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The annual minimum payment amount of \$9,997 and \$17,062 increases annually with South African Inflation (31 March 2015: 5.3%). The lease period can be renewed for a further 25 years at the end of the lease

18. Related parties

In US dollar	2015	2014
Related party transactions		
Administration fees paid to related parties		
Friedshel 1293 (RF) Proprietary Limited	96,430	95,845
BioTherm Operations and Maintenance (RF) Proprietary Limited	373,056	325,446
BTSA Netherlands Cooperatie U.A. (Netherlands)	65,016	—

Friedshel 1293 (RF) Proprietary Limited a fellow subsidiary Company provides administrative services to the Company which includes submission of all compliance documentation as per the facility agreement, ensure that the companies are in compliance with all regulations and orders, and tax and accounting functions including maintenance of records, procurement of audit services and reporting. The term of the agreement extends to the expiration of the initial term of the Power Purchase Agreement being 20 years, however early termination may occur subject to notice. The fee charged is a fixed fee escalated annually at South African Inflation rate. The fee in 2015 was \$0.05M, \$0.02M and \$0.02m for Klipheuwel-Dassiefontein Wind Energy Facility (RF) Proprietary Limited, Sevenstones 159 (RF) Proprietary Limited and Limarco 77 (RF) Proprietary Limited respectively and is recorded in the general and administrative costs in the Statement of Income and Comprehensive Loss.

BioTherm Operations and Maintenance (RF) Proprietary Limited a fellow subsidiary Company provides operations and maintenance services to the energy facilities. These services mainly include the supervision of the operations and maintenance activities at the facilities and supervision of service providers. The term is five years from the commercial operations date being 07 May 2014 for Klipheuwel-Dassiefontein Wind Energy Facility (RF) Proprietary Limited. The fee charged is a fixed fee escalated annually at South African Inflation rate, the fee incurred in 2015 was \$0.1M and is recorded in operations management fee in the Statement of Income and Comprehensive Loss.

In addition BioTherm Operations and Maintenance (RF) Proprietary Limited provides construction management services which includes review of engineering and construction related documents and formulate an implementation strategy with overall contract management of the construction process. The agreement will terminate at the Final Completion date of the construction of the facility, this is the date that all work and all other obligations under the EPC Contract are fully and completely performed in accordance with the terms of the EPC Contract. The fee charged is a fixed fee escalated annually at South African Inflation rate. The fee in 2015 was \$0.2M and \$0.1M for Klipheuwel-Dassiefontein Wind Energy Facility (RF) Proprietary Limited and Limarco 77 (RF) Proprietary Limited respectively and is recorded in plant operating costs in the Statement of Income and Comprehensive Loss +

BTSA Netherlands Cooperatie U.A. the majority shareholder provides executive management services through policy and decision making and representation on the board in addition to finance and administration support. The agreement may be terminated at any point by mutual consent and will terminate automatically on the day that BTSA ceases to be an equity shareholder in the Company (which will terminate on sale of the Company – see Note 17). The fee charged is a fixed fee escalated annually at South African Inflation rate. The fee in 2015 was \$0.03M, \$0.02M and \$0.02m for Klipheuwel-Dassiefontein Wind Energy Facility (RF) Proprietary Limited, Sevenstones 159 (RF) Proprietary Limited and Limarco 77 (RF) Proprietary Limited respectively and is recorded in the general and administrative costs in the Statement of Income and Comprehensive Loss.

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