed unless DSRA and MRA are fully funded and all amounts that are then due and payable under the Finance Documents at the time of such distribution have been paid; 4. The Financial Model does not project a cash flow shortfall at any time after the distribution has been made; and 5. No Material Adverse Effect. |
| Default Cover Ratios: | <p>DSCR of 1.10x</p> <p>LLCR \leq TBD</p> <p>PLCR \leq TBD</p> |
| Gearing: | <p>Debt to Equity Ratio of 75:25, with the Minimum Ratio Test satisfied.</p> <p>This is subject to Sinosure's approval.</p> |
| Equity Cure: | <p>Sponsors/shareholders shall, not more often than once in each calendar year, and not more than 5 times during the term of the Facility A, be permitted to cure any default in the Gearing, the DSCRs, the LLCR or the PLCRs through the contribution of additional equity to the Borrower</p> |
| Events of Default: | <p>Events of Default customary to facilities of this nature will include, without limitation:</p> <ol style="list-style-type: none"> 1. the Borrower or any Sponsor fails to repay any amount when due under any Finance Document and fails to remedy such breach within seven (7) Business Days of the due date; 2. failure by the Borrower to comply with any Default Cover Ratios; 3. the breach by the Borrower or any Sponsor or its Affiliates of a term (other than a failure to make payment or failure to comply with any Default Cover Ratios) of any Finance Document to which it is a party and, where such breach is capable of remedy, the failure by the Borrower or such Sponsor or its Affiliates to remedy such breach within |

ten (10) days (depending on the nature of the breach) of the Borrower becoming aware of the same;

4. the breach by the Borrower or any Sponsor or its Affiliates of a term of any Project Document to which it is a party which would reasonably be expected to result in a Material Adverse Effect on the Project and, where such breach is capable of remedy, the failure by the Borrower or such Sponsor or its Affiliates to remedy such breach within the cure period applicable under such Project Document;
5. failure by the Borrower or any Sponsor to make payment in respect of any final judgment and/or non-appealable order of court;
6. any act of insolvency occurs in relation to the Borrower and/or Sponsors. For purposes of this clause, "an act of insolvency" shall mean any corporate action, steps or proceedings undertaken or instituted against either of them as the case may be:
 - A. for voluntary or compulsory, provisional or final sequestration, winding-up, liquidation, compromise, administration order, curatorship, judicial management, dissolution, administration, business rescue or re-organization; or
 - B. for the appointment of a receiver, administrator, administrative receiver, trustee, liquidator, judicial manager or similar officer of any or all of its assets or revenues; or
 - C. any general offer of compromise with any or all of either of their creditors;
7. a Material Adverse Effect has occurred and is continuing in relation to the Borrower or any Sponsor;
8. revocation of any material consent or license required in connection with the Project which is not reinstated within the Cure Period permitted for the same;
9. invalidity or unenforceability of any security interest/encumbrance created under the Security Agreements;
10. any insurance which is required in accordance with the conditions

| | |
|---------------------------|--|
| | <p>precedent set out above becomes void or is cancelled;</p> <ol style="list-style-type: none"> 11. abandonment, cancellation or repudiation of the Project; 12. expropriation or nationalization of Project assets; 13. cross default under any material financial indebtedness of the Borrower; 14. unauthorized Change of Ownership; and 15. Corrupt acts. |
| Financial Close: | The date of the notice by the Facility Agent, notifying the Borrower that the Conditions Precedent to the initial drawdown under the Facility A have been fulfilled or waived, to the satisfaction of the Lenders |
| Finance Documents: | <p>These will include, but not limited to, the following:</p> <ol style="list-style-type: none"> 1. Facility Agreements; 2. Security Agreements; 3. Account Banks Agreement; 4. Inter-creditor Agreement; 5. Common Terms Agreement (if required); 6. Facility A Insurance Policy; 7. ADF Partial Risk Guarantee Agreement; 8. Relevant direct agreements with KPLC, EPC contractor, O&M Operator and others as may be necessary; 9. Facility Agent and Security Agent Agreement appointing and regulating the function of the Facility Agent and the Security Agent; 10. Project Funds Agreement; 11. Sponsors Support and Undertaking Agreements; 12. Share Retention Agreement; 13. Hedging Agreements; and 14. Fee Letters |

| | |
|---------------------------------------|--|
| Governing Law: | The Finance Documents (other than certain Security Agreements) will be governed by, and construed in accordance with, English law. Certain Security Agreements will be governed by the laws of the Republic of Kenya. |
| Hedging Policy: | 51 % of Facility A will be hedged during the period following Commercial Operations Date. No hedging shall be required during the construction period. The Interest Capitalized will be exclusively funded through Facility B. |
| Illegality: | If it becomes illegal for any Lender to fund any Drawdown or receive any interest or other amount under the Facility A, then that Lenders' obligation to fund or maintain such Drawdown shall be cancelled to the extent necessary to cure the illegality and the Borrower shall prepay all outstanding amounts to the extent of the share of such Lender in the Facility A. |
| Inter-creditor Agreement: | The Lenders will negotiate and finalise the inter-creditor arrangements to be contained in an Inter-creditor Agreement (the " Inter-creditor Agreement "), if any |
| Interest Period: | Three (03) months, provided that no Interest Period will extend beyond the Final Maturity Date of the relevant Facility |
| Lenders' Technical Advisor | To be determined |
| Project Loan Life Cover Ratio: | Project Loan Life Cover Ratio or (" LLCR ") for any period is the ratio of (1) to (2) below: <ol style="list-style-type: none"> 1. the net present value of forecast net cash flows of the Project up to and including the Final Maturity Date. 2. the outstanding amount of the Facility A and Facility B. |
| Maintenance Reserve Account: | The Borrower will establish a Maintenance Reserve Account (" MRA ") to be held in an escrow with the onshore Account Bank to be funded from Project cash flows to cover the Project's major maintenance requirements. This account may not be required depending on the timing and size of |

| | |
|--------------------------------------|---|
| | <p>major maintenance required and the scope of the Project's Operations and Maintenance ("O&M") contract. This will be determined in consultation with the Lenders Technical Advisor.</p> |
| <p>Major Project Parties:</p> | <ol style="list-style-type: none"> 1. the Borrower; 2. the Sponsors or their respective Affiliates as shareholders of the Borrower and any other shareholders of the Borrower for so long as they have any liability to subscribe for or hold any equity in the Borrower; 3. the EPC Contractor (including its parent company) until the end of the relevant warranty period (to be agreed); 4. KPLC; 5. O&M Contractor and its parent company; 6. The Government of Kenya; 7. The coal suppliers to the Project; 8. The land provider to the Project; 9. ADF; 10. Sinasure; and 11. any others to be agreed. |
| <p>Market Disruption:</p> | <p>If</p> <ol style="list-style-type: none"> 1. Lenders whose participations in the loans under the Facility A exceeds 50% of the Facility A are unable to quote the Base Interest Rate on any relevant quotation date; or 2. the Base Interest Rate does not accurately reflect the cost to those Lenders of making, funding or maintaining the Facility A; <p>then the replacement base interest rate shall be the closest approximate replacement rate, that reflects such Lenders' cost of funding and, which those Lenders are reasonably able to quote at such time taking into account prevailing market conditions at such time and so as to ensure that those Lenders receive the same return on the principal than the original</p> |

| | |
|--|---|
| | <p>Base Interest Rate together with Margin.</p> <p>If a Market Disruption event occurs and the Facility Agent or the Borrower so requires, the Facility Agent and the Borrower shall enter into negotiations (for a period of not more than 30 days) with a view to agreeing a substitute basis for determining the rate of interest. Any such agreed alternative basis shall, with the prior consent of those relevant Lenders and the Borrower, be binding on all parties.</p> <p>In the event of a Market Disruption event resulting in a material increased cost to the Borrower, the Borrower may choose to pre-pay the Facility A in full, and shall be exempt from any pre-payment penalties that would have otherwise applied.</p> |
| <p>Material Adverse Effect:</p> | <p>An event or circumstance, or change in events or circumstances, or combination of events or circumstances or change of combination of events and circumstances, which has or is reasonably likely to have, in the reasonable opinion of the Lenders, a material adverse effect on:</p> <ol style="list-style-type: none"> 1. any Major Project Party's ability to perform and comply with its obligations under the Finance Documents or material obligations under the Project Documents as they fall due; or 2. subject to the reservations under the legal opinions to be provided as conditions precedent to Financial Close and/or reasonable remedy and replacement rights in respect of the Project Documents (to be agreed), the validity or enforceability of any Finance Document or the Project Documents other than as a result of any repudiation, act or omission of any of the Lenders or the Facility Agent; or 3. the financial condition, assets, revenues of any Major Project Party, to the extent that such events would reasonably be expected to adversely affect such Major Project Party's ability to perform its obligations under the Finance Documents or material obligations under the Project Documents as they fall due <p>For the purposes of the Material Adverse Effect definition, a different list of "Major Project Parties" may be agreed which will be based on the relevant provisions of the Finance Documents and relevant Project Documents and</p> |

| | |
|---|--|
| | phases of the Project. |
| Materiality Thresholds and Remedy Periods: | Representations and Warranties, Undertakings, Reporting Requirements and Events of Default shall, where appropriate, be subject to reasonable materiality, thresholds, qualifiers and remedy periods, which shall be agreed during drafting of the detailed documentation |
| Minimum Ratio Test: | DSCR \geq 1.30x |
| Documentation: | <p>The Project Documents shall be drafted /reviewed by the Borrower's legal counsel if the same are drafted by EPC or O&M Contractors or KPLC or Fuel Supplier's legal counsel, while the Finance Documents shall be drafted by the Lender's legal counsel.</p> <p>The Finance Documents will be based on LMA standard terms to the extent appropriate to project financings in Kenya.</p> |
| Project Accounts: | <p>All Bank Accounts of the Borrower including without limitation the following:</p> <ol style="list-style-type: none"> 1. Disbursement Account; 2. Distribution Account; 3. Debt Service Reserve Account; 4. Maintenance Reserve Account; 5. Operating Account; 6. Proceeds Account and 7. Equity Investment Account |
| Project Documents: | <p>These will include, but not limited to, the following:</p> <ol style="list-style-type: none"> 1. PPA; 2. Generation License; 3. Coal Supply Agreement; 4. Shareholders Agreement & Subscription Agreement; |

| | |
|---|--|
| | <ol style="list-style-type: none"> 5. EPC Contract(s); 6. Performance Guarantee provided by bankers of the EPC Contractor; 7. O&M Agreement; 8. Performance Guarantee provided by the parent company and bankers of the O&M Contractor(s) 9. Land lease(s), or other documentation demonstrating control of the Project's required acreage for the term of the PPA; 10. Government of Kenya Letter of Support; and 11. Any other relevant contracts or documents agreed between the Lenders and the Borrower. |
| <p>Project Life Cover Ratio:</p> | <p>Project Life Cover Ratio or ("PLCR") for any period is the ratio of (1) to (2) below:</p> <ol style="list-style-type: none"> 1. the net present value of forecast net cash flow of the Project up to and including the termination date of the PPA; 2. the outstanding amount of the Facility A and Facility B. |
| <p>Representations and Warranties:</p> | <p>Each of the Borrower and the Sponsors shall make customary representations and warranties normal for facilities of this nature, including, but not limited to the following:</p> <ol style="list-style-type: none"> 1. each of the Borrower and the Sponsors is duly authorized and existing under the laws of the jurisdiction of its incorporation; 2. each of the Borrower and the Sponsors has the power to carry out its business and to enter into the Project Documents and Financing Documents which constitute legally binding and enforceable obligations; 3. each of the Borrower's and the Sponsors' rights and obligations under the Project Documents and Finance Documents are legal, valid, binding and enforceable; 4. no litigation pending or threatened against the Borrower or any Sponsor, which is likely to have a Material Adverse Effect on the |

| | |
|---------------------------------------|--|
| | <p>Borrower or the Project;</p> <ol style="list-style-type: none"> 5. each of the Borrower and the Sponsors has all the necessary consents, licenses, permits, recordings, filings, registrations and approvals; 6. each of the Borrower and the Sponsors has complied with all applicable laws, including tax laws and regulations and environmental laws and the [Equator Principles] as adopted at Financial Close; 7. no Material Adverse Effect; 8. none of the Borrower or any Sponsor is in any default under any Project Documents; 9. non violation of and non-conflict with laws and constitutional documents; 10. good and undisputed title to its property and assets; 11. there are no encumbrances on any of its assets other than those granted specifically for the purposes of the Finance Documents; 12. the Borrower has no trading activities or liabilities other than those contemplated by the Project Documents and the Finance Documents; 13. no insolvency or analogous proceedings against the Borrower and/or the Sponsors having commenced nor does it know of any other being contemplated; 14. legality, validity and enforceability of the Project Documents and the Finance Documents; 15. all required insurances for the Project are in full force and effect; and 16. information is correct and accurate in all material aspects. |
| <p>Reporting Requirements:</p> | <p>The Borrower will provide the following information for the duration of the Facility A:</p> <ol style="list-style-type: none"> 1. within 180 (one hundred and eighty) days of the end of its financial year, a copy of its audited financial statements, prepared in accordance with relevant accounting standards; 2. within 60 (sixty) days of the end of each financial half-year, a copy of |

| | |
|---|--|
| | <p>its un-audited management accounts for the preceding half-year, prepared in accordance with the relevant accounting standards, including an income statement, cash flow statement and balance sheet;</p> <ol style="list-style-type: none"> 3. if requested by the Lender, within 30 (thirty) days of the end of each calendar month, a copy of the monthly management report; 4. if requested by the Lender, within 30 (thirty) days of such request any of the reports delivered to the Buyer under the PPA; and 5. annual environmental and social monitoring report. |
| <p>Security Structure of the Facility A:</p> | <p>As non-recourse project finance facilities, security will include without limitation:</p> <ol style="list-style-type: none"> 1. Facility A Insurance Policy (applicable only to Facility A) 2. first ranking charge over the cash flows arising as a result of the Project, assets of the Borrower, including its shares, rights under the Project Documents, Project Accounts, rights and title with respect to the land/sites and insurance policies, with carve out for balance Project Financing from commercial lenders ("Facility B"), Project working capital facilities and the Construction Security/Guarantee to the extent these are not covered by any of the Senior Lenders, and the Distributions Account. 3. cession of all debtors balances and claims which the Borrower may have against third parties, 4. cession/pledge of Project Accounts, including Debt Service Reserve Account, cash balances and investments of the Borrower; 5. cession of Project Documents, insurances and insurance proceeds; 6. a first-ranking pledge in favour of the Lender over each Shareholder's shares in the Borrower; 7. subordination of all claims by the Sponsors and the Shareholders; 8. cession of guarantees and performance bonds with carve outs for performance bonds to be given to KPLC in accordance with the PPA; 9. Sponsors undertakings to compensate lenders' total loss if Sponsors |

| | |
|-------------------------------|---|
| | <p>abandon the Project during the loan life; and</p> <p>10. Other Sponsors' support, if required, on terms to be agreed.</p> |
| Taxation: | <p>All payments to the Lenders of capital, interest and other amounts under the Facility A will be free and clear of taxes with necessary gross up provisions to be included in Finance Documents.</p> <p>However, this will not apply where Lenders can get adjustment against their final tax in their home country of the taxes withheld by the Borrower under any double tax avoidance treaty amongst Kenya and the home country of the respective Lender(s).</p> |
| Transactional Banking: | <p>The Borrower will be required to open all Project Accounts with one of the Lenders or its affiliate (each a "Account Bank") and shall route all its transactional business through these account(s)</p> |
| Transferability: | <p>Syndication to be permitted pre and post Financial Close and the Lenders may transfer their rights and obligations under the Finance Documents, without the Borrower's prior consent, to another bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets</p> |

| | |
|---|--|
| <p>Undertakings:</p> <p>I. Positive Undertakings</p> | <p>Those customary to facilities of this nature including, but not limited to, the following undertakings by the Borrower to:</p> <ol style="list-style-type: none"> 1. pay all taxes in full and on time; 2. maintain corporate existence and principal business; 3. maintain licenses, approvals or consents necessary for carrying out the Project and perform its obligations under the Finance Documents and Project Documents; 4. comply with all applicable laws and environmental laws and regulations and maintain juristic existence; 5. maintain good title to assets; 6. give any notices upon immediately becoming aware of the facts relating to legal and administrative proceedings, Events of Default and cancellation of any insurance policies; 7. to comply with the Environmental Management Plan and the [Equator Principles] as adopted at Financial Close; and 8. allowing access by the Lenders to any books and records relating to the Project, upon request. |
| <p>Undertakings:</p> <p>II. Negative Undertakings</p> | <p>Those customary to facilities of this nature including, but not limited to, the following undertakings by the Borrower not to:</p> <ol style="list-style-type: none"> 1. dispose of material parts of the assets without the prior written consent of the Lenders; 2. incur expenditures except in the normal course of developing or operating the Project; 3. change the nature of the business; 4. acquire major assets or shareholding in other entities without the prior written consent of the Lenders; 5. change, consent to change or waive rights under the Project Documents without the prior written consent of the Lenders; 6. incur further debt without the consent of the Lenders other than |




| | |
|---|--|
| | <p>performance bonds to be given to KPLC pursuant to the PPA and working capital debt facility required for the smooth operation of the Project during the operation or commissioning period up to an amount to be agreed by the Borrower and the Lenders (the "Working Capital Debt");</p> <p>7. create or permit to subsist any security interest over any of its assets other than security interest permitted under the Finance Documents except to the extent of carve outs for Facility B the performance bonds, working capital facility and Construction Security to the extent these are not covered by any of the Senior Lenders and the Distributions Account;</p> <p>8. make any loans, grant any credit or give any guarantee or indemnity to any person or otherwise assume any liability in respect of any obligations of any other person; and</p> <p>9. occur any Change of Ownership.</p> |
| <p>Miscellaneous Provisions:</p> | <p>The Finance Documents will contain provisions relating to, among other things, tax gross up, indemnities, set-off and administration</p> |
| <p>Taking-Over Date:</p> | <p>Taking-Over Date means the date stated on the Taking-Over Certificate in respect of the whole of the Project (including all sections that comprise in the Project) in accordance with the EPC Contract</p> |
| <p>Taking-Over Certificate:</p> | <p>Taking-Over Certificate has the meaning given to it in the EPC Contract, in respect to the Project</p> |
| <p>Voluntary Prepayment:</p> | <p>The Borrower shall pay a prepayment fee in an amount equal to 2% of any amount prepaid.</p> <p>Prepayments shall require 30 Business Days prior notice.</p> <p>Any prepayment shall be made with accrued interest (which shall, if applicable, include Default Interest) on the amount prepaid and, subject to any Breakage Costs and other agreed costs. Any amount prepaid may not be redrawn.</p> <p>Voluntary Prepayment amounts shall not be less than USD 5 million and will</p> |



Handwritten signatures in blue ink, including a large stylized signature and a smaller signature with initials.

| | |
|--|---|
| | be in inverse order of maturity |
| Voluntary Reduction in the Facility A Amount: | <p>The Borrower may, on not less than 10 Business Days' prior notice, or such shorter period as the Lenders may agree cancel the whole or any part (minimum to be determined) of the Facility A not yet advanced to the Borrower.</p> <p>The Borrower shall not be entitled to cancel the whole or any part of the Facility A if such cancellation will lead to:</p> <ol style="list-style-type: none"> 1. a funding shortfall; or 2. an Event of Default. |
| Credit Committee Approvals: | <p>The Lenders' firm, final and unconditional commitments to underwrite the Facility A are conditional on satisfaction of the following conditions:</p> <ol style="list-style-type: none"> 3. no material adverse change affecting the Borrower and/or any Sponsor and/or Kenya and/or the international financial markets; 4. satisfactory due diligence of all relevant information and documentation; (including financial statements for the latest three years, feasibility analysis report(s) and other documentation to be agreed pursuant to the Finance Documents) 5. approval by each Lender's relevant credit committees; 6. Signed Finance Documents; and 7. Sinosure approval. |
| Expiry: | The terms set out in the Term Sheet will be valid for 8 months from the date written on the cover of this Term Sheet. |

Handwritten signatures and initials, including a large signature on the left and initials 'JH' on the right.

Please sign below as an indication that the terms and conditions contained in this Term Sheet are satisfactory to you. By giving such indication the Borrower will be obliged to reimburse the Lenders, promptly upon request from time to time, for all costs and expenses (including legal fees) reasonably incurred by the Lenders in connection with the negotiation, preparation, and execution of the Finance Documents and any such other relevant documents whether or not the aforementioned documents are entered into. Notwithstanding the indicative nature of this Term Sheet, the parties agree that this paragraph is legally binding.

For and on behalf of the Borrower

Name:

Date:

[Handwritten signature] *[Handwritten initials]*