

As part of our proposed participation in the Soda Ash project, we have listed the questions below, for clarification:

Technical

- Size of the resource and has this been validated by a competent person's report;

Refer feasibility study Vol I (Appraisal of brine resources) page iii

- Has a plan been developed for mining the resource;

Yes. The feasibility study has been done and compensation to the people who are affected by the project has been paid. Resources optimization will be done by the preferred bidders.

- The EIA that was done - is it in line with global standards

Yes. The National Environment Management Council follows global standards i.e. ISO 14000

- What permits / licenses are still outstanding and/or needs to be obtained post commissioning of the plant

Business license from Business Registrations and Licensing Authority (BRELA), work permit for foreigners from Ministry of Labour, Youth, Employment and Person's with Disability, export permit from The Mining Commission

- Production capacity of the plant - what was this based on and are there plants of similar size globally

It was based on market demand and there are plants of similar size globally such as Zambyl plant in Kazakhstan.

- The quality of the resource - has this been tested and are the spec results available? Based on the quality of the resource, what applications can it be used for and/or what spec of product will the plant be producing and for which markets

Chemical analysis for the brine conducted is attached. Furthermore, the awarded bidders will have an opportunity to conduct confirmatory study on their own cost. Also, the market for the product is elaborated in the feasibility study.

- Has basic engineering for the plant been done and is this information available for review

Preferred bidders will be responsible for designing the plant after being awarded.

- Which engineering company and/or EPC contractor did the design and have they built similar plants elsewhere or operating plants?
- Preferred bidders will be responsible for acquiring a contractor for the plant after being awarded.
- Who will be responsible for the bulk infrastructure and utilities and how will it be funded

The Government of Tanzania will be responsible

- Is there a preliminary project plan and schedule

The bidders will be responsible for submitting the project plan and schedule

- Will the resource and land be made available by concession or lease to the Project Company? If not how will the Project Company then have to purchase the resource from the govt or will the govt. contribute this as part of its shareholding? If so, has valuation been done on the land and resource and who was responsible for doing this valuation?

The land acquired by NDC will be transferred to the project company (JVC company)

- Does the Tanzanian rail and ports have sufficient capacity to accommodate export volumes of soda ash

Port expansion is continuous process depending on demand.

- What technical information underpins the total project spend and what assumptions was used

It was based on industrial standards. Please refer feasibility study Vol. IX section 3.3 page 15.

- has the technical feasibility been reviewed by an independent third party

The preferred bidders will have an opportunity to conduct confirmatory study

Marketing

- Has market study been done and by whom

Refer Vol. II of the feasibility study (Market study analysis) page 8-28

- How far does the scope of the market study extend to
- Refer Vol. II of the feasibility study (Market study analysis) page 2

- Have any of the local uses of soda ash been approached to provide potential Letters of Interest

The bidder is supposed to show evidence of market accessibility. This is one of the criteria for evaluating the bidders.

- will the project company be handling the logistics of the soda ash produced and, if not, who will be doing this function

Yes. The JVC company will handle the logistics.

- will the project company make use of agents for export of the soda ash or sell directly into export markets

The JVC company will plan for the marketing strategy

- will the product have to be sampled by customers first before they want to place orders i.e. after commissioning of the plant?

That will depend on the customers requirements

- From market study has specific markets been identified for supply and why?

- Refer Vol. II of the feasibility study (Market study analysis)

- Will the revenue be underwritten by offtake agreements from a % of customers

Revenues will be from the realized sales

Financial

- has a financial model been prepared to validate the economic feasibility of the project

Refers to Vol IX of the feasibility study (Project appraisal) page 18-31.

- Is this also accompanied by sensitivities

- Who developed the financial model and was this reviewed independently

Tanzania Industrial Research and Development Organization

- is the Tanzanian govt open to take a smaller stake in the project company and if not what will then be monetary and/or asset contribution to justify a certain shareholding %

In all mining projects the Government has a stake (free carried interest) according to The Mining Act of Tanzania

- what other incentives will govt offer to the project i.e. tax, subsidies, import protection, etc.

The project company has to request incentives from the Tanzania Investment Centre (TIC).

- will the govt. be expecting immediate income / returns as shareholder of the project?

This is a negotiation item in the JV Agreement.

- what is the foreign investment policy in Tanzania?

The Tanzania Investment Act and the National Investment Promotion Policy of Tanzania guide foreign investment.

- Will there be any participation of local banks in the funding of the project

Debt financing will be guaranteed by the Investor.

Regulatory / Legal

- will any assistance be provided to expedite the issuing of any permits / licences that might be needed after commissioning of the plant

Yes. NDC will assist by following up with responsible Authorities.

- are there any regulatory hurdles that could be encountered and poses a risk to the project company

No.