



# Eridanus Green

## Information sheet

### BACKGROUND

Eridanus Green is an commandité Partnership and provides the opportunity for investors to become involved and be able to invest in the lucrative tax deductible renewable energy investment sector. Eridanus Green invests in the renewable energy sector using financial instruments in the form of structured debt and equity funding. The entities that are invested in are carefully chosen by Eridanus Green's investment committee with oversight by Eridanus Green (Pty) Ltd., who is the managing agent for Eridanus Green with low risk and high income investments being the main considerations.

The demand for investment in the Renewable Energy Sector remains high at all times due to the fact that

there is a massive energy crisis in South Africa because of the imminent demise of Eskom.

Energy supply services form an essential part of economic activity in Southern Africa and the world and an unlimited demand for energy services are permanently assured, this ensures that an extremely unlimited pipeline in the agricultural sector exists. Currently, Eridanus Green has a high demand for investments in excess of R190 million ZAR.

Eridanus Green is partners with a wide variety of industry experts that investigate and become involved in potential and qualifying investment projects. Eridanus Green ensures that suitable shareholding, financial control and management oversight are obtained in order to minimize

risk and maximize returns for investors.

Eridanus Green has the added competitive advantage of working closely with Eridanus Ltd., which invests in the agricultural sector and has various persons/entities in the agricultural sector, which invests in Eridanus Ltd. This ensures an almost unlimited pipeline for investment for Eridanus Green as almost all of the investments/investors are in the agricultural sector and are in need for renewable energy supply services.

### OBJECTIVES

To enable investors to deduct up to 125% of their investment (in the year the investment is made) from their taxable income.

To ensure generation of after-tax returns in excess of 18% for investors over a 5 year period after management fees are paid.

Eridanus Green's current return to investors exceed the five year South African Government bond interest rate by a considerable margin.

Investment in Renewable Energy through Eridanus Green ensures liquidity and guarantees Investors to recover their capital and yield over a period of 5 years.

To ensure investors a long-term high-income investment opportunity and a guaranteed yearly income from their investment.

### KEY FUNDAMENTAL

- After tax ROI of not less than 18%
- Deduction of up to 125% of the investment in the year that the investment is made
- Eridanus Green's investors are offered preferential investment when investment opportunities arise
- Long term investment with above average returns
- Yearly income/profit from investment
- To grow and support the Energy and Food Supply business and to ensure dependable energy supply locally.

### INVESTMENT DETAILS

- Type of investment: Class A Commitment into Eridanus Green Partnership
- Minimum investment of R 500 000
- Investor Liquidity: Profit distributed yearly, Capital fixed for 5 years
- Returns: All excess capital distributed yearly
- Eridanus Green's management fees: 5% Yearly
- Investor is ONLY at risk for 43,75% of his/her investment as 56,25% is guaranteed by Sars.

### KEY INDIVIDUALS

Fund Manager: Martin Van Vuuren, BA (Law) B Proc Practicing Attorney (SA), [Martin@eridanus.co.za](mailto:Martin@eridanus.co.za)

Investment Manager: Cobus Nel (CA) SA [Cobus@eridanus.co.za](mailto:Cobus@eridanus.co.za)

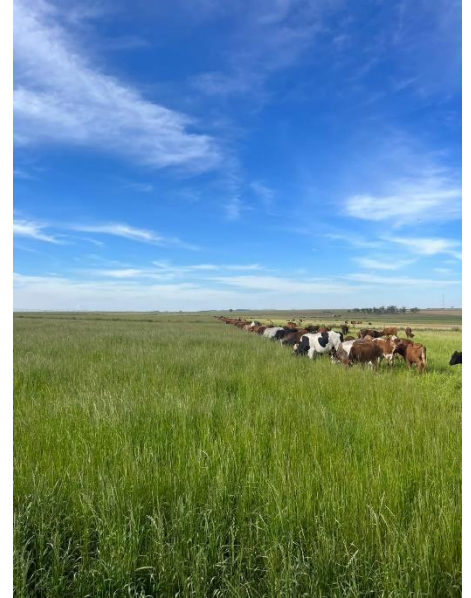
Managing Partner: Eridanus Green Pty Ltd

Compliance Officer: JC Bruce [Jcbuce@spsld.co.za](mailto:Jcbuce@spsld.co.za)

### PROJECT PIPELINE

Eridanus funds energy supply projects at various stages of economic viability and obtain equity, financial and production management in all projects in order to limit risk and maximize profits. This guarantees returns for

investors as quoted. Eridanus Green is considering to invest in the following projects:



### Potential investments being investigated

Province	Agri	Investment Pipeline
Gauteng	Milk Parlor	R5 million
Limpopo	Citrus	R18 million
Mpumalanga	Irrigation Cattle	R25 million
North West	Citrus	R18 million
North West	Irrigation	R25 million
Western Cape	Soft Fruit	R5 million

### INVESTMENT STRUCTURE

Investors: Class A Commitment into  
Eridanus Green Partnership



Eridanus Green Partnership



Underlying and potential  
investments:

- ❖ Long term equity/debt funding - Eridanus Green sells the renewable energy generated to the underlying farming operations

- ❖ Short term debt funding - Funding provided to develop energy business. This funding will be converted into a long term power purchase agreement

### Example of an investment in Eridanus Green

Partners Cashflow:		Year 1	Year 2	Year 3	Year 4	Year 5
Assumed TAX Rate	45%					
Investment	- 1,000,000.00					1,000,000
Tax Break		562,500				
Income after management fees		50,000	50,000	50,000	50,000	50,000
Taxation		-22,500	-22,500	-22,500	-22,500	-22,500
Total	- 1,000,000.00	590,000	27,500	27,500	27,500	1,027,500
AFTER TAX ROI	18%					
Investment Funds Returned	R1,000,000 R1,700,000					

### Important points to note:

- ❖ The investor gets the tax break upfront, immediately in the year of the investment.
- ❖ The investor receives the profit after management fees annually.
- ❖ After 5 years the investor received their capital, which delivers an after tax return of 18%.

## LAST WORDS

Due diligence, financial and productivity investigations and personal interviews are conducted prior to placing investment pipelines before Investment Committees

***"FOR FOOD STABILITY, INVEST IN AGRICULTURE WITH SUSTAINABLE ENERGY SOLUTIONS"***

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## Contact Information

**Investment Manager:**  
**Cobus Nel (CA) SA – 011  
888 8604/082 926 5366**

**Investment Consultants:**  
**(011) 888 8604**

**E-mail**  
[cobus@eridanus.co.za](mailto:cobus@eridanus.co.za)

**Website [eridanus.co.za](http://eridanus.co.za)**

