# Project Validation Statement

The CSG Standard Technical Advisory Panel (TAP) has performed a validation of the "Lajta Wind Power Project in Hungary by Kavicsbánya Energia Ltd." project on the basis of all the relevant CSG Standard requirements for projects. The validation was performed in accordance with the CSG Standard Version 1.1 and host country regulations, as well as criteria given to provide for consistent project operations, monitoring and reporting. The review of PDD, supporting documents and the subsequent follow-up interviews have provided with sufficient evidence to determine the fulfilment of CSG Standard criteria. The project is eligible for the CSG Standard and uses the CSG Standard approved methodology "Renewable Energy", version 1.1.

The project consists of the operation of five wind turbines in Mosonmagyaróvár, Győr-Moson-Sopron County, Hungary. The total installed rated power of the plant is 10 MW and the net annual electricity delivered to Hungarian Electricity Grid is approximately 24,000 MWh/y.

The project results in reductions of CO2 emissions that give long-term benefits to the mitigation of climate change. It is demonstrated that the project comes with other social and environmental benefits as well, and it is in accordance with the CSG Standard requirements for additionality.

The total emission reductions from the project are estimated to be 179 380 t of $CO_2e$ over a 10 year crediting period, averaging 17 938 t of $CO_2e$ annually. The emission reductions calculated for the first two-year crediting period (2012 and 2013) has been checked and the stated amount is achieved. Further emission reductions will be validated after verified monitoring data.

In summary, it is TAP's opinion that the "Thera II Wind Power Project in Hungary by Kavicsbánya Energia Ltd." as described in the PDD, meets all relevant CSG Standard requirements. TAP thus requests the registration of the project as a CSG Standard project activity in the Carbon Registry.

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signature

Prof. Iván Gács
Chairman

Technical Advisory Panel

CSG STANDARD CSG STANDARD TECHNICAL ADVISORY PANEL

Budapest, Hungary, 18 October 2016