

Appendix – 3.6

MOU with SNEL

APPENDIX – 3.6

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AGREEMENT

BETWEEN

The National Electricity Company, Joint Stock Company with Limited Liability under Congolese law, SNEL S.A.R.L in initials. Trade register number 6979/Kinshasa, national identification number A 03970 O, registered office on avenue de la justice n° 2831, commune de la Gombe, Kinshasa, Democratic Republic of Congo, represented by Mr. ERIC MUSANDA Mbala, its administrator delegate.

Hereinafter called "SNEL S.A.R.L. "On the one hand,

WITH

NYUMBA YA AKIBA SPRL, Private limited company under Congolese law, Trade register number 55949/Kinshasa, national identification number 01-9-N41523H, registered office on avenue Ngongo-Lutete n° 1, commune de la Gombe, Kinshasa, Democratic Republic of Congo, represented by Mr. PATRICK VANDEWALLE, its General manager.

Hereinafter called "NYUMBA YA AKIBA SPRL "on the other hand,

SNEL S.A.R.L and NYUMBA YA AKIBA SPRL will be collectively referred to as the "Parties" and individually "Party".

PREAMBLE

CONSIDERING THAT :

- NYUMBA YA AKIBASPRL is planning to build a cement plant with 1,200,000 tons of cement per year as production capacity, in the Yuku village, Songololo Territory, located at about 6 km from Kwilu grid station in the Province of Bas Congo, DRC;
- NYUMBA YA AKIBA SPRL has introduced to SNEL S.A.R.L, on 17th April 2012, a request for high voltage electricity connection for its proposed cement plant;
- The total power requested by Nyumba ya AKIBA SPRL for its facilities is 30 MW which should be ready from July 2013. However, to start the work at site, Nyumba ya Akiba SPRL may seek a power up to 3 MW in 30 kV which shall be applied through SNEL/ Bas Congo at Matadi;
- Considering the need, for the parties to define a legal framework that should govern their business relationships as part of this project;

FROM THE ABOVE, IT WAS AGREED AND ADOPTED AS FOLLOWING:

Article 1: Purpose

By this Agreement, the parties intend to define their expectations and commitments, in respect of supplying electricity to NYUMBA YA AKIBA SPRL and sign specific agreements including energy's sale contract, financing agreement, the infrastructure construction agreement, administration agreement, and others.

Article 2: Power supply of NYUMBA YA AKIBA SPRL

Due to the current network configuration of SNEL, with regards to the particular location of NYUMBA YA AKIBA SPRL project, and considering its 2013 deadline, SNEL SARL is planning to supply electricity to Nyumba ya Akiba project in two stages, which follows:

1st stage: Operation phase

- Settling of a transformer 15 /30 kV - 10 MVA at Kwilu grid station for supplying 3 MW electricity;
- Construction of 30 kV feeder line, from Kwilu grid station to Nyumba ya akiba's site. This line is 11 km long;
- Settling of a transformer 30 /0.4 kV at Nyumba ya Akiba's site.

2nd stage: Final scenario

- Installation of 1 bay (span) at Kwilu grid station for 220 kV line;
- Construction of 220 kV transmission line from Kwilu grid station to Nyumba ya akiba's site. This transmission line is 11 km long;
- Settling of transformer 220 / 11 kV - 50 MVA at Nyumba ya akiba's site;
- Installation of one bay 220 kV line, one bay 220 kV transformer and one bay for 11 kV output.

Article 3: Commitments of the parties

In order to supply the NYUMBA YA AKIBA SPRL plant with electricity power and conclude specific agreements mentioned above which will determine the contractual obligations of the parties, SNEL S.A.R.L and NYUMBA YA AKIBA SPRL agreed to the following commitments:

A. Commitments of NYUMBA YA AKIBA SPRL

NYUMBA YA AKIBA SPRL will:

- Provide to SNEL S.A.R.L, the necessary information of the project including: site location relative to the existing SNEL electricity network, the project structure description, and also phase wise requirements of the power.
- Finance the feasibility study of the project.
- Pre-finance the entire project which requires for electricity power supply to Nyumba ya Akiba SPRL cement plant in accordance with the feasibility study results;
- Shall be responsible for all the costs involved for the work of the Joint Working Team;
- Pay the utility bills of electricity within the required time period.

B. Commitments of SNEL S.A.R.L

SNEL S.A.R.L will:

- Draft any specific agreements to be concluded by the parties for the power project ;
- make arrangements for continuous and reliable feeding of electricity to Nyumba ya Akiba SPRL cement plant;
- Refund the amount pre-financed by Nyumba ya Akiba SPRL for building infrastructure at SNEL's kwilu grid and for construction of 30 kV feeder and 220kV transmission line from the income bills of energy consumption, over a period to be agreed mutually;

C. Joint Commitments

The parties will:

- Work closely to the correct and complete execution of this MOU and seek together, ways and means required to ensure reliable supply of electricity to NYUMBA YA AKIBA SPRL installations. For this, parties agree to set up a joint team responsible of implementing this MOU;
- Sign specific agreements relating to the completion of this project;
- The new 220 kV transmission line to be constructed by Nyumba ya Akiba SPRL will remain SNEL's property.

Article 4: Price

The appropriate rate for the electricity supply will be negotiated and agreed mutually at the time of signing energy supply agreement.

Article 5: Duration of the MOU

This MoU shall remain valid for twelve months from the date of its signing and renewable with consent of both the parties. The request for renewal should be discussed at-least one month before the expiry of this MOU.

Article 6 : Termination

This MoU may be terminated by giving one month notice if one of the parties does not perform its contractual obligations.

Article 7: Contact Addressees

Any notification or communication under this MOU shall be considered duly transmitted if the notification is validly written and delivered personally or sent from one to the other party by fax or courier to the address indicated below or at such other address as either party will notify the other party. These are:

For SNEL SARL :

Société Nationale d'Electricité
2831, Avenue de la justice / Commune de la Gombe
BP 500 KINSHASA I
RD CONGO
Tél.: (00243) 81 607 62 54
E-mail:snel_dg@yahoo.fr

For NYUMBA YA AKIBA

Avenue NgongoLutete N°1
Commune de la Gombe / Kinshasa
Tél. : 00243 81 769 84 91
Email : annie@grouperawji.com

Article 8: Final clauses

The terms of this MOU will become part of the contract of supplying electricity, to be signed by both parties.

Article 9: Effective date

This MOU shall be effective on the date of its signature by the parties.

Done at Kinshasa, on October, 24th 2012 in two original copies, each party acknowledging having removed his.

For NYUMBA YA AKIBA SPRL

PATRICK VANDEWALLE
Administrator delegate

For SNEL S.A.R.L

Eric MBALA MUSANDA
Administrator delegate