



**AN ACT RATIFYING THE AMENDMENT TO THE MINERAL
DEVELOPMENT AGREEMENT (MDA) DATED AUGUST 17,
2005 BETWEEN THE GOVERNMENT OF THE REPUBLIC OF
LIBERIA (THE GOVERNMENT) AND MITTAL STEEL
HOLDING A. G. AND MITTAL STEEL (LIBERIA) HOLDINGS
LIMITED (THE CONCESSIONAIRE)**

It is enacted by the Senate and House of Representatives of the Republic
Of Liberia in Legislature Assembled:

Section I

That from and immediately after the passage of this Act, the amendment to the agreement made and entered into this 28th day of December A. D. 2006 between the government of the Republic of Liberia (herein after Referred to as "the government") and Mittal Steel Holdings, A. G. and Mittal Steel (Liberia) Holding Limited, (the Concessionaire) which agreement is set forth and fully recited hereunder and made a part of this Act be and the same is hereby approved/ratified and the President of Liberia is hereby authorized and empowered to give full force and effect To the provision as contained in said agreement.

Section II

This Act shall take effect immediately upon publication in handbill.

ANY LAW TO THE CONTRARY NOTWITHSTANDING.

2007

**SECOND SESSION OF THE FIFTY-SECOND
LEGISLATURE OF THE REPUBLIC OF LIBERIA**

**SENATE ENGROSSED BILL NO. 2, ENTITLED
"AN ACT RATIFYING THE AMENDMENT TO THE
MINERAL DEVELOPMENT AGREEMENT (MDA)
DATED AUGUST 17, 2005 BETWEEN THE
GOVERNMENT OF THE REPUBLIC OF LIBERIA
(THE GOVERNMENT) AND MITTAL STEEL
HOLDING A. G. AND MITTAL STEEL (LIBERIA)
HOLDINGS LIMITED (THE CONCESSIONAIRE)"**

On motion, Bill read. On motion, the Bill was adopted on its
First reading. Friday, February 13, 2007 at 12:22 P. M

On motion, Bill was taken from the President's desk for its
second reading. On motion, under the further suspension of
the Rule, the second reading of the Bill constituted the third
reading and the Bill was ordered engrossed and passed into
the full force of the law today, Friday, April 27, 2007 at 1:05
P. M.

AMENDMENT

Dated December 28, 2006

TO

MINERAL DEVELOPMENT AGREEMENT DATED AUGUST 17, 2005

BETWEEN THE GOVERNMENT OF THE REPUBLIC OF LIBERIA

REPRESENTED BY AND THROUGH THE MINISTER OF FINANCE,

DR. ANTOINETTE M. SAYEH, THE MINISTER OF LANDS, MINES AND ENERGY,

DR. EUGENE H. SHANNON, THE CHAIRMAN OF THE NATIONAL INVESTMENT

COMMISSION, MR. RICHARD TOLBERT AND ATTESTED TO BY THE MINISTER

OF JUSTICE, CLLR. FRANCES JOHNSON MORRIS (FORMERLY REPRESENTED

BY AND THROUGH THE MINISTER OF FINANCE, HON. LUCINEE F. KAMARA,

SR., THE MINISTER OF LANDS, MINES AND ENERGY, HON. JONATHAN A.

MASON, AND THE CHAIRMAN OF THE NATIONAL INVESTMENT COMMISSION,

HON. ROOSEVELT QUIAH AND ATTESTED TO BY CLLR. KABINEH M. JA'NEH

MINISTER OF JUSTICE AND ATTORNEY GENERAL)

AND MITTAL STEEL HOLDINGS A.G. (FORMERLY MITTAL STEEL HOLDINGS

N.V.) REPRESENTED BY MR. M.P. SINGH ACTING ON BEHALF OF MITTAL

STEEL (LIBERIA) HOLDINGS LIMITED (FORMERLY MONTRAY LIMITED) (THE

"MDA")

AMONG

THE GOVERNMENT OF THE REPUBLIC OF LIBERIA,

MITTAL STEEL HOLDINGS A.G.

AND MITTAL STEEL (LIBERIA) HOLDINGS LIMITED

WITNESSETH:

WHEREAS, on August 17, 2005, the Government of the Republic of Liberia (the "GOVERNMENT") and Mittal Steel (Liberia) Holdings Limited (formerly MONTRAY LIMITED) (the "CONCESSIONAIRE") signed the Mineral Development Agreement (MDA);

WHEREAS, MITTAL STEEL HOLDINGS A.G., a corporation duly organized and existing under the laws of Switzerland (together with its Affiliates, the "PRINCIPAL") has agreed to be bound by the terms of the MDA as amended hereby, to the extent that such terms specifically apply to the PRINCIPAL;

WHEREAS, at the request of the GOVERNMENT, the Parties have agreed to amend certain provisions of the MDA;

NOW, THEREFORE, and in consideration of the mutual promises made, the Parties hereto mutually agree, as follows:

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**ARTICLE 1
AMENDMENTS TO ARTICLE I OF THE MDA
(DEFINITIONS)**

Capitalized terms not defined in this Amendment have the same meaning ascribed to them by the MDA or the Minerals and Mining Law (as defined in the MDA), unless otherwise provided herein.

The following definitions shall be added to Section 1 of Article I of the MDA in the appropriate alphabetical order. Where a definition appearing herein already exists in the MDA, the corresponding definition shall be deleted in the MDA and replaced with the definition appearing herein:

"Affiliate" shall mean, with respect to a specified Person, another Person that directly, or directly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. For purposes of this definition, "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlled" has a meaning correlative thereto.

"Amendment Effective Date" shall have the meaning given in Article 36(A) of this Amendment.

"Associates" shall mean the Operating Company, Affiliates, shareholders, financiers and contractors to the extent that such financiers' and contractors' activities relate directly to the Operations (including suppliers of goods and services) of the CONCESSIONAIRE or the Operating Company, and the directors, officers, agents and employees of the CONCESSIONAIRE and the Operating Company and of any of the foregoing.

"Buchanan Iron Ore Port" shall mean the iron ore pier in Buchanan and the other integrated infrastructure that makes the pier operational, all as described in Appendix F-1.

"Code" shall mean the Revenue Code of Liberia (Act of 2000), as in effect as of the date of this Amendment.

"Commencement Date" shall have the meaning given in Article 36(B) of this Amendment.

"Commercial Operation Startup Date" shall mean the date on which sales and dispatch of marketable Iron Ore from the Buchanan Iron Ore Port shall have reached a monthly volume of not less than 100,000 mt for a continuous period of at least three months.

"CONCESSIONAIRE" shall mean MITTAL STEEL (LIBERIA) HOLDINGS LIMITED, a company incorporated under the laws of Cyprus and/or other person(s) to which, pursuant to Article XXVIII, Section 1, it may assign all or any part of its interest under this Agreement.

"Development" shall mean all preparation for the removal and recovery of Iron Ore, including, without limitation, the construction or installation of a mill or any other improvements to be used in the mining, handling, milling, beneficiation or other processing of Iron Ore.

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"Iron Ore" shall mean ore the principal economic value of which is its iron content.

"Operations" shall mean all activities and transactions conducted by the CONCESSIONAIRE pursuant to this Agreement, directly or through contractual arrangements with the Operating Company, including Exploration, Development, Production, and marketing and sale of the Iron Ore and associated products within the Concession Area, as well as the financing of any of the foregoing.

"Operating Period" shall mean the period beginning on the Commercial Operation Startup and continuing through the termination of this Agreement.

"Party" shall mean either the GOVERNMENT, the PRINCIPAL or the CONCESSIONAIRE and, in the plural forms, all of the GOVERNMENT, the PRINCIPAL and the CONCESSIONAIRE and any permitted assignee of the GOVERNMENT, the PRINCIPAL or the CONCESSIONAIRE.

"Processed Exportable" shall mean processed Iron Ore subjected to crushing and separating into valuable substances by any of a variety of techniques (eg ore dressing).

"Production" shall mean the commercial exploitation of Iron Ore found in the Concession Area and all other activities incidental thereto including the design, construction, installation, fabrication, operation, maintenance and repair of infrastructure, facilities and equipment and including, excavation, extraction, recovery, handling, beneficiation, processing, milling, stockpiling, transportation, export and sale of Iron Ore.

"The Road" shall mean the railroad from Buchanan to Yekepa and the other integrated infrastructure that makes the railroad operational, all as described in Appendix F-2.

ARTICLE 2 AMENDMENTS TO ARTICLE III OF THE MDA (TERMS OF THE AGREEMENT)

The text of paragraph b. of Section 2 (Extended Terms) of Article III of the MDA is hereby deleted in its entirety and replaced with the following:

GOVERNMENT shall grant its approval for the Extended Term through the Extended Date in mutual agreement by the Parties six(6) months before expiration of the original Term.

ARTICLE 3 AMENDMENTS TO ARTICLE IV OF THE MDA (CONCESSION AREA)

The text of Section 1 (Grant of Rights) of Article IV of the MDA is hereby deleted and replaced with the following:

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By this Agreement and subject to its terms and conditions, the GOVERNMENT hereby grants to the CONCESSIONAIRE the exclusive right and license to conduct Exploration, Development, Production and marketing of Iron Ore and associated products (as per Article IV, Section 3) and rehabilitation of the associated Infrastructure in the Concession Area.

B. The title and text of Section 3 (Contiguous Areas) of Article IV of the MDA are hereby deleted in their entirety and replaced with the following:

Section 3. Other Minerals; Contiguous Areas

If the CONCESSIONAIRE or any other Person discovers Minerals other than Iron Ore within the Concession Area, the CONCESSIONAIRE shall be given the opportunity to undertake Exploration and, as appropriate, Development and Production with respect to such other Minerals in accordance with applicable Law (including Section 6.7(c) of the Minerals and Mining Law).

If the CONCESSIONAIRE or any other Person discovers potentially exploitable Iron Ore resources in unencumbered contiguous areas adjacent to the Concession Area, the CONCESSIONAIRE may, in accordance with applicable Law, submit to the GOVERNMENT a bid for the right to undertake Exploration and, as appropriate, Development and Production with respect to such Iron Ore.

ARTICLE 4 AMENDMENTS TO ARTICLE V OF THE MDA (WORK PROGRAM)

A. The title and text of Section 1 (Commencement of Development) of Article V of the MDA are hereby deleted in their entirety and replaced with the following:

Section 1. Development Program

The CONCESSIONAIRE shall, subject to circumstances outside its control that would have a material effect on its ability to fulfill such obligation, complete the full rehabilitation of the Railroad and Buchanan Iron Ore Port such that the Railroad and the Buchanan Iron Ore Port are in the condition necessary to conduct the Operations on the Commercial Operation Startup Date not later than three (3) years after the Commencement Date. The CONCESSIONAIRE shall cause the Commercial Operation Startup Date to occur not later than four (4) years after the Commencement Date. The overall Tentative Development Program is attached hereto as Appendix C.

Subject to the availability of economically mineable Iron Ore reserves, the CONCESSIONAIRE shall, during the Operating Period, extract at least as much Iron Ore per year from the Production Area as the amount listed across from the relevant year set forth on Schedule A hereto. If the CONCESSIONAIRE fails to meet the requirements of Schedule A for any one (1) year, the CONCESSIONAIRE shall promptly notify the GOVERNMENT, and within 60 days of

providing such Notice provide an explanation for the failure and set forth a proposed schedule for restoring Production within a reasonable time frame. The CONCESSIONAIRE and the GOVERNMENT shall discuss the schedule for restoring Production, and thereafter the CONCESSIONAIRE shall use its best efforts to meet the requirements of said schedule.

The text of Paragraph a. of Section 3 of Article V of the MDA is hereby deleted in its entirety and replaced with the following:

The CONCESSIONAIRE shall maintain at its principal office in Liberia, or at such other offices as the GOVERNMENT may approve, copies of all maps, geological, mining or other earth science reports and mineral analyses (together with all field data which support such reports or data), production records, marketing and financial reports and other data obtained or compiled by the CONCESSIONAIRE as a result of exploration and/or mining Operations. All information, data and material specified in this paragraph shall be in a form suitable for reproduction, use or processing as the case may be. The CONCESSIONAIRE shall have the right to temporarily remove such documents from Liberia for the purpose of study and evaluation. Subject to the provisions of Section 1 of Article VII of the Agreement, the GOVERNMENT shall have full access to all information, data and material specified herein, after giving prior notice to the CONCESSIONAIRE at least 15 days in advance.

The text of Paragraph c. of Section 3 of Article V of the MDA is hereby deleted in its entirety and replaced with the following:

Within forty five (45) days after the end of each calendar quarter, the CONCESSIONAIRE shall provide the GOVERNMENT with a report on all mining operations for that calendar quarter, including financial reports on the quantity of Iron Ore produced and sold. Within ninety (90) days after the end of each financial year, the CONCESSIONAIRE shall furnish the GOVERNMENT with a report on all Operations and activities for that Financial Year, including financial reports of Iron Ore produced and sold.

ARTICLE 5 AMENDMENTS TO ARTICLE VI OF THE MDA (MINING AND EXPLORATION LICENSES)

text of Section 4 (Additional Minerals) of Article VI of the MDA is hereby deleted in its entirety and replaced with the phrase "(Reserved)".

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**ARTICLE 6
AMENDMENTS TO ARTICLE VII OF THE MDA
(CONFIDENTIALITY)**

The text of Section 1 (Confidential Information) of Article VII of the MDA is hereby deleted in its entirety and replaced with the following:

All information exchanged between the Parties hereto in the context of this Agreement shall be considered and treated as confidential information, subject to Article VII, Section 2 of the MDA. The Parties hereto hereby agree not to divulge such information to any other Person without the prior written consent of the other party, which consent shall not be unreasonably withheld and/or delayed. However, the foregoing shall not be applicable to the CONCESSIONAIRE's or the GOVERNMENT's bankers, advisors and all those who are, in a special way, connected with the Operations.

**ARTICLE 7
AMENDMENTS TO ARTICLE IX OF THE MDA
(LAND AND FACILITIES)**

A. The text of paragraph b. of Section 1 (Public Land) of Article IX of the MDA is hereby deleted and replaced with the following:

If the CONCESSIONAIRE reasonably requires any public land not within the Concession Area for purposes of and incidental to Operations including areas required for plant and equipment, Infrastructure and other facilities and equipment, the Concessionaire and the GOVERNMENT shall negotiate in good faith for the right to use such land and the terms and conditions applicable thereto. In no circumstances shall any such land be deemed part of the Concession Area at any time.

The text of paragraphs b., c. and d. of Section 2 (Private Land) of Article IX of the MDA is hereby deleted in its entirety and replaced with the following:

If the CONCESSIONAIRE reasonably requires private land outside the Concession Area for the Operations, the CONCESSIONAIRE will endeavor to enter upon and utilize such land by direct agreement with the owner.

c. For the purposes of the foregoing:

1. *Private land shall mean any land (including any creeks, streams, rivers or bodies of waters contained thereon, and their residue) without prejudice to the GOVERNMENT's rights, owned by a Person other than the GOVERNMENT; and*
2. *Public land shall mean all land other than private land.*

C The text of Section 3 (Assets and Facilities) of Article IX of the MDA is hereby deleted in its entirety and replaced with the following:

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The assets and facilities which are listed in Appendix F shall be transferred unencumbered to the CONCESSIONAIRE, irrespective of their conditions, and shall comprise the existing assets and facilities of the former LAMCO joint venture company, including, but not limited to:

1. The Mines and Quarries set forth in Appendix E, and associated facilities;
2. The industrial infrastructure, facilities, rights and assets held in custody by LIMINCO or related to the LAMCO Concession Areas and set forth in Appendix E; and
3. All the housing units in Buchanan and Yekepa and associated infrastructure, in each case set forth in Appendix F, including those dedicated to health services and education.

to avoid doubt, such transferred assets and facilities do not include the Railroad to Buchanan Iron Ore Port and all Infrastructure associated with either of them, such as and facilities and associated Infrastructure shall not constitute part of the CONCESSIONAIRE's Infrastructure, and ownership of such assets and facilities is and shall be retained by the GOVERNMENT.

New Facilities within the Concession Area:

The CONCESSIONAIRE shall have the right to acquire, import, construct, install and operate plant, equipment, railroads, roads, bridges, airports, ports, jetties, breakwaters, pipelines, power facilities including power generation facilities, towns or communities, and any other Infrastructure reasonably required for the Operations. The CONCESSIONAIRE shall have the right, free of charge, to cut and utilize timber, to quarry and use stone or rock, and use water reserves, in each case within the Concession Area, to the extent reasonably needed for the Operations (but not for any other purpose, including resale), subject to non-interference with any other Person's lawful use and to applicable Law, including the environmental law of the Republic, and the international treaty obligations of the GOVERNMENT;

The CONCESSIONAIRE shall have the right to use public Infrastructure, whether owned, operated or provided by the GOVERNMENT or by any other Person under license or authority of the GOVERNMENT, to the extent adequate (taking into account the public use thereof) to meet the CONCESSIONAIRE's needs with respect to the Operations. The GOVERNMENT shall ensure that all charges for, and other terms and conditions of, the use by the CONCESSIONAIRE of public Infrastructure are fair and reasonable, taking into account the cost of providing such Infrastructure, and are not more onerous than those that are generally applicable to others using similar public Infrastructure in a similar manner;

To the extent reasonable in connection with the Operations, the CONCESSIONAIRE shall have the right, subject to prior consultation with the

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GOVERNMENT, to integrate any item of its own Infrastructure with similar items of public Infrastructure;

4. To the extent that the CONCESSIONAIRE does not utilize its Infrastructure to full capacity, the GOVERNMENT shall have the right to use said Infrastructure on reasonable Notice to the CONCESSIONAIRE, provided that such use does not impair the efficient and economic conduct of the Operations. The GOVERNMENT shall pay reasonable compensation to the CONCESSIONAIRE (other than in the case of roads and highways unless the use causes material damage thereto) within a reasonable period after invoice from the CONCESSIONAIRE in connection with such use; and
5. The GOVERNMENT reserves the right, on reasonable Notice to and after consultation with the CONCESSIONAIRE, to construct roads, highways, railroads, telegraph and telephone lines and other lines of communication within the Concession Area. The GOVERNMENT shall provide timely Notice for the commencement of such operations. In the event of such construction, the GOVERNMENT shall, upon agreement by the Parties, within a reasonable period after invoice from the CONCESSIONAIRE, compensate the CONCESSIONAIRE for all damages thereby caused to the CONCESSIONAIRE and its property and shall, subject to Law, indemnify and keep harmless the CONCESSIONAIRE from all claims by third parties arising therefrom. Under no circumstances will the GOVERNMENT engage in such construction if the effect of so doing would significantly disrupt or interrupt the conduct of the Operations.

Communications Facilities, Systems and Frequencies:

1. The CONCESSIONAIRE shall have the right, as licensee or assignee, to operate for its own use and that of any Associate, such communications systems as it deems necessary, including radio, telecommunication, satellite networks, cellular systems, microwave devices and other communications devices and systems, and to receive from the GOVERNMENT such rights, license, registrations, permits and other authorizations as may be required by Law in connection with the possession, use, importation or purchase of the foregoing, and
2. The GOVERNMENT hereby agrees that it shall make available, for use by the CONCESSIONAIRE, an adequate number of broadcast and communications frequencies for both domestic and international use, and shall grant unto the CONCESSIONAIRE such rights, license, registrations, permits and other authorizations as may be required in order to comply with any Law regarding the possession, use, importation or purchase of related equipment or of any telecommunications devices or other communications equipment or devices. The GOVERNMENT and the CONCESSIONAIRE shall consult each other from time to time as to the specific frequencies to be assigned consistent with international regulations.

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Operation and Maintenance of Infrastructure

during the term of the Agreement, the GOVERNMENT hereby grants the CONCESSIONAIRE the right to develop, use, operate and maintain the Railroad and the Buchanan Iron Ore Port, subject to the provisions of paragraph e below of the Agreement. The CONCESSIONAIRE shall invest in the rehabilitation, operation and maintenance of the Railroad and Buchanan Iron Ore Port and shall maintain all other Infrastructure within the Concession Area in good working order in accordance with standard industry practices during the term of the Agreement.

The GOVERNMENT shall ensure that, within a time frame reasonably commensurate with the Operations, the Concession Area, as well as the assets and facilities transferred or otherwise made available to the CONCESSIONAIRE hereunder (including the Railroad and the Buchanan Iron Ore Port, which are not being transferred but are being made available), are free from any occupation and encumbrance, and available for the purpose of the Operations contemplated hereby.

Third Party Access to the Railroad and the Buchanan Iron Ore Port:

1. The GOVERNMENT shall, in consultation with the CONCESSIONAIRE, and on reasonable notice to the CONCESSIONAIRE, authorize third parties' use of excess capacity of the Railroad and the Buchanan Iron Ore Port, provided that the CONCESSIONAIRE confirms that excess capacity exists and third party use of such excess capacity does not unreasonably interfere with the efficient and economic conduct of the Operations.
2. The technical and commercial terms for such third party use of the excess capacity of the Railroad and/or the Buchanan Iron Ore Port shall be mutually agreed to, in good faith, among the GOVERNMENT, the CONCESSIONAIRE and such third parties in accordance with accepted international industrial standards. A formula to proportionately share the revenue fees to be derived from such third party use of the Railroad and/or the Buchanan Iron Ore Port shall be agreed upon in good faith between the GOVERNMENT and CONCESSIONAIRE.
3. Such third party access and use shall be at no cost to the CONCESSIONAIRE and all related costs shall be borne by the third party.
4. In the event that the GOVERNMENT believes that the CONCESSIONAIRE is withholding third party access to the Railroad and the Buchanan Iron Ore Port in contravention of this Agreement, the GOVERNMENT may request a review of the CONCESSIONAIRE's decision not to grant access. The review shall be heard by the Committee described in paragraph 5 below.
5. There shall be constituted a Committee with five (5) members. Two (2) members of the Committee shall be appointed by the GOVERNMENT and two (2) members shall be appointed by the CONCESSIONAIRE. The final member shall be appointed jointly by the GOVERNMENT and the CONCESSIONAIRE. The Committee shall hear and review all complaints regarding third party access to, and third party modernization or expansion of, the Railroad and/or the Buchanan Iron Ore Port and shall forward its recommendations, together with an

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explanation of its rationale for such recommendations, to the Parties to this Agreement.

f. Future Expansion of the Railroad and the Buchanan Iron Ore Port:

At the request of the GOVERNMENT, the PRINCIPAL and/or the CONCESSIONAIRE will undertake expansion and modernization of the Railroad and the Buchanan Iron Ore Port and associated Infrastructure. The terms, amount and mode of this investment shall be jointly agreed between the GOVERNMENT and the PRINCIPAL and/or the CONCESSIONAIRE, with both Parties negotiating in good faith to reach a reasonable agreement. If the Parties fail to reach such agreement, the GOVERNMENT directly or through authorized third parties may undertake, at its own expense, or engage a third party to undertake, such expansion or modernization, provided that such expansion does not, in the reasonable judgment of the CONCESSIONAIRE, unreasonably interfere with the efficient and economic conduct of the Operations. If the GOVERNMENT believes the CONCESSIONAIRE's decision made pursuant to the immediately preceding sentence is unreasonable or otherwise in contravention of this Agreement, the GOVERNMENT may request a review of such decision by the Committee, as provided in paragraph e.5 above. The Parties acknowledge that any expansion and modernization pursuant to this paragraph would be in addition to, and following completion of, the rehabilitation required pursuant to Article V Section 1. The provisions of paragraphs e.1 and e.2 of this Section 3 shall apply to any third party use of the Railroad or the Buchanan Iron Ore Port as expanded or modernized pursuant to this paragraph f, provided that in the event a third party has modernized or expanded the Railroad or the Buchanan Iron Ore Port pursuant to this paragraph f, (i) the decisions referenced in paragraph e.1 with respect to whether excess capacity exists and whether third party use unreasonably interferes with the Operations and (ii) the agreement with respect to the revenue-sharing formula referenced in paragraph e.2 shall, in each case, be made with the consensus of the GOVERNMENT, the CONCESSIONAIRE and such third party.

**ARTICLE 8
AMENDMENT TO ARTICLE X OF THE MDA
(HEALTH CARE, SAFETY AND SECURITY)**

A. The text of Section 1 (Health Care) of Article X of the MDA is hereby deleted in its entirety and replaced with the following:

The CONCESSIONAIRE shall construct, maintain and operate health facilities in the Concession Area, and shall install, maintain and use modern health devices and equipment and shall practice modern health procedures and precautions in accordance with accepted international medical standards.

In connection with the Operations, the CONCESSIONAIRE shall install, maintain and use appropriate and modern health and safety facilities and shall train its employees in accordance with generally accepted health and safety procedures and practices. The CONCESSIONAIRE shall provide in the Concession Area free medical treatment, care and attention at acceptable

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standards to all of its employees and GOVERNMENT officials working in connection with the CONCESSIONAIRE's Operations, along with their spouses and immediate dependents, consistent with the national health policy of the Republic, and shall acquire qualified medical staff and maintain properly staffed dispensaries, clinics or hospitals. Without limiting the generality of the foregoing, whenever the CONCESSIONAIRE employs one hundred (100) or more persons at any permanent work site within the Production Area, it shall maintain there an adequate and properly staffed dispensary or hospital headed by a resident medical doctor. The CONCESSIONAIRE shall also maintain at each of Buchanan and Yekepa an adequate and properly staffed hospital headed by a resident medical doctor. The CONCESSIONAIRE shall keep records and notify the GOVERNMENT immediately of any death of or serious injury to any person in connection with the Operations. For the purposes of this provision a "serious" injury as defined in the Labor Practices Law of Liberia.

B. The text of Section 3 (Security Force) of Article X of the MDA is hereby deleted in its entirety and replaced with the following:

The CONCESSIONAIRE shall have the right in keeping with the provisions of the Law, to directly or under contract with other persons, establish and maintain its own security force for the purpose of maintaining law, order and security, with power both of detention (any detained person to be handed over to the appropriate GOVERNMENT authorities as soon as practicable), and of search of and exclusion from the Concession Area and such other areas as may be lawfully restricted for economic, operational or security reasons. Any such security force will be subject to Law at all times and at all times will conduct itself in accordance with Law (including all Laws relating to apprehension and detention and human rights) and the Voluntary Principles on Security and Human Rights." This Section 3 shall not affect or alter the GOVERNMENT's obligations under Article XXIX.

ARTICLE 9 AMENDMENT TO ARTICLE XI OF THE MDA (EDUCATION AND SKILLS TRAINING)

The text of Section 2 (Skills and Training of Liberians) of Article XI of the MDA is hereby deleted in its entirety and replaced with the following:

CONCESSIONAIRE shall provide on a continuing basis training for qualified Liberian residents, in order to qualify them for skilled, technical, administrative and managerial positions, by means of:

Re-establishing and operating a vocational training institute to provide vocational, technical and advanced training programs in the Concession Area or other parts of Liberia;

Furnishing on-the-job counterpart training, not only in Liberia, but to the extent reasonably feasible in the offices of the CONCESSIONAIRE or its Associates outside

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Liberia, in order that such Liberians may receive training in the overseas aspects of the CONCESSIONAIRE's shipping, marketing and accounting functions; and

- c. *Providing an aggregate amount of at least Two Hundred Thousand Dollars (US\$ 200,000) per year to fund new scholarships for qualified Liberian citizens to pursue advanced studies abroad. Detailed plans and programs for such training, including timetables and schedules, shall be formulated (and revised when necessary) in consultation with, and shall be subject to the approval of, the GOVERNMENT. Such consultation shall commence as soon as practicable in light of the progress of the Operations, and in any event after request by the GOVERNMENT.*

B. The text of Section 3 (Assistance to Mining and Geology Programs of the University of Liberia) of Article XI of the MDA is hereby deleted in its entirety and replaced with the following:

The CONCESSIONAIRE shall provide financial assistance of Fifty Thousand Dollars (US\$ 50,000) per year towards the creation and operation of a Mining and Geology Institute at the University of Liberia for students majoring in mining engineering and geology. Such an Institute shall be located near the Yekepa area. The CONCESSIONAIRE shall also promote Graduate Training Programs in Geology and Mining Engineering at the University of Liberia and shall facilitate graduate training of Geology and Mining Engineering students in universities in other parts of the world and shall also sponsor exchange programs.

ARTICLE 10 AMENDMENTS TO ARTICLE XII OF THE MDA. (EMPLOYMENT AND SECONDMENT)

The text of Section 1 (Employment) of Article XII of the MDA is hereby deleted in its entirety and replaced with the following:

The CONCESSIONAIRE shall not import unskilled labor into the Republic. Subject to availability, the CONCESSIONAIRE shall employ qualified Liberian citizens for skilled, technical, administrative and managerial positions in accordance with the schedule attached hereto as Appendix G. The CONCESSIONAIRE shall ensure that, subject to availability, within five (5) years of the Amendment Effective Date, 25% of all senior management positions at the CONCESSIONAIRE are held by Liberian citizens, increasing to 50% within ten (10) years of the Amendment Effective Date. Not later than 365 days after the Amendment Effective Date, the CONCESSIONAIRE shall appoint a Liberian citizen to one of the top three management positions at the CONCESSIONAIRE. Subject to the foregoing, the CONCESSIONAIRE shall be entitled to employ expatriates in accordance with the Labor Practices Law of Liberia for the efficient conduct of the Operations in the Republic, and the GOVERNMENT shall issue such permits as may be required by Law to allow such expatriates freely to enter into, work and reside in the Republic in connection with the Operations, and to depart from the Republic.

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**ARTICLE 11
AMENDMENTS TO ARTICLE XIII OF THE MDA
(USE OF LIBERIAN SERVICES AND MATERIALS)**

The text of Article XIII of the MDA is hereby deleted in its entirety and replaced with the following:

The CONCESSIONAIRE and its Associates shall, when purchasing goods and services required with respect to the Operations, give first preference, at comparable quality, delivery schedule and price, to goods produced in Liberia and services provided by Liberian citizens or businesses, subject to technical acceptability and availability of the relevant goods and services in Liberia. In effect to the foregoing, the CONCESSIONAIRE may freely contract with such Persons as it deems best.

**ARTICLE 12
AMENDMENTS TO ARTICLE XIV OF THE MDA
(COMMUNITY RESOURCES)**

The text of Article XIV of the MDA is hereby deleted in its entirety and replaced with the following:

It is the objective of the Parties hereto that the Operations shall be carried out in a manner that is consistent with the continuing economic and social viability of centers of population that have been formed and which may form as a result of such Operations during the term of this Agreement. At the request of the GOVERNMENT at any time, the CONCESSIONAIRE shall consult with the GOVERNMENT and the communities to mutually establish plans and programs for the implementation of this objective, and thereafter the CONCESSIONAIRE shall in good faith cooperate with the GOVERNMENT with regard to its efforts concerning the realization of such plans and programs.

To that effect, the CONCESSIONAIRE shall provide an annual social contribution of US\$ three million which shall be managed and disbursed for the benefit of Liberian communities in Lofa, Bong and Grand Bassa Counties by a dedicated committee to be formed by the CONCESSIONAIRE and the GOVERNMENT. Disbursements and allocations by the committee in the said Counties of the annual social contribution shall be subject to final GOVERNMENT approval, provided, however, that all disbursement or allocation to the said Counties shall be, on an annual basis, in the proportion set out in Appendix H. Disbursements and allocations by the committee and the GOVERNMENT shall be subject to independent audit in accordance with generally accepted accounting principles.

**ARTICLE 13
AMENDMENTS TO ARTICLE XV OF THE MDA
(ENVIRONMENTAL PROTECTIONS AND MANAGEMENT)**

The text of Section 1 (Environmental Management) of Article XV of the MDA is hereby deleted in its entirety and replaced with the following:

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The Parties recognize that the Operations may result in pollution, contamination or other environmental damage to land, water and the atmosphere within the Concession Area and elsewhere. Accordingly, the CONCESSIONAIRE shall conduct its Operations in accordance with the Environmental Protection and Management Law of the Republic. Notwithstanding the foregoing, the CONCESSIONAIRE shall not be liable for pre-existing environmental damage within the Concession Area. The CONCESSIONAIRE shall be encouraged to take steps to remedy situations that may lead to environmental hazards caused as a result of the Operations.

B. The text of Section 2 (Environmental Audit and Assessment) of Article XV of the MDA is hereby deleted in its entirety and replaced with the following:

The CONCESSIONAIRE shall conduct an annual environmental audit and assessment, consistent with the Environmental Protection and Management Law of Liberia, of any or all areas encompassing the Concession Area to ascertain that the CONCESSIONAIRE's Operations are conducted in conformity with generally accepted environmental practices and standards and with the Environmental Impact Assessment Study. The GOVERNMENT will conduct periodic inspections of the Concession Area at its own expense.

If any defects are caused to the environment consequent to the Concessionaire's Operations, the CONCESSIONAIRE shall be required to mitigate and/or restore the environment as much as possible to its original and natural state within an agreed time scale and shall be warned to take preventive measures to avoid further damage to the environment.

ARTICLE 14

AMENDMENTS TO ARTICLE XVI OF THE MDA (CAPITAL AND CORPORATE STRUCTURE OF THE CONCESSIONAIRE)

A. The text of Section 2 (Initial Capital Structure of the CONCESSIONAIRE) of Article XVI of the MDA is hereby deleted in its entirety and replaced with the following:

The CONCESSIONAIRE shall be authorized to conduct business in Liberia through the designation of an agent for that purpose. The initial stated capital of the CONCESSIONAIRE shall be Ten Thousand Dollars (US\$ 10,000), divided in Ten Thousand (10,000) shares of par value US\$ One (1) each, allocated as follows:

The PRINCIPAL: Seventy (70) percent; and

The GOVERNMENT: Thirty (30) percent.

The GOVERNMENT shall have the right to elect to the board of directors of the CONCESSIONAIRE such number of directors (rounded up to the nearest whole number) that shall give the GOVERNMENT board representation equivalent in percentage terms to the GOVERNMENT's percentage ownership of the equity of the CONCESSIONAIRE (it being understood that for purposes of this calculation, such percentage ownership shall never fall below fifteen percent (15%)). Between the Amendment Effective Date and the Commercial

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Operation Startup Date, the PRINCIPAL shall procure to be contributed cash in the amount of Forty Five Million Dollars (US\$ 35,000,000), and the GOVERNMENT shall contribute in kind (i) the Class A Mining License, (ii) the rights described in Section 3(d) of Article IX of the Agreement in respect of the Railroad and Buchanan Iron Ore Port and (iii) the assets and liabilities listed in Appendix E for an aggregate value of Fifteen Million Dollars (US\$ 15,000,000).

Pursuant to the contributions set forth in the above paragraphs and to the provisions of Section 3 of the Minerals and Mining Law, the share capital of the CONCESSIONAIRE shall amount to US\$50,010,000, divided in Fifty Million and Ten Thousand (50,010,000) shares of par value US\$1 each, 35,007,000 of which shall be held by the PRINCIPAL, and 15,003,000 of which shall be held by the GOVERNMENT.

The text of Section 3 (Evolution of the Capital Structure) of Article XVI of the MDA is hereby deleted in its entirety and replaced with the following:

From time to time during the term of this Agreement, the CONCESSIONAIRE shall procure to obtain additional equity financing from its shareholders, or, at its option, additional debt financing as may be necessary in order to implement the Tentative Development Program set forth in Appendix C and finance the capital expenditures set forth in Appendix D. In the event such financing is provided by the shareholders by way of capital increase, new shares shall be issued to the contributing shareholders in proportion to their respective contributions. In no event, however, the equity participation of the Government in the capital of the CONCESSIONAIRE shall become less than fifteen per cent (15%) on a fully diluted basis.

At no time shall the ratio of Debt of the CONCESSIONAIRE to Equity of the CONCESSIONAIRE exceed 3:1. For purposes of this Section 3, "Debt" shall mean the long-term debt of the CONCESSIONAIRE and "Equity" shall mean the shareholders' equity in the CONCESSIONAIRE as defined by standard accounting practices. For the avoidance of doubt, the foregoing is subject to the permitted interest deduction provisions of Section 203(d) of the Act.

ARTICLE 15 AMENDMENTS TO ARTICLE XVII OF THE MDA (PROVISION OF FUNDS TO THE CONCESSIONAIRE)

The text of Article XVII of the MDA is hereby deleted in its entirety and replaced with the following:

CONCESSIONAIRE shall ensure that it has a prudent capital structure and is provided with adequate funds to ensure performance of the Operations in accordance with and within the limits set forth in Appendix C and Appendix D. The CONCESSIONAIRE shall promptly perform its obligations under this Agreement, in particular all payment obligations (e.g., payment of royalties, taxes, etc.) provided herein.

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ARTICLE 16
AMENDMENTS TO ARTICLE XIX OF THE MDA
(SPECIFIC UNDERTAKINGS OF THE GOVERNMENT)

A. The text of Section 3 (Use of Aircraft) of Article XIX of the MDA is hereby deleted in its entirety and replaced with the following:

The GOVERNMENT hereby undertakes and affirms that the CONCESSIONAIRE and its Associates shall be entitled to use, in connection with the Operations and in accordance with Law, an aircraft, whether owned or rented, for journeys within the Republic and into and out of its territory. Moreover, the CONCESSIONAIRE and its Associates shall have aircraft landing and parking rights in all airports, airfields and landing strips within the Republic for use of such aircraft, except for those used exclusively as military bases, and shall pay the lowest applicable fees and tariffs for such use.

B. The text of Section 4 (Use of Airports and Seaports) of Article XIX of the MDA is hereby deleted in its entirety and replaced with the following:

The GOVERNMENT shall permit the CONCESSIONAIRE and its Associates to obtain access to and use all airport and seaport installations in the Republic, except those reserved for military and national security related activities, at the lowest applicable prices, for all aircraft and ships whose presence in Liberian territorial airspace or waters is required by the CONCESSIONAIRE or its Associates in connection with the Operations. These aircraft and ships shall have the right to enter and to leave the territorial airspace and waters of the Republic, without restriction, in accordance and subject to compliance with Law and the terms of the Agreement.

C. The text of Section 5 (Electricity Generation and Transmission) of Article XIX of the MDA is hereby deleted in its entirety and replaced with the following:

The GOVERNMENT undertakes and affirms that the CONCESSIONAIRE and its Associates shall be entitled, at their own cost, to generate, transmit and use electricity, and use and provide water, in accordance with Law regulating such use, as may be required for the Operations. In the event that the CONCESSIONAIRE or its Associates purchase electric power or water from the GOVERNMENT for any purpose associated with the Operations, they shall be charged at fair market prices prevailing in the Republic to industrial users. If the CONCESSIONAIRE produces more electricity or water than it can utilize, it shall sell the extra production to the GOVERNMENT, and if the GOVERNMENT declines to buy, to other third party users, in each case at fair market price.

D. The text of Section 6 (Issuance of Necessary Authorizations) of Article XIX of the MDA is hereby deleted in its entirety and replaced with the following:

The GOVERNMENT undertakes and affirms that it shall issue all licenses, permits, mining rights, easements and other authorizations, including but not limited to, the rights and licenses referred to in Article IV, Section 1 and Article VI, Section 1, above and in Section 11.6 of the

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Mining Law, which are or may be necessary for the CONCESSIONAIRE or its Associates to conduct the Operations.

E. Section 9 (Non-Derogation; Stabilization) of Article XIX of the MDA is hereby deleted in its entirety and replaced with the following:

Section 9. Applicability of Liberian Law; Stabilization

The GOVERNMENT hereby undertakes and affirms that at no time shall the rights (and the full and peaceful enjoyment thereof) granted by it under Article 19 (Income Taxation), Article 20 (Royalty) and Article 22 (Other Payments to the GOVERNMENT) of this Agreement be derogated from or otherwise prejudiced by any Law or the action or inaction of the GOVERNMENT, or any official thereof, or any other Person whose actions or inactions are subject to the control of the GOVERNMENT. To the extent there is inconsistency between the Tax Corpus, as defined in Article 19, and the Agreement, the Agreement shall govern. All matters governed by the Tax Corpus but not specifically addressed herein, shall be governed by the Tax Corpus as in effect as of the date of this Amendment.

F. The text of Section 10 (Equitable Treatment) of Article XIX of the MDA is hereby deleted in its entirety and replaced with the following:

In the event that the GOVERNMENT grants to any other Person terms or conditions that are more favorable than those provided in this Agreement with respect to the exploration or production of the same Mineral(s) occurring in substantially similar economic conditions, or in the event that the GOVERNMENT enacts any Law or adopts any practice or policy that permits more favorable treatment of any other Person than that accorded to the CONCESSIONAIRE by this Agreement with respect to Exploration and Production of Iron Ore in substantially similar economic conditions to those of the CONCESSIONAIRE, then the GOVERNMENT shall grant the same more favorable treatment to the CONCESSIONAIRE, with effect from the date of its application to such other Person or of its entry into force, as the case may be.

G. The following provision is hereby added after Section 10 of Article XIX of the MDA:

Section 11. Transfer of Equity

The GOVERNMENT shall not transfer any portion of its equity interest in the CONCESSIONAIRE to any third party that is not a GOVERNMENT controlled entity without the consent of the PRINCIPAL.

**ARTICLE 17
AMENDMENTS TO ARTICLE XX OF THE MDA
(SPECIFIC UNDERTAKINGS OF THE CONCESSIONAIRE)**

The following provisions are hereby added at the end of Article XX (Specific Undertakings of the CONCESSIONAIRE) of the MDA:

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d. Conduct the Operations and all other activities related thereto, including lending, borrowing, and the purchase or sale of goods or services, with its Affiliates and Associates on arms' length terms and pricing, except as otherwise specifically provided herein;

e. Except with respect to short-term loans and other cash management arrangements for working capital purposes, refrain from making loans to Affiliates without the consent of the GOVERNMENT; and

f. Refrain from issuing equity in the CONCESSIONAIRE to any third party that is not an Affiliate of the CONCESSIONAIRE without the consent of the GOVERNMENT.

The PRINCIPAL shall not transfer any portion of its equity interest in the CONCESSIONAIRE to any third party that is not an Affiliate of the PRINCIPAL without the consent of the GOVERNMENT.

ARTICLE 18 AMENDMENTS TO ARTICLE XXI OF THE MDA (INDEMNIFICATION)

The texts of Section 2 (CONCESSIONAIRE's Indemnification of GOVERNMENT) and of Section 3 (GOVERNMENT's Indemnification of the CONCESSIONAIRE and its Affiliates) of Article XXI of the MDA are hereby deleted in their entirety.

ARTICLE 19 AMENDMENTS TO ARTICLE XXII OF THE MDA (INCOME TAXATION)

The text of Article XXII of the MDA is hereby deleted in its entirety and replaced with the following:

Section 1. General Applicability

Subject to the provisions of this Article and Article XXV, the CONCESSIONAIRE and its Associates shall be subject to taxation under the provisions of the Minerals and Mining Law and the Code and all regulations, orders and decrees promulgated thereunder, all interpretations (written or oral) thereof and all methods of implementation and administration thereof by any agency or instrumentality of the GOVERNMENT (the Code and all such regulations, interpretations and methods of implementation and administration collectively, the "Tax Corpus"), in each case as in effect as of the date of this Amendment. Annex B specifies all the taxes, duties, custom fees and similar payments, Taxes and Duties, along with the applicable rates, to which the CONCESSIONAIRE shall be subject, other than those listed in Articles XXII to XXV inclusive. For the avoidance of doubt, any amendments, additions, revisions, modifications or other changes to the Tax Corpus made after the Amendment Effective Date shall not be applicable to the CONCESSIONAIRE. Furthermore, any future amendment, additions, revisions, modifications or other changes to any Law (other than the Tax Corpus) applicable to the CONCESSIONAIRE or the Operations that would have the effect of imposing

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an additional or higher tax, duty, custom, royalty or similar charge on the CONCESSIONAIRE will not apply to the CONCESSIONAIRE to the extent it would require the CONCESSIONAIRE to pay such additional tax, duty, royalty or charge.

The tax liability of the CONCESSIONAIRE shall be subject to the following provisions throughout the term of the MDA:

- a. The rate of net taxable income shall be not greater than thirty percent (30%). For the avoidance of doubt, should the GOVERNMENT amend the Code so as to reduce the rate of tax below thirty percent, the CONCESSIONAIRE shall be entitled to the benefit of such a change;
- b. The quarterly presumptive turnover tax described in Section 200(c)(2) of the Code, if applicable to the CONCESSIONAIRE, shall be applicable at a concessionary rate of one percent (1%); and
- c. The CONCESSIONAIRE and its shareholders shall not incur in the Republic, any taxation in connection with the distribution of dividends or any other reserves or assets; provided that, in the event that any new class of shares of the CONCESSIONAIRE is issued to third parties, dividends paid to such third parties shall be subject to taxation in accordance with all provisions of Law (including the Code).

Section 2. Computation of Taxable Income in Dollars

The net taxable income of the CONCESSIONAIRE shall be determined in Dollars and in accordance with generally accepted accounting principles.

Section 3. Withholding tax on Certain Payments to Nonresidents and Residents

For the period of ten (10) years following the Amendment Effective Date, payments made by Concessionaire or any person acting on behalf of the Concessionaire to nonresident and resident (affiliates or non-affiliates) for activities directly related to the operations of the Concessionaire or the Operating Company, the withholding tax provided for by Sections 806 or 905 of the Revenue Code of Liberia Act of 2000, will be reduced as follows:

- a. For interest payments described in Section 806(a) and Section 905(b), tax shall be withheld at the rate of nine (9) percent of such payments;
- b. For other payments described in Section 806(d) and Section 905(e), tax shall be withheld at the rate of six (6) percent of such payments.

Except as provided in this Section or elsewhere herein (namely the exemption on withholding tax on dividends as provided at Section 1 (c) above), the withholding tax will be governed by the provisions of the Code. The reduction in withholding payments provided in this Section 3 will remain in effect for a period of ten (10) years from the Effective date of the Amendment. At the

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end of such period, the Government will review the reduction of the withholding tax as stipulated herein.

ARTICLE 20 AMENDMENTS TO ARTICLE XXIII OF THE MDA (ROYALTY)

A. The text of Section 1 (Royalty Rate) of Article XXIII of the MDA is hereby deleted in its entirety and replaced with the following:

The CONCESSIONAIRE shall pay to the GOVERNMENT, in Dollars, a royalty at the rate of four point five percent (4.5%) of the Selling Price of each metric ton of commercially shipped Iron Ore. For purposes of this Section, the "Selling Price" shall be a price based on the fair market value under international standards, at time of shipment, FOB Buchanan, for similar quality Iron Ore, with due consideration given to product cost, adjusted for factors including long-term volume commitments and freight differential.

B. The text of Section 2 (Royalty Basis) of Article XXIII of the MDA is hereby deleted in its entirety and replaced with the following:

In the event that the CONCESSIONAIRE would build facilities to process Iron Ore into higher added value products including but not limited to pellets, DRI and HBI, an appropriate index price for such products shall be negotiated between the Parties prior to commencement of development of the necessary production facilities and royalties shall be paid in accordance with the terms of Section 1 of this Article XXIII but based on a negotiated index price, it being understood that the royalty rate of four point five percent (4.5%) shall remain constant.

C. The text of Section 3 (Royalty Payment) of Article XXIII of the MDA is hereby deleted in its entirety and replaced with the following:

Royalty shall be paid not later than forty five (45) days after the end of each quarter.

ARTICLE 21 AMENDMENTS TO ARTICLE XXIV OF THE MDA (SURFACE RENTAL)

A. The text of Section 1 (Concession Area) of Article XXIV of the MDA is hereby deleted in its entirety and replaced with the following:

The CONCESSIONAIRE shall pay to the GOVERNMENT, during each calendar year, a surface rental equal to a lump sum of Two Hundred Thousand Dollars (US\$200,000.00) for the first two (2) years and Three Hundred Thousand Dollars (US\$300,000.00) thereafter for the term of the Agreement, subject to inflationary adjustment in accordance with the "GDP Implicit Price

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Deflator", as published from time to time by the U.S. Department of Commerce, Bureau of Economic Analysis, for all land included in the Concession Area.

B. The following provision is hereby added after Section 2 of Article XXIV of the MDA:

Section 3. Real Property Taxes

For the avoidance of doubt, real property of the CONCESSIONAIRE within the Concession Area shall not be subject to real property taxes, consistent with past practices.

**ARTICLE 22
AMENDMENTS TO ARTICLE XXV OF THE MDA
(OTHER PAYMENTS TO THE GOVERNMENT)**

The text of Article XXV of the MDA is hereby deleted in its entirety and replaced with the following:

Section 1. Import Duties and Other Payments

For a period of five (5) years following the Amendment Effective Date, the CONCESSIONAIRE shall pay to the GOVERNMENT an annual lump sum amount of Four Hundred Thousand Dollars (US\$400,000.00) to be paid in two installments of Two Hundred Thousand Dollars (US\$200,000.00) each on January 15 and July 15 of each concession year, in lieu of import Duties on items listed on Appendix I imported by the Concessionaire and its Associates into the Republic and used in the Operations.

The CONCESSIONAIRE and its Associates shall:

- a for a period of seven (7) years following the Amendment Effective Date, be required to pay only 50% of each of the import levy and sales tax on gasoline and diesel imposed by the Code with respect to gasoline and diesel used directly in connection with the Operations;*
- b for a period beginning on the day after the fifth (5th) anniversary of the Amendment Effective Date and continuing through and including the tenth (10th) anniversary of the Amendment Effective Date, be required to pay only 40% of import Duties on items listed on Appendix I imported by the Concessionaire into the Republic and used in the Operations;*
- c during the term of the Agreement, be responsible for the payment of the ECOWAS fee with respect to imports; and*
- d during the term of the Agreement, be required to pay the Goods and Services Tax (GST) only on items that are not listed on Appendix I and that are imported by the CONCESSIONAIRE into the Republic and used in the Operations.*

The GOVERNMENT agrees to review the exemptions from Duties outlined in paragraphs b. and d. above within a reasonable time after the tenth (10th) anniversary of the Amendment Effective

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Date and to review the arrangement on Duties outlined in paragraph a. above within a reasonable time after the seventh (7th) anniversary of the Amendment Effective Date, in all instances in consultation with the CONCESSIONAIRE, and to determine at such time whether further exemptions from said Duties are appropriate. If the GOVERNMENT makes any changes to the Duties applicable to the CONCESSIONAIRE and its Associates (including rate changes) which would have a substantial negative impact on the projected economic value of the concession to the CONCESSIONAIRE, determined immediately prior to such changes, as compared to the projected economic value of the concession determined after giving effect to such changes, then the GOVERNMENT and the CONCESSIONAIRE shall together agree to modifications to the Agreement such that the CONCESSIONAIRE derives substantially the same economic value from the concession that it would have had without giving effect to such changes.

Section 2. Other Payments

The CONCESSIONAIRE shall be subject to inspections on all imports and exports (including Iron Ore) by BIVAC or any other internationally acceptable inspection service, satisfactory to the CONCESSIONAIRE and GOVERNMENT, it being understood that the inspection fees shall be borne exclusively by the CONCESSIONAIRE.

Section 3. Mineral Development and Research Fund

On the Effective Date of this Agreement pursuant to Article II, the CONCESSIONAIRE shall make a one-time payment to the GOVERNMENT for the Mineral Development Fund in the amount of Fifty Thousand Dollars (US\$50,000.00). The CONCESSIONAIRE shall also make a contribution of One Hundred Thousand Dollars (US\$100,000.00) per annum to the Scientific Research Fund of the Ministry of Lands, Mines and Energy, with the first yearly payment to be made upon the Effective Date.

Section 4. One-Time Payment

The PRINCIPAL shall pay to the GOVERNMENT a sum of Fifteen Million Dollars (US\$15,000,000.00). The payments shall be made in three (3) equal installments, the first payment being no later than four (4) months after the Amendment Effective Date, the second being no later than four (4) months after the date of the first payment and the third being no later than four (4) months after the date of the second payment.

ARTICLE 23

AMENDMENTS TO ARTICLE XXVI OF THE MDA (FINANCIAL REPORTING AND CURRENCY)

A. The text of Section 3 (Currency of Payment) of Article XXVI of the MDA is hereby deleted in its entirety and replaced with the following:

Payment of the CONCESSIONAIRE's direct obligation to the GOVERNMENT for Taxes and Duties and royalties shall be in Dollars, unless the Parties hereto otherwise agree. Any obligation originally stated in currency that is legal tender in the Republic, or in any currency

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other than Dollars, will be converted to Dollars at the Prevailing Market Rate of Exchange on the date such obligation is paid, or shall fall due, whichever is earlier. However, the CONCESSIONAIRE shall make payments of sums it collects on behalf of the GOVERNMENT, including but not limited to, taxes withheld from the salaries or wages of its employees, and any other sums payable to other Persons from which a portion is required by Law to be withheld or retained by the CONCESSIONAIRE on behalf of the GOVERNMENT, in the currency in which such salaries or wages or such other sums are paid.

B. The text of Section 4 (Right to Remit and Receive Payments) of Article XXVI of the MDA is hereby deleted in its entirety and replaced with the following:

The CONCESSIONAIRE shall have the right to receive and remit in Dollars all payments of dividends, interest, principal and other payments arising from, as a result of, or related to the Operations, and to do so free of any required total or partial surrender, exchange or confiscation of such Dollars, or other direct or indirect restrictions on such remittances or receipts.

C. The text of paragraphs a. and b. of Section 5 (Audit) of Article XXVI of the MDA is hereby deleted in its entirety and replaced with the following:

a. *The CONCESSIONAIRE and its Associates in Liberia shall cause their respective books of account to be audited within three (3) months, or such longer period of time as the GOVERNMENT may approve, after the close of each Financial Year by an internationally recognized independent chartered or public accounting auditor selected by the CONCESSIONAIRE, and a copy of the annual financial statement duly certified by said auditor shall be furnished to the GOVERNMENT within twenty working (20) days after its receipt by the CONCESSIONAIRE. The GOVERNMENT shall have the right freely to discuss with the said auditor the results of the audit and certification, and the CONCESSIONAIRE shall take all reasonable measures to ensure that said auditor shall cooperate fully in such discussions and make available to the GOVERNMENT any working papers or additional reports or comments as may be relevant. The foregoing shall not in any way imply acceptance of any such audit or certification by the GOVERNMENT or preclude the GOVERNMENT from auditing such books of account as provided under Law, provided that the GOVERNMENT shall provide the CONCESSIONAIRE with a copy of any such audit within ninety (90) days of receipt. However, once either the GOVERNMENT or the CONCESSIONAIRE has audited any book of accounts, the financial statement thus audited shall be considered acceptable and the audit results binding and conclusive as to its findings, unless a party hereto shall have indicated to the contrary within ninety (90) days after its receipt of a copy of the audited financial statement.*

b. *If the CONCESSIONAIRE has, pursuant to the Agreement, underpaid its liability for Taxes and Duties and royalties, the GOVERNMENT shall assess interest and penalties in accordance with the Code. If the CONCESSIONAIRE has overpaid its liability for Taxes and Duties then, at its option, it may elect either to be reimbursed by the GOVERNMENT or to apply such overpayment against future Taxes and Duties.*

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D. The following provision is hereby added after paragraph c. of Section 5 (Audit) of Article XXVI of the MDA:

d. The CONCESSIONAIRE shall maintain contemporaneous documentation evidencing the basis and calculation of transfer prices in respect of transactions between the CONCESSIONAIRE and its Affiliates and shall, upon the GOVERNMENT's request, provide such documentation to the GOVERNMENT and/or its auditors.

ARTICLE 24 AMENDMENTS TO ARTICLE XXVII OF THE MDA (INCIDENTAL RIGHTS)

A. The text of Section 1 (Use of Resources) of Article XXVII of the MDA is hereby deleted in its entirety and replaced with the following:

Except as otherwise provided in the Agreement, the CONCESSIONAIRE shall have the right to remove, extract and use water, gravel, sand, clay, stone and timber within the Concession Area for purposes of the Operations (except for protected species, insofar as they do not interfere with or hinder the Operations) provided, however, that the CONCESSIONAIRE shall not deprive any Person of a constant and reasonable supply of usable water from a previously utilized traditional source without replacing it, nor shall the CONCESSIONAIRE, without the GOVERNMENT's consent, interfere with any water rights enjoyed by any user under any agreement with the GOVERNMENT made prior to the date of execution of this Agreement. In this connection, the GOVERNMENT shall advise the existence of any such agreement with respect to the use of water.

The GOVERNMENT acknowledges that the CONCESSIONAIRE will need to operate Quarries or Building and Industrial Minerals within the Concession Area for purposes of the Operations. The GOVERNMENT hereby undertakes to grant the CONCESSIONAIRE, promptly upon request, the required Quarry Licenses to enable the CONCESSIONAIRE or the Operating Company and their Associates to operate such Quarries or Building and Industrial Minerals within the Concession Area for purposes of the Operations.

B. The text of Section 2 (Imports) of Article XXVII of the MDA is hereby deleted in its entirety and replaced with the following:

Subject to Articles XIII and XXV hereof, the CONCESSIONAIRE and its Associates shall be entitled to import and use in respect of the Operations, and subsequently export, any and all machinery, equipment, consumable items, fuels, explosives and any other thing whatsoever reasonably required with respect to the Operations and in accordance with the terms of the Agreement. The CONCESSIONAIRE shall at all times comply with Law regarding the safe use, sale, disposal, export and security of fuel and explosives.

C. The text of Section 3 (Taxes on Resale) of Article XXVII of the MDA is hereby deleted in its entirety and replaced with the following:

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The CONCESSIONAIRE and its Associates may sell, in the Republic, all imported items that are no longer needed for the Operations. However, if such imports were exempted in whole or in part from Taxes and Duties, the CONCESSIONAIRE shall fulfill all formalities required in connection with the payment by a purchaser of all Taxes and Duties imposed on such sales by Law. Notwithstanding the foregoing, the CONCESSIONAIRE shall not sell gasoline or diesel within the Republic to third parties (other than its Associates and in such case, only to the extent that such sales relate to the Operations), without the consent of the GOVERNMENT. The CONCESSIONAIRE shall not sell explosives within the Republic without the written consent of the GOVERNMENT.

D. The text of Section 4 (Sale of Iron Ore and associated Minerals and Products) of Article XXVII of the MDA is hereby deleted in its entirety and replaced with the following:

The CONCESSIONAIRE shall have the unlimited right to, directly or through appropriate contractual arrangements with the Operating Company, the PRINCIPAL or any other third party, market and sell the Iron Ore and associated products from the Concession Area within and outside Liberia during the term of the Agreement and any Extended Term hereof, subject in all cases to the provisions of the Agreement.

ARTICLE 25 AMENDMENTS TO ARTICLE XXVIII OF THE MDA (ASSIGNMENT AND ENCUMBRANCE)

The text of Section 3 (Right to Encumber) of Article XXVIII of the MDA is hereby deleted in its entirety and replaced with the following:

The CONCESSIONAIRE shall have the right to mortgage, charge or otherwise encumber all or part of its interests under the Agreement for the purpose of raising, from one or more Affiliates or third parties, financing for its obligations under the Agreement, but any power of sale arising under any such mortgage, charge or other encumbrance shall only be exercised subject to the terms of the Agreement and with the prior written consent of the GOVERNMENT, which consent shall not be unreasonably withheld and/or delayed.

ARTICLE 26 AMENDMENTS TO ARTICLE XXIX OF THE MDA (TERMINATION)

A. The text of Section 1 (Termination by the CONCESSIONAIRE) of Article XXIX of the MDA is hereby deleted in its entirety and replaced with the following:

Notwithstanding any other provisions of the Agreement, the CONCESSIONAIRE shall have the right to terminate the Agreement if the GOVERNMENT shall have failed in a serious and prolonged manner to comply with its material obligations under this Agreement, sixty (60) days

after giving Notice to the GOVERNMENT. The CONCESSIONAIRE may also terminate the Agreement pursuant to Article XXXIII, as amended.

B. The text of Section 2 (Termination by GOVERNMENT) of Article XXIX of the MDA is hereby deleted in its entirety and replaced with the following:

Subject to the provisions of Article XXIX Section 1, as amended, the GOVERNMENT shall have the right to terminate the Agreement if any of the following events (hereinafter called "Events of Default") shall occur and be continuing:

- a. *Where the CONCESSIONAIRE or the PRINCIPAL shall (i) voluntarily make an assignment of all or substantially all of its assets for the benefit of creditors other than an assignment made to secure indebtedness incurred in the ordinary course of business, (ii) file a petition or application to any tribunal for the appointment of a trustee or receiver for all or any substantial part of the CONCESSIONAIRE's or the PRINCIPAL's assets, as applicable, (iii) commence any proceedings for its bankruptcy, reorganization, arrangement or insolvency under the laws of any jurisdiction, whether now or hereafter in effect, or if any such petition or application is filed, or any such proceedings are commenced against it, indicate its approval thereof; consent thereto or acquiescence therein, or (iv) if any order is entered appointing any such trustee or receiver, or adjudicating the CONCESSIONAIRE or the PRINCIPAL bankrupt or insolvent, or approving the petition in any such proceedings, permit such order to remain in effect for more than ninety (90) days;*
- b. *Where the CONCESSIONAIRE ceases Production with respect to all Production Areas for a period of twenty four (24) consecutive months unless such failure is consented to by the GOVERNMENT or is caused by Force Majeure;*
- c. *Where the CONCESSIONAIRE or the PRINCIPAL shall materially fail to make any payment to the GOVERNMENT under the Agreement; and*
- d. *Where the CONCESSIONAIRE or the PRINCIPAL has failed in a serious and prolonged manner to comply with its material obligations under the Agreement, sixty (60) days after giving notice to the CONCESSIONAIRE or the PRINCIPAL, as applicable.*

C. The text of Section 3 (Opportunity to Cure) of Article XXIX of the MDA is hereby deleted in its entirety and replaced with the following:

In the case of an alleged event giving rise to a right to terminate the Agreement pursuant to Article XXIX, Section 1 or 2 above, the Party wishing to exercise such right to terminate the Agreement (the "Terminating Party"), before taking any further action, shall provide Notice to the other Party of the alleged occurrence of such event and of the Terminating Party's views in that regard and shall offer the other Party a fair opportunity to consult with the Terminating Party to resolve the matter. If after a reasonable period of time of consultation, the Terminating Party is of the reasonable opinion that the matter cannot be resolved by further consultation, the Terminating Party may then send to the other Party Notice of the Terminating Party's intention

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to terminate the Agreement. If the event giving rise to the termination right is not cured within sixty (60) days after the said Notice, or within such longer period as may be necessary to allow a reasonable period of time to effect such cure, then the Agreement shall be terminated.

D. The text of Section 4 (Disputes Regarding Events of Default) of Article XXIX of the MDA is hereby deleted in its entirety and replaced with the following:

Notwithstanding the other provisions of this Article XXIX, if the CONCESSIONAIRE or the GOVERNMENT disputes the other Party's right to terminate the Agreement and, within sixty (60) days after receipt of the Notice of the other Party's intention to terminate, refers such dispute to arbitration in accordance with Article XXXI of the MDA as amended, then termination of the Agreement shall not take effect other than after the finality of, and in accordance with, an arbitration award upholding the other Party's right to terminate.

E. The text of paragraphs e. and f. of Section 5 (Winding-Up Commission) of Article XXIX of the MDA is hereby deleted in its entirety and replaced, in each instance, with the phrase "(Reserved)".

ARTICLE 27 AMENDMENTS TO ARTICLE XXX OF THE MDA (DISPOSITION OF ASSETS)

The text of Section 2 (Movable Assets) of Article XXX of the MDA is hereby deleted in its entirety and replaced with the following:

At any time after termination of the Agreement and with respect to each movable asset of the CONCESSIONAIRE in the Republic, which the CONCESSIONAIRE desires to sell (other than to an Affiliate at market price), the GOVERNMENT shall have the first option to purchase such asset at the net book value thereof, such price to be paid in Dollars. If the GOVERNMENT does not exercise such option within thirty (30) days after being informed by the CONCESSIONAIRE that it desires to sell such asset, then the CONCESSIONAIRE may sell such asset to any Person, including the GOVERNMENT, for such price as it may be able to obtain therefor, or remove such asset from the Republic without Taxes and Duties or other liability to the GOVERNMENT. If, however, the GOVERNMENT purchases any such asset, it shall pay the purchase price within sixty (60) days after such price has been agreed upon or determined, unless the Parties hereinafter otherwise agree.

ARTICLE 28 AMENDMENTS TO ARTICLE XXXI OF THE MDA (ARBITRATION)

A. The text of Section 1 (Submission to Arbitration) of Article XXXI of the MDA is hereby deleted in its entirety and replaced with the following:

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Any dispute between the GOVERNMENT and the CONCESSIONAIRE or the PRINCIPAL arising out of, in relation to or in connection with the Agreement or its formation, or the validity, interpretation, performance, termination, enforceability or breach of the Agreement (including any dispute concerning whether the GOVERNMENT, the CONCESSIONAIRE or the PRINCIPAL has violated or is in breach of the Agreement), for which resolution by submission to an expert is not specifically provided elsewhere in the Agreement shall be exclusively and finally settled by binding arbitration pursuant to the Convention in accordance with the rules of the Centre in effect on the Amendment Effective Date except to the extent in conflict with Article XXXI of MDA as amended which shall prevail in that event. The Parties hereto agree that this Agreement and the CONCESSIONAIRE's Operations pursuant thereto constitute an "investment" by reason of the expenditure of a considerable amount of money in the Republic and that for purposes of Article 25(1) of the Convention, any dispute subject to this Article XXXI is a legal dispute arising directly out of an investment. Any of the Parties to such dispute may institute arbitration proceedings by giving Notice to the other Party, or Parties as applicable, and Notice to the Secretary-General of the Centre, including in each case a statement of the issues in dispute.

B. The text of Section 6 (Award) of Article XXXI of the MDA is hereby deleted in its entirety and replaced with the following:

The arbitrators shall, by majority vote, render a written award that shall state the reasons for their award. Any monetary award shall be assessed and payable in Dollars (determined at the Prevailing Market Rate of Exchange if the award involved an obligation expressed in any currency other than Dollars) through a bank designated by the recipient. Each Party shall bear its own costs and attorney fees. Neither Party to the arbitration proceedings shall have any liability for either consequential damages (except for purposes of set off) or exemplary or punitive damages, but interest at a rate not to exceed the London Interbank Offering Rate (LIBOR) existing at the time of such award, plus one (1) percentage point, multiplied by the amount of the award, shall be assessed from the date of any monetary award until its satisfaction. If LIBOR should cease to be reported, then the rate to be applied shall be another substitute rate agreed to by a majority of the tribunal. The arbitration tribunal may, in its discretion, specify a reasonable period of grace to cure any defect or default on the part of the Party to which its award was adverse, provided that such period of grace shall not exceed one hundred eighty (180) days for the making of any payment by such award.

ARTICLE 29 AMENDMENTS TO ARTICLE XXXII OF THE MDA (COMMUNICATIONS BETWEEN THE PARTIES)

Paragraph b. of Section 3 of Article XXXII of the MDA is hereby modified so that copies of notices from the CONCESSIONAIRE to the GOVERNMENT are addressed, in lieu of the Chairman of the National Investment Commission, to:

The Minister of Justice
Ministry of Justice
Ashmun & Center Streets

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ARTICLE 30
AMENDMENTS TO ARTICLE XXXIII OF THE MDA
(FORCE MAJEURE)

A. The text of Section 1 (Application) of Article XXXIII of the MDA is hereby deleted in its entirety and replaced with the following:

In the event of either Party to the Agreement being rendered unable, in whole or in part, by force majeure to carry out any obligation under the Agreement, other than an obligation to make payments of money that accrued prior to the commencement of force majeure, such Person shall give Notice and the particulars of such force majeure in writing to the other Party as soon as is practicable after the occurrence of the cause relied upon, the obligation of the Party giving such Notice, insofar as it is affected by such force majeure, shall be suspended during the continuance of any such inability. However, any such inability shall, as far as is practicable, be remedied with all reasonable dispatch. All time periods specified in the Agreement for the performance of obligations or the enjoyment of rights that are affected by force majeure, except in connection with an obligation to make payments of money that accrued prior to the commencement of force majeure, but including the term of the Agreement, shall be extended by the period of time the inability caused by such force majeure exists. Sixty (60) days after giving Notice to the GOVERNMENT, the CONCESSIONAIRE shall have the right to terminate this Agreement without further obligations or cost (except for any obligations and cost that accrued prior to the commencement of force majeure) if a condition of force majeure has existed for a period of one (1) year or more which renders Production impracticable, or prevents Production, the export or sale of Iron Ore, or the CONCESSIONAIRE's exercise of a substantial part of its rights under this Agreement.

B. The text of Section 2 (Definition) of Article XXXIII of the MDA is hereby deleted in its entirety and replaced with the following:

The term "force majeure" as used in the Agreement shall mean acts of God (natural disasters which include but are not limited to epidemics, floods, hurricanes, landslides, earthquakes, wild fire as a result of spontaneous combustion, windstorms and lightning) and man made events such as, accidents, wars, acts of war, invasions, acts of public enemies, hostilities (whether war is declared or not), restrictions on trade or other activities imposed by any sovereign, embargoes, blockades, revolutions, riots, civil commotion, sabotage, strikes, shortage of petroleum products, lubricants, cement and/or other industrial, labor or employer-employee disputes (if not cured for a period of more than two (2) months) fires, explosions, expropriation of facilities or goods, and by similar causes that render the CONCESSIONAIRE unable to substantially fulfill its obligations under the Agreement, provided any such cause was not within the reasonable control of the Party claiming suspension and could not have been avoided or overcome by such Party through the exercise of due diligence.

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**ARTICLE 31
AMENDMENTS TO ARTICLE XXXIV OF THE MDA
(GOVERNING LAW)**

The text of Article XXXIV of the MDA is hereby deleted in its entirety and replaced with the following:

The Laws and regulations of the Republic, as modified and/or stabilized by the provisions of Article XIX Section 9 as amended (Applicability of Liberian Law; Stabilization), Article 19 (Income Taxation) and Article 22 (Other Payments to the Government), shall apply to the CONCESSIONAIRE (with respect to all of its activities conducted in Liberia) and the Operations.

In the event of a dispute regarding the rights and obligations of the Parties hereunder, this Agreement and the rights, obligations and duties of the Parties hereunder shall be construed and interpreted in accordance with the laws of the Republic, as supplemented by generally accepted legal principles.

**ARTICLE 32
PARENT GUARANTEE**

The Parties agree that the CONCESSIONAIRE shall, on the Amendment Effective Date, provide an executed parent guarantee substantially in the form attached as Annex A hereto, guaranteeing the obligations of the CONCESSIONAIRE under Article V, Section 2 (Capital Expenditures), Article XV as amended (Environmental Protections and Management) and Article XVII as amended (Provision of funds to the CONCESSIONAIRE).

**ARTICLE 33
ORGANIZATIONAL DOCUMENTS**

The Parties agree that the CONCESSIONAIRE shall as soon as practicable, but in no event later than 60 (sixty) days after the Amendment Effective Date, amend its certificate or articles of incorporation and by-laws (and/or other similar organizational documents) in a manner reasonably satisfactory to the GOVERNMENT and effective to remove or modify any provisions of such certificate or articles of incorporation, by-laws or other organizational documents that are in conflict with the provisions of the Agreement as amended hereby such that such provisions of the certificate or articles of incorporation, by-laws or other organizational documents are consistent with the provisions of the Agreement as amended hereby.

**ARTICLE 34
ENTIRE AGREEMENT; NO OTHER AMENDMENTS**

The Parties hereby agree that, other than the modifications to the Agreement expressly set forth in this Amendment, the Agreement shall remain unchanged. The Parties further agree that the Agreement, as modified by this Amendment, shall represent the entire agreement among the

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Parties with respect to the subject matter covered thereby and supersedes all previous oral and written negotiations and agreements. The Parties shall be bound by the terms of the Agreement, as modified by this Amendment, as if all were signatories to the Agreement dated August 17, 2005 and all the provisions of the Agreement shall be interpreted accordingly.

ARTICLE 35 GOVERNING LAW

This AMENDMENT shall be construed and interpreted in accordance with the laws of the Republic, as supplemented by generally accepted legal principles.

ARTICLE 36 AMENDMENT EFFECTIVE DATE; RESUMPTION OF ACTIVITIES

A. This Amendment shall become effective and be binding on the Parties on the date (the "Amendment Effective Date") of the last to occur of the following events: (i) attestation by the Minister of Justice of the Republic, (ii) ratification by the National Legislature, (iii) approval by the President of the Republic and (iv) printing into Hand Bills.

B. The Parties hereby agree that the CONCESSIONAIRE shall resume activities as promptly as is reasonably practicable, but not later than forty five (45) days after the Amendment Effective Date (the "Commencement Date").

ARTICLE 37 INTERPRETATION

A. All references to "iron Ore" and "Ore" in the Agreement shall be deleted and replaced with "Iron Ore" as such term is defined in this Amendment.

B. All references to the "Buchanan iron Ore port", "mineral port" and "iron Ore Port" in the Agreement shall be deleted and replaced with the "Buchanan Iron Ore Port" as such term is defined in this Amendment.

ARTICLE 38 APPENDICES

Appendix F to the Agreement is hereby deleted in their entirety and replaced with Appendices F, F-1, F-2, attached hereto.

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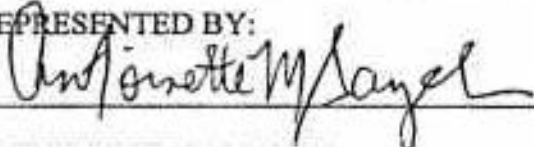
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IN WITNESS WHEREOF, the Parties have signed this Amendment on the date first written above.

THE GOVERNMENT OF THE REPUBLIC OF LIBERIA

REPRESENTED BY:



ANTOINETTE M. SAYEH,

THE MINISTER OF FINANCE,



EUGENE H. SHANNON

THE MINISTER OF LANDS, MINES AND ENERGY



RICHARD TOLBERT

THE CHAIRMAN OF THE NATIONAL INVESTMENT COMMISSION,

APPROVED BY:


ELLEN JOHNSON SIRLEAF

PRESIDENT

REPUBLIC OF LIBERIA

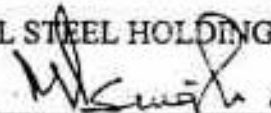
ATTESTED BY:



FRANCES JOHNSON MORRIS

THE MINISTER OF JUSTICE,

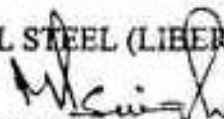
MITTAL STEEL HOLDINGS A.G.



M.P. SINGH

DULY AUTHORIZED REPRESENTATIVE

MITTAL STEEL (LIBERIA) HOLDINGS LIMITED (formerly Montray Limited)



M.P. SINGH,

DULY AUTHORIZED REPRESENTATIVE

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APPENDICES

- APPENDIX F – Transferred Assets Register
- APPENDIX F-1 – Buchanan Iron Ore Port Asset Register
- APPENDIX F-2 – Railroad Asset Register
- APPENDIX G – Employment of Liberian Citizens
- APPENDIX H – Allocation of Annual Social Contribution
- APPENDIX I – Import Duty Items
- ANNEX A – Form of Parent Guarantee
- ANNEX B – Applicable Taxes and Duties
- SCHEDULE A – Annual Production Target

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APPENDIX F TRANSFERRED ASSETS REGISTER¹

This document describes the assets and facilities associated with or ancillary to the former LAMCO and LIMINCO operations, regardless of their current condition, that are to be transferred to the CONCESSIONAIRE under the Mineral Development Agreement.

The Parties acknowledge that the assets and facilities described below have been destroyed or wasted to a large extent prior to the date of the Mineral Development Agreement. However, both Parties agree that, upon signing the Mineral Development Agreement, they will take all necessary steps and fully cooperate to protect the assets from further deterioration from the date of signing of the Mineral Development Agreement until the date on which the Class A Mining License is granted to the CONCESSIONAIRE. In the event that assets or facilities previously belonging to LAMCO or LIMINCO are occupied or used for other purposes, the GOVERNMENT undertakes to fully and promptly assist the CONCESSIONAIRE in recovering such assets and facilities.

Table A1	Nimba Mine
Table A2	Yekepa Industrial Area
Table A3	Yekepa Community - Housing
Table A4	Yekepa Community - Facilities
Table A5	Tokadeh Mine; Gangra and Yuelliton Deposits
Table A6	Quarries
Table A7	Mining Equipment
Table A8	Reserved
Table A9	Rail Equipment
Table A10	Buchanan Industrial Area
Table A11	Buchanan Community - Housing
Table A12	Buchanan Community - Facilities

¹ The register was reproduced, with amendments, from the Atkins KPMG Asset Report dated 27 October 2005.

NOTES

Classification Adopted for Condition of Equipment and Structures

- 1 In use/useable
- 2 Useable/habitable if refurbished
- 3 Completely destroyed/missing

Housing Categories at Yekepa

Staff

- S1 3 bed, 3 bath
- S2 3 bed, 1 bath
- S3 2 bed, 2 bath
- S4 2 bed, 1 bath
- S5 1 bed, 1 bath

Non-Staff

- NS1 2 bed, 1 bath
- NS2 1 bed, 1 bath
- NS3 2 bed, no bath
- NS4 1 bed, no bath

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Table A1 : Nimba Mine				
Structure	Description	Location	Condition	Photos
Explosive store	Storage for AN prills	Approach to haul road	3	JJ002
Laboratory	Laboratory buildings and sample crushing plant	Bottom of haul road	3	PC007
Power station	11 x 1.5 MW generators	Bottom of haul road	3	PC002
Fuel storage tanks		Bottom of haul road	2	PC009
Emergency station	Emergency water tank and fire fighting pumps	Bottom of haul road	Tank 2 Pumps 3	PC010
Rail loading bins	6 x 2000t, sample tower	Bottom of haul road (560m level)	2	PC004
Mine workshop	4,600m ²	Top of haul road	2	PCS041
Nimba Mine	Pit bottom 770m, flooded to 830m level. Cut-off grade: Main orebody 52% Fe; satellite orebodies 55.5% Fe. Quantity of residual ore at above cut offs unknown, but probably <5 Mt. Slip in N wall blocking haul road to Mt Gbahrn.	Main orebody, Satellite orebodies (Mt Gbahrn, Tall, N74, Junction Ridge)	2	PC032 PC050
Crusher station	Krupp jaw crushers 2100 x 1800mm MH gyratory crusher 600mm	Top of haul road (945m level)	2	PC036
Downhill conveyor	Belt 2 283m Belt 3 1148m Belt 4 961m Belt 2 tunnel Transfer stations 3 & 4	Between crusher and rail loading bins	3	PC051 PC016 PC015
Haul road	10% gradient, surfaced, ~ 4 km	Between pit and rail loading bins	2	PC014
Stockpile	Marginal ore, grade not established	West of pit	n/a	PC023
Waste tip	Major slip in east face	East of pit	n/a	PC048 PC049
Mine office	Single storey, roofless	North west of pit	3	

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Table A2 : Yekepa Industrial Area

Item	Description	Location	Condition	Photos
Central workshop	Foundations & steel frame only, 13,400 m2, some equipment remains, incl wagon jacks, wheel press and wheel lathe	Yekepa industrial area - north	2	PC042 PC099 PC101 PC094 PC095
Rail control centre	Two storey rc structure	Yekepa industrial area - north	2/3	PC073
Rail training centre	Single storey rc structure, roofless	Yekepa industrial area - north	3	PC074
Loco workshop	Foundations & steel frame only	Yekepa industrial area - north	2	PC089
Rail maintenance offices	Block walls only	Yekepa industrial area - north	3	PC085
Central warehouse	Foundations & steel frame only 11,800 m2	Yekepa industrial area - north	2	PC102
Fuel storage tanks	Steel tanks	Yekepa industrial area - north	2	PC105
Panel Factory	Foundation & steel uprights only, concrete mixing stn, stailhe	Yekepa industrial area - north	3	PC114 PC113
Civil Eng. workshops	Single storey, steel frame & block building, roofless	Yekepa industrial area - north	3	PC112
Saw mill	Foundations & steel frame only, equipment removed	Yekepa industrial area - south	2	PC107 PC106
Treatment plant	Single storey block building with roof	Yekepa industrial area - south	2	PC108
Fire station	Single storey rc building, roofless	Yekepa industrial area - south	2/3	PC111 PC110
Plant Protection Force offices	Single storey rc building, incl. cells	Yekepa industrial area	2	PC118
Main Offices	Two, two storey blocks - occupied by UNMIL	Yekepa	2	
Airfield	Flat grassed area with trees in places; small terminal/control building at eastern end	Grassfield, 6 km south of Yekepa	2	PC122

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Table A3 : Yekepa Community - Housing

Item	Description (Type)	No. on Plan	No. Habitable ²	Location	Liminco ³ Employees	Photos
Housing	NS1, NS2	58	55	Area A	6	
	S2, S4	58	56	Area B	8	
	NS3, NS4	99	97	Area C	10	JJ160
	S4, S5	55	48	Area D	3	
	S1, S3	46	40	Area EA	18	JJ184
	S2, S4	55	44	Area EB	14	
	S2, S4	45	34	Area EU		JJ151
	S1, S2, S4	120	4	Area F	0	JJ132 JJ139
	S4	9	0	Area G	0	
	S1, S2	30	30	Area H	2	JJ165
	Private Valley	-	-	Area J	Non LAMCO	
	S4, NS3, NS4	241	176	Area K	17	JJ185
	NS1	75	68	Area L	14	JJ171
	NS3	59	24	Area M	0	
	NS3	202	22	Area N	0	JJ169
	NS1, NS2	73	73	Area O	12	

² Virtually all habitable properties are occupied, with the exception of those in area F.³ Number of Liminco employees as defined by David Franklin - resident Liminco manager in Yekepa

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Table A3 : Yekepa Community - Housing

Item	Description (Type)	No. on Plan	No. Habitable ²	Location	Liminco ² Employees	Photos
	NS1, NS2	40	40	Area P	7	
	NS1	50	43	Area Q	8	JJ167
	S1, S3, S4	83	0	Area R	0	JJ144 JJ145
	NS1	50	18	Area SI	1	JJ168
	NS1	50	0	Area SII	0	
	NS1	50	0	Area T	0	
	S1, S2	29	26	Area V (Vianini Camp)	6	JJ164
	Total	1577	698		126	

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Table A4 : Yekepa Community - Facilities

Structure	Description	Location	Condition	Photos
Recreational facilities	Messhall/ Guesthouse	Tubman Ridge, Area F	3	JJ140
	Golf course	Area F	3	
	Swimming pool & water tower	Area F	2/3	JJ137
	Tennis courts	Area F	2/3	JJ136
	Sports field	Area F	3	
Commercial area	Bank, library, shops, supermarket, cinema	Sandy Clark's Square, adjacent Area B	2/3	JJ183
	Shops & small businesses, market, slaughter house, police station	Fekenah Market Area, adjacent Area H	2/3	JJ166
Churches	Lutheran	East of Area R	2	JJ146
	Episcopalian	South of Area B	2	JJ154
	Methodist	Area A	2	
	Baptist	Area A and Area O	2	
	Pentecostal	Area P	2	
	Catholic	Area M	2	JJ188
Schools	Less high school (Lamco school system)	Between Areas E and R, former international school	2	JJ149 JJ148 JJ150 JJ147
	Bishop Carrol high school	Area M	2	JJ187
	Area B elementary school	Area B	2	JJ153
	Area C elementary school	Between areas A and C, former public school	2	JJ162

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Table A4 : Yekepa Community – Facilities

Structure	Description	Location	Condition	Photos
	Assembly of God school	Area H, former dispensary	2	
	Lutheran elementary school	Vianini Camp, former sanitation building	2	JJ163
Training facilities	Vocational training centre (in use) and dormitories	South of Area B	2	JJ155 JJ173
	Training centre	Area B	3	
Community infrastructure	Water treatment station, abstraction from Yah River, treatment capacity 440 m3/hr.	Road to Ninba Mine	3	JJ101 JJ100
	Sewage treatment plant (inaccessible)	South of Area SI	3	
Health facilities	Hospital (in use); incl operating theatre (PC057); X-ray (PC053) Gynaecological room (PC056) Dentist (PC064); ward (PC063); closed wing (PC061), closed ICU (PC059) and generator PC(065)	North of Area D, Yekepa	2	PC057 PC053 PC056 PC064 PC063 PC061 PC059 PC065
	Dispensary (in use)	Near hospital	2	

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Table A6 : Quarries

Item	Description	Location	Condition	Photos
Nekree Hill Quarry	Rock used for breakwater. Abandoned after completion of construction work. Quarry faces and access road now revegetated. Considerable reserves of rock understood to remain.	Approx 10 km north of Buchanan	2	JW118 JW122
Greenhill Quarry	Quarry face - 275m long on 2 x 10m benches with ~30m to run. ~0.5Mt rock remaining above present quarry floor. Rock used for ballast. Extensive reserves reportedly exist in adjacent hill. Need to check if additional reserves included in concession area.	Approx 150 km north of Buchanan. Co-ordinates: N 06° 50' 29" W 09° 10' 57"	2	PC203
	Crusher - TelSmith (Milwaukee) primary jaw crusher and secondary cone crushers feeding screen producing +3", +1.25", +0.75" and +0.375" products.	250m level	3	PC193 PC194 PC195
	Reservoir (~7.5m x 7.5m x 1.5m) for dust suppression water appears intact.	~265m level	2	PC205
	Rail loadout - retaining walls constructed of sleepers, but majority removed, loading was by front end loader.	~245m level	3	PC206
	Rail sidings - all rails removed.	~245m level	3	PC206
	Buildings - workshops, generator room and guest house all ruined.	Adjacent to approach road to quarry	3	PC207
	Houses - 10, of which 9 occupied, 1 currently used as school	Situated ~500m from quarry adjacent to approach road.	2	JJ222 JJ223 JJ224

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Table A7 : Mining Equipment

Item	Description	No. In MDA	No. Seen	Location	Condition	Photos
Drills	Bucyrus Erie 45-R	2	2	1 Nimba pit bottom 1 Nimba workshop	3 3	PC030 PC028
	Bucyrus Erie 40-R?		1	1 Tokadeh workshop	3	PC148
	Gardner Denver 120	1	1	1 Nimba pit top	3	PC043
Excavators	P&H 1600 4.5m3	4	4	1 Nimba pit top 1 Nimba stockpile 1 Tokadeh 810m M 1 Tokadeh 820m M	3 3 3 3	PC045 PC033 PC134 PC136
	P&H 1900 7.5m3	1	1	1 Nimba pit top	3	PC040
	Wheel loaders Cat 992C	3	2	1 Nimba mine workshop 1 Tokadeh workshop	3 3	PC018 PC152
	Backhoe Cat 225	1	1	1 Nimba mine workshop	3	
	Broyt X4-II wheeled backhoe excavator		1	1 Nimba mine pit top	3	PC042
Trucks	Wabco 120C/D	17	25	6 Nimba mine workshop 4 Nimba pit top 5 Nimba scrap area 10 Tokadeh workshop	3 3 3 3	PC027 PC029 PC115 JJ199
	Service trucks	8	2	1 ANFO truck 1 Terex service truck		PC024 AG064
Dozers	Bulldozer Cat D10N		1	1 Nimba power plant (on loan from Bong Mine)	3	PC001
	Bulldozer Cat D9	5	5	5 Nimba mine workshop	3	PC021
	Bulldozer Cat D8	4	1	1 Nimba mine workshop	3	PC021
	Wheeladozer Cat 824B	1	1	1 Nimba mine workshop	3	PC020
Graders	Motor grader Cat 16G	6	2	2 Nimba mine workshop	3	PC025
	Motor grader Cat 14G	1	1	1 Nimba mine workshop (modified as service truck)	3	
	Motor grader Cat 120	2	0	Not seen		

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Table A7 : Mining Equipment

Item	Description	No. in MDA	No. Seen	Location	Condition	Photos
Scrapers	Scrapers Terex TS14	4	2	1 Central workshop 1 Civil Eng. workshop	3 3	PC112
Airtrack	Airtrack Atlas Copco Roc 601	1	1	1 Nimba pit bottom	3	PC031
Cranes	Crane P&H Omega 65	1	0			
	Crane P&H Omega 35	1	1	1 Tokadeh workshop	3	PC151
	Crane P&H E-40		1	1 Nimba pit top	3	PC041
	Crane (unidentified)		1	1 Tokadeh workshop	3	PC148
Trailers		1	1	1 Nimba mine workshop	3	PC026
Forklifts		6	1	1 Central workshop	3	PC098

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Table A5 : Reserved

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Table A9 : Rail Equipment

Item	Description	No. in MDA	No. Reported*	Location	Condition	Photos
Locomotives	HG16 1,950 hp, 176t (mainline)	18	14	Rail maintenance yard, Yekepa	3	PC089
	GP10 1,950 hp, 116t (mainline)		2	Rail maintenance yard, Yekepa	3	PC088
	SW 900 hp, 116t (shunter)	5	5	Rail maintenance yard, Yekepa	3	PC087
	EE 400 hp, 48t (shunter)		5	Rail maintenance yard, Yekepa	3	
Ore cars	22t, 93t capacity, brake system & bearings require replacement	470	400	~200-250 observed at Yekepa, further ~100 reportedly overgrown (PC071). 5 reported at Greenhill quarry, only 3 seen (JJ221). ~45 reported at Yila siding but not visited. 1 at Bakohn station (JW146). Loco test wagon at Yekepa (PC070)	2	PC071 JJ221 JW146 PC070
Flat cars	28t, 70t capacity	17	23	Majority at Yekepa, 1 seen at Greenhill, 1 at Buchanan	2	JW026
Log cars	Transport of logs from concession forests to saw mill	16	Not specified	~5 seen at Yekepa, 1 at Greenhill quarry	2	PC069
Ballast cars	28t	17	18	15 reported at Yekepa (several seen), 3 at Greenhill (1 seen)	2	PC084
Side (air) dump cars	36t, used for large rocks for breakwater	4	3	3 seen at Yekepa	2	PC076
Box cars	24.5t	5	5	5 reported at Yekepa	2	PC091
Tank cars		5		1 seen at Greenhill quarry, 2 at Buchanan	2	JJ220 JW024
Rail buses				Originally 5, 2 seen in Yekepa rail yard	2/3	PC091
Rail Maintenance Vehicles	Matisa compactor, tamper, rail lifting and alignment equipment			Rail maintenance yard, Yekepa	3	PC083 PC084 PC079 PC077

Rail equipment as reported by Thomas Davies - Liminco Trackmaster

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Table A9 : Rail Equipment

Item	Description	No. in MDA	No. Reported ⁴	Location	Condition	Photos
	Heavy lift crane		1	Rail maintenance yard, Yekepa	3	PC082
CTC installations	Sannekole	1	1	Not seen	3	
	Kitoma	1	1	Not seen	3	
	Tropoi	1	1	Not seen	3	
	Yila	1	1	Base station and tower appear intact	3	JJ240
	Bakohn	1	1	Appears intact	3	JW158
	Grebo	1	1	Not seen	3	
	Blezi	1	1	Not seen	3	
	Gaye Peter Town	1	1	Not seen	3	
	Mokra town	1	1	Not seen	3	
Track components	Frogs #15		16	Rail maintenance yard, Yekepa	1/2	
	Frogs #9		13	Rail maintenance yard, Yekepa	1/2	
	Switch blades		26	Rail maintenance yard, Yekepa	1/2	
	Switch rails		105	Rail maintenance yard, Yekepa	1/2	
	Standard rails		39	Rail maintenance yard, Yekepa	1/2	
	Diamond crossing		2	Rail maintenance yard, Yekepa	1/2	
	Base plates		~2000-3000	Rail maintenance yard, Yekepa	1/2	JJ177
	Rail spikes		~5000	Rail maintenance yard, Yekepa	1	AG018

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Table A10 : Buchanan Industrial Area

Structure	Description	Location	Condition	Photos
Tugs	1640 hp and 3780 hp Reported destroyed in war	Absent	3	
Shiploader	6000 tph	Absent	3	
Surge bin & sampling station	RC bin remains and appears sound (JW104), capacity unknown; sampling station absent	Iron ore quay	2/3	JW104
Product stockpile area	Iron ore stockpiles removed by Chinese; conveyor bridge and 3 x P&H1800 reclaim shovels also being scrapped by Chinese (JW057)	Between iron ore quay and product ore bins	3	JW057
Product orebins	Civil structures appear sound. Conveyor structure in-place but belts removed.	S of wagon tippler	2/3	JW112
Pelletising plant	Pelletising plant was closed in 1977, steel framework of structures remain as does sintering drum.	SW of washing plant	2/3	JW114 JW116
Tailings dams	Tailings dams inaccessible and overgrown.	SW of community areas	3	
Washing plant	The feed hoppers, much of the process equipment and thickening tank remain but in poor condition; all cabling and cladding removed.	W of product bins	3	JW113 JW115
Wagon tippler	6000 tph capacity, only frames remain	NE of product bins	2/3	JW111
Cooling water pumping station	Single storey, roofless concrete building	SE of ore loading quay	3	JW93
Oil storage facility	Former OTC2 diesel tank, taken over by MOTC	South of main oil storage depot	1/2	JW048 JW049
Power plant	Steel portal frame and foundations, remains of 8 generators	East of port access road	3	JW043 JW044
Main oil storage depot	3 larger and 1 smaller storage tanks. Original capacity: Fuel Oil : 15,000 m3 Diesel : 22,000 m3 Gasoline : 1,000 m3	South of power station	2/3	JW045 JW047
Warehouse complex	Steel frame building with cladding removed; overhead cranes less motors remain.	W of main access road	3	JW027 JW030 JW031 JW032
Workshop buildings	Single storey building, roofless.	E of main access road	3	JW022
Water tower	240 m3 capacity, appears serviceable	Near warehouses	2	JW019

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Table A10 : Buchanan Industrial Area				
Structure	Description	Location	Condition	Photos
Food warehouse?	Reoccupied by Chinese scrap company who have installed a small oxygen plant	S of warehouse complex	2/3	JW036 JW037 JW038 JW039
Belt repair shop	Roofless steel frame and concrete building	S of warehouse	3	JW029
Mine office	Two storey building recently refurbished and occupied by UNMIL	NW of Loop 1	1	JW094
Airfield	Not seen	E of community area	2	

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Table A11 : Buchanan Community - Housing

Item	Description (Type)	No. reported	No. Habitable/ useable	Location	Liminco Employees	Photos
Housing	Loop 1 - duplex units (occupied by UNMIL)	25	25	Loop 1	2	JW061
	Loop 1 - simplex units (occupied by UNMIL; 2 by Liminco)	12	12	Loop 1		JW062
	Loop 1 - apartments (3 blocks, occupied by UNMIL)	48	48	Loop 1		JW067
	Loop 1 extension - simplex units (contains WFP compound)	22	5	Loop 1 extension	0	JW090 JW092 JW097
	Loop 2 - simplex units (incl. 9 UNIPOL units)	44	~30	Loop 2	1	JW063 JW064 JW065
	Loop 3 - simplex units	37	35	Loop 3	7	JW073 JW072 JW071 JW074
	Loop 4 - simplex units (2 leased to ANA Woods)	28	24	Loop 4	0	JW079 JW076 JW077 JW078
	Loop 5 - simplex units	35	27	Loop 5	0	JW082 JW084 JW085
	Loop 6 - simplex units (incl. Ecobank with LiberCell facilities opposite)	10	8	Loop 6	0	JW097 JW098 JW095 JW096
	Total	261	214		20	

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Table A12 : Buchanan Community - Facilities

Structure	Description	Location	Condition	Photos
Recreational facilities	Mess hall	Loop 1	3	JW059
	Guest house (UNMIL)	Loop 1	1/2	JW068
	Tennis courts	Loop 1	2	JW060
	Beach Houses	South of breakwater		JW053 JW055
Schools	School & gymnasium	Loop 2		
Health facilities	Hospital (supported by ICRC, not Liminco)	North of Loop 1	2	JW016 JW011 JW008 JW012 JW010
	Morgue	Adjacent to hospital	2	JW014
Community infrastructure	Water supply infrastructure	Extraction points on St John and Benson Rivers	3	
	Sewage treatment plant	SE of power station	3	

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APPENDIX F-1 BUCHANAN IRON ORE PORT ASSET REGISTER

Structure	Description	Location	Condition	Photos
Breakwater & harbour basin	1900m breakwater (JW056) incorporating 126m general cargo quay. Design water depth basin: 12.80m; ore loading quay: 13.85, current depths unknown. Tidal range up to 1.5m	100km SE of Monrovia	1/2	JW056
Iron ore quay	257m quay, appears in good condition (JW099). Residual stockpile of ~5,000 t iron ore fines on quay (JW100). Abandoned boats situated to north of quay. Line of trees marks boundary between iron ore quay and commercial quay (JW107).		1/2	JW099 JW100 JW107
Oil loading facility	Oil off-loading connections and pumps on general cargo quay destroyed. Facilities taken over by MOTC who are refurbishing 8" supply line to storage tank.	General cargo quay	2/3	JW051 JW052

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APPENDIX F-2 RAILROAD ASSET REGISTER

Table A8 : Rail Line				
Section	Distance from	Distance to	Description	Photos
Suchanan to Mokra Town siding	0 km	18 km	Rail track N of Buchanan (JW002) · Market on track N of bridge 2 (JW123) ~Km 18 Rail track N & S of bridge 3 Mokra Town (JW005/6)	JW002 JW123 JW005 JW006
Mokra Town siding to Gaye Peter Town siding	18 km	44 km	~Km 28 track at Siahn Gorzohn crossing (JW125/6) ~Km 38 track at John Bryant Town (JW128) ~Km 43 track at Glow's town (JW136/7)	JW125 JW126 JW128 JW136/7
Gaye Peter Town siding to Blezi siding	44 km	73 km	Km 44 Gaye Peter Town siding (Wayzohn crossing) (JW139/140/143) ~Km 60 track at Lue Wein (JW145/6)	JW143 JW140 JW139 JW145/6
Blezi siding to First crossing	73 km	91 km	Km 91 : First crossing showing bridge construction (JW154/5), condition of track on approach to bridge (JW148) and on the bridge itself (JW150).	JW154/5 JW148 JW150
First crossing to Grebo siding	91 km	96 km		
Grebo siding to Bakohn siding	96 km	123 km	Km 123 : track near Bakohn siding (JW156)	JW 156
Bakohn siding to Yila siding	123 km	~150 km	Km 146 : ties reportedly burnt over 3km section. Siding to Greenhill quarry @ ~150 km. Rails removed from Greenhill sidings (P206). Lorry transporting scrap/rails from Greenhill quarry (P192)	PC206 PC192
Yila siding to second crossing	154 km	~162 km	Km 161 : Approach to second crossing (P209) Km ~162 : steel rail bridge on rc piers (AG047). Evidence of cavitation downstream of N pier (J232) but pier itself appears intact. Ties will generally require replacement.	PC209 AG047 J232
Second crossing to Tropoi siding	~162 km	180 km	Km 169 : culvert reportedly collapsed.	
Tropoi siding to Kitoma siding	180 km	211 km	Km 191 : track reportedly undermined.	

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Kitoma siding to Sanekole siding	211 km	231 km	<p>Km 215 : Ballast removed over 5m section (P189), line adjacent to road.</p> <p>Km 216 : Line entering cutting at Gbedin, cutting stable but overgrown (P187/8)</p> <p>Km 217 : Ballast removed over 7m length - rail adjacent to road (P184). Rail buckled (P186)</p> <p>Km 218 : Line on embankment, looking N (P180) and showing condition of ties (P181) and rail weld (P183)</p> <p>Km 219 : Line condition looking N (P182)</p> <p>Km 227 : Sanekole crossing looking S/N (P174/5)</p> <p>Km 229 : rail reportedly buckled (gauge lost).</p> <p>Km 230 : track from Sanekole bridge (P173)</p>	<p>PC189</p> <p>PC187/8</p> <p>PC184/8</p> <p>PC180</p> <p>PC181</p> <p>PC183</p> <p>P182</p> <p>P174/5</p> <p>P173</p>
Sanekole siding to Yekepa rail yard	231 km	260 km	<p>Km 235 : Makento crossing (P171/2), ties missing.</p> <p>Km 239 : Tokadeh siding (P124/5).</p> <p>Km ~250 artisinal diamond miners reportedly undermining track.</p> <p>Km 252 : 15m of cutting reportedly slipped onto rail line.</p> <p>Km ~254 : Grassfield crossing looking S (P123)</p>	<p>P171/2</p> <p>P124/5</p> <p>P123</p>
Yekepa rail yard to Nimba rail bins	260 km	267 km	Km 260 : typical track condition (P72)	P72

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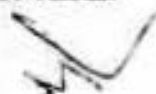
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APPENDIX G EMPLOYMENT OF LIBERIAN CITIZENS (Subject to availability)

	Year 1	Year 5	Year 10
Senior Management	20%	25%	50%
Professional, Administrative, Technical and Management	40%	75%	90%
Skilled	40%	80%	100%
Unskilled	100%	100%	100%

Note: Within 365 days after the Amendment Effective Date, the CONCESSIONAIRE shall appoint a Liberian citizen to one of the top three management positions at the CONCESSIONAIRE.



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APPENDIX H SOCIAL CONTRIBUTION TO COUNTIES

Annual Social Contribution	US\$ in millions
Nimba County	1.5
Bong County	0.5
Grand Bassa County	1.0
Total	3.0



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APPENDIX 1

List of Approved Machinery, Equipment, Spare Parts and Other Items to be Imported for Concessionaire's Operations

1. Road maintenance equipment – All types (bulldozers, graders, wheel loaders, compactors, excavators, dumpers) and other such related road maintenance equipment and spare parts.
2. Road construction supplies – gravel (up to two years from Amendment Effective date), asphalt, oils, steel structurals.
3. Railway Plant & equipment – All types (locomotives, wagons, ballast hoppers, BFR's, tampers, pavers, rail threaders, Flash Butt Welding plant and other such related items) and related spare parts.
4. Railway Construction Materials – All types including Rails, Sleepers, Clips & Fasteners, Signaling & related Telecommunication items, fibre optic cables and such related items and such related spare parts.
5. Construction Camp equipment – Portable cabins, tents, gensets, water filtration units, portable showers and such related items and such related spare parts.
6. Workshop Equipment – All light & heavy duty types (Lathes, Hydraulic Presses, Shapers, Gantry Cranes, Welding machines, Compressors and other such related items) and related spare parts.
7. Port Equipment – All types (Tug/Pilot/Work Boats, Navigational Aids, Dredgers and Cranes and other such related items) and related spare parts.
8. Power Generating Equipment – Generator Sets, Electrical transformers, transmission equipment, wires, insulators, switchgear, electrical and electronic controls, control panels and other such related items and related spare parts.
9. Oil handling systems – including pipes, valves, pipes, instruments and other such related items and related spare parts.
10. Material Handling Equipment – All types (Wagon Tippler, Reclaimer and Stackers, Ship loader, Conveyor Systems and other such related items) and related spare parts.
11. Mining/Quarrying Equipment – All type (Drillers, Excavators, Blaster, Crushers, Dumpers and complete Ore Concentration and Beneficiation Plant equipment and other such related items) and related spare parts.
12. Steel structures, cement and specialized construction material.
13. General Construction Plant & Equipment – All Types including Batching Plants, Concrete pumps and Transit Mixers, Cranes, Forklifts, Staging, Shuttering and other such related items) and related spare parts.
14. Building and construction materials, equipment, hardware tools, steel structures and other such related items and related spare parts.

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15. Infrastructure Works - All including Power Generation/Transmission Machinery, Water/Sanitation Equipment and other such related items and such related spare parts.
16. Laboratory supplies and equipment and such related items.
17. Communication equipment, tools, supplies and such related items and related spare parts.
18. Educational supplies (excluding stationery), materials and equipment.
19. Fire safety equipment with materials, tools, supplies and such related items and related spare parts.
20. Medical supplies, pharmaceuticals, appliances and equipment for hospital and such related spare parts.
21. Office machines, computers, equipment and related spare parts.
22. 4 wheel drive vehicles (excluding sedans), light and heavy duty trucks, ambulances, fire trucks with spare parts.
23. Company - owned household furnishings, fixtures and appliances

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ANNEX A PARENT GUARANTEE

THIS GUARANTEE IS MADE ON THE ____ D. Y OF ____ 2006

BETWEEN

1. MITTAL STEEL HOLDINGS A.G., incorporated under the laws of Switzerland, with a registered office at _____ ("Guarantor"); and
2. THE GOVERNMENT OF THE REPUBLIC OF LIBERIA, represented by and acting through the Minister of Finance, Dr. Antoinette Sayeh, the Minister of Lands, Mines and Energy, Dr. Eugene Shannon, the Chairman of the National Investment Commission, Mr. Richard Tolbert and the Minister of Justice, Cllr. Frances Johnson Morris ("Beneficiary").

WHEREAS:

1. By a Mineral Development Agreement dated August 17, 2005, as amended on the date hereof (the "MDA"), made between Beneficiary and Mittal Steel Holdings AG (formerly Mittal Steel Holdings N.V.) on behalf of Mittal Steel Liberia Holdings Limited (formerly Monray Limited) ("Concessionaire"), Concessionaire has agreed to execute and complete certain obligations upon the terms and subject to the conditions set forth in the MDA.
2. Concessionaire is controlled by Guarantor;
3. At the request of Beneficiary, Guarantor has agreed to guarantee due performance of the certain obligations of Concessionaire as specified herein on the terms and subject to the conditions set out herein.

NOW THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. In consideration of Beneficiary entering into the MDA with Concessionaire, Guarantor irrevocably and unconditionally guarantees, as provided below, due performance by Concessionaire of all the obligations and liabilities of Concessionaire under:
 1. Section 2 of Article V of the MDA (*Capital Expenditures*);
 2. Article XV of the MDA (*Environmental Protections and Management*), to include a guarantee of Concessionaire's payment obligations pursuant to an adverse arbitration judgment in connection with any violation by Concessionaire of Article XV; and
 3. Article XVII of the MDA (*Provision of Funds to the Concessionaire*).



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The obligations and liabilities specifically referred to above as guaranteed hereby shall be hereinafter referred to as the "Guaranteed Obligations".

Pursuant to this Guarantee, if at any time Concessionaire has failed to perform any Guaranteed Obligation, Guarantor shall perform (or procure the performance of) such Guaranteed Obligation as soon as reasonably practicable.

2. This Guarantee and the obligations of Guarantor hereunder shall not be affected, impaired, modified or released by reason of (a) the making by Concessionaire of any assignment for the benefit of creditors or the bankruptcy or insolvency of Concessionaire, (b) any action taken by Concessionaire in any bankruptcy or insolvency proceeding, (c) any default by Concessionaire under the MDA, (d) any change in or termination of Guarantor's relationship with Concessionaire, or (e) the assignment by Concessionaire of all or any portion of its interest under the MDA; it being agreed that in the event of any of the foregoing, the liability of Guarantor hereunder shall continue hereunder as if the relevant event had not occurred.
3. Guarantor hereby represents and warrants to Beneficiary that this Guarantee has been duly authorized and constitutes the legal, valid and binding obligation of Guarantor, enforceable against it in accordance with its terms.
4. Any payments required to be paid by Guarantor to Beneficiary pursuant to this Guarantee shall be paid to Beneficiary in immediately available and freely transferable funds, without any charge, deduction, abatement, expense or counterclaim or withholding whatsoever for, or on account of, any taxes, duties and fees which may be due as a result of such payment. All payments due under this Guarantee shall be made in United States dollars.
5. Nothing herein shall be construed as imposing greater obligations and liabilities on Guarantor than are imposed on Concessionaire under the Guaranteed Obligations, and Guarantor's cumulative liability hereunder shall be limited to the amount of 1,000,000,000 United States dollars. For the avoidance of doubt, in no event shall Guarantor be required to pay any indirect, consequential or punitive damages in connection with the enforcement of this Guarantee.
6. This Guarantee shall be effective as of the date hereof and shall expire when all the Guaranteed Obligations shall have been performed in accordance with the MDA.
7. All notices or other communications in connection with this Guarantee shall be served:

(a) Upon the Beneficiary, to: The Minister of Lands, Mines & Energy
Ministry of Lands, Mines & Energy
Monrovia
Liberia

With copies sent to: The Minister of Finance
Ministry of Finance
Broad Street
Monrovia
Liberia

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and

The Minister of Justice
Ministry of Justice
Ashmun & Center Streets
Monrovia, Liberia

(b) Upon Guarantor, to: Mittal Steel Holdings A.G.

With a copy to: Mittal Steel Company Limited
7th Floor Berkeley Square House
Berkeley Square
London W1J 6DA

8. Beneficiary and Guarantor may change their respective nominated addresses for service of communications to another address but only by prior written notice to each other. All such communications must be in writing.
9. This Guarantee shall be governed by and construed according to English law.
10. No failure or delay of Beneficiary to exercise any of its rights hereunder according to the terms and conditions herein shall operate as a waiver thereof, and no partial or single exercise thereof, and no action or non-action by Beneficiary shall preclude any other or further exercise thereof or shall affect or impair this Guarantee. Each and every right, remedy and power hereby granted to Beneficiary or allowed it by law or other agreement shall be cumulative and not exclusive of any other, and may be exercised by Beneficiary from time to time.
11. This Guarantee shall be binding on Guarantor and its successors and assignees, and shall inure to the benefit of and be enforceable by Beneficiary; provided, however, that in no event may Guarantor assign or delegate any of its rights or obligations hereunder without the prior written consent of Beneficiary.
12. If at any time any dispute or difference shall arise between Beneficiary and Guarantor in connection with this Guarantee, such dispute shall be exclusively and finally settled by binding arbitration pursuant to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States open to signature in Washington, D.C., United States of America, on March 18, 1965, in accordance with the rules of the International Centre for Settlement of Investment Disputes.
13. This Guarantee shall not be affected by any change in the laws, rules or regulations of any other country, or by any present or future action of any agency, regulatory authority, instrumentality, or other governmental body or entity, or of any court, amending, varying, reducing or otherwise affecting, or purporting to amend, vary, reduce or otherwise affect, any of the obligations of Guarantor hereunder or by any other circumstance (other than by complete, irrevocable payment) that might otherwise constitute a legal or equitable discharge or defense of a surety or a guarantor.

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IN WITNESS WHEREOF Guarantor has signed this Guarantee on the day and year first above written.

MITTAL STEEL HOLDINGS A.G.

By: _____

Name: _____

Title: _____

THE GOVERNMENT OF THE REPUBLIC OF LIBERIA

By: _____

Name: _____

Title: _____

Signature *for MRC*

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ANNEX B

Taxes and Duties Applicable to Concessionaire
other than those listed in Articles 19 through 22 of the Amendment.

<u>Agency Fees (Ch. 21)</u>	<u>Tax/Duty/Fee</u>	<u>Comments</u>
1. Ministry of Finance	Excise Taxes	To be paid as per Tariff in Part IV, Section 1120, 1121 1122, 1140 and 1141.
	Motor Vehicles Annual Registration	As provided in Section 2111 of Code except that heavy trucks and rolling equipment exclusively used in the mining cycle shall be exempt.
	Annual LNP safety inspection	As per existing tariff (Section 2103(c) of Code)
	Taxpayer Identification number	As per existing tariff (Section 53 of Code)
	Annual License Fees	As per existing tariff (Section 2111 of Code)
	Customs User Fee (C.U.F.) applicable to unprocessed exportable	As per existing tariff (Section 1703 Third Schedule Customs Tariff Code) The Concessionaire shall be exempted from the payment of C.U.F on processed exportable as defined in Article 1 of the Amendment to the MDA. For unprocessed exportable, a C.U.F of up to 2.5% shall be paid by the Concessionaire which shall be creditable to Income Tax.
	Export Clearance Fee Per consignment	Ministry of Finance Regulation As per existing tariff (Section 2113 of Code)
	Re-export Fee	Ministry of Finance Regulation As per existing tariff (Section 2113 of Code)
Customs Exemption Form Fees	Application For Exemption(AFE)	

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<u>Agency Fees (Ch. 21)</u>	<u>Tax/Duty/Fee</u>	<u>Comments</u>
2. Ministry of Labour	Work permit Booklet	
3. Ministry of Justice		
a. Immigration Fees	Permit Re-entry permit Change of status Temporary stay All forms Airport visa	
b. Fire Service	Annual inspection	
4. Ministry of Commerce	Business Registration Standard certificate Rice Stabilization Fee, Trade Mark Renewal Registration	
5. Ministry of Post & Telecommunication	Communication Subscription fee	
6. Ministry of Foreign Affairs	Articles of Incorporation, Passport Fees, Visa Fee Registration of Deed	
7. Ministry of Health & Social Welfare	Medical Fee, Yellow Fever Card, Health Certificate	
8. National Port Authority (NPA)	NPA Fees (other than Buchanan Iron Ore Port)	

SCHEDULE A PRODUCTION SCHEDULE

Commercial Operations Year	Run of Mine Production Metric tonnes in millions
Year 1	1.1
Year 2	2.5
Year 3	5.0
Years 4 to 6	9.0
Years 7 onward	18.0

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