

# PÁTRIA

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## **Pátria Investimentos, Shell, and Mitsubishi Hitachi Power Systems announce thermal power plant partnership**

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Pátria Investimentos, Shell Group, and Mitsubishi Hitachi Power Systems (MHPS) announce the construction and operation of the Marlim Azul gas-fired power plant in Macaé, Rio de Janeiro. The partnership foresees the development of the plant and sale of the energy generated, both in the captive market, through an auction held by the National Electric Energy Agency (ANEEL) in December 2017, and the free contracting environment for energy, through Shell Energy Brasil. Pátria Investimentos has a 50.1% stake in the project, the Shell Group has a 29.9% stake, and MHPS has a 20% stake.

"This project is vital to the development of the energy industry and the Brazilian economy. We believe that this initiative serves the needs of this sector," says Otavio Castello Branco, a partner at Pátria Investimentos.

The 565 MW Marlim Azul plant is the first project to win an energy auction with Brazil's pre-salt gas, with one of the most competitive variable unit costs (VUCs) among gas plants. The plant will enter operation in January 2023. The joint venture will invest R\$ 2.5 billion in the construction of the thermal power plant, and Shell Brasil Petróleo Ltda. will supply the gas.

"This is a key strategic step for Shell in Brazil in diversifying its portfolio and in the energy transition in the country. We were looking for an efficient way to monetize the natural gas produced in the pre-salt fields, where our presence has increased significantly. This project will allow synergy between our deepwater, gas, and electricity businesses. For this, we have found partners who are committed and aligned with our purpose," says the CEO of Shell Brasil Petróleo Ltda., André Araujo.

The first plant to use the MHPS gas turbine with M501JAC technology in Brazil, more than 80% of Marlim Azul's energy is expected to be dispatchable, backing up renewable energy with pre-salt natural gas reserves. At its peak, the construction of the plant could employ around 1,500 people.

"MHPS is privileged to bring our world-leading technology to Brazil, helping usher in a new era of using Brazilian pre-salt gas to provide flexible power that will complement intermittent wind and solar power generation," said Paul Browning, CEO of MHPS Americas. Browning continued: "The opportunity to increase energy stability using pre-salt gas is a major advance for Brazil that we and our partners at Pátria and Shell will make. Together, we will deliver a change in power."

### About Patria

Patria is leader in alternative asset management in Latin America, with over 30 years of experience in Private Equity, Infrastructure, Real Estate and Credit. Currently, Patria maintains ten offices in the main financial centers of the world. Since 2010, Patria has Blackstone, a global leader in alternative investments management, as a relevant partner. Additional information is available at: [www.patria.com](http://www.patria.com).