

BOC/MDF

REPUBLIC OF LIBERIA,

* | * * * *

MINERAL DEVELOPMENT AGREEMENT

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF LIBERIA

AND

MITTAL STEEL HOLDINGS N.V.

Monrovia, 17 August 2005

**AN ACT TO RATIFY THE MINERAL
DEVELOPMENT AGREEMENT BETWEEN THE
GOVERNMENT OF THE REPUBLIC OF LIBERIA
AND MITTAL STEEL HOLDINGS N. V.**

Approved: September 23, 2005

*Published by Authority
Ministry of Foreign Affairs
Monrovia, Liberia*

September 24, 2005

**AN ACT TO RATIFY THE MINERAL
DEVELOPMENT AGREEMENT BETWEEN THE
GOVERNMENT OF THE REPUBLIC OF LIBERIA
AND MITTAL STEEL HOLDINGS N.V.**

WHEREAS, the Republic of Liberia, consistent with Article 7 of the Constitution of 1986, is under a legal, moral and ethical obligation to manage the national economy and natural resources for the general welfare of the Liberian people as well as the economic development of Liberia;

REALIZING the positive effect in terms of economic growth, employment, health, education and social welfare as a result of the mining Concession Agreement entered into between the Government of Liberia and the Liberian American-Swedish Minerals Company (LAMCO) on April 28, 1960 on the one hand and the serious adverse effects experienced as a result of the termination of said Agreement in 1989;

COGNIZANT of the fact that in addition to the hardship suffered by the people of Liberia consequent of said termination, the problem was further compounded by fourteen (14) years of a devastating civil war;

BEING fully aware of its further obligation of providing opportunities for employment and

WHEREAS, Mittal Steel has committed itself to an annual payment of US\$3,000,000 for the benefit of Liberian communities through projects proposals duly certified and approved under the supervision of a technical committee;

WHEREAS, pursuant to the terms and conditions of this Mineral Development Agreement, the people of Liberia tend to benefit enormously by improved wages, salaries, housing units, electricity, health facilities, construction of schools and support to free primary and secondary education and a carefully monitored environmental Protection and Management Program in order to minimize the damaging effect of chemicals used during production;

REALIZING the sufficiency and conclusiveness of this Mineral Development Agreement, Mittal Steel and its employees will inevitably construct a COLLECTIVE BARGAINING AGREEMENT which would prevent those vices such as unlawful strikes, picketing and boycotts for the purpose of industrial peace, harmony, stability, efficiency, productivity and profitability both to the Government of Liberia and Mittal Steel Holdings N. V.;

NOW THEREFORE, it is enacted by the National

to minimize as much as possible pollution of streams, rivers, lakes, the soil and the air so as to protect the ecosystem, biodiversity and human habitation.

SECTION 5: That a Joint Implementation Monitoring Commission to include but not limited to the: Ministries of Finance, Justice, Labour, Lands, Mines, Energy, National Investment Commission, Management of Mittal Steel Holdings N.V., the Superintendents, of Nimba, Grand Bassa and Bong Counties, and Committees with Legislative oversight to monitor and ensure the full implementation of this Mineral Development Agreement.

SECTION 6: That the failure of the Concessionaire to implement these provisions will render this Agreement subject to review.

SECTION 7: This Act shall take effect immediately upon publication in handbills.

ANY LAW TO THE CONTRARY NOT WITHSTANDING!

MITTAL STEEL
file



Republic of Liberia
Montserrado County

Office of the Notary Public
Monrovia, Liberia

NOTARY CERTIFICATE

Personally appeared Before Me in My Office within the City of Monrovia, Montserrado County, Republic of Liberia this 16th day of September, A. D. 2005 duly qualified Notary Public for and in the County of Montserrado and in the Republic aforesaid the Parties to the attached documents:-

ARTICLES OF INCORPORATION
OF
MITTAL STEEL LIBERIA LIMITED

and did in my presence and in the presence of each other execute and signed their genuine signatures on the said Instruments(s) to be the person(s) they represent and that the same was made in my presence and declared by each of them to be their voluntary acts and in their own hand writings.

Therefore, I, Mary Mamie Howe, Notary Public aforesaid, have attached my Official Signature Notary Seal to said instrument and where necessary.

I have affixed my genuine Signature attesting to this transaction by the power vested in me this 16th day of September, A. D. 2005


— MARY MAMIE HOWE



NOTARY PUBLIC, MONTEBERRADO COUNTY, P. L.
\$2.50 REVENUE STAMPS AFFIXED ON THE ORIGINAL.
PROCESSED BY: SHERMAN & SHERMAN LAW FIRM



REPUBLIC OF LIBERIA)
MONTERRADO COUNTY)

ARTICLES OF INCORPORATION
OF
MITTAL STEEL LIBERIA LIMITED

I, the undersigned, for the purpose of forming a corporation pursuant to the provisions of the Liberian Business Corporation Act of the Associations Law of Liberia (May 17, 1976), as amended, do hereby make, subscribe, acknowledge and file in the office of the Minister of Foreign Affairs of the Republic of Liberia this Instrument, for that purpose as follows:

ARTICLE I

The name of the Corporation shall be, and the same is "MITTAL STEEL LIBERIA LIMITED".

ARTICLE II

The general nature of the Business in which the Corporation shall engage is as follows:

1. To engage in the business of mining, milling, concentrating, converting, smelting, treating, refining, preparing for market, manufacturing, buying selling, exchanging and otherwise, producing and dealing in iron ore, steel, gold, silver, copper, coal, and in all kind of ores, metals, and minerals, and in the products and by-products of every kind and description and by whatsoever process the same can be or may hereafter be produced.
2. To manufacture, buy, sell, or otherwise deal or traffic in iron ore, iron, steel, copper, coal, and other metals, minerals, or materials, and all or any products or articles consisting or partly consisting of iron ore, iron, steel, copper, coal or other metals, minerals, or materials; and to acquire, own, lease occupy, use, develop, or deal in any lands containing iron ore, iron, copper, coal, stone, or other ores or minerals, and in other lands, and to mine and otherwise extract or to remove ores, coal, stone, or other minerals, materials, or substances from any lands.
3. To purchase, lease, or otherwise acquire, own, exchange, sell, dispose of, pledge, mortgage, deed in trust, hypothecate, and deal in iron ore mines, mining claims, mineral lands, coal lands, oil lands, water and water rights, and other property, both real and personal.
4. To operate railways, seaports and such rail and seaport facilities necessary for the conduct, by the Corporation, of its iron ore mining business.
5. To carry on as principal, agent, commission merchant, or consignee, the business of mining, milling, concentrating, converting, smelting, treating, refining, buying, selling, exchanging, manufacturing, and dealing in the above-specified products or any of them and of materials used in the manufacture of each, and any and all of such articles and to carry on as such principal, agent, commission merchant, or consignee any other business which in the judgment of the board of directors of the Corporation may be conveniently conducted in conjunction with any of the matters aforesaid.
6. To conduct feasibility study(ies) for, and when proven feasible and viable, to establish and operate a steel plant within the Republic of Liberia in order to meet the steel requirements of Liberia, the sub-region and the international market.



[Handwritten signature]

7. To engage in the business of operating quarries and the sale of aggregates therefrom.
8. To own or otherwise acquire by deed, purchase, devise or bequest or otherwise, the necessary property, real or personal, including buildings, machinery and shares of stock, bonds and securities of other corporations, as well equipment necessary or incidental to the business of the Corporation.
9. To sue and be sued in its own name, in all courts of competent jurisdiction within and without the Republic of Liberia.
10. To have a Corporate Seal, and to alter such seal at pleasure, and to use it by causing it or a facsimile thereof to be affixed or impressed or reproduced in any other manner.
11. To purchase, receive, take by grant, gift, devise, bequest or otherwise, lease or otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with, real or personal property or any interest therein wherever situated.
12. To sell, convey, lease, exchange, transfer or otherwise dispose of, mortgage or pledge or create a security interest therein, wherever situated.
13. To engage in any lawful activity for which corporations may now or hereafter be organized under the Business Corporation Act of the Associations Law of Liberia, as amended and to exercise every power which a Corporation now or hereafter organized under the laws of the Republic of Liberia may have.

ARTICLE III

- (i) The aggregate number of shares of stock which the Corporation is authorized to issue shall be one hundred (100) shares of no par value common stock; any or all of which shall be issued either in the name of particular individuals (registered shares) or to bearers. The holder of a stock certificate issued to bearer may cause same to be exchanged in his/her name for like number of shares and the holder of a registered stock certificate may cause his/her certificate to be issued to bearer for a like number of shares.
- (ii) Provided, however, that at all material times the Corporation shall maintain a share registry in which all holders of shares, including those with bearer shares, shall be entered.
- (iii) Unless the Shareholders otherwise provide, the shares herein provided shall be of one class.
- (iv) Notwithstanding the indication of the name(s) of particular individual(s) in this instrument as subscriber(s) to the shares of the Corporation, actual equity participation and/or ownership interest in the Corporation shall, at all times, be evidenced by share certificate(s) duly issued by the Corporation.



[Handwritten signature]

ARTICLE IV

The name and address of the subscriber(s) to the shares of the Corporation and the number of shares subscribed to are as follows:

NAME: MITTAL STEEL (LIBERIA) HOLDINGS LIMITED
ADDRESS: Themistokli Dervi, 3
Julia House
P. C. 1066, Nicosia, Cyprus
NO. OF SHARES: 100

ARTICLE V

The Registered Agent of the Corporation and the address of said Registered Agent, unless hereafter changed by resolution of the Board of Directors, shall be as follows:

NAME: Counsellor G. Moses Paegar
ADDRESS: Sherman & Sherman, Inc.
P. O. Box 10-3218
1000 Monrovia 10
Liberia

ARTICLE VI

The Corporation shall have a Board of Directors consisting of eleven (11) members, five (5) of whom shall be nominated by the Government of Liberia (in its capacity as minority shareholder of MITTAL STEEL (LIBERIA) HOLDINGS LIMITED), subject to approval by a majority vote of the shareholders of the Corporation. The remaining six (6) Directors, including the Chairman of the Board of Directors, shall be nominated by MITTAL STEEL HOLDINGS N. V., the majority shareholder of MITTAL STEEL (LIBERIA) HOLDINGS LIMITED.

ARTICLE VII

In furtherance, and not in limitation of the powers conferred by the Liberian Business Corporation Act, the Board of Directors are explicitly authorized to do the following:

- (i) to direct the issuance, by the Corporation, of new certificate or certificates of stock if those already issued to a shareholder or shareholders are alleged to have been lost, or destroyed. When authorizing such issuance, the Board of Directors may, in its discretion and as condition precedent to the issuance, require the owner of such lost or destroyed certificate or certificates or his legal representative to advertise the same in such manner as the Board shall prescribe and/or give the Corporation bond in such sum as the Board may direct as indemnity against any claim that may be asserted against the Corporation with respect to the certificate(s) alleged to have been lost or destroyed.



- (ii) To adopt, amend or repeal the By-Laws of the Corporation.
- (iii) To elect a president, secretary, treasurer and such other officers to conduct the business of the Corporation.

ARTICLE VIII

The Corporation shall indemnify any and all of its directors and officers or former directors and officers or any person who may have served at its request as director or officer of another corporation in which this Corporation owns shares of capital stock or of which it is a creditor, against expenses actually and necessarily incurred by them in connection with the defense or prosecution of any action, suit or proceeding in which they or any of them may be made party or parties, by reason of being or having been directors or officers of the Corporation; provided, however, in the event that upon the conclusion of any such action, suit or proceeding, it is adjudged that any director or officer was liable for negligence or misconduct in the performance of his duties, no indemnity shall accrue to such negligent or defaulting director or officer. Any indemnification shall be deemed exclusive of any other rights to which those indemnified may be entitled to under any by-law, agreement, vote of shareholders, statute or otherwise.

ARTICLE IX

In the absence of fraud, no contract or other transaction of the Corporation shall be affected or invalidated by the fact that any of the directors of the Corporation is in any way interested in or connected with any other party to such contract or transaction, or is himself the other party to said contract or transaction; provided that the interest of any such director in any such contract or transaction shall at the time be fully disclosed or otherwise known to the Board of Directors. Each and every person who may become a director of the Corporation is hereby relieved from any liability that might otherwise exist from contracting with the Corporation for any benefit of himself or any person in which he may be in any way interested or connected. Any director of the Corporation may vote and act upon any matter, contract or transaction between the Corporation and another person without regard to the fact that he is also a member, director, or officer of, or has any interest in such other person. Any contract or other transaction of the Corporation or of the Board of Directors or any committee thereof, which shall be ratified by a majority of the quorum of the members entitled to vote at any annual meeting or a special meeting called for that purpose, shall be as valid and as binding as though ratified by every member of the Corporation except as otherwise provided by law; and provided, however, that any failure of the members of the Corporation to approve or ratify such contract or other transaction, when and if submitted, shall be deemed to render the same invalid or prohibit the directors or officers from proceeding with such contract or other transaction.

ARTICLE X

The Corporation reserves the rights to alter, change, amend or repeal any provision(s) contained in these Articles of Incorporation, in a manner now or hereafter prescribed by the Liberian Business Corporation Act, and all rights conferred upon stockholders herein are granted subject to this reservation.

ARTICLE XI

The Corporation shall have perpetual existence and successions.



ARTICLE XII

The existence of this Corporation shall begin upon the filing of these Articles of Incorporation with the Office of the Minister of Foreign Affairs of the Republic of Liberia.

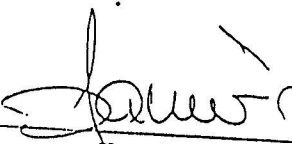
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my signature on this 16th day of September, A.D. 2005.



WITNESS



WITNESS



Frank Pannier
INCORPORATOR/PROMOTER

\$12.00 REVENUE STAMPS AFFIXED ON THE ORIGINAL.



RESOLUTION OF MITTAL STEEL (LIBERIA) HOLDINGS LIMITED, AS SOLE SHAREHOLDER OF MITTAL STEEL LIBERIA LIMITED, ACTING BY AND THROUGH ITS AUTHORIZED REPRESENTATIVE

WHEREAS, on the 17th day of August, A.D. 2005, the Government of the Republic of Liberia and Mittal Steel Holdings N. V., acting for and on behalf of MITTAL STEEL (LIBERIA) HOLDINGS LIMITED (formerly MONTRAY LIMITED), a company incorporated under the laws of Cyprus, executed a Mineral Development Agreement (MDA), as the Government and Concessionaire, respectively, for the development and production of the iron ore deposits located in the LAMCO Concession Areas; and

WHEREAS, the Mineral Development Agreement referred to in the First Preambular Paragraph above, provides for the creation, establishment, and organization of a company under the laws of the Republic of Liberia, for the purpose of said company, which shall be named and styled "MITTAL STEEL LIBERIA LIMITED", acting as agent of the Concessionaire and carrying out the operations contemplated by the Mineral Development Agreement; and

WHEREAS, on the 16th day of September, A.D. 2005, the said MITTAL STEEL LIBERIA LIMITED was duly incorporated under the laws of Liberia via the filing of its Articles of Incorporation with the Ministry of Foreign Affairs of the Republic of Liberia; and

WHEREAS, MITTAL STEEL (LIBERIA) HOLDINGS LIMITED, the Concessionaire, is desirous of concluding the corporate formalities and pre-operational arrangements necessary for the commencement, by MITTAL STEEL LIBERIA LIMITED, of operation in Liberia;

NOW THEREFORE, IT IS HEREBY;

RESOLVED, that the Board of Directors of MITTAL STEEL LIBERIA LIMITED, consisting of eleven (11) members be, and hereby is, designated and constituted. In keeping with the Mineral Development Agreement, six (6) of the eleven (11) members shall be nominated by MITTAL STEEL HOLDINGS N.V. while five (5) members shall be nominated by the Government of Liberia, for election, in each case, by the sole shareholder as directors of MITTAL STEEL LIBERIA LIMITED, viz:

I. REPRESENTING MITTAL STEEL HOLDINGS N.V.

Name	Nationality
1. Singh Mahendra Pratap	Indian
2. Mukherjee Murari	Indian
3. Chugh Davinder Kumar	Indian
4. Shukla Sanjay	Indian
5. Pannier Frank	German
6. Asser-Ribbert Sharon	Dutch

II. REPRESENTING THE GOVERNMENT OF LIBERIA

(To Be Named)

RESOLVED, that the six (6) directors nominated by MITTAL STEEL HOLDINGS N.V. and named herein above, are hereby elected and confirmed directors of MITTAL STEEL LIBERIA LIMITED by the sole shareholder.


RESOLVED, that the Government of Liberia be duly notified about the constitution of the Board of Directors of MITTAL STEEL LIBERIA LIMITED and requested to nominate its five (5) directors thereto.

RESOLVED, that Mr. RAJESH GOEL be, and hereby is, designated and appointed Chief Executive Officer, *ad Interim*, of MITTAL STEEL LIBERIA LIMITED, subject to renewal, confirmation or removal, as the case may be, by the first meeting of the Board of Directors, with authority, amongst other things, to:

- (i) Negotiate and sign a Preliminary Operating Agreement between MITTAL STEEL LIBERIA LIMITED as the Operating Company, and MITTAL STEEL LIBERIA (HOLDINGS) LIMITED as the Concessionaire;
- (ii) Register MITTAL STEEL LIBERIA LIMITED with the Ministry of Commerce, the Ministry of Finance, and such other agencies of the Government of Liberia as may be required by law;
- (iii) Establish an account or accounts in the name of MITTAL STEEL LIBERIA LIMITED with reputable banks within and outside Liberia;
- (iv) Procure a Corporate Seal to be adopted by the Board of Directors of the Corporation;
- (v) Execute all documents public and private for and on behalf of MITTAL STEEL LIBERIA LIMITED.

RESOLVED, that the By-Laws attached as Exhibit A hereto be, and hereby are, designated, constituted and adopted as the By-Laws of MITTAL STEEL LIBERIA LIMITED, subject to ratification by the first meeting of the Board of Directors.

Done in the City of Monrovia,
County of Montserrado, Republic of
Liberia, this 7th day of October,
A.D. 2005



M. P. Singh

AUTHORIZED REPRESENTATIVE
MITTAL STEEL (LIBERIA) HOLDINGS LIMITED

MITTAL STEEL LIBERIA LIMITED

BY-LAWS

Adopted by written Resolution of the sole shareholder of Mittal Steel Liberia Limited on October 7th A.D. 2005.

ARTICLE I OFFICES

The principal office of the Corporation shall be in the City of Monrovia, Montserrado County, Liberia. The Corporation may also have an office or offices at such other place within or outside Liberia as the Board of Directors may from time to time appoint or designate.

ARTICLE II SHAREHOLDERS

SECTION 1. Annual Meeting. The annual meeting of the Corporation shall be held at such place within or outside Liberia and at such time and date in each year as the Board of Directors, by resolution, may determine, and as may be stated in the call and notice, for the purpose of electing Directors and of transacting such other business as may be properly before the meeting. If the date of the annual meeting shall fall upon a legal holiday, the meeting shall be held on the next business day.

SECTION 2. Special Meetings. Special meetings of the shareholders may be held at such place within or outside Liberia as the Board of Directors may determine upon call of the Board of Directors or the Chairman or the holders of more than fifty percent (50%) of the Corporation's shares at such time as may be fixed by the Board of Directors or the Chairman or such shareholders, and as may be stated in the call and notice. The purpose for which a special meeting of shareholders may be held shall include the removal from office of any or all of the Directors, whether or not any cause exists for such removal, and the election of Directors in place of those removed.

SECTION 3. Notice of Meetings. Written notice (including notice by facsimile transmission, email, or telegram) of the time, place and purpose or purposes of every meeting of the shareholders, signed by the Chairman or a Vice-Chairman or the Secretary or the Assistant Secretary, shall be served upon or mailed to each shareholder entitled to vote at such meeting, and upon any shareholder who, by reason of any action proposed at such meeting, would be entitled to have his shares appraised if such action were taken, not less than ten (10) days nor more than sixty (60) days before the meeting. If mailed, such notice shall be directed to such shareholder at his home or post office address as it appears upon the records of the Corporation. Such further notice shall be given by mail, publication or otherwise, as may be required by the Articles of Incorporation of the Corporation or By-Laws. Meetings may be held without notice if all of the shareholders entitled to notice of meeting as aforesaid are present in person or represented by proxy at the meeting, or if notice is waived by those not so present or represented.

EXHIBIT A

SECTION 4. Quorum. At every meeting of the shareholders, the holders of more than fifty percent (50%) of the shares being present in persons or represented by proxy, shall constitute a quorum. If at any meeting there shall be no quorum, the holders of a majority of the shares of stock entitled to vote so present or represented may adjourn the meeting from time to time, without notice other than an announcement at the meeting, until such quorum shall have been obtained, when any business may be transacted at the meeting as first convened had there been a quorum.

SECTION 5. Voting. At all meetings of the shareholders, each holder of shares of stock of the Corporation, entitled to vote thereat, may so vote either in person or by proxy appointed by instrument in writing (including facsimile transmission and telegram). No proxy shall be valid after the expiration of twelve (12) months from the date of its execution unless the shareholder executing it shall have specified therein a longer time during which it is to continue in force.

SECTION 6. Binding Effect of Decisions. Only a decision of the shareholders supported by more than fifty percent (50%) of the authorized and issued shares of the Corporation shall be valid, effective and binding on the Corporation.

SECTION 7. Records of Shareholders. The Board of Directors may prescribe a period, not exceeding sixty (60) days prior to any meeting of the shareholders, during which no transfer of shares on the books of the Corporation may be made. In lieu of prohibiting the transfer of stock as aforesaid, the Board of Directors may fix a day and hour, not more than ten (10) days prior to the holding of any such meeting, as the day as of which shareholders of record entitled to notice of and to vote at such meeting shall be determined, and all such persons who were holders of record of voting shares at such time and no other shares shall be entitled to notice of and to vote at such meeting. Anything in the foregoing in this Section 7 or elsewhere in these By-Laws notwithstanding to the contrary, the holder of any shares in bearer form shall be entitled to vote at any meeting of shareholders upon presentation at such meeting of one or more certificates representing the number of such shares so held. Notice of meetings as provided in these By-Laws shall be given to holders of bearer shares who have notified the Corporation in writing that such shares are so held and, in such notice or otherwise, have provided the Corporation with an address of record to which notices may be sent.

SECTION 8. Action Without Meeting. Unless otherwise provided by the Articles of Incorporation, any action required to be taken at any annual or special meeting of shareholders, or any action which may be taken at any annual or special meeting, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those shareholders who have not consented in writing.

ARTICLE III BOARD OF DIRECTORS

SECTION 1. Number. The number of Directors within the maximum and minimum

EXHIBIT A

limits, if any, provided for in the Articles of Incorporation may be changed from time to time by the shareholders by an amendment to these By-Laws. Subject to amendment of these By-Laws, as aforesaid, the number of Directors of the Corporation shall not be less than eleven (11). The Directors shall be elected at the annual meeting of the shareholders and each Director shall be elected to serve until his successor shall be elected and shall qualify. Directors need not be shareholders.

SECTION 2. Meetings of the Board

(a) Annual Meeting of Directors. An annual meeting of the Board of Directors shall be held in each year after the adjournment of the annual shareholders meeting and on the same day. If a quorum of the Directors be not present or represented on the day designated or specified for the annual meeting, the meeting shall be adjourned to some convenient day. No notice need be given of the annual meeting of the Board of Directors.

(b) Other Meetings of Directors. Meetings of the Board of Directors, other than the annual meeting, shall be held at such place within or without Liberia as may from time to time be fixed by resolution of the Board, or as may be specified in the call of any meeting. Regular meetings of the Board of Directors shall be held at such times as may from time to time be fixed by resolution of the Board. Notice need not be given of the regular meetings of the Board held at times fixed by resolution of the Board. Special meetings of the Board may be held at any time upon the call of any Director by oral, facsimile transmission or written notice, duly served on or sent or mailed to each Director not less than five (5) days before such meeting. Special meetings of the Board of Directors may be held without notice, if all the Directors are present or if those not present waive notice of the meeting in writing.

SECTION 3. Quorum. A majority of the Directors at the time in office (but not less than two-thirds (2/3) of the minimum number of Directors than provided in these By-Laws) shall constitute a quorum for the transaction of business, but if at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum shall have been obtained. Each director may vote either in person or by proxy appointed by instrument in writing (including facsimile transmission or telegram).

SECTION 4. Vacancies. Vacancies in the Board of Directors may be filled by a vote of a majority of the Directors remaining in office even though less than quorum; provided that, in case of an increase in the number of Directors, the vacancy or vacancies created shall be filled by the shareholders. The Directors so chosen shall hold office, unless they are removed from office by the shareholders, until the next annual election or until their successors shall be duly elected and qualified.

SECTION 5. Resignation. Any Director of the Corporation may resign at any time by giving written notice to the Chairman or to the Secretary of the Corporation. Such resignation shall take effect at the time specified therein; and unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective.

SECTION 6. Organisation. At each meeting of the Board of Directors, the Chairman or Treasurer or in the absence of both of these officers, a chairman chosen by a majority of the Directors present, shall Chair the meeting, and the Secretary of the Corporation or, in the absence

EXHIBIT A

of the Secretary, a person appointed by the Chairman of the meeting, shall act as secretary. The Board of Directors may adopt such rules and regulations as they shall deem proper, not inconsistent with law or with the Articles of Incorporation or with any shareholders agreements for the conduct of their meetings and the management and affairs of the Corporation. At all meetings of the Board of Directors, business shall be transacted in such order as the Board may determine.

SECTION 7. Powers. The Board of Directors shall have general power to manage the business of the Corporation. The Board of Directors may authorize the Chairman or any other officer or officers of the Corporation to confer all kinds of powers of attorney upon any person, persons or entities (including powers of attorney in favour of lawyers, legal counsellors, solicitors or judicial agents, in order to enable them to carry on and perform the legal representation of the Corporation in connection with any judicial process), with all the faculties and powers that he or they may deem convenient, and also to revoke the same in whole or in part.

SECTION 8. Compensation. Directors shall receive no compensation for serving in that capacity other than Board Fees as shall, from time to time, be fixed by resolution of the shareholders at the annual shareholders' meeting. These By-Laws shall not be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

ARTICLE IV COMMITTEES

SECTION 1. Executive Committee. The Board of Directors may, by resolution passed by a majority of the whole Board, designate two or more members of the Board to constitute an Executive Committee. The Executive Committee shall have and may exercise, so far as may be permitted by law, all of the powers of the Board in the management of the affairs and property of the Corporation and the exercise of its corporate powers during the intervals between meetings of the Board of Directors and shall have power to authorize the seal of the Corporation to be affixed to all papers which may require it; but the Executive Committee shall not have power to fill vacancies in the Board, or to change the membership of, or to fill vacancies in, the Executive Committee, or to make or amend the By-Laws of the Corporation. The Board shall have the power at any time to fill vacancies in, to change the membership of, or to dissolve the Executive Committee. The Executive Committee may hold meetings and make rules for the conduct of its business and appoint such committees and assistants as it shall from time to time deem necessary. A majority of the members of the Executive Committee shall constitute a quorum. All actions of the Executive Committee shall be reported to the Board at its meeting next succeeding such action.

SECTION 2. Other Committees. The Board of Directors may, in its discretion, by resolution, appoint other committees which shall have and may exercise such powers as shall be conferred or authorized by the resolution appointing them. A majority of any such committee, composed of more than two members, may determine its action and fix the time and place of its meeting, unless the Board of Directors shall otherwise provide. The Board shall have power at any time to change the membership of any such committee, to fill vacancies, and to dissolve any such committee.

ARTICLE V
OFFICERS

SECTION 1. Officers and Agents. The Board of Directors shall appoint a Chairman, a Secretary, and a Treasurer for the Corporation. The Board of Directors may also from time to time appoint one or more Vice-Chairmen and such Assistant Secretaries, Assistant Treasurers and other officers, agents, factors, and employees as may be deemed necessary. No officer, except the Chairman, need be a director of the Corporation, and the fact that any officer is a Director shall not preclude him from receiving a salary or from voting upon the resolution providing the same. Any person may hold two or more offices. Officers, agents, factors or employees of the Corporation may be of any nationality and need not be residents of Liberia.

SECTION 2. Term of Office. All officers elected by the Board of Directors shall remain in office for the term of their appointment or until their respective successors are chosen and qualified. Any officer elected or appointed by the Board of Directors may be removed, with or without cause, at any time by the affirmative vote of a majority of the members of the Board then in office.

SECTION 3. Power and Duties. The officers, agents, factors and employees of the Corporation shall each have such powers and duties in the management of the property and affairs of the Corporation, subject to the control of the Board of Directors, as generally pertain to their respective offices, as well as such powers and duties as from time to time may be prescribed by the Board of Directors. The Board of Directors may require any such officer, agent, factor or employee to give security for the faithful performance of his duties.

ARTICLE VI
SHARE CAPITAL

SECTION 1. Certificate(s) of Shares. The interest of each shareholder shall be evidenced by a certificate or certificates for shares of the equity share capital of the Corporation in such form as the Board of Directors may from time to time prescribe. The Share Certificates shall be signed by the Chairman or a Vice-Chairman and the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary and sealed with the seal of the Corporation, and shall be countersigned and registered in such manner, if any, as the Board may by resolution prescribe; provided that in case such certificates are required by such resolution to be signed by a Transfer Agent or Transfer Clerk and by a Registrar, the signatures of the Chairman or a Vice-Chairman and the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary and the seal of the Corporation upon such certificates may be facsimiled, engraved or printed.

SECTION 2. Transfer. Shares in the equity capital of the Corporation which are represented by certificates in registered form shall be transferred only on the books of the Corporation, by the holder thereof in person or by his attorney, upon surrender for cancellation of certificates for the same number of shares, with an assignment and power of transfer endorsed thereon or attached thereto, duly executed, with such proof of the authenticity of the signature as the Corporation or its agents may reasonably require. Shares in the equity capital of the Corporation

EXHIBIT A

which are represented by certificates in bearer form shall be surrendered for cancellation and re-issuance in one or more certificates, also in bearer form representing the same aggregate number of shares as the one or more certificates surrendered; or if certificates in registered form are then authorized by the Board of Directors, such new certificate or certificates may be issued in registered form at the option of the holder thereof.

SECTION 3. Lost or Destroyed Share Certificates. No certificates for shares in the equity capital of the Corporation shall be issued in place of any certificate alleged to have been lost, stolen or destroyed, except upon production of such evidence of the loss, theft or destruction and upon indemnification of the Corporation and its agents to such an extent and in such manner as the Board of Directors may from time to time prescribe.

ARTICLE VII CHEQUES, NOTES, ETC.

All cheques and drafts on the Corporation's bank accounts and all bills of exchange and promissory notes and all acceptances, obligations and other instruments for the payment of money, shall be signed by such officer or officers or agent or agents as shall be thereunto authorized from time to time by the Board of Directors.

ARTICLE VIII FINANCIAL YEAR

The financial year of the Corporation shall begin on the first day of January in each year and shall end on the thirty-first day of December following.

ARTICLE IX DIVIDENDS

Subject to the provisions of the Articles of Incorporation, the Board of Directors may, out of funds legally available therefor, at any regular or special meeting, recommend to the shareholders for their approval, dividends upon the capital stock of the Corporation as and when they deem appropriate. Before declaring any dividend there may be set apart out of any funds of the Corporation available for dividends, such sum or sums as the Directors, subject to approval by the shareholders, from time to time in their discretion deem proper for working capital or as a reserve fund to meet contingencies or for equalizing dividends or for such other purposes as the Directors shall deem conducive to the interests of the Corporation.

ARTICLE X CORPORATE SEAL

The Corporate seal shall have inscribed thereon the name of the Corporation and such other appropriate legend as the Board of Directors may from time to time determine. In lieu of the Corporation seal, when so authorized by the Board of Directors or a duly empowered committee thereof, a facsimile thereof may be impressed or affixed or reproduced.

EXHIBIT A

ARTICLE XI
AMENDMENTS

The By-Laws of the Corporation may be amended, added to, rescinded or repealed at any meeting of the shareholders by the vote of the holders of a majority of all the authorized and issued shares of the Corporation present in person or represented by proxy, or by a majority vote of the Board of Directors.

DULY ADOPTED BY THE SOLE SHAREHOLDER OF
MITTAL STEEL LIBERIA LIMITED IN THE CITY OF
MONROVIA, COUNTY OF MONTSEERRADO,
REPUBLIC OF LIBERIA THIS 7th DAY OF
OCTOBER, A.D. 2005.

REPUBLIC OF LIBERIA

* | * * * *

MINERAL DEVELOPMENT AGREEMENT

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF LIBERIA

AND

MITTAL STEEL HOLDINGS N.V.

Monrovia, 17 August 2005

Handwritten signatures in black ink, located at the bottom right of the page.

TABLE OF CONTENTS

ARTICLE I DEFINITIONS AND GENERAL RULES OF CONSTRUCTION	2
Section 1 Definitions.....	2
Section 2 General Rules of Construction	5
ARTICLE II EFFECTIVE DATE	5
ARTICLE III TERMS OF THE AGREEMENT	6
Section 1 Initial Term.....	6
Section 2 Extended Terms.....	6
ARTICLE IV CONCESSION AREA	7
Section 1 Grant of Rights.....	7
Section 2 Concession Area.....	7
Section 3 Contiguous Areas.....	7
ARTICLE V WORK PROGRAM.....	7
Section 1 Commencement of Development.....	7
Section 2 Capital Expenditures.....	7
Section 3 Operation Reports, Records and Inspection.....	7
ARTICLE VI MINING AND EXPLORATION LICENSES	8
Section 1 Class A Mining License	8
Section 2 Production Areas	9
Section 3 Term of the Class A Mining License.....	9
Section 4 Additional Minerals.....	9
Section 5 Exploration License	9
ARTICLE VII CONFIDENTIALITY	9
Section 1 Confidential Information	9
Section 2 Public Information.....	10
ARTICLE VIII PRODUCTION WORK PROGRAMS	10
ARTICLE IX LAND AND FACILITIES	10
Section 1 Public Land.....	10
Section 2 Private Land.....	10
Section 3 Assets and Facilities.....	11
ARTICLE X HEALTH CARE, SAFETY AND SECURITY.....	13
Section 1 Health Care.....	13
Section 2 Safety.....	14
Section 3 Security Force.....	14
ARTICLE XI EDUCATION AND SKILLS TRAINING	14
Section 1 Education.....	14
Section 2 Skills & Training of Liberians	15
Section 3 Assistance to Mining and Geology Programs of the University of Liberia.....	15
ARTICLE XII EMPLOYMENT AND SECONDMENT.....	15
Section 1 Employment.....	15
Section 2 Secondment.....	16

[Handwritten signatures]

ARTICLE XIII USE OF LIBERIAN SERVICES AND MATERIALS	16
ARTICLE XIV COMMUNITY RESOURCES.....	16
ARTICLE XV ENVIRONMENTAL PROTECTION AND MANAGEMENT	17
Section 1 Environmental Management	17
Section 2 Environmental Audit and Assessment.....	17
ARTICLE XVI CAPITAL AND CORPORATE STRUCTURE OF THE CONCESSIONAIRE	17
Section 1 Winding-up	17
Section 2 Initial Capital Structure of the CONCESSIONAIRE.....	17
Section 3 Evolution of the Capital Structure.....	18
ARTICLE XVII PROVISION OF FUNDS TO THE CONCESSIONAIRE.....	18
ARTICLE XVIII CORPORATE STRUCTURE AND MANAGEMENT OF THE OPERATING COMPANY	19
ARTICLE XIX SPECIFIC UNDERTAKINGS OF THE GOVERNMENT.....	19
Section 1 Access to Information.....	19
Section 2 Provision of Documents.....	19
Section 3 Use of Aircraft.....	20
Section 4 Use of Airports and Seaports	20
Section 5 Electricity Generation and Transmission.....	20
Section 6 Issuance of Necessary Authorizations	20
Section 7 Protection against Nationalization or Expropriation	20
Section 8 Peaceful Enjoyment.....	21
Section 9 Non-Derogation; Stabilization	21
Section 10 Equitable Treatment.....	21
ARTICLE XX SPECIFIC UNDERTAKINGS OF THE CONCESSIONAIRE	22
ARTICLE XXI INDEMNIFICATION	22
Section 1 Indemnification for Breach of Agreement.....	22
Section 2 CONCESSIONAIRE's Indemnification of GOVERNMENT.....	22
Section 3 GOVERNMENT's Indemnification of the CONCESSIONAIRE and its Affiliates	22
ARTICLE XXII INCOME TAXATION	23
Section 1 Rate and Basis	23
Section 2 Computation of Net Taxable Income	23
Section 3 Carry Forward Permitted	24
Section 4 Computation of Taxable Income in Dollars.....	24
ARTICLE XXIII ROYALTY.....	24
Section 1 Royalty Rate.....	24
Section 2 Royalty Basis.....	24
Section 3 Payment.....	25
ARTICLE XXIV SURFACE RENTAL.....	25
Section 1 Concession Area.....	25
Section 2 Payment.....	25

ARTICLE XXV OTHER PAYMENTS TO THE GOVERNMENT	25
Section 1 Import Duties and Other Payments	25
Section 2 Payments in Lieu of Duties and Fees	25
Section 3 Other Payments	26
Section 4 Mineral Development and Research Fund	26
Section 5 Other Exemptions from Taxes and Duties	26
Section 6 Non-Application of Article XXV, Section 5	26
ARTICLE XXVI FINANCIAL REPORTING AND CURRENCY	27
Section 1 Accounting	27
Section 2 Exchange Control	27
Section 3 Currency of Payment	27
Section 4 Right to Remit and Receive Payments	28
Section 5 Audit	28
ARTICLE XXVII INCIDENTAL RIGHTS	29
Section 1 Use of Resources	29
Section 2 Imports	29
Section 3 Taxes on Resale	29
Section 4 Sale of Iron Ore and associated Minerals and Products	29
ARTICLE XXVIII ASSIGNMENT AND ENCUMBRANCE	30
Section 1 Right of Assignment	30
Section 2 Right to Appoint the Operating Company	30
Section 3 Right to Encumber	30
Section 4 Notice of Assignment or Encumbrance	30
ARTICLE XXIX TERMINATION	31
Section 1 Termination by the CONCESSIONAIRE	31
Section 2 Termination by GOVERNMENT	31
Section 3 Opportunity to Cure	31
Section 4 Disputes Regarding Events of Default	32
Section 5 Winding-up Commission	32
ARTICLE XXX DISPOSITION OF ASSETS	33
Section 1 Immovable Assets	33
Section 2 Movable Assets	33
Section 3 Removal of Movable Assets	33
ARTICLE XXXI ARBITRATION	34
Section 1 Submission to Arbitration	34
Section 2 Nationality for purposes of Arbitration	34
Section 3 Arbitrators	34
Section 4 Referee	34
Section 5 Venue	35
Section 6 Award	35
Section 7 Waiver of Sovereign Immunity	35

Section 8 Reservation of Rights	35
Section 9 Successors	36
ARTICLE XXXII COMMUNICATIONS BETWEEN PARTIES	36
Section 1 Written Communications	36
Section 2 Delivery	36
Section 3 Address	36
Section 4 Change of Address	37
ARTICLE XXXIII FORCE MAJEURE.....	38
Section 1 Application	38
Section 2 Definition	38
Section 3 No Required Settlement	38
ARTICLE XXXIV GOVERNING LAW	39
ARTICLE XXXV ENTIRE AGREEMENT-MODIFICATIONS	39
Section 1 Entire Agreement	39
Section 2 Amendments	39
ARTICLE XXXVI PERIODIC REVIEW	39
Section 1 Modification and Review	39
Section 2 Good Faith	39
ARTICLE XXXVII NON-WAIVER OF RIGHTS	39
ARTICLE XXXVIII SUCCESSION.....	40
ARTICLE XXXIX SURVIVAL PROVISION	40
WITNESSETH:	65

APPENDICES

APPENDIX A - Concession Area Definition Map

APPENDIX B - Concession Area Coordinates

APPENDIX C - Tentative Development Program

APPENDIX D - Capital Expenditures

APPENDIX E - Class A Mining License

APPENDIX F - Asset Register

MINERAL DEVELOPMENT AGREEMENT

This **MINERAL DEVELOPMENT AGREEMENT** is dated 17th August 2005 and made by and between the **GOVERNMENT OF THE REPUBLIC OF LIBERIA**, represented by and through the Minister of Finance, Honorable Lucinee F. Kamara, Sr., the Minister of Lands, Mines and Energy, Honorable Jonathan A. Mason, and the Chairman of the National Investment Commission, Honorable Roosevelt Quiah, (hereinafter referred to as the "GOVERNMENT"), and **MITTAL STEEL HOLDINGS NV**, a corporation duly organized and existing under the laws of the Netherlands Antilles (together with its Affiliates, the "PRINCIPAL"), acting on behalf of **MONTRAY LIMITED**, a company incorporated under the laws of Cyprus (hereinafter referred to as the " CONCESSIONAIRE ").

WITNESSETH:

WHEREAS, the Republic of Liberia is the owner of all iron Ore Deposits within the territory of Liberia, and all the rights related to the Development of all such iron Ore Deposits, including but not limited to the iron Ore Deposits within the concession areas that used to be granted to the **LIBERIAN AMERICAN-SWEDISH MINERALS COMPANY** (hereinafter referred to as the "LAMCO ") in the Republic of Liberia (hereinafter referred to as the "LAMCO Concession Areas"), pursuant to a Mining Concession Agreement dated April 28, 1960, as amended;

WHEREAS, the **GOVERNMENT** is determined to revitalize the Development of the iron Ore mining industry of Liberia, and, consequently, the **GOVERNMENT** desires to promote the Development and Production of iron Ore Deposits within the LAMCO Concession Areas for the economic and social benefit of Liberia and its people;

WHEREAS, the **GOVERNMENT** recognizes that substantial infusion of capital is necessary to facilitate the economic and efficient Development and Production of the iron Ore Deposits located in the LAMCO Concession Areas;

WHEREAS, the **GOVERNMENT** is the organ of the Republic of Liberia vested with authority to enter into agreements with international companies who wish to bring investment capital, operational expertise and other technical know-how to Liberia;

WHEREAS, as it relates to the Development of the iron Ore industry in Liberia, the Minister of Finance; the Minister of Lands, Mines and Energy, and the Chairman of the National Investment Commission are authorized and empowered by the **GOVERNMENT** to negotiate and conclude Mineral Development Agreements with investors;

WHEREAS, the **CONCESSIONAIRE** was selected through a tender process organized by the **GOVERNMENT**;

WHEREAS, in accordance with Law, this Mineral Development Agreement has been negotiated between the **CONCESSIONAIRE** and the **Minerals Technical Committee**; and

WHEREAS, in accordance with Law, the GOVERNMENT has the power to enter into this Agreement, to grant the CONCESSIONAIRE a Mineral Development Agreement as herein described, and to permit the CONCESSIONAIRE to conduct the Operations contemplated by this Agreement.

NOW, THEREFORE, for and in consideration of the premises, the mutual promises made by and between the GOVERNMENT and the CONCESSIONAIRE (hereinafter referred to as "the Parties"), the terms and conditions herein contained, the Parties hereto mutually agree, as follows:

ARTICLE I DEFINITIONS AND GENERAL RULES OF CONSTRUCTION

Section 1 Definitions

Capitalized terms not defined herein have the same meaning ascribed to them by the Minerals and Mining Law, unless otherwise provided herein.

- 1.1 "Agreement" shall mean this Agreement granting a mining right to the CONCESSIONAIRE and any amendments to it made pursuant to its terms as well as all exhibits and appendices to it.
- 1.2 "Associates" shall mean the Operating Company, Affiliates, shareholders, financiers and contractors (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.
- 1.3 "Centre" shall mean the International Centre for Settlement of Investment Disputes established under the auspices of the International Bank for Reconstruction and Development.
- 1.4 "Class A Mining License" shall have the meaning given in Article VI, Section 1 in this Agreement, and as specified in the Minerals and Mining Law
- 1.5 "Commercial Operation Startup Date" shall mean the date on which sales and dispatch of marketable iron Ore from the port of Buchanan shall have reached a monthly volume of not less than 100,000 mt for a continuous period of at least three months.
- 1.6 "CONCESSIONAIRE" shall mean MONTRAY LIMITED 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.
- 1.7 "Concession Area" shall mean the former LAMCO Concession Areas (but excluding the Kitoma and Goe Fantro Ranges) and all unencumbered areas covered by the associated infrastructure as defined in ARTICLE IV.

- 1.8 "Concession Year" shall mean a period of twelve (12) consecutive months according to the Gregorian calendar starting on the Effective Date of this Agreement or on any anniversary of said Effective Date.
- 1.9 "Convention" shall mean the Convention on the Settlement of Investment Disputes between States and Nationals of Other States opened to signature at Washington, D. C., United States of America, on March 18, 1965.
- 1.10 "Development" shall mean all preparation for the removal and recovery of Minerals, including, without limitation, the construction or installation of a mill or any other improvements to be used for the mining, handling, milling, beneficiation or other processing of Minerals.
- 1.11 "Dollar" and/or "US\$" shall mean the lawful currency of the United States of America.
- 1.12 "Effective Date" shall mean the date described in Article II.
- 1.13 "Extended Term" shall have the meaning given in Article III, Section 2.
- 1.14 "Feasibility Report" shall have the meaning given in Article VI, Section 1a.
- 1.15 "Financial Year" shall mean January 1 through December 31, or such other period as the parties may agree.
- 1.16 "Foreign Currency" shall mean Dollars and any other currency except currency that is not legal tender in the Republic.
- 1.17 "GOVERNMENT" shall mean the Republic of Liberia, its GOVERNMENT, and all political subdivisions, branches, divisions, instrumentalities, authorities and agencies thereof.
- 1.18 "Infrastructure" shall mean the following:
- a. Immoveable transportation and communication facilities (including roads, bridges, railroads, airports, land strips and landing pads for aircraft, hangars and other airport facilities, garages, channel, tramways, pipelines and radio, telephone, telegraph, telecommunications, and electronic or other forms of communications facilities);
 - b. Immoveable port facilities (including docks, harbors, piers, jetties, breakwaters, terminal facilities and warehouses, and loading and unloading facilities);
 - c. Immoveable power, water and sewerage facilities (including electrical generating plants and transmission lines, dams, water drains, water supply systems and systems for disposing of tailings, plant waste and sewage);
 - d. Immoveable public welfare facilities (including schools, hospitals and public halls);

- e. Miscellaneous immovable facilities used primarily in connection with the operation of any of the foregoing (including offices, machine shops, foundries, repair shops and warehouses);
 - f. Other immovable facilities used primarily in connection with or as an incident to Operations; and
 - g. Movable facilities and equipment used as an integral part of the immovable facilities described in paragraphs a through f above.
- 1.19 "International Standards" shall mean generally accepted world mining industry standards and procedures, due allowance being made for any special circumstances.
- 1.20 "Law" shall mean any constitution, law, statute, decree, rule, regulation, judicial act or decision, judgment, order, proclamation, directive, executive order or sovereign act of the GOVERNMENT that affects or purports to affect the CONCESSIONAIRE or is generally applicable in the Republic of Liberia.
- 1.21 "LAMCO" and "LAMCO Concession Areas" shall have the meaning set forth in the Preamble hereof.
- 1.22 "Minerals and Mining Law" shall mean the New Minerals and Mining Law of the Republic of Liberia, Part 1, Title 23, Liberian Code of Laws Revised, as approved on April 3, 2000 and published by the Ministry of Foreign Affairs on September 20, 2000.
- 1.23 "Notice" shall mean any written notice by a Party made in accordance with Article XXXII.
- 1.24 "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 Minerals and products, as well as the financing of any of the foregoing.
- 1.25 "Operating Company" shall mean MITTAL STEEL LIBERIA LIMITED, a company to be organized under the laws of the Republic of Liberia, in its capacity as agent of the CONCESSIONAIRE for purposes of carrying out the Operations pursuant to Article XXVIII, Section 2.
- 1.26 "Party" shall mean either the GOVERNMENT or the CONCESSIONAIRE and, in the plural forms, both the GOVERNMENT and the CONCESSIONAIRE and any permitted assignee of the GOVERNMENT or the CONCESSIONAIRE.
- 1.27 "Person" shall have the meaning set forth in the Minerals and Mining Law.
- 1.28 "Prevailing Market Rate of Exchange" shall mean the predominant rate, expressed in Dollars, at which willing sellers and willing buyers, acting at arm's length and in the ordinary course of business, purchase or sell, or agree to purchase or sell, currency of another nation.

- 1.29 "Production" shall mean the commercial exploitation of Minerals 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 the mining, excavation, extraction, recovery, handling, beneficiation, processing, milling, stockpiling, transportation, export and sale of Minerals.
- 1.30 "Production Area" shall mean an area selected as such by the CONCESSIONAIRE pursuant to Article VI, Section 2.
- 1.31 "Republic" shall mean the Republic of Liberia.
- 1.32 "Taxes and Duties" shall mean any and all direct and indirect income, profit, gains, capital gains, corporation, net worth, sales, transaction, payroll, import, export, customs, consul, inspection, value added, consumption, supply, use, turnover, severance, stumpage, cash flow, rental, land rental, surface rental, property, stamp and other taxes, duties, fees, levies, excises, rates, charges, imposts, surcharges, royalties and other imposed revenue payments of whatever nature and however called and whether similar or dissimilar to the foregoing.

Section 2 General Rules of Construction

- 2.1 Headings - The headings of the clauses, Articles and Sections of this Agreement are inserted for convenience only and shall not affect the construction hereof.
- 2.2 Included Words - This Agreement shall be read with such changes in gender or number as the context shall require.
- 2.3 Reference - Unless otherwise stated, a reference herein to a numbered or lettered Article, Section or Appendix shall refer to the Article, Section or Appendix bearing that number or letter in this Agreement. A reference to "this Agreement," "hereof," "hereunder," "herein," or words of similar meaning, shall mean this Agreement, including the Appendices hereto, together with any amendments thereof. The words "and" and "or" will include the conjunctive and disjunctive, as the context may require or permit. The word "include" (and any variation) is used in an illustrative sense rather than in a limiting sense.
- 2.4 Severability - If any provision of this Agreement is or shall become illegal, invalid or unenforceable, in whole or in part, the remaining provisions shall nevertheless be and remain valid and subsisting and the said remaining provisions shall be construed as if this Agreement had been executed without the illegal, invalid or unenforceable portion.

ARTICLE II EFFECTIVE DATE

This Agreement shall become effective and be binding on the Parties thereto when executed by them, attested by the Minister of Justice of the Republic, ratified by the National

Transitional Legislative Assembly and approved by the Chairman of the National Transitional Government of Liberia.

ARTICLE III TERMS OF THE AGREEMENT

Section 1 Initial Term

The initial term of this Agreement shall commence on the Effective Date and, subject to Article III, Section 2 below, end on the twenty-fifth (25th) anniversary of the Effective Date, unless sooner terminated in accordance with the other provisions of this Agreement.

Section 2 Extended Terms

- a. Notwithstanding the provisions of Article III, Section 1 above, the CONCESSIONAIRE shall have the right to request an extension of the term of this Agreement for additional terms not exceeding twenty-five (25) years each (the "Extended Terms") upon providing the GOVERNMENT with Notice, at least one year prior to the termination of the initial term or any extended term, of its intention to seek such extension-which Notice shall be accompanied with a revised Feasibility Report. The revised Feasibility Report shall indicate that proven reserves exist, shall set forth the type and quantity of Ore that is estimated to exist in the Concession Area, or any part thereof, and shall describe in reasonable detail a proposed plan for efficient and economic Production of such Ore (in accordance with International Standards and the provisions of this Agreement). It shall also set out a detailed description of the proposed mining and processing methods, the design, cost and construction schedules for the proposed facilities and equipment, the financing arrangements contemplated, and the CONCESSIONAIRE's best estimate in good faith of the date upon which production of such Ore will cease (the "Extended Date").
- b. The GOVERNMENT shall grant its approval for the Extended Term through the Extended Date if the revised Feasibility Report reasonably complies with International Standards, the GOVERNMENT's overall mineral development strategy and the provisions of this Agreement. The GOVERNMENT shall, in the event of any delay in or denial of approval of a revised Feasibility Report, promptly give to the CONCESSIONAIRE full details, in writing, of its reasons for withholding or delaying approval. Without prejudice to the generality of Article III, Section 2, if, in the CONCESSIONAIRE's opinion, any such approval has been wrongfully withheld or unreasonably delayed, it may invoke the provisions of Article XXXI on arbitration.
- c. With respect to any such Extended Term, the fiscal terms and conditions of this Agreement shall be amended in such manner as the Parties hereto may agree as fair and reasonable, taking into account fiscal terms generally applicable at the end of any immediately preceding term to large scale mining entities worldwide in respect of operations of the nature envisaged in the Extended Term (due allowance being made for any special circumstances).

**ARTICLE IV
CONCESSION AREA**

Section 1 Grant of Rights

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 Minerals and products, and rehabilitation of the associated Infrastructure in the Concession Area.

Section 2 Concession Area

The Concession Area is as shown on the map attached hereto as Appendix A, the coordinates of which are specified in Appendix B.

Section 3 Contiguous Areas

The CONCESSIONAIRE shall be given the right of first refusal for inclusion within the Concession Area of unencumbered contiguous areas with potentially exploitable iron Ore resources to enable the CONCESSIONAIRE to undertake Exploration and, as appropriate, Development and Production therein.

**ARTICLE V
WORK PROGRAM**

Section 1 Commencement of Development

The CONCESSIONAIRE shall commence activities as is reasonably practicable, but not later than forty five (45) days of the Effective Date. The overall Tentative Development Program is attached hereto as Appendix C.

Section 2 Capital Expenditures

In respect of Article V, Section 1 above, the CONCESSIONAIRE shall incur capital expenditures, subject to continuing viability of the business, as stipulated in Appendix D.

Section 3 Operation Reports, Records and Inspection

- a. 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.

- b. The CONCESSIONAIRE shall keep the GOVERNMENT fully informed of all operations and activities, wherever conducted in Liberia, and of its plans in respect thereof. The GOVERNMENT shall have the right to monitor exploration and mining Operations from time to time and a reasonable number of GOVERNMENT personnel may, upon prior notice to the CONCESSIONAIRE, at reasonable time and subject to compliance with the CONCESSIONAIRE's security and safety requirements, and without interfering with the normal conduct of their activities by the CONCESSIONAIRE, attend and inspect the exploration and mining Operations and activities conducted in Liberia; and
- c. Within thirty (30) days after the end of each calendar quarter, the CONCESSIONAIRE shall provide the GOVERNMENT with a report on all exploration and mining Operations for that calendar quarter, including financial reports 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 exploration and mining Operations and activities for that Financial Year, including financial reports of iron Ore produced and sold.

ARTICLE VI MINING AND EXPLORATION LICENSES

Section 1 Class A Mining License

Upon receipt of Notice from the CONCESSIONAIRE, the GOVERNMENT shall from time to time grant the CONCESSIONAIRE a Class A Mining License for each proposed Production Area, substantially in the form as attached hereto as Appendix E, subject to the following conditions:

- a. This Agreement shall have become effective in accordance with Article II.
- b. The CONCESSIONAIRE shall have completed an evaluation of the existing exploration data and submitted to the GOVERNMENT a detailed map and descriptive statements on the boundaries and size of the deposits from which Production will be carried out pursuant to Article VI, Section 2 below; and
- c. The CONCESSIONAIRE shall have completed a Feasibility Report describing a plan for the efficient and economic conduct of the Operations in the proposed Production Area, including a description of the proposed mining and processing methods, the design, costs and construction schedules for the proposed facilities and equipment and the marketing arrangements contemplated. The GOVERNMENT shall not withhold or unreasonably delay its approval of the Feasibility Report and shall grant its approval if the Feasibility Report, or any amendment made to it by the CONCESSIONAIRE, reasonably complies with the provisions of the Minerals and Mining Law and the provisions of this Agreement. The GOVERNMENT shall, in the event of any delay in or denial of approval of the Feasibility Report, promptly give to the CONCESSIONAIRE full details, in writing, of its reasons for withholding or delaying approval. If, in the CONCESSIONAIRE's opinion, any such approval has been wrongfully withheld or unreasonably delayed, it may invoke the provisions of Article XXXI on arbitration.

Section 2 Production / eas

The Production Areas shall consist of such parts of the Concession Area as, in the opinion of the CONCESSIONAIRE and subject to Article IV, Sections 2 and 3, have to be subject to Production, taking into account the extent and nature of the Ore found therein and the requirements for the efficient and economic Production of such Ore.

The CONCESSIONAIRE shall define the proposed Production Area and shall submit to the GOVERNMENT a detailed map and descriptive statement based on actual surveys which shall set forth the boundaries of the proposed Production Area which shall be identified by metes and bounds, and the boundaries and size of the iron Ore Deposit or deposits which the CONCESSIONAIRE intends to produce. The maps shall be of such scale and contain such detail, including geographical and topographical information, as may reasonably be necessary to identify accurately the proposed Production Area and the boundaries of the iron Ore Deposits.

Section 3 Term of the Class A Mining License

The Class A Mining License for a Production Area selected by the CONCESSIONAIRE shall remain valid and effective for the unexpired portion of the term of this Agreement and any Extended Terms.

Section 4 Additional Minerals

If the CONCESSIONAIRE discovers that the Concession Area contains Minerals other than those subject to the Class A Mining License, it shall have the right to Mine such additional Minerals, subject to the provisions of Section 6.7 c. of the Minerals and Mining Law.

Section 5 Exploration License

To the extent needed pursuant to Sections 5.4 and 6.2 of the Minerals and Mining Law, upon receipt of Notice from the CONCESSIONAIRE, the GOVERNMENT shall grant the CONCESSIONAIRE an Exploration License for any Exploration Area proposed by the CONCESSIONAIRE within the Concession Area.

ARTICLE VII CONFIDENTIALITY

Section 1 Confidential Information

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 below. 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 CONCESSIONAIRE's bankers, advisors and all those who are, in a special way, connected with the Operations.

Section 2 Public Information

The obligation of confidentiality set forth in Article VII, Section 1 above shall not apply either to information exchanged between the Parties hereto which is in the public domain or to information exchanged by the Parties which the CONCESSIONAIRE is required to reveal to any other Person by law applicable to it.

ARTICLE VIII PRODUCTION WORK PROGRAMS

Subject to Articles V and VI, the CONCESSIONAIRE shall commence and continue construction, acquisition and installation of facilities and equipment, and otherwise shall produce iron Ore products, substantially in accordance with the Feasibility Report, unless such Production becomes uneconomical, in which event the CONCESSIONAIRE may exercise the rights provided in the last sentence of Article XXXIII, Section 1.

ARTICLE IX LAND AND FACILITIES

Section 1 Public Land

- a. The CONCESSIONAIRE shall have the right to enter upon and utilize all public land within the Concession Area for purposes of, and incidental to, the Operations, without costs except as provided for by ARTICLE XXIV, Sections 1 and 2 below.
- b. To the extent that it does not involve an unreasonable interference with the rights of other persons, the GOVERNMENT shall grant the CONCESSIONAIRE the right to enter upon, utilize and possess, without cost, any public land not within the Concession Area and which is reasonably required by the CONCESSIONAIRE for purposes of and incidental to Operations including areas required for plant and equipment, Infrastructure and other facilities and equipment. Possession of such land shall be returned to the GOVERNMENT following the termination of this Agreement, if not earlier returned, and such land shall be deemed part of the Concession Area during any such period of the occupancy and used by the CONCESSIONAIRE.

Section 2 Private Land

- a. In the event that occupation of private land within the Concession Area will be required for or incidental to the Operations, the CONCESSIONAIRE shall endeavor, by direct agreement with the owner(s), to enter upon and utilize such private land.
- b. If the CONCESSIONAIRE and the owner of private land in the Concession Area which the CONCESSIONAIRE reasonably requires for the Operations cannot agree, the GOVERNMENT shall, at the request of the CONCESSIONAIRE, intervene to assist in the conclusion of such agreement, failing which the GOVERNMENT shall, at the request of the CONCESSIONAIRE, use the rights conferred to it by Section 11.3 of the Minerals and Mining Law to acquire such land and all improvements thereon in the public interest. The CONCESSIONAIRE shall reimburse the

GOVERNMENT for all reasonable costs paid in connection with such exploration, including just compensation paid to the prior owner, provided, however, that the amount paid by the GOVERNMENT to the owner shall not exceed the reasonable value of the owner's interest in such land (land and any improvements thereon) determined, without regards to the value of any Mineral which may be contained therein, by means of an appraisal conducted by a qualified Person mutually agreed to by the Parties hereto. Title to the property thus acquired shall vest in the GOVERNMENT, and the GOVERNMENT shall grant the CONCESSIONAIRE the right to enter upon, utilize and possess such land which shall be deemed part of the Concession Area.

- c. 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, and such land shall be deemed part of the Concession Area during any period of the occupancy and use by the CONCESSIONAIRE.
- d. 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) owned by a Person other than the GOVERNMENT; and
 2. Public land shall mean all land other than private land.

Section 3 Assets and Facilities

- a. 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, and associated facilities;
 2. The industrial infrastructure, facilities, rights and assets held in custody by LIMINCO or related to the LAMCO Concession Areas. In the event any third party wishes to have access to the railway and Buchanan mineral port facilities in relation to a large scale project in Liberia, such as in relation to the implementation of the Mifergui Project or any other iron Ore project, it is agreed that such third party will have the right, subject to the provisions set forth in this Agreement and upon application to the Parties hereto, to carriage of its goods on the railway line and to export thereof through the port of Buchanan. Negotiations between the Parties hereto and such third party shall take place during the time that such interest is expressed. Negotiations with third parties shall be in good faith and shall conform to international industrial standards;
 3. All the housing units in Buchanan and Yekepa and associated infrastructure dedicated to health services and education.

b. New Facilities within the Concession Area:

1. 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; it shall have the right, free of charge, to cut and utilize timber, to quarry and use stone or rock, and use water reserves, to the extent reasonably needed for the Operations;
2. 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.
3. To the extent reasonable in connection with the Operations, the CONCESSIONAIRE shall have the right, subject to prior consultation with the 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, 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 indemnify and keep harmless the CONCESSIONAIRE from all claims by third parties arising there from. Under no circumstances will the GOVERNMENT engage in such construction if the effect of so doing would be to disrupt or interrupt the conduct of the Operations.

c. 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.
- d. Third Party Access to the Railroad and Mineral Port:
1. To the extent that the CONCESSIONAIRE does not utilize its railroad and mineral port Infrastructures to full capacity, it shall grant to third parties the right to use said Infrastructure for transportation and shipment of Minerals, on reasonable Notice to the CONCESSIONAIRE, provided that such use does not impair the efficient and economic conduct of the Operations and subject to technical and commercial terms to be mutually agreed in good faith among the GOVERNMENT, the CONCESSIONAIRE and such third parties. Such third parties shall pay reasonable and prompt compensation to the CONCESSIONAIRE.
 2. Such third party access shall be at no cost to the CONCESSIONAIRE and all necessary enhancement costs shall be borne by the third party.
 3. The GOVERNMENT shall have the right to impose and collect transit fees for such third party access and agreement to such transit fees with third parties and collections thereof shall be the responsibility of the GOVERNMENT.

ARTICLE X HEALTH CARE, SAFETY AND SECURITY

Section 1 Health Care

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 connection with Operations, the CONCESSIONAIRE shall furnish in the Concession Area free medical treatment, care and attention at acceptable standards to all of its employees and officials working in connection with the CONCESSIONAIRE's Operations, and their spouses and immediate dependents, and shall acquire qualified medical staff and maintain 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 a dispensary or 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 is as is defined in the Labor Practices Law of Liberia.

Section 2 Safety

In connection with the Operations, the CONCESSIONAIRE shall construct, maintain and operate safety devices and equipment and shall practice such safety procedures and precautions (including regular safety training instruction for its employees) as are in accordance with International Standards. The CONCESSIONAIRE shall notify the GOVERNMENT immediately of any death of or serious injury to any employees of the CONCESSIONAIRE that occurred as a result of the Operations. For the purposes of this Article X, Section 2, a "serious" injury shall mean an injury, confirmed by medical reports, which is likely to cause the injured person to lose six (6) or more working days. The CONCESSIONAIRE shall comply with such reasonable written instructions as may, from time to time, be given by the GOVERNMENT under Law with respect to preventing the spread of contagious, life-threatening diseases and other public health hazards.

Section 3 Security Force

The CONCESSIONAIRE shall have the right in keeping with the provisions of the Laws, 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 properly restricted for economic, operational or security reasons, always being subject to Law. This Section 3 shall not affect or alter the GOVERNMENT's obligations under Article XXIX.

ARTICLE XI EDUCATION AND SKILLS TRAINING

Section 1 Education

- a. On and from the Commercial Operation Startup Date, the CONCESSIONAIRE shall provide, in the Concession Area, free primary and secondary education (in conformity with provisions of the Education Laws of Liberia and generally applicable standards on education in Liberia) for the direct dependents of the CONCESSIONAIRE's own employees, and the GOVERNMENT officials assigned in the Concession Area in connection with the Operations.

- b. If the CONCESSIONAIRE conducts substantial Production in an area in which facilities are inadequate to conduct such education, it shall pay the costs of such education in existing facilities or, at its option, provide facilities reasonably adequate for such purpose.

Section 2 Skills & Training of Liberians

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

- a. Establishing and operating vocational and advanced training programs in Liberia
- b. Furnishing on-the-job counterpart training, not only in Liberia, but to the extent reasonably feasible in the offices of CONCESSIONAIRE or its Associates outside 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 Fifty Thousand Dollars (US\$ 50,000) per year to fund new scholarships for qualified Liberian citizens to pursue advanced studies abroad. Detail 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.

Section 3 Assistance to Mining and Geology Programs of the University of Liberia

The CONCESSIONAIRE shall provide financial assistance up to Fifty Thousand Dollars (US\$ 50,000) per year to the Departments of Mining and Geology at the University of Liberia for capacity-building and shall also provide financial and technical assistance to students majoring in mining engineering and geology who are in good academic standing. Said assistance shall consist of but not be limited to tuition payment, books, dormitory fees and allowances. 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 XII EMPLOYMENT AND SECONDMENT

Section 1 Employment

The CONCESSIONAIRE shall not import unskilled labor into the Republic. The CONCESSIONAIRE shall employ (and shall give preference, at equality of qualifications, to the employment of) qualified Liberian citizens for skilled, technical, administrative and managerial positions. The CONCESSIONAIRE shall, however, have the right at all times to choose its senior management freely. 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.

Section 2 Secondment

- a. In order to effect the policy of technology transfer, at all times during the Operations, the GOVERNMENT shall, in consultation with the CONCESSIONAIRE second an agreed list of up to two (2) professionals, including geologists, mining engineers, surveyors, etc., to participate in the technical aspects of the Operations as well as in the marketing activities.
- b. The CONCESSIONAIRE shall provide subsistence allowances to the secondees at a rate to be mutually agreed by the Parties.

ARTICLE XIII USE OF LIBERIAN SERVICES AND MATERIALS

The CONCESSIONAIRE and its Associates shall, when purchasing goods and services required with respect to the Operations, give first preference, at equality of quality, delivery schedule and price, to goods and services provided by Liberian citizens, subject to technical acceptability and commerciality. Subject to the foregoing, the CONCESSIONAIRE may freely contract with such Persons as it desires.

ARTICLE XIV COMMUNITY RESOURCES

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, during the term of this Agreement, of centers of population that have formed and which may form as a result of such Operations. Upon 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 (3) million which shall be managed and disbursed for the benefit of Liberian communities by a dedicated committee to be formed between the Parties. It is agreed by the Parties that, for the first year only, a lump sum of US\$1.5 million shall be deducted from the foregoing amount and provided to the Liberia Mining Corporation ("LIMINCO"), subject to corresponding audited accounts, to liquidate the outstanding wages and salary arrears of former LIMINCO workers. The schedule for the liquidation of such wages and salary arrears is to be agreed between the CONCESSIONAIRE and LIMINCO.

**ARTICLE XV
ENVIRONMENTAL PROTECTION AND MANAGEMENT**

Section 1 Environmental Management

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 but shall be encouraged to take steps to remedy situations that may lead to environmental hazards.

The CONCESSIONAIRE shall submit to the GOVERNMENT an Environmental Impact Assessment Study in accordance with Law, for approval prior to the grant of a Class A Mining License.

Section 2 Environmental Audit and Assessment

The GOVERNMENT may, at the expense of the CONCESSIONAIRE, conduct a periodic 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 set forth in Section 1 above.

Prior to commissioning such studies, the GOVERNMENT and the CONCESSIONAIRE shall agree on the scope and budget for each study.

If any defects are caused to the environment consequent to its 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 timescale and shall be warned to take preventive measures to avoid further damage to the environment.

**ARTICLE XVI
CAPITAL AND CORPORATE STRUCTURE OF THE CONCESSIONAIRE**

Section 1 Winding-up

The CONCESSIONAIRE shall not be wound up prior to termination of this Agreement.

Section 2 Initial Capital Structure of the CONCESSIONAIRE

The CONCESSIONAIRE is a company in the process of being incorporated in Cyprus by the PRINCIPAL. Such incorporation of the CONCESSIONAIRE shall be completed before the Effective Date. 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;

The GOVERNMENT: Thirty (30) percent.

Between the Effective Date and the Commercial Operation Startup Date, the PRINCIPAL shall procure to be contributed cash in the amount of Thirty-Five Million Dollars (US\$ 35,000,000), and the GOVERNMENT shall contribute in kind (i) the Class A Mining License and (ii) the assets and facilities listed in Appendix F for an aggregate value of Fifteen Million Dollars (US\$15,000,000). The Parties recognize that the fair value of the assets and facilities contributed by the GOVERNMENT to the CONCESSIONAIRE, considering the current state of such assets and facilities, amounts to Fifteen Million Dollars (US\$15,000,000).

Pursuant to the contributions set forth in the above paragraphs and to the provisions of Section 9.22 of the Minerals and Mining Law, the share capital of the CONCESSIONAIRE shall amount to Fifty Million and Ten Thousand Dollars (US\$ 50,010,000), divided in Fifty Million and Ten Thousand (50,010,000) shares of par value US\$ One (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.

Section 3 Evolution of the Capital Structure

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 that 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 the event that the GOVERNMENT is unable to provide in a timely manner its proportionate contribution to any share capital increase of the CONCESSIONAIRE, the PRINCIPAL shall have the right to require the GOVERNMENT to sell its shares in the CONCESSIONAIRE to the PRINCIPAL at a reasonable price. In no event, however, the equity participation of the Government in the capital of the CONCESSIONAIRE shall become less than fifteen (15) percent on a fully diluted basis.

ARTICLE XVII PROVISION OF FUNDS TO THE CONCESSIONAIRE

The 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 defined in Appendix C and Appendix D:

**ARTICLE XVIII
CORPORATE STRUCTURE AND MANAGEMENT OF THE OPERATING
COMPANY**

The Operating Company shall be a wholly owned subsidiary of the CONCESSIONAIRE, to be incorporated in Liberia.

The Board of Directors of the Operating Company shall consist of eleven (11) members. The Chairman and five (5) other Board members shall be nominated by the CONCESSIONAIRE, and five (5) Board members shall be nominated by the GOVERNMENT.

All decisions of the Board shall be taken at the simple majority of its members.

The CONCESSIONAIRE may decide to constitute a Technical Committee to the Board of Directors of the Operating Company, which shall hold periodic meetings for the purpose of making recommendations to the Operating Company through the Board with respect to matters arising in the course of operational, medical, health, safety, educational, environmental and other matters. The committee shall also make recommendations through the Board to the Operating Company with respect to the construction by the Operating Company within Liberia of new facilities and/or the expansion of the existing facilities, for the purpose of providing the Operating Company with transportation, communication, power, water, sewerage, and similar utilities with a view towards coordinating the needs and plans of the Operating Company with the needs and plans of the GOVERNMENT for the construction, maintenance and operation of similar facilities for the GOVERNMENT and public purposes. The Technical Committee shall submit its recommendations to the Board of Directors of the Operating Company.

**ARTICLE XIX
SPECIFIC UNDERTAKINGS OF THE GOVERNMENT**

Section 1 Access to Information

The GOVERNMENT hereby undertakes and affirms that the CONCESSIONAIRE, at basic cost, shall be entitled to use and to have access to all geological or other information relating to the Concession Area that is owned by the GOVERNMENT or may be in or subject to the GOVERNMENT's control. The GOVERNMENT hereby agrees that it shall provide such information upon the CONCESSIONAIRE's request within a reasonable time, or that it shall cooperate with the CONCESSIONAIRE to obtain such information from third parties, as the case may be. For purposes of this Agreement, "basic cost" shall mean the cost of reproduction and any additional un-recovered cost actually incurred by the GOVERNMENT in obtaining such information but not to exceed rates charged to other Persons.

Section 2 Provision of Documents

Subject to Article XII, Section 1 and except to the extent any such person may be disqualified by Law, the GOVERNMENT shall promptly furnish to each employee of the CONCESSIONAIRE and its Associates who is not a citizen of the Republic, and to the spouse and minor dependents of each such employee, all documents and visas necessary to

enable such person to enter and to leave, or travel within, the territory of the Republic without hindrance, molestation and intimidation.

Section 3 Use of Aircraft

The GOVERNMENT hereby undertakes and affirms that the CONCESSIONAIRE and its Associates shall be entitled to use, 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, except for those used exclusively as military bases, and shall pay the lowest applicable fees and tariffs for such use.

Section 4 Use of Airports and Seaports

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 prices paid by any other Person, for all aircraft and ships whose presence in Liberian territorial airspace or waters is required by the CONCESSIONAIRE or its Associates in connection with 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 with Law.

Section 5 Electricity Generation and Transmission

The GOVERNMENT undertakes and affirms that the CONCESSIONAIRE and its Associates shall be entitled, at their own cost but free of any further Taxes or Duties or other payments to any Person and/or the GOVERNMENT for or in connection with the exercise of such entitlement, 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 the lowest rates applicable 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 third party users at fair market price.

Section 6 Issuance of Necessary Authorizations

The GOVERNMENT undertakes and affirms that it shall issue all licenses, permits, mining titles, easements, and other authorizations, including but not limited to, the rights and titles referred to in Article IV, Section 1 and Article VI, Section 1 above and in Section 11.6 of the Mining Law, which are or may be necessary for the CONCESSIONAIRE or its Associates to conduct the Operations.

Section 7 Protection against Nationalization or Expropriation

The GOVERNMENT undertakes and affirms that it shall not nationalize, condemn or expropriate:

- a. Any Infrastructure, facilities or other property, movable or immovable, of the CONCESSIONAIRE or its Associates to the extent connected with or affecting the Operations;
- b. Iron Ore, associated Minerals or derivatives thereof in any form resulting from the Operations;
- c. Any equity, shares or ownership interests of whatever nature and kind held in or issued by the CONCESSIONAIRE;
- d. Any Infrastructure put in place or used by the CONCESSIONAIRE in connection with the Operations; and
- e. Any capital invested by the CONCESSIONAIRE or its Associates in the Republic.

Section 8 Peaceful Enjoyment

The GOVERNMENT hereby warrants, and defends the CONCESSIONAIRE's title to, possession and peaceful enjoyment of all rights granted to it by this Agreement and all of its property in the Republic against expropriation, confiscation, condemnation, wrongful possession, and to the extent possible, destruction, disruption, or interference by any Person.

Section 9 Non-Derogation; 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 this Agreement be derogated from or otherwise prejudiced by any Law or by 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. In particular, any modifications that could be made in the future to the Law as in effect on the Effective Date shall not apply to the CONCESSIONAIRE and its Associates without their prior written consent, but the CONCESSIONAIRE and its Associates may at any time elect to be governed by the legal and regulatory provisions resulting from changes made at any time in the Law as in effect on the Effective Date.

In the event of any conflict between this Agreement or the rights, obligations and duties of a Party under this Agreement, and any other Law, including administrative rules and procedures and matters relating to procedure, and applicable international law, then this Agreement shall govern the rights, obligations and duties of the Parties.

Section 10 Equitable Treatment

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 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 being explored for, developed or produced by 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.

ARTICLE XX
SPECIFIC UNDERTAKINGS OF THE CONCESSIONAIRE

The CONCESSIONAIRE shall:

- a. Provide the GOVERNMENT with an evaluation of the existing exploration data, a Feasibility Report and an Environmental Impact Assessment Study in order to enable the GOVERNMENT to issue a Class A Mining License for the designated Production Areas within the Concession Area, in accordance with the provisions of Article VI, Section 1, as soon as possible after the Effective Date;
- b. Provide the expertise, systems, technical know-how and finance required for the conduct of the Operations, in accordance with the provisions hereof; and
- c. Use a suitable management structure and internationally accepted standards of accounting, corporate governance and reporting.

ARTICLE XXI
INDEMNIFICATION

Section 1 Indemnification for Breach of Agreement

Any breach by either Party to this Agreement of any obligation provided for in this Agreement shall entitle the Party aggrieved by the breach to be indemnified by the defaulting Party in an amount equal to the damage suffered by the aggrieved Party.

Section 2 CONCESSIONAIRE's Indemnification of GOVERNMENT

The CONCESSIONAIRE shall at all times indemnify and hold harmless the GOVERNMENT and its officers and agents from any and all claims and liabilities for death or injury to persons or damage to property from any cause whatsoever arising out of Operations and/or as a result of the CONCESSIONAIRE's failure to comply with any Law to which it is subject.

Section 3 GOVERNMENT's Indemnification of the CONCESSIONAIRE and its Affiliates

The GOVERNMENT shall indemnify and hold harmless the CONCESSIONAIRE and its Affiliates from any and all claims, liabilities, costs, expenses, losses and damages suffered by them (whether arising by operation of Law or contract, voluntarily made, or otherwise reasonably assumed by it) as a result of any failure of the GOVERNMENT to honor any provision or undertaking expressed in this Agreement.

ARTICLE XXII INCOME TAXATION

Section 1 Rate and Basis

The CONCESSIONAIRE and its Associates shall be liable to taxation under provisions of the Minerals and Mining Law and the Revenue Code of Liberia (Act of 2000) on its net taxable income, which shall include capital gains, as follows.

The rate of net taxable income shall not be more than thirty percent (30%), which net taxable income shall mean its gross income from Production and other Operations, as well as its capital gains from the sale or disposition of any asset to, for the benefit of, any person, and any other income from business activity or investment, including currency gains when realized, less the deductions set forth in Article XXII, Sections 2 and 4.

Notwithstanding the provisions above and any provisions of Law, the CONCESSIONAIRE and its Associates shall be exempt from taxation on net taxable income for at least five (5) years from the Effective Date of this Agreement. The CONCESSIONAIRE anticipates, in view of the size of the investment contemplated hereby, filing for an extension of the income tax relief period referred to in the foregoing sentence. In such event, the GOVERNMENT hereby agrees to consider such application in good faith and to facilitate its approval in accordance with the procedures provided for by the Revenue Code of Liberia Act of 2000 and the Investment Incentive Code of Liberia as in effect on the Effective Date.

The CONCESSIONAIRE and its Associates shall not incur, in the Republic, any taxation in connection with the distribution by the CONCESSIONAIRE or its Associates of dividends or any other reserves or assets; provided that, in the event that any new class of shares of the CONCESSIONAIRE are issued to third parties, dividends paid to such third parties shall be subject to taxation in accordance with Law.

Section 2 Computation of Net Taxable Income

In computing net taxable income, the following shall be allowed as deductions from its gross income:

- a. In the year incurred, all expenditures on the Operations, other than the capital cost of items of plant, equipment, machinery and Infrastructure and other than any payment made to an expatriate employee as reimbursement for Taxes and Duties paid by such employee, or otherwise as specifically provided below;
- b. Commencing in the year construction, acquisition or installation is completed, an allowance for depreciation of the items of plant, equipment, machinery and Infrastructure shall be computed in accordance with the Revenue Code of the Republic (Act of 2000);
- c. In the year sold, the difference between the adjusted basis and the selling price of any assets to the extent the selling price is less than the adjusted basis or, if any asset is declared to be scrap or obsolete or if construction, acquisition or installation of any asset is abandoned prior to completion, the adjusted basis of the asset in the year the asset is declared scrap or obsolete or in which construction, acquisition or installation of the asset is abandoned;

- d. In the year incurred, all interest and other financing charges on any indebtedness incurred in connection with the Operations;
- e. In the year paid or incurred, any and all payments of Taxes and Duties, except for income tax as provided within the Revenue Code of Liberia (Act of 2000);
- f. In each year, all bad debts in excess of any reserve against bad debts, existing in such year and allowed as a deduction against gross income;
- g. In each year, currency exchange losses and accounting translation losses when realized;
- h. All costs incurred prior to the Effective Date of this Agreement and with respect to the Concession Area, subject to the review of such costs for accuracy by the Minister of Finance and the Minister of Lands, Mines and Energy, which shall be capitalized and amortized over five (5) Concession Years from the Effective Date; and
- i. All charitable contributions made in the Republic for educational, religious or medical purposes or for other social services approved by the GOVERNMENT to the extent that, with respect to any tax year, such charitable contributions do not exceed fifteen percent (15%) of the taxable income as defined under the Revenue Code of Liberia (Act of 2000).

Section 3 Carry Forward Permitted

To the extent that, for any reason, there is a net operating loss, it may be carried forward against taxable income until the fifth year following the fiscal year in which the net operating loss was incurred.

Section 4 Computation of Taxable Income in Dollars

Except as otherwise provided in this Agreement, the net taxable income of the CONCESSIONAIRE shall be determined in Dollars and in accordance with generally accepted accounting principles.

ARTICLE XXIII ROYALTY

Section 1 Royalty Rate

The CONCESSIONAIRE shall pay to GOVERNMENT in Dollars a royalty at the rate of four point five (4.5%) percent of the invoiced sales of iron Ore FOB Yekepa.

Section 2 Royalty Basis

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, a lower rate of royalty shall be negotiated between the Parties prior to commencement of development of the necessary production facilities.

Section 3 Payment

Royalty shall be paid ninety (90) days after the day on which the iron Ore sold is shipped to the purchaser.

ARTICLE XXIV SURFACE RENTAL

Section 1 Concession Area

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 all land included in the Concession Area.

Section 2 Payment

All such surface rentals shall be payable annually to the GOVERNMENT on or before January 15 of the year period for which payment is due, with the first payment, as defined above, prorated for the applicable year and payable within thirty (30) days of the Effective Date.

ARTICLE XXV OTHER PAYMENTS TO THE GOVERNMENT

Section 1 Import Duties and Other Payments

Pursuant to the provisions of the Investment Incentive Code of Liberia, the CONCESSIONAIRE and its Associates shall pay no Taxes or Duties with respect to the import, use or purchase of goods, equipment, vehicles, machinery, heavy oil, diesel, lubricants and supplies (including medical, training and educational supplies and housing and office materials, furniture and supplies), and any other items required for and used in Operations.

CONCESSIONAIRE and its Associates shall, with regard to items not used in the Operations exempt pursuant to this Article XXV, Section 1 hereof, pay import Duties and sales Taxes under Law but, without prejudice to Article XXV, Section 2, at rates no higher than those payable by any other producer of iron Ore in the Republic. Such payment shall commence five (5) years after the Effective Date of this Agreement.

Section 2 Payments in Lieu of Duties and Fees

In lieu of the Taxes and Duties waived under Section 1 above, 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.

Section 3 Other Payments

- In respect of its Operations, the CONCESSIONAIRE shall pay to the GOVERNMENT:
- 50% concessionary rate of import levy, pursuant to the Revenue Code of Liberia (Act of 2000) on gasoline; and
 - a quarterly presumptive turn-over tax at a concessionary rate of one half of one percent of its gross income which tax shall be credited against its corporate income tax in accordance with the Revenue Code of Liberia (Act of 2000).

The CONCESSIONAIRE shall be exempt from the payment of BIVAC or its successor's fee of 1.5% on imports and exports. The imports and exports of the CONCESSIONAIRE shall be subject to inspection by BIVAC or its successor in keeping with procedures to be agreed upon by the Parties.

Section 4 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 of this Agreement.

Section 5 Other Exemptions from Taxes and Duties

The Taxes and Duties and other amounts specifically provided in this Agreement to be paid to the GOVERNMENT are in lieu of all other Taxes and Duties (except for ordinary taxes, fees and revenue charges of general application the amount of which is not material and Taxes and Duties that are not imposed upon or derived from the Operations, such as, for example, business and auto registration and driver's license fees) which, directly or indirectly, at any time, under any sovereign or other Law and otherwise, would be levied upon or payable to the GOVERNMENT by the CONCESSIONAIRE and/or its Associates with respect to any activity or transaction engaged in by any of them, or any items or materials possessed, owned, transported, imported, exported, processed, mined or otherwise dealt with or in by any of them. The above shall apply, without limitation as to the generality of the foregoing, to any Taxes and Duties that might be payable by the CONCESSIONAIRE and/or its Associates resulting from the subscription of equity or loan capital by or from any of them; the payment or receipt of interest and dividends by any of them; the import, export, acquisition, supply, sale, disposition or other dealing with property and any payment, receipt, income, profit or gain made, received, earned or realized by any of them as a result thereof. The above shall further apply, but not be limited, to any payments made to non-residents, including payments for goods and services, and payments of interest, dividends and other fixed or determinable income, provided that, without prejudice to Article XXII, Section 1, the foregoing tax exemptions shall not be applicable to such payments made to non-residents in the event that there is a double taxation treaty between the Republic of Liberia and the applicable foreign country. For this purpose, the applicable withholding tax rate will in no event be higher than 10% of the paid amount.

It is expressly agreed by the Parties that all the foregoing exemptions shall only be applicable insofar as the activities or transactions concerned are related to the Operations.

Section 6 Non-Application of Article XXV, Section 5

The provisions of Article XXV, Section 5 shall not apply, however, to the employees of the CONCESSIONAIRE with respect to the following: their Taxes and Duties measured by reference to their net income, profit and gain under Law unless any such Person was resident

in the Republic for less than one hundred eight-three (183) days in the tax year; provided that no Taxes and Duties shall be payable with respect to any payments made to any of them by their employers as reimbursement for Taxes and Duties; and the import into (and subsequent re-export from) the Republic of personal and household goods and effects except as one motor vehicle per family in connection with their first move to the Republic to establish residency.

ARTICLE XXVI FINANCIAL REPORTING AND CURRENCY

The following rights and obligations of the CONCESSIONAIRE shall also benefit and be applicable to its Associates, including the Operating Company.

Section 1 Accounting

All of the CONCESSIONAIRE's accounting under this Agreement shall be in Dollars and all amounts paid or received, and obligations incurred or transactions carried out, in currency that is legal tender in the Republic or in any Foreign Currency other than Dollars shall be converted to Dollars in accordance with and pursuant to generally accepted accounting principles in the United States (except to the extent inconsistent with the terms of this Agreement) based upon the Prevailing Market Rate of Exchange of Dollars and any such currency at the date of the applicable transactions.

Section 2 Exchange Control

The CONCESSIONAIRE shall at all times have the right, without restriction, directly or indirectly, to obtain, hold, deal with and disburse funds in such manner, currencies and places as it chooses. Without prejudice to the generality of the foregoing, they shall have the unrestricted and unencumbered right to sell and receive payment for iron Ore in any currency, including the currency in which the iron Ore is sold, and all proceeds therefrom may be deposited in bank accounts outside of the Republic and held there or remitted therefrom to anywhere in the world, in any currency. Notwithstanding the foregoing, the CONCESSIONAIRE or the Operating Company shall maintain at least one account with a bank or financial institution in the Republic. The CONCESSIONAIRE shall also have the right to acquire from, and sell to, any Person currency that is legal tender in the Republic at the Prevailing Market Rate of Exchange. Additionally, any and all transactions between the GOVERNMENT and the CONCESSIONAIRE dealing with or referring to currency that is legal tender in the Republic will be converted to Dollars at the Prevailing Market Rate of Exchange on the date of such transaction. Currency gains or losses for purposes of Article XXII shall be determined by reference to the Prevailing Market Rate of Exchange.

Section 3 Currency of Payment

Payment of the CONCESSIONAIRE's direct obligation to the GOVERNMENT for Taxes and Duties payable under Articles XXII, XXIII, XXIV and XXV of this Agreement 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 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. The CONCESSIONAIRE shall have the right to make all other payments whether to the GOVERNMENT or to other Persons in currency that is legal tender in the Republic.

Section 4 Right to Remit and Receive Payments

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 Taxes and Duties on such remittances or receipts, and without penalties, any required total or partial surrender, exchange or confiscation of such Dollars, or other direct or indirect restrictions on such remittances or receipts.

Section 5 Audit

- 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 independent 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. 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 forty five (45) 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 forty-five (45) days after its receipt of a copy of the audited financial statement.
- b. If the CONCESSIONAIRE has, pursuant to this Agreement, underpaid its liability for Taxes and Duties, the GOVERNMENT shall assess interest and penalties in accordance with the Revenue Code of Liberia (Act of 2000). 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.
- c. In case a review of records or books outside of the Republic is required, the CONCESSIONAIRE will cooperate to provide the GOVERNMENT with copies of the information, books and records needed to complete the audit. If the GOVERNMENT nonetheless deems it necessary for any part of such audit to be

performed outside of the Republic, the cost of associated travel will be borne by the CONCESSIONAIRE.

ARTICLE XXVII INCIDENTAL RIGHTS

Section 1 Use of Resources

Except as otherwise provided in this Agreement, the CONCESSIONAIRE shall have the right to remove, extract and use water, gravel, sand, clay, stone and timber (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 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.

Section 2 Imports

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 this Agreement, provided, however, that the CONCESSIONAIRE shall not re-export fuels and explosives surplus to requirements if such surplus can be sold at competitive international prices within the Republic. The CONCESSIONAIRE shall at all time comply with Law regarding the safe use, sale, disposal and security of explosives.

Section 3 Taxes on Resale

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 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.

Section 4 Sale of Iron Ore and associated Minerals and Products

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 Minerals and products from the Concession

Area, within and outside Liberia, without restriction, Taxes and Duties or government approval, during the term of this Agreement and any Extended Term hereof.

ARTICLE XXVIII ASSIGNMENT AND ENCUMBRANCE

Section 1 Right of Assignment

The CONCESSIONAIRE shall not have the right to assign or otherwise dispose of all or part of its interest under this Agreement in favor of any Person other than an Affiliate without the prior written consent of GOVERNMENT, which consent shall not be unreasonably held and/or delayed.

Section 2 Right to Appoint the Operating Company

The CONCESSIONAIRE may, before the Effective Date, appoint the Operating Company in order to conduct the Operations on its behalf, in accordance with the terms and conditions of this Agreement and of an operating agreement to be mutually agreed between the CONCESSIONAIRE and the Operating Company.

All the rights, obligations and undertakings of the CONCESSIONAIRE provided in this Agreement in connection with the Operations shall be deemed to be assigned to and assumed by the Operating Company to the extent applicable and appropriate for purposes of conducting the Operations.

Section 3 Right to Encumber

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

Section 4 Notice of Assignment or Encumbrance

The CONCESSIONAIRE shall promptly give Notice to the GOVERNMENT of any assignment, mortgage, charge or other disposition or encumbrance pursuant to this Article XXVIII.

ARTICLE XXIX TERMINATION

Section 1 Termination by the CONCESSIONAIRE

Notwithstanding any other provisions of this Agreement, the CONCESSIONAIRE shall have the right to terminate this Agreement at any time, either in its entirety or as to any part of the Concession Area, one hundred eighty (180) days after giving Notice to the GOVERNMENT or, 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 this Agreement pursuant to Article XXXIII.

Section 2 Termination by GOVERNMENT

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

- a. Where the CONCESSIONAIRE 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 assets, (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 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 or cessation is consented to by the GOVERNMENT or is caused by Force Majeure; and
- c. Where the CONCESSIONAIRE shall materially fail to make payments of Taxes and Fees to the GOVERNMENT.

Section 3 Opportunity to Cure

In the case of an alleged Event of Default described in Article XXIX, Section 2 above, the GOVERNMENT, before taking any further action, shall provide Notice to the CONCESSIONAIRE of the alleged occurrence of such Event of Default and of the GOVERNMENT's views in that regard and shall offer the CONCESSIONAIRE a fair opportunity to consult with the GOVERNMENT to resolve the matter. If after a reasonable period of time of consultation, the GOVERNMENT is of the reasonable opinion that the

matter cannot be resolved by further consultation, the GOVERNMENT may then send to the CONCESSIONAIRE Notice of the GOVERNMENT's intention to terminate this Agreement. If the Event of Default 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 this Agreement shall be terminated.

Section 4 Disputes Regarding Events of Default

Notwithstanding the provisions of Article XXIX, Sections 2 and 3, if the CONCESSIONAIRE disputes whether there has been an Event of Default described in Article XXIX, Section 2 and, within sixty (60) days after receipt by the CONCESSIONAIRE of the GOVERNMENT's Notice of its intention to terminate, refer such dispute to arbitration in accordance with Article XXXI, then termination of this Agreement shall not take effect until the finality of, and in accordance with, an arbitration award upholding the GOVERNMENT's right to terminate.

Section 5 Winding-up Commission

- a. At the time of Notice of any termination of this Agreement, and pursuant to its terms and conditions, the Parties hereto shall set up a winding-up commission (hereinafter referred to as "the Commission") which shall consist of the Directors of the CONCESSIONAIRE and two (2) additional members, one each to be appointed by the GOVERNMENT and the CONCESSIONAIRE. The Chairman of the Commission shall be appointed by the GOVERNMENT from among the members of the Commission. Each member of the Commission, including its Chairman, shall have only one (1) vote.
- b. The Chairman of the Commission shall issue a Notice and agenda for the first meeting of the Commission, which shall be held no later than three (3) weeks after the establishment of the Commission. Thereafter, the Commission shall hold periodic meetings at least once a calendar month.
- c. The CONCESSIONAIRE shall present to the Commission a detailed report on the status of the Operations of the CONCESSIONAIRE under this Agreement so that the Commission will be able to make recommendations to the GOVERNMENT on steps which the GOVERNMENT might take under the circumstances with a view to preserving the viability of the enterprise, employment in the area and the centers of population.
- d. At the request of the GOVERNMENT, the Commission shall establish plans for the full or partial cessation of operations including the disposition of assets and their demolition or removal according to Article XXX.
- e. At the request of either party to this Agreement, any meeting of the Commission shall be held outside the Republic, and the requesting party shall be responsible for the travel cost of the participants.
- f. The CONCESSIONAIRE may elect not to participate on the Commission, in which event its obligations under this Article XXIX shall be limited to providing the information required in Article XXIX, Section 5c above.

**ARTICLE XXX
DISPOSITION OF ASSETS**

Section 1 Immovable Assets

Upon a regular termination of this Agreement for any cause whatsoever, occasioned by the expiration of its term(s), except for termination resulting from a breach of this Agreement by the GOVERNMENT, or termination pursuant to Article XXIX, Section 1, all lien free permanent immovable assets of the CONCESSIONAIRE in the Concession Area that are not otherwise the property of the GOVERNMENT shall become the property of the GOVERNMENT without charge. In the event of a breach by either Party hereto, the value of the non-movable assets shall be taken into account in any award of damages under Article XXXI, Section 6.

Notwithstanding the preceding paragraph, prior to the termination of this Agreement, the CONCESSIONAIRE shall have the right to control all its property and assets, whether or not the same are to revert to and become the property of the GOVERNMENT upon such termination and to freely dispose of any property not required for the conduct of the Operations and pledge or otherwise encumber such properties to secure financings.

Section 2 Movable Assets

At any time after termination of this 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 fair market price 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 hereto otherwise agree.

Section 3 Removal of Movable Assets

The GOVERNMENT, by Notice to the CONCESSIONAIRE within a reasonable period but not to exceed one (1) year after a regular termination of this Agreement occasioned by the expiry of its term(s), and except for termination resulting from a breach by the GOVERNMENT, may require reasonable disposal or removal, in accordance with Law, of any or all assets, including unusable assets, remaining within the Concession Area after total disposition of assets in accordance with this Article XXX, and if the CONCESSIONAIRE does not reasonably dispose of or remove such asset or assets within a reasonable period after said Notice, the GOVERNMENT may effect such reasonable disposal or removal at the expense of the CONCESSIONAIRE, but the CONCESSIONAIRE shall be entitled to any income realized from the salvage value of such assets, except for assets existing at the Effective Date.

ARTICLE XXXI ARBITRATION

Section 1 Submission to Arbitration

Any dispute between the GOVERNMENT and the CONCESSIONAIRE arising out of, in relation to or in connection with this Agreement or its formation, or the validity, interpretation, performance, termination, enforceability or breach of this Agreement (including any dispute concerning whether the GOVERNMENT or the CONCESSIONAIRE has violated or is in breach of this Agreement), for which resolution by submission to an expert is not specifically provided elsewhere in this 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 Effective Date except to the extent in conflict with this Article XXXI 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. Either of the Parties to such dispute may institute arbitration proceedings by giving Notice to the other Party and Notice to the Secretary-General of the Centre, including in each case a statement of the issues in dispute.

Section 2 Nationality for purposes of Arbitration

Notwithstanding the incorporation in the Republic of any of the CONCESSIONAIRE's successors or assignees, or of any of its other Affiliates, all such entities shall be treated for purposes of arbitration under this Article XXXI as nationals of the United Kingdom of Great Britain for purposes of the Convention and of this Agreement, except that the CONCESSIONAIRE and any other such entity may, alternatively, elect to be treated instead as a national of any other state of which, under the Convention, international law or the law of such State or country, it is a national.

Section 3 Arbitrators

Any arbitration tribunal constituted pursuant to this Agreement shall consist of one (1) arbitrator to be appointed by the GOVERNMENT, one (1) arbitrator to be appointed by the CONCESSIONAIRE and one (1) arbitrator, who shall be the president of the tribunal and shall be a citizen neither of the Republic nor of Cyprus (or of any other state of which a Party is a national under Article XXXI, Section 2) to be appointed by the Secretary-General of the Centre. Any such arbitrator shall have neither an interest in the matters in dispute, nor in the Parties thereof.

Section 4 Referee

At the request of a Party hereto, any matter otherwise subject to arbitration under this Agreement shall instead be referred for resolution to a single referee to be appointed by the Secretary-General of the Centre, or of any successor entity as provided for by Article XXXI, Section 9 below, except for any dispute arising out of or related to Articles III, VI and XXIX of this Agreement, which must be referred to arbitrators appointed pursuant to Article XXX,

Section 3 above unless the Parties mutually agree that any such dispute is not material, in which event it may be referred to the referee for decision at the option of either Party. The decision of the referee shall be rendered pursuant to Article XXXI, Section 6 of this Agreement (except as regards the requirement for a decision by majority vote) and shall be final and binding unless appealed by any party to arbitrators appointed as provided in this Article XXXI, Section 3, who shall examine the referee's decision only as to manifest error(s) of law, findings of fact that are not supported by any credible evidence, and abuse of authority, misconduct or other unauthorized act by the referee.

Section 5 Venue

Arbitration proceedings conducted pursuant to this Agreement shall be held in Brussels, Belgium or such other place as the Parties hereto may agree and shall be conducted in the English language. The costs of the proceedings shall be assessed and borne in such manner as the arbitration tribunal shall decide. Any procedural issues that cannot be determined under the arbitral rules of the Centre shall be determined pursuant to applicable law as set forth in Article XXXIV below.

Section 6 Award

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, and in the case of an award to the CONCESSIONAIRE, shall be exempt from any Taxes and Duties imposed upon the CONCESSIONAIRE by the GOVERNMENT. 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. If the tribunal's award is adverse to the CONCESSIONAIRE, then the arbitration tribunal may, in its discretion, specify a reasonable period of grace to cure any defect or default on the part of the CONCESSIONAIRE, provided that such period of grace shall not exceed one hundred eighty (180) days for the making of any payment by such award.

Section 7 Waiver of Sovereign Immunity

The GOVERNMENT hereby irrevocably, unreservedly and unconditionally waives all claims of sovereign immunity from the arbitrators' jurisdiction, and from the enforcement of any arbitral award rendered by a tribunal constituted pursuant to this Agreement, including immunity from service of process and immunity from the jurisdiction of any court situated in any state, country or nation.

Section 8 Reservation of Rights

The right to refer a claim or dispute to arbitration hereunder shall not be affected by the fact that a claimant or respondent has received full or partial compensation from another Person

for a loss or injury that is the object of the claim or dispute, and any such other Person may participate in such proceedings by right of subrogation.

Section 9 Successors

The consent to the jurisdiction of the Centre as set forth in this Article XXXI shall equally bind any successor of or successors-in-interest to either Party to this Agreement. Should the Centre be replaced by, or its functions be substantially conferred upon or be transferred to, any new international body of a similar type and competence, the Parties hereto shall have the right to submit any dispute to such body for settlement by arbitration in accordance with the foregoing provisions of this Article XXXI.

ARTICLE XXXII COMMUNICATIONS BETWEEN PARTIES

Section 1 Written Communications

All orders, approvals, declarations and communications of any kind between the Parties hereto which are required, expressly authorized or provided for under this Agreement (hereinafter each referred to as a "Notice") shall be in writing and delivered by hand, by telefax, by postage registered mail, by any other means of communication agreed upon by the Parties hereto, or pursuant to Article XXXII, Section 4. The Notices shall also be signed by a duly authorized representative of the Party dispatching the Notice.

Section 2 Delivery

A delivery of a Notice to a Party hereto shall be deemed to have occurred in any of the following circumstances:

- a. When an official of the GOVERNMENT, in the case of the GOVERNMENT, or a representative of the CONCESSIONAIRE, in the case of the CONCESSIONAIRE, has signed a return receipt of registered mail;
- b. When an official confirmation of the receipt has been electronically issued to the sender by a receiving telefax device at a telefax number authorized hereby indicating receipt of a communication sent via telefax;
- c. When verification of the receipt of the Notice has been obtained in any manner specifically agreed to in writing by the Parties hereto; or
- d. When a Party hereto has directly or indirectly acknowledged the receipt of the Notice in writing.

Section 3 Address

- a. All Notices from the GOVERNMENT to the CONCESSIONAIRE shall be addressed to:

The Managing Director

Mittal Steel Holdings N.V.
15th Floor Aafplein 20
3032 AC Rotterdam, The Netherlands

With copies sent to:

Mittal Steel Company Limited
7th Floor Berkeley Square House
Berkeley Square
London W1J 6DA

b. All Notices from the CONCESSIONAIRE to the GOVERNMENT shall be addressed to:

The Minister of Lands, Mines and Energy
Ministry of Lands, Mines and Energy
Monrovia
Liberia

with copies sent to:

The Minister of Finance
Ministry of Finance
Broad Street
Monrovia
Liberia;

and

The Chairman
National Investment Commission
Tubman Boulevard
Monrovia
Liberia.

Section 4 Change of Address.

Either Party hereto may, upon prior Notice to the other Party, at any time change the designation of the Person(s) named to receive Notice from the other Party, the address or telefax number of the office in the Republic, or elsewhere authorized to receive such Notice or the address or addresses or telefax number or numbers of the offices to which copies of Notice from one Party to the other are to be delivered.

**ARTICLE XXXIII
FORCE MAJEURE**

Section 1 Application

In the event of either Party to this Agreement being rendered unable, in whole or in part, by force majeure to carry out any obligation under this 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 this 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 unprofitable, or prevents Production, the export or sale of minerals, or the CONCESSIONAIRE's exercise of a substantial part of its rights under this Agreement.

Section 2 Definition

The term "force majeure" as used in this Agreement shall mean acts of God (natural disasters which include but are not limited to epidemics, floods, hurricanes, landslides, earthquakes, wild fires 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 commotions, 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 any similar causes, 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.

Section 3 No Required Settlement

Nothing in Article XXXIII, Sections 1 or 2 above shall, in and of itself, be construed to require the CONCESSIONAIRE to settle any strikes, lockouts or other labor or industrial disputes except as may be required by law.

**ARTICLE XXXIV
GOVERNING LAW**

This Agreement and the rights, obligations and duties of the Parties hereunder shall be construed and interpreted in accordance with laws of the United Kingdom of Great Britain, with due regard to the Laws of the Republic that are mandatorily applicable to the Operations and the Parties, in particular the Minerals and Mining Law.

**ARTICLE XXXV
ENTIRE AGREEMENT-MODIFICATIONS**

Section 1 Entire Agreement

This Agreement, including the Appendices attached hereto, represents the entire agreement between the Parties hereto and supersedes all previous oral and written negotiations and agreements.

Section 2 Amendments

Any inodifications or amendments of any of the terms and conditions of this Agreement shall be by the mutually written agreement of the Parties hereto.

**ARTICLE XXXVI
PERIODIC REVIEW**

Section 1 Modification and Review

The Parties hereto agree that the Agreement shall be subject to periodic review once every five (5) years after the Commercial Operation Startup Date for the purpose of good faith discussions to effect such modifications to the Agreement as may be necessary or desirable in the light of any substantial changes in circumstances which may have occurred during the previous five (5) years.

Section 2 Good Faith

It is hereby understood that this clause subjects the Parties to this Agreement to a simple obligation to consider in good faith any proposed modification(s) of the Agreement, subject to Article XXXV, Section 2. This Agreement shall remain unaltered and in force during any such period of consideration.

**ARTICLE XXXVII
NON-WAIVER OF RIGHTS**

The non-exercise or partial exercise by one or the other of the Parties hereto of any of its rights under the terms and conditions of this Agreement shall not in any case constitute a waiver of that right.

**ARTICLE XXXVIII
SUCCESSION**

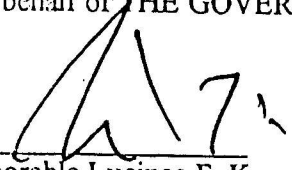
The terms and conditions of this Agreement shall inure to the benefit of and be binding in addition to the Parties themselves upon their successors, beneficiaries and assignees, including, without limitation, all future manifestations or forms of public power exercising sovereign authority over all or part of the present territory of the Republic.

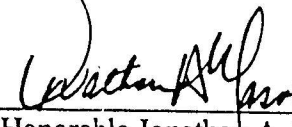
**ARTICLE XXXIX
SURVIVAL PROVISION**

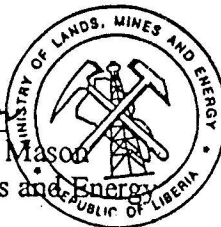
Notwithstanding termination of this Agreement by either Party thereto or for any reason, including a termination due to a finding that this Agreement or a portion thereof is void, invalid, or unenforceable, Articles XXI, XXX, XXXI, XXXII, XXXIII, XXXIV and XXXIX shall survive such termination and shall remain effective as to any matters which are the subject of this Agreement or which arise out of, in relation to or in connection with this Agreement. Moreover, any such termination shall be without prejudice to the rights, duties and obligations that have accrued prior to termination and, notwithstanding such termination, such provisions of this Agreement as are reasonably necessary for the full enjoyment and enforcement of such rights, duties and obligations shall survive such termination for the period necessary.


This Agreement has been entered into on the date stated at the beginning of this Agreement,

For and on behalf of THE GOVERNMENT OF THE REPUBLIC OF LIBERIA,

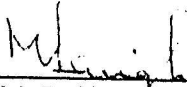

Name: Honorable Lucinee F. Kamara, Sr.
Title: Minister of Finance


Name: Honorable Jonathan A. Mason
Title: Minister of Lands, Mines and Energy



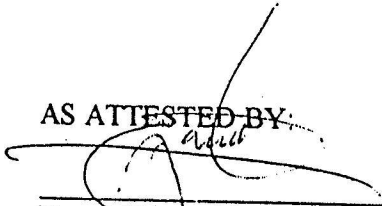
pp 
Name: Honorable Roosevelt Quiah
Title: Chairman of the National Investment Commission

For and on behalf of MITTAL STEEL HOLDINGS N.V.



Name: Mr. M. P. Singh
Title: Attorney-in-Fact

AS ATTESTED BY:



Name: Honorable Kabineh M. Ja'neh
Title: Minister of Justice and Attorney General
Date:

AS APPROVED BY:



Name: His Excellency Charles Gyude Bryant
Title: Chairman of the National Transitional Government of Liberia (NTGL)
Date:

STW

APPENDIX A CONCESSION AREA DEFINITION MAP

(See following page)

Handwritten signature or initials in the bottom right corner of the page.

NOTE
1. This map is a plan view of the surface of the earth. It does not show the curvature of the earth or the thickness of the atmosphere. The horizontal distances shown are true horizontal distances, not slant distances. The vertical distances shown are true vertical distances, not slant distances. The map is not a true representation of the earth's surface, but a projection of it. The map is not a true representation of the earth's surface, but a projection of it.

LEGEND
PROPOSED WESTERN AREA PROJECT CONTOUR AREA
OTHER AREAS INCLUDED IN THE CONTOUR AREA
LANDS UNDER CONVEYANCE AS A RESULT OF THE PROJECT

- 1. 100-foot contour interval
- 2. 50-foot contour interval
- 3. 25-foot contour interval
- 4. 10-foot contour interval
- 5. 5-foot contour interval
- 6. 2-foot contour interval
- 7. 1-foot contour interval
- 8. 0.5-foot contour interval
- 9. 0.2-foot contour interval
- 10. 0.1-foot contour interval

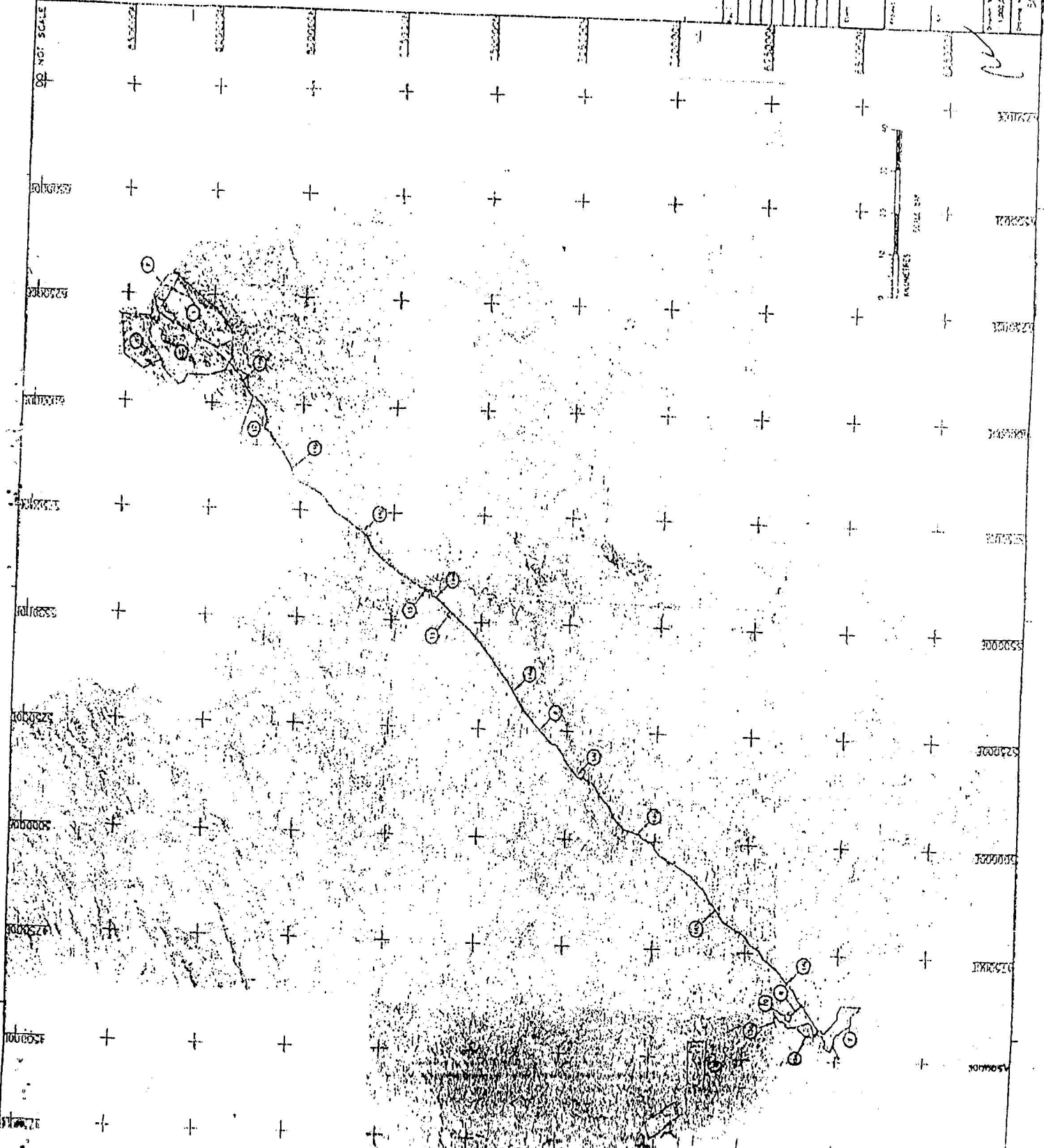
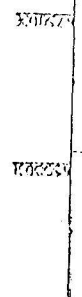
Contour Interval	Contour Interval	Contour Interval	Contour Interval
100	50	25	10
5	2	1	0.5
0.2	0.1		

AUTAL

WESTERN AREA PROJECT

PROPOSED WESTERN AREA PROJECT CONTOUR AREA

Sheet No.	Scale	Date	Author
2	1:50,000	1957	W. C. ...
4	1:50,000	1957	W. C. ...



APPENDIX B CONCESSION AREA COORDINATES

The following Concession Area is as defined in, and is reproduced from, the Mining Concession Agreement by and among The Government of the Republic of Liberia, The Liberian American-Swedish Minerals Company and Liberia Bethlehem Iron Mines Company, Successor to and Assign of Bethlehem Steel Corporation, dated as of April 28 1960, as Supplemented, Modified and Adjusted by a Supplemental Agreement dated as of April 9, 1962, an Agreement dated as of January 1, 1965 and a Supplemental Agreement dated as of February 26, 1974 and as further amended or supplemented.

Unless otherwise defined, the boundaries of the constituent Concession Area were marked on the land by monuments called "beacons", consisting of iron pipes bearing metal plates on square concrete foundations. The approximate metric co-ordinates (X = Easting and Y = Northing) of the beacons defining each constituent area are given below in the Liberian Planimetric System. The locations of the constituent areas are indicated in the Concession Area Plan included under Appendix A.

1. Nimba Area

Co-ordinates:

CP No.	X	Y
CP4	629340	835275
CP5	620600	841100
CP6	612800	824100
CP7	614825	820000
CP8	616600	820000
CP9	621500	824000
CP10	624455	828780

Enclosed area: 165.651 Km²

2. Nimba North Extension Area

Co-ordinates:

CP No.	X	Y
CP1	624650	842800
CP2	629500	838750
CP3	630000	836100
CP4	629340	835275
CP5	620600	841100

Enclosed area: 29.056 Km²

3. Nimba Western Area

Co-ordinates:

CP No.	X	Y
CP1	624650	842800
CP5	620600	841000
CP6	612800	824100
CP7	614825	820000
CP11	610700	820000
CP12	609520	820715
CP13	609430	820770
CP14	607400	822000
CP15	606400	825850
CP16	606400	832350
CP17	604600	833200
CP18	604000	834700
CP19	606800	838500
CP20	609900	839850
CP21	614200	843700
CP22	620000	843100

Enclosed area: 220.969 Km²

4. Nimba North-West Extension Area

Co-ordinates:

CP No.	X	Y
CP20	609900	839850
CP21	614200	843700
CP22	620000	843100
CP23	620000	851900
CP24	610700	850800
CP25	607500	845200

Enclosed area: 97.743 Km²

5. Bassa Area (Excluded from the Mittal Concession)

Co-ordinates:

CP No.	X	Y
CP1	430000	699900
CP2	436000	692000
CP3	432100	690600
CP4	426150	698800

Enclosed area: 38.663 Km²

6. Bassa East Area (Excluded from the Mittal Concession)

Co-ordinates:

CP No.	X	Y
CP1	454100	689500
CP2	454500	684500
CP3	440000	684500
CP4	441600	689000

Enclosed area: 63.975 Km²

7. Buchanan Area (Commercial Port Excluded from the Mittal Concession)

Co-ordinates:

CP No.	X	Y
CP1	454560	652860
CP2	455270	653115
CP3	455490	652895
CP4	455585	652990
CP5	455625	652950
CP6	455680	653005
CP7	455640	653045
CP8	455725	653135
CP9	455770	653530
CP10	456550	653700
CP11	456800	654005
CP12	456710	654630
CP13	457270	655195
CP14	457135	655465
CP15	456995	655555
CP16	457015	655570
CP17	457150	655480
CP18	457330	655120
CP19	457770	654730
CP20	457845	654665
CP21	458175	654375
CP22	457130	653160
CP23	460600	649800
CP24	461870	649800
CP25	463640	648830
CP26	463640	643250
CP27	462400	644030
CP28	462400	645040
CP29	461180	646020
CP30	459380	646020
CP31	457660	648690
CP32	456980	649210
CP33	457280	649650
CP34	455930	650570

CP No.	X	Y
CP35	455780	650380
CP36	454655	650700
CP37	451545	649000
CP38	451355	648495
CP39	450950	648650
CP40	451300	649590
CP41	451705	649440
CP42	451600	649150
CP43	454515	650740
CP44	452500	651300
CP45	453600	653110

Enclosed area: 42.541 Km²

8. Railroad Area

Co-ordinates:

North-western boundary line		
CP No.	X	Y
L1	457770	654730
L2	463405	659480
L3	464280	660695
L4	466830	662200
L5	467805	663520
L6	471030	666530
L7	473310	669790
L8	474255	670690
L9	475555	671530
L10	477085	674115
L11	478780	675375
L12	479130	675850
L13	481730	681225
L14	482130	681625
L15	483135	682135
L16	485300	683830
L17	485780	684410
L18	487350	685580
L19	488255	685820
L20	488640	686070
L21	489850	687575
L22	491980	689740
L23	493135	691930
L24	493660	692690
L25	495010	694920
L26	495115	695285
L27	495110	695850
L28	495260	696250
L29	495805	696870

North-western boundary line		
CP No.	X	Y
L30	496405	698045
L31	497115	699070
L32	497985	699780
L33	499400	700530
L34	500525	703200
L35	501480	704330
L36	502765	708760
L37	505480	711720
L38	506760	711960
L39	507585	712630
L40	509730	714965
L41	513110	717570
L42	513570	719165
L43	514135	719970
L44	514205	721460
L45	514320	721815
L46	517400	725015
L47	519115	726005
L48	521550	728190
L49	521850	729730
L50	529220	737520
L51	535310	741660
L52	546075	751070
L53	555375	763005
L54	555765	764040
L55	556695	764385
L56	557215	764735
L57	557430	765335
L58	557580	767025
L59	559585	770515
L60	560535	772550
L61	563530	777095
L62	564740	778695
L63	566400	780560
L64	569050	781815
L65	569360	782080
L66	572000	786190
L67	573970	789265
L68	574490	790700
L69	575415	791505
L70	576550	792785
L71	577960	793715
L72	579130	795035
L73	581390	800230
L74	583310	802170
L75	585645	803169
L76	587615	804610
L77	588540	805050

North-western boundary line		
CP No.	X	Y
L78	589635	806100
L79	591235	807510
L80	591645	807780
L81	591960	808265
L82	592455	808360
L83	593275	808740
L84	593505	809125
L85	593620	809855
L86	594235	810180
L87	594765	810195
L88	595710	809730
L89	596665	809830
L90	597430	810130
L91	598315	810120
L92	599105	810515
L93	599510	811130
L94	600125	811590
L95	600705	812465
L96	601465	813115
L97	601585	813665
L98	601825	813950
L99	602000	814505
L100	603135	815530
L101	603960	815870
L102	606345	817560
L103	606955	818360
L104	607450	818780
L105	608165	819285
L106	609430	820770

South-eastern boundary line		
CP No.	X	Y
R1	457845	654669
R2	463435	659410
R3	464355	660615
R4	466900	662125
R5	467900	663435
R6	471110	666470
R7	473390	669720
R8	474320	670610
R9	475625	671445
R10	477165	674040
R11	478850	675300
R12	479220	675810
R13	481825	681180
R14	482175	681530
R15	483190	682045

South-eastern boundar, line		
CP No.	X	Y
R15a	484200	682800
R16	485395	683740
R17	485850	684340
R18	487400	685480
R19	488285	685720
R20	488725	686000
R21	489925	687510
R22	492060	689675
R23	493225	691875
R24	493745	692635
R25	495095	694860
R26	495215	695285
R27	495210	695850
R28	495335	696185
R29	495895	696815
R30	496495	697995
R31	497190	699005
R32	498030	699690
R33	499495	700445
R34	500610	703145
R35	501595	704300
R35a	502105	706030
R36	502860	708710
R37	505545	711610
R38	506805	711945
R39	507650	712550
R40	509795	714895
R41	513220	717500
R42	513660	719130
R43	514230	719900
R44	514305	721460
R45	514440	721745
R45a	515110	722425
R45b	516155	723520
R46	517465	724935
R47	519175	725920
R48	521665	728130
R49	521960	729675
R50	529280	737445
R50a	533565	740325
R50b	534800	741160
R51	535370	741575
R52	546145	751000
R53	555485	762940
R54	555870	763970
R55	556725	764290
R56	557300	764680
R57	557530	765345

South-eastern boundary line		
CP No.	X	Y
R98	601915	813900
R99	602095	814450
R100	603185	815440
R101	604010	815775
R101a	604210	815895
R101b	605440	816765
R102	606415	817480
R103	607005	818280
R104	607505	818695
R105	608235	819205
R108	609520	820715

Enclosed area: 25.057 Km²

9. Access Road to Quarry No. 14

Co-ordinates:

CP No.	X	Y
CP1	463210	659325
CP2	463250	659510
CP3	463235	659665
CP4	463150	659845
CP5	462710	660235
CP6	461705	661800
CP7	461095	662345
CP8	461110	662395
CP9	461750	661835
CP10	462745	660275
CP11	463190	659880
CP12	463290	659670
CP13	463300	659510
CP14	463275	659380

Enclosed area: 0.202 Km²

10. Quarry No. 14, Nekree Hill

Co-ordinates:

CP No.	X	Y
No1	461044	662199
No2	459699	662636
No3	460136	663981
No4	461481	663544

Enclosed area: 2.000 Km²

11. Green Hill, Quarry No. 15

Co-ordinates:

CP No.	X	Y
CP1	551870	785565
CP2	550900	759310
CP3	551390	759940
CP4	552350	759190

Enclosed area: 0.968 Km²

12. Kitoma Mineral Area (Excluded)

Co-ordinates:

CP No.	X	Y
CP1	590300	816870
CP2	593870	816870
CP3	601130	814000
L97	601585	813665
L96	601465	813115
L95	600705	812465
L94	600125	811590
L93	599510	811130
L92	599105	810515
L91	598315	810120
L90	597430	810130
L89	596665	809830
L88	595710	809730
L87	594765	810195
L86	594235	810180
L85	593620	809855
L84	593505	809125
L83	593275	808740
L82	592455	808360
L81	591960	808265
L80	591645	807780
L79	591235	807510
CP4	590300	808000

Enclosed area: 66.660 Km²

13. Raw Water Supply Areas

Co-ordinates:

A. Benson River Area		
CP No.	X	Y
CP1	456970	655570
CP2	456560	655835
CP3	456425	656025
CP4	456340	656470
CP5	456630	657490
CP6	456380	657490
CP7	456420	657680
CP8	456170	657680
CP9	456475	658150
CP10	458450	660900
CP11	458350	661540
CP12	458430	662180
CP13	458280	662500
CP14	458310	663110
CP15	458280	663480
CP16	458570	663770
CP17	458630	663630
CP18	458425	663430
CP19	458450	663120
CP20	458420	662550
CP21	458600	662200
CP22	458520	661530
CP23	458610	660920
CP24	459510	657580
CP25	459430	657295
CP26	459300	656950
CP27	459130	656720
CP28	456490	655970
CP29	456575	655850
CP30	456990	655585

Enclosed area: 9.942 Km²

B. St John River Area		
CP No.	X	Y
CP1	458400	666310
CP2	458451	666352
CP3	458555	666320
CP4	458765	666400
CP5	458930	666605
CP6	459005	666650
CP7	459180	666670
CP8	459535	666840
CP9	459805	666920

B. St John River Area		
CP No.	X	Y
CP10	460235	667010
CP11	460345	667020
CP12	460405	667000
CP13	460665	666690
CP14	460695	666600
CP15	460765	666670
CP16	460890	666560
CP17	460840	666500
CP18	460735	666485
CP19	459550	665160
CP20	459820	664340
CP21	459430	664110
CP22	459358	663785
CP23	459035	663570
CP24	458760	663585
CP25	458660	663685
CP26	458630	663850
CP27	458800	663675
CP28	459010	663665
CP29	459295	663845
CP30	459340	664165
CP31	459775	664430
CP32	459535	665160
CP33	460690	666465
CP34	460685	666585
CP35	460645	666685
CP36	460410	666965
CP37	460265	667000
CP38	459825	666905
CP39	459540	666825
CP40	459155	666630
CP41	459005	666630
CP42	458775	666385
CP43	458555	666300
CP44	458445	666310
CP45	458405	666295

Enclosed area: 0.269 Km²

14. Areas for CTC Installations

Co-ordinates:

A. Saniquellie CTC Installation Area		
CP No.	X	Y
CP1	605120	816690
CP2	604985	816790
CP3	604995	816795

CP4	605065	816700
CP5	605100	816780
CP6	605155	816715
CP7	605235	816625
CP8	605245	816615
CP9	605225	816595
CP10	605210	816610

Enclosed area: 0.010 Km²

B. Kitoma CTC Installation Area		
CP No.	X	Y
CP1	584705	802635
CP2	584975	802015
CP3	584985	801885
CP4	585165	801630
CP5	585380	801535
CP6	585420	801395
CP7	585445	801430
CP8	585490	801385
CP9	585530	801435
CP10	585555	801415
CP11	585515	801356
CP12	585555	801330
CP13	585565	801195
CP14	585455	801185
CP15	585355	801520
CP16	585155	801610
CP17	584960	801875
CP18	584950	802010
CP19	584685	802625

Enclosed area: 0.064 Km²

C. Tropoi CTC Installation Area		
CP No.	X	Y
CP1	570230	783430
CP2	570205	783450
CP3	570225	783470
CP4	570245	783455
CP5	570355	783400
CP6	570365	783395
CP7	570350	783375
CP8	570405	783330
CP9	570385	783310
CP10	570325	783355

Enclosed area: 0.008 Km²

D. Yila CTC Installation Area		
CP No.	X	Y
CP1	555425	763135
CP2	555365	763145
CP3	555370	763175
CP4	555440	763165
CP5	555605	763265
CP6	555630	763245
CP7	555570	763175
CP8	555545	763105
CP9	555585	762995
CP10	555560	762985
CP11	555530	763060

Enclosed area: 0.021 Km²

E. Bacón CTC Installation Area		
CP No.	X	Y
CP1	533820	740635
CP2	533775	740685
CP3	533780	740690
CP4	533830	740640
CP5	533945	740575
CP6	533980	740545
CP7	533960	740525
CP8	533925	740560

Enclosed area: 0.004 Km²

F. Grebo CTC Installation Area		
CP No.	X	Y
CP1	514800	722115
CP2	514810	721960
CP3	514920	721905
CP4	514965	721695
CP5	514935	721665
CP6	514880	721715
CP7	514835	721670
CP8	514815	721685
CP9	514865	721745
CP10	514812	721795
CP11	514830	721815
CP12	514885	721765
CP13	514930	721815
CP14	514910	721895

CP15	514800	721950
CP16	514790	722105

Enclosed area: 0.017 Km²

G. Blezi CTC Installation Area		
CP No.	X	Y
CP1	501655	704905
CP2	501575	704915
CP3	501575	704930
CP4	501480	704925
CP5	501485	704935
CP6	501665	704950
CP7	501810	705010
CP8	501840	705050
CP9	501860	705035
CP10	501785	704935
CP11	501775	704885
CP12	501825	704755
CP13	501800	704745
CP14	501760	704840

Enclosed area: 0.023 Km²

H. Gaye Meter Town CTC Installation Area		
CP No.	X	Y
CP1	484530	683230
CP2	484520	683225
CP3	484335	683375
CP4	484280	683305
CP5	484255	683320
CP6	484310	683390
CP7	484235	683455
CP8	484205	683495
CP9	484195	683540
CP10	484165	683570
CP11	484175	683575
CP12	484205	683545
CP13	484215	683510
CP14	484330	683415
CP15	484390	683490
CP16	484415	683470
CP17	484355	683395
CP18	484430	683335

Enclosed area: 0.017 Km²

B a B

I. Mokra Town CTC Installation Area		
CP No.	X	Y
CP1	468155	663850
CP2	468130	663870
CP3	468150	663895
CP4	468175	663870
CP5	468265	663790
CP6	468320	663740
CP7	468300	663715
CP8	468240	663770

Enclosed area: 0.007 Km²

15. Yila Camp Area

Co-ordinates:

CP No.	X	Y
CP1	557460	765600
CP2	556890	765700
CP3	556750	764910
CP4	556700	764920
CP5	556880	765970
CP6	557510	766330

Enclosed area: 0.347 Km²

APPENDIX C TENTATIVE DEVELOPMENT PROGRAM

Overview

The proposed development plan is based on a modified version of the Western Area Concentrator Study investigated by LAMCO in the early to mid 1980's to provide for the continuation of mining operations at the Tokadeh, Gangra and Yuelliton deposits following the depletion of the main Nimba orebody. The Beeton deposit was regarded as marginal and was not included in the development plans.

The Mittal Steel concept is to produce, through a phased development programme, 17.25 Mtpa of crude ore from a combination of the Tokadeh and successively the Gangra and Yuelliton deposits. Initially 9 Mtpa of Tokadeh ore would be treated at a rebuilt washery at Buchanan. Subsequently, additional concentrator capacity would be built at Tokadeh. Once commissioned 8.25 Mtpa of Gangra ore will be treated at Buchanan and 9 Mtpa of Tokadeh ore will be treated at the new Tokadeh concentrator. An annual production in excess of 9 Mtpa of 65% Fe concentrate is envisaged. The proposed production schedule would exhaust all the currently reported reserves in the above deposits within 25 years. The Beeton deposit and other satellite deposits, including Nimba, would be re-evaluated and could potentially increase both the production capacity and the duration of the project.

In order to achieve early employment, production and cashflow whilst the Gangra deposit and the concentrator at Buchanan are being developed, it is proposed to commence production and sales of crude ore from the Tokadeh Mine. Production is envisaged within 10 months of the start of development, on basic completion of the rail line rehabilitation.

Phase I : Development of 5.0 Mtpa Crude Ore Production Capacity at Tokadeh by Year 2

During the first year the former mining operation at Tokadeh will be re-opened to produce the higher grade, lower silica ore. The associated mine, rail and port infrastructure will be reconditioned to the level required to produce and ship 5.0 Mtpa of crude iron ore by year 2.

Although the average silica content of the Tokadeh ore is relatively high, there exists an inverse relationship between the iron content and the silica content. It is therefore proposed that high grade, low silica material will be mined at Tokadeh during years 2 and 3, during which time the concentrator will be developed at Buchanan.

To ensure the earliest possible start of operations the following preparatory activities will be carried out during the MDA ratification process:

- Establishment of an administrative office in Monrovia, and subsequent site offices at Buchanan and Tokadeh
- Commence clearance of the railway
- Condition survey of the railway track bed and civil structures
- Condition survey of all other structures to be re-used at Buchanan, Tokadeh and Yekepa
- Completion of a feasibility report

- Detailed planning for the re-development of the mine, railway and port facilities
- Completion of an Environmental Impact Assessment
- Commence preparation of tender documents for procurement of initial equipment requirements
- Commence detailed design of initial infrastructure requirements

Phase I development will commence following ratification of the MDA. This will involve the following activities:

At Buchanan:

- Commence refurbishment of community housing and services
- Refurbishment of the quay and harbour facilities at Buchanan to permit the docking of Panamax (+60,000 dwt) vessels
- Refurbish and re-equip workshops
- Replacement of the car dumper and installation of stockpiling conveyors
- Restoration of ore storage areas and provision of mobile equipment for ore handling
- Construction of a power plant at Buchanan utilising diesel generator sets, including standby, and installation of lighting
- Refurbishment and reconstruction of the community infrastructure at Buchanan, including housing, services and community facilities.

Railway works:

- Re-establishment and re-equipping of the two aggregate quarries
- Repair of civil structures, including bridges, cuttings and embankments, as required
- Refurbishment of the 273 km of rail track from Buchanan to Yekepa
- Refurbishment of the wagon and locomotive workshops at Yekepa and associated rail yards.
- Refurbishment of the existing ore wagons at Yekepa.
- Procurement of the required locomotives.
- Provision of an appropriate communication and signalling system.

At Tokadeh and Yekepa:

- Support the upgrading of the Sanekole to Yekepa road
- Refurbishment of the access and haul roads
- Purchase and positioning of the required mobile mining and ancillary equipment at Tokadeh
- Rehabilitation of workshops and installation of fuel storage facilities
- Rehabilitation of the ore handling and train loading facility
- Construction of a power plant at Tokadeh utilising diesel generator sets

- Installation of lighting, water supply and other services
- Development of a small township at Tokadeh to house essential staff plus support for additional housing at Sanekole.

It is envisaged that production from Tokadeh would commence 10 months from start of development.

Phase II : Concentrator Construction at Buchanan and Expansion of Production Capacity at Tokadeh to 9.0 Mtpa by Year 3

During years 1 and 2 the former washing plant at Buchanan will be rebuilt as a concentrator to treat Tokadeh ore. The development will include installation of ore handling equipment and a shiploader. On completion of the concentrator production capacity at Tokadeh Mine will be expanded to its planned full production of 9 Mtpa of crude ore. The principal activities during the Phase II development are summarised below.

At Buchanan:

- Reconstruction of the washery as a concentrator to treat 9 Mtpa producing up to 5.0 Mtpa of high grade concentrate at 65 % Fe.
- Rehabilitation and expansion of the tailings ponds
- Installation of a shiploader and upgrading of the ore handling and stockpiling facilities to handle up to 5.0 Mtpa of concentrate.
- Survey and dredging of the harbour as required and purchase of tugs
- Expansion of the power plant
- Expansion of the community facilities

Railway works:

- Purchase of additional locomotives and rolling stock, and upgrading of the rail line as required.

At Tokadeh

- Installation of a crusher, conveyors and surge bin
- Purchase of additional mining equipment
- Stage 2 expansion of power station

At Yekepa

- Expansion of the community facilities

Phase III : Concentrator Construction at Tokadeh and Development of Additional 8.25 Mtpa Crude Ore Production Capacity at Gangra by Year 5

Subject to continued stability in Liberia, the Gangra deposit will be developed during years 3 and 4 to produce an additional 8.25 Mtpa of crude ore by year 5. The development will include the construction of a rail spur, a 2-stage crushing plant and wagon loading facilities. The Gangra ore will be treated at Buchanan. A new concentrator, designed to maximise recovery of Tokadeh ore, will be built at Tokadeh, and Gangra ore will be treated at Buchanan. The combined capacity of the washplants will be 17.5 Mtpa of crude ore yielding 9.75 Mtpa of concentrate. The principal activities during the Phase III development are summarised below.

At Buchanan:

- Installation of a second shiploader
- Upgrading of the stockpiling and orehandling facilities

Railway works:

- Purchase of additional locos and rail wagons

At Gangra:

- Development of access and haul roads, bush clearance and initial bench development
- Construction of a rail spur to Gangra from the main line
- Construction of a train loading station with a live capacity of 8,000 mt
- Construction of a 6.0 Mtpa capacity 2-stage crushing plant at 700 m level
- Construction of surge bins and a down hill conveyor to the rail loading bins
- Purchase of additional mining equipment
- Construction of a power plant utilising diesel generator sets
- Construction of fuel and water storage and distribution facilities
- Construction of workshops and offices
- Provision of additional communications equipment

At Tokadeh

- Construction of 9.0 Mtpa concentrator
- Upgrade stockpile ore handling and rail loadout infrastructure
- Expand power plant
- Establish tailings disposal facility

General

- Expansion of the community facilities

Phase IV : Development of Replacement 8.25 Mtpa Crude Ore Production Capacity at Yuelliton by Year 17.

During years 15 and 16 the Yuelliton deposit will be developed to replace production from Gangra. The development will include the construction of a crushing plant at Yuelliton and a downhill conveyor to a surge bin at Gangra. Production from Tokadeh will continue at 9.0 Mtpa. Ore from Yuelliton will be treated at the Buchanan concentrator.

The principal activities at Yuelliton will comprise:

- Development of access roads, haul roads, pre-stripping and initial bench development.
- Construction of an 8.25 Mtpa capacity crushing plant at Yuelliton and downhill conveyor to the rail surge bins at Gangra.
- Installation of services (power line, water supply) and other infrastructure at Yuelliton

B. J. ...

APPENDIX D CAPITAL EXPENDITURES

	Phase I	Phase II	Phase III	Phase IV	Replace ment	Total
Mines	55	43	63	65	40	266
Rail	159	38	125	19	45	386
Concentrator	3	29	45	0	10	87
Port	27	27	40	0	10	104
Community	20	15	10	9	3	57
Total (USSM)	264	152	283	93	108	900

[Handwritten signature]

APPENDIX E CLASS A MINING LICENSE

This **CLASS A MINING LICENSE** is dated and made by and between the **MINISTER OF LANDS, MINES & ENERGY OF THE REPUBLIC OF LIBERIA** (hereinafter referred to as the "MINISTER"), and **MONTRAY LIMITED**, a company organized and existing under the laws of Cyprus (hereinafter referred to as the "CONCESSIONAIRE").

Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Mineral Development Agreement, dated 17 August 2005, between the Government of the Republic of Liberia and **MITTAL STEEL HOLDINGS N.V.**, acting on behalf of the **CONCESSIONAIRE** (the "MDA") or, if not defined therein, in the New Minerals and Mining Law of the Republic of Liberia, Part 1, Title 23, Liberian Code of Laws Revised, as approved on April 3, 2000 and published by the Ministry of Foreign Affairs on September 20, 2000 (the "Minerals and Mining Law").

WITNESSETH:

WHEREAS, the Government and the **CONCESSIONAIRE** have concluded, and the **CONCESSIONAIRE** is materially in compliance with, the MDA, which has become effective, permitting Mining in the proposed Production Area pursuant to its terms and conditions;

WHEREAS, the **CONCESSIONAIRE** has satisfied the requirement set forth in Section 6.5(b) of the Minerals and Mining Law by completing a re-evaluation of the exploration programme previously undertaken by LAMCO and submitted to the **MINISTER** a detailed map and descriptive statement, attached hereto as Annex L1, setting forth the boundaries of the Western Area Production Area and the size of the Deposit from which the Minerals are to be mined;

WHEREAS, the **CONCESSIONAIRE** has completed a feasibility report describing a plan for the efficient and economic conduct of Mining in the proposed Production Area in keeping with the standards and other requirements set forth in the Minerals and Mining Law, a description of the Minerals proposed to be mined and the Mining and processing methods to be used, the design, costs and construction schedules for the proposed plant, facilities and equipment to be used, and the marketing arrangements contemplated;

WHEREAS, the **MINISTER** has approved the feasibility report prepared in accordance with and to the standards and other requirements of the Minerals and Mining Law;

WHEREAS, the **CONCESSIONAIRE** has submitted a Notice to the **MINISTER** requesting a Class A Mining License for the proposed Production Area in accordance with the Minerals and Mining Law;

WHEREAS, the **CONCESSIONAIRE's** application for a Mining License conforms in all material respects to the requirements of the Regulations, including:

- (i) name, address, nationality and legal status of the applicant;
- (ii) the Minerals expected to be mined;

- (iii) the boundary of the area subject to the Mining License;
- (iv) the metes and bounds (angles and distances) of the area; and
- (v) an accurate survey of not less than 1:10,000 accompanied by a map showing the geographic position of the claim with reference to adjacent natural landmarks.

WHEREAS, the CONCESSIONAIRE is an Eligible Applicant for a Class A Mining License pursuant to the provisions of section 4.2 of the Minerals and Mining Law, and has demonstrated the technical and financial capability required in respect of a Class A Mining License;

WHEREAS, the MINISTER is satisfied that the CONCESSIONAIRE possesses the technical skills and experience, and the financial resources, necessary to permit it to carry out mining operations in keeping with the requirements of a Class A Mining License and of the Minerals and Mining Law;

WHEREAS, the proposed Production Area is not subject to a valid Mineral Right granted to another Person;

WHEREAS, the Republic of Liberia is the owner of all Iron Ore Deposits within the territory of Liberia, and all the rights related to the Development of all such Iron Ore Deposits including, but not limited to, the iron Ore Deposits within the Concession Area previously granted to LAMCO; and

WHEREAS, in accordance with the Minerals and Mining Law, the MINISTER has the power to grant the CONCESSIONAIRE a Class A Mining License as contemplated in the MDA, and to permit the CONCESSIONAIRE to conduct the Operations as contemplated by the MDA;

NOW, THEREFORE, for and in consideration of the premises, the mutual promises made by and between the Government and the CONCESSIONAIRE (hereinafter referred to as "the Parties"), and the terms and conditions herein contained, it is hereby irrevocably provided as follows:

Grant of Class A License

1. The MINISTER hereby grants to the CONCESSIONAIRE a Class A Mining License for the Western Area Production Area, together with all related rights and privileges to allow the CONCESSIONAIRE to conduct the Operations contemplated by the MDA.

Term of License

2. The initial term of the Class A Mining License shall be for twenty-five (25) years extendable, upon demonstration that proven reserves exist and upon submission of a revised and updated feasibility report, for consecutive additional terms not to exceed twenty-five (25) years each.

Discovery of Other Minerals

3. Pursuant to Section 6.7(c) of the Minerals and Mining Law, should the CONCESSIONAIRE, in the course of Development or Mining discover that the Mine or Deposits contain another Mineral not the subject of the Mining License, the CONCESSIONAIRE shall have the right to Mine such additional Mineral. The Mineral in question shall not be mined until an application has been submitted to, and approved by, the MINISTER. A separate application shall be filed in respect of each Mineral which has been discovered and is to be Mined, for permission to have its Mining License amended to cover the new Mineral. The approval of the MINISTER shall be granted promptly.

Surface Rights

4. Without prejudice to the generality of the rights provided in the MDA, the grant of a Mining License shall, pursuant to the provisions of Section 6.7(d) of the Minerals and Mining Law, carry the following surface rights:
 - (i) Erection of habitations, office buildings, mill buildings, engine houses, storehouses;
 - (ii) Building of dumps, ditches for drainage, roads within the surface boundaries of the Western Area Production Area;
 - (iii) Making trenches and open cuts, constructed for and necessary Mining Operation;
 - (iv) Cutting of timber only insofar as it is necessary to clear for buildings and such works as are mentioned in (i) to (iii) above and to use in construction of the mining site; and
 - (v) Use of water and other resources necessary for the execution of the work.

Right to Operate Transportation and Communication Lines

4. The Mining License shall not, in the absence of contrary provisions in the MDA, be deemed (i) to convey the right to operate a railroad except between the pit, Mine opening, placer workings and the mill, nor (ii) to grant the right to operate telephone, telegraph, water system, hydraulic or electric system, or other public utility within the bounds of the Western Area Production Area and between the Mine and the mill.

Rights to Dispose of Mineral

5. The CONCESSIONAIRE shall have the right to freely dispose of within Liberia all Minerals extracted under the terms of this Class A Mining License, and may export all such Minerals in their original or changed form subject to the specific provisions of the MDA.

Reports by the CONCESSIONAIRE

6. The CONCESSIONAIRE shall submit to the MINISTER not later than September 30 of each year a report giving statistical and descriptive information concerning the

operation of the Mining License. The CONCESSIONAIRE shall demonstrate, upon request, to the reasonable satisfaction of the MINISTER that the provisions of this Law and the Regulations are being complied with. Such reports, if requested, shall be submitted not later than December 15 of each year;

Inspection of Mining Premises and Books

7. The MINISTER shall have the right to order an inspection at any time of the Production Area and, upon reasonable notice, of the books and records maintained at the principal office of the CONCESSIONAIRE in Liberia;

Requirements for Maps

8. The MINISTER may order topographical maps and underground maps to be filed by the CONCESSIONAIRE at any time, but not more often than once every six months. All such maps must be sworn by a competent surveyor, who in his affidavit shall set forth a statement of his training and ability.

Made in Monrovia, this

MINISTER OF LANDS, MINES & ENERGY

Name:

ACKNOWLEDGED AND AGREED:

By MONTRAY LIMITED

Name:

Title:

ANNEX L1 to the CLASS A MINING LICENSE

DEFINITION OF THE WESTERN AREA PRODUCTION AREA

The Western Area Production Area encloses three deposits of iron ore known as Mount Tokadeh, Mount Gangra and Mount Yuelliton. It is currently not proposed to mine a fourth deposit, Mount Beeton, which also occurs within the Production Area.

The boundary of the Western Area Production Area is shown on Drawing L1-001.

The co-ordinates of the Corner Points are given below in the UTM WGS84 co-ordinate system:

Corner Point	X	Y
CP1	538000	820000
CP2	534000	823000
CP3	534000	832000
CP4	534000	839000
CP5	543000	837000
CP6	538000	826000
CP7	540000	824000
CP8	540000	823000

The Metes and Bounds of the Western Area Production Area are as follows:

Corner Points	Distance (m)	Direction	Degrees	Minutes	Seconds	Direction
C1 - C2	5000	North	36	52	12	West
C2 - C3	9000	North	0	0	0	
C3 - C4	9220	North	40	36	5	East
C4 - C5	3606	South	33	41	24	East
C5 - C6	12083	South	24	26	38	West
C6 - C7	2828	South	45	0	0	East
C7 - C8	1000	South	0	0	0	
C8 - C1	3606	South	33	41	24	West

(See map on following page)

NOTE
 1. The base map is an extract from the Liberia 1:50,000 topographic map of the Republic of Liberia 1968
 2. Map Projection: UTM, Zone 28N
 Datum: WGS 84

LEGEND
 --- BOUNDARY PRODUCTION
 --- PRODUCTION
 --- ZONE POINT COORDINATES

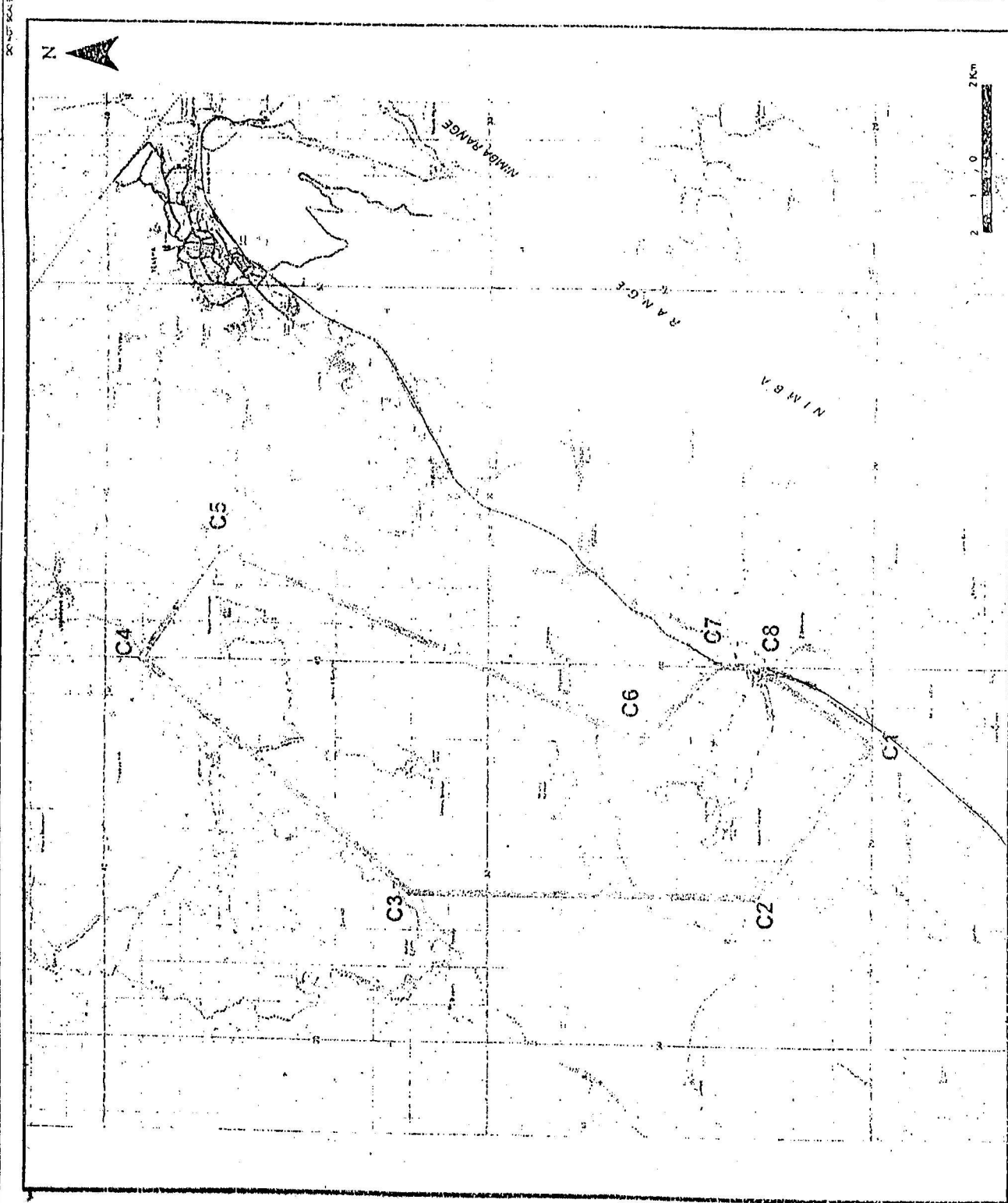
- | | |
|----|---------------|
| X | Y |
| C1 | 836500 822000 |
| C2 | 835000 822000 |
| C3 | 833500 822000 |
| C4 | 832000 822000 |
| C5 | 830500 822000 |
| C6 | 829000 822000 |
| C7 | 827500 822000 |
| C8 | 826000 822000 |

1		2		3		4		5		6		7		8	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16

INITIAL

WESTERN AREA PROJECT

WESTERN AREA PROJECT		DATE: 10/10/04		SCALE: 1:50,000		DRAWN BY: [Signature]		CHECKED BY: [Signature]	
1	2	3	4	5	6	7	8	9	10



APPENDIX F ASSET 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.

¹ The register was reproduced, with amendments, from the Bridging Project Study dated 29 October 1988.

NIMBA MINE:

All of the assets associated with the former LAMCO and LIMINCO mining operations including, but not limited to, the following:

Jaw crusher Krupp	2100 x 1800	mm
Gyratory crusher M11	600	mm
Conveyor belt #2	Length 283	m (Upphill)
Conveyor belt #3	Length 1,148	m (Drop 162m)
Conveyor belt #4	Length 961	m (Drop 157m)
Conveyor belt width	1200	mm
Conveyor belt speed	3.2	m/sec
Conveyor belt max capacity	3600	ton/h
Railroad loading bins		
Railroad loading bins capacity	12,000	ton
Mine workshop	4600	m ²

TOKADEH MINE:

All of the assets associated with the former LAMCO and LIMINCO mining operations including, but not limited to, the following:

Screen plant capacity		1800	ton/h
Jaw crusher			
Conveyor belt	length	210	m
	width	1200	mm
	speed	2.3	m/sec
	max capacity	1500	ton/h
Workshops		1600	m ²

BM 

MINE EQUIPMENT

All of the equipment associated with the former LAMCO and LIMINCO mining operations including, but not limited to, the following:

Drills:

Bucyrus erie 45-R			2
Gardner denver 120			1

Shovels:

P&H 1600	4.5	m3	4
P&H 1900	7.5	m3	1
Wheel loaders Cat 992 C			3

Trucks:

Wabco 120 C			9
Wabco 120 D			8

Miscellaneous:

Bulldozer Cat D-9			5
Bulldozer Cat D-8			4
Wheeldozer Cat 824			1
Motor grader Cat 16-G			5
Motor grader Cat 14-G			1
Motor grader Cat 120			2
Motor grader Cat 166			3
Scrapers Terex TS-14			4
Backhoe Cat -225			1
Airtrack Atlas Copco Roc 601			1
Service trucks			8
Cranes P&H Omega 65			1
Cranes P&H Omega 35			1
Trailers			1
Forklifts			6

Handwritten signatures and initials at the bottom right of the page.

GENERAL FACILITIES IN THE YEKEPA AREA

All of the facilities associated with and ancillary to the former LAMCO and LIMINCO mining operations including, but not limited to, the following:

Power plant:

Number of generators	11
Total generator capacity	17.5 MW
Central workshop	13,400 m ²
Central warehouse	11,800 m ²

Landing Strip

Community :

Staff houses	- 4 bedrooms	4
	- 3 bedrooms	271
	- 2 bedrooms	205
	- 1 bedroom	94
Worker houses	- 3 bedrooms	424
	- 2 bedrooms	559
	- 1 bedroom	234

Hospital

Number of beds	150
----------------	-----

Water purification plant	440 m ³ /h
--------------------------	-----------------------

RAILROAD FACILITIES AND EQUIPMENT

All of the facilities and equipment associated with and ancillary to the former LAMCO and LIMINCO rail operations including, but not limited to, the following:

Rail Track:

Length	267	km
Gauge	1,435	mm
Rail profile	65.5	kg/m
Axle load of loaded cars	30	ton

Length of passing sidings 919-998 m

Passing sidings 9

Locomotives (1,800 HP)	18
Locomotives (900 HP)	5
Ore cars (93 ton)	470
Flat cars (70 ton)	17
Log cars	16
Ballast cars	17
Side dump cars	4
Box cars	5
Tank cars	5

Cars per train 90

Locomotives per train 3

CTC Installations

Associated bridges and culverts

QUARRIES

All of the facilities and equipment associated with and ancillary to the former LAMCO and LIMINCO quarry operations including, but not limited to, the following:

Nekree Hill Quarry

Associated crushing and screening equipment

Green Hill Quarry

Associated crushing and screening equipment

BUCHANAN PLANT AND EQUIPMENT

All of the facilities and equipment associated with and ancillary to the former LAMCO and LIMINCO operations in the Buchanan Industrial Area including, but not limited to, the following:

Car dumping and crude ore bedding stockpile:

Car dumper	6000 ton/h	1
Boom stacker	6000 ton/h	1
Reclaim shovel P&H 1900	2400 ton/h	1
Plant feed-in conveyors	2400 ton/h	

Washing Plant:

Primary screens		5
Classifiers		12
Jones separators		6
Thickener	70m diameter	1
Thickener	36m diameter	2
Mill	3500 x 5400 mm	1
Mill	4150 x 7500 mm	1
Mill	3353 x 9525 mm	2
Magnetic separators	1200 x 1800 mm	4
Magnetic separators	900 x 1800 mm	4

Crushing Plant:

Crushers Symons	4.5 ft	3
Crushers Gyradisc	66 inches	6
Screens		6

Tailings Distribution system

Tailings dams

Shipping stockpile and loading:

Conveyor bridge	6000 ton/h	1
Conveyors	6000 ton/h	

Reclaim shovels:

P&H 1900		3
P&H 1800		1

BU

BR

Shiploader	6000 ton/h	1
Scrapers Terex TS 14		5
Dozers Cat D-9 D		1
Dozers Cat D-9 H		4
Wheeldozer Cat 824		1
Grader Cat 14 E		1
Dumptrucks Volvo BM 960		5
Miscellaneous Equipment		
Cranes P&H 750		1
P&H 650		1
P&H Omega 65		1
Forklift Kalmar LMV 16-9 (15 ton)		1
Service Trucks Volvo N-7		6
Trailer (Lowboy) Volvo N-12		1

BUCHANAN PORT AND GENERAL FACILITIES

All of the facilities and equipment associated with and ancillary to the former LAMCO and LIMINCO operations at Buchanan, excluding the commercial port, and including, but not limited to, the following:

Ore loading Quay:

Quay length	257	m
Depth conditions at MLWS:	13.85	m (45' 5")
Depth alongside ore loading quay	12.8	m (42')

Harbour Basin water depth

Range of tide	0.9 - 1.5	(3' - 5')
---------------	-----------	-----------

Tugboats	1640	HP	2
	3780	HP	1

Power plant:

Generators	8
Total generator capacity	37 MW

Workshop

Warehouse

Community:

Staff houses	257
Apartment flats	120

Hospital

Water supply infrastructure - St John and Benson River Areas

Water Purification Plant	1500	m ³ /day
--------------------------	------	---------------------