

Environmental and Social Action Plan (ESAP)
Allana Potash (#29979)

Allana commits to the actions as specified below, within the specified deadlines, and declares that the resources required to implement the action plan will be allocated.

#	Action Description	Indicator of Completion	Timeframe
1	Establish a chance find procedure for cultural and historical artifacts for exploration drilling and ensure compliance with the procedure.	Procedure documents provided and agreed with IFC	Within three months of subscription
2	Develop a detailed ESIA document addressing local regulatory requirements and IFC Performance Standards prior to any substantive mine construction or development. The ESIA will be integrated with Allana's Bankable Feasibility Study. The ESIA which will include a cumulative impact assessment and will be disclosed and discussed with the local communities. The completed ESIA will be available to the public at the Allana's office in Ethiopia and online.	ESIA documents submitted to IFC for review and approval prior to public disclosure	Four months prior to start of construction
3	Develop and submit Terms of Reference (ToR) for the proposed baseline environmental and social studies as part of ESIA development to IFC for review and comment prior to commencement of the studies.	ToR submitted to IFC for review and approval.	One month prior to commencement of studies
4	Appoint a full-time Health, Safety and Environment (HSE) Officer to assist the Project Manager with HSE implementation and strengthen Allana's E&S capacity for the exploration activities. This will include monitoring of the HSE implementation.	HSE Officer appointed, and letter of appointment submitted to IFC	Within three months of subscription
5	Develop Stakeholder Engagement Strategy which will describe the process of public information disclosure, consultations and engagement with the local communities and wider range of project stakeholders on the project activities and development plans as well as its social, environmental, health and safety impacts and mitigation measures. SEP will also include a grievance procedure for the local communities <i>References: "Stakeholder Engagement: A Good Practice Handbook for Companies Doing Business in Emerging Markets", IFC, 2007; "Addressing Grievances from Project Affected Communities: Guidance for Projects and Companies on Designing Grievance Mechanisms", IFC, 2009.</i>	SEP is provided and agreed with IFC.	Within four months of subscription
6	Develop Influx Management Plan (IMP) for assessing and mitigating environmental, health, safety and security impacts from potential project-induced in-migration in the surrounding communities with the emphasis on Hamidala and Berhale settlements. As the part of this process, to assess the receiving capacity of the communities and adequacy of social infrastructure as well as necessary enhancements and required investments from the company and local government to minimize negative impacts. <i>Reference: "Projects and People: A handbook for Addressing Project-Induced In-Migration", IFC, 2009.</i>	IMP provided and agreed with IFC	Within four months of subscription
7	As part of the exploration camp completion of construction implement the following:	Installation	Within four months

	<ul style="list-style-type: none"> - secure the gas cooking tanks for the junior canteen in appropriately designed steel cage and install cut off switches for the gas supply to the cooking areas; and - construct bund walls around the fuel tanks. 	completion report including photographic evidence submitted to IFC	of subscription
8	Ensure the hydrological investigations cover the following: a) identification of groundwater location and flows; b) preparation of water balance to define sustainable water surface and groundwater resources that will ensure sufficient year-round provision of process water for the project and ensure that any project impacts on availability of water for other users such as herders and nearby communities are adequately mitigated; c) implementation of key recommendations arising from these investigations including installation of monitoring boreholes; d) monitoring of Hamadela village drinking water sources and e) linking results to Annual Monitoring Report.	Hydrological report submitted to IFC for review and comments.	Ongoing from baseline studies through prefeasibility and bankable feasibility study
9	Develop an emergency response and preparedness plan for the potential loss/spill of used oil in transit back to NOC in Mekele.	Plan submitted to IFC	Within four months of subscription
10	Develop a Social Impact Assessment study as part of ESIA with special focus on assessing impacts on the livelihoods of communities and/or community members involved in artisanal mining of salt slabs, their transportation and trading. This will include a census of associated activities and individuals involved, an economic assessment of their livelihood, the extent of negative impacts from developing commercial mining operations in the area and proposed livelihood restoration programs.	SIA is provided and agreed with IFC	To be assessed (“TBA”), subject to any mine development plans
11	Develop Community Development Plan which will describe project’s strategic approach to enhancing its economic and development impacts on the local communities including, including identifying development needs, prioritizing and targeting company’s interventions, including but not limited to strategic community investments, building collaborating and partnerships with the local government and other parties, planning, implementing and monitoring effectiveness of community development projects <i>Reference: “Strategic Community Investment: A Good Practice Handbook for Companies Doing Business in Emerging Markets”, IFC, 2010.</i>	CDP provided and agreed with IFC	TBA, subject to any mine development plans and in line with outcome of Social Impact Assessment studies