

Invitation for Expression of Interest (EOI) for developing and owning an integrated coal chemical project or thermal power project using thermal coal from ICVL's coal assets in Mozambique

1. GENERAL

Expression of Interest (EOI) is invited from prospective investors for setting up an independent coal to chemical project or a thermal power plant or any other plant to utilize the thermal coal produced from the existing Benga mine of M/s Minas De Benga Lda, Tete, Mozambique and or other coal mines to be opened up by M/S ICVL, Mozambique in future.

Minas De Benga Lda is a Company jointly held by M/s International Coal Ventures Ltd (ICVL), managing partner and M/s Tata Steel Ltd. The Company presently operates the Benga Opencast mine in the Tete Province of Mozambique with a state of the art Coal Handling and preparation facility. M/s ICVL have recently acquired the assets of coal mine, Concessions and Licenses held by M/s Rio Tinto in this Country. The Benga mine is currently producing 5.2 MTPA Run-of-Mine (ROM) coal with 22% of the production coming from CHPP as thermal coal at 27.5% to 28% Ash content with about 5500 kcal/kg Gross Calorific Value. Approx. 2 MT of thermal coal is presently available at the CHPP site for immediate utilization and about 1MT annual generation of thermal coal is envisaged. This volume may further go up with proposed expansion of Benga mine and opening up of other coal mines in the area. ICVL, Mozambique, assures the prospective investors to supply coal to their plant under a long-term coal supply agreement.

The plant for utilization of the thermal coal will be built, owned and operated by the bidder as an independent plant with coal supplied from ICVL's coal mine. The plant will be installed at the coal mine site for which land will be provided to the investor by the Company. The project will be broadly based on the following:

- ICVL will provide long term coal supply agreement at cost with an option for upside sharing in the chemical/fertilizer and/or energy production business;
- Plant will be built near to the existing CHPP on the land to be provided by ICVL on a long term lease. Other required utilities for the project will be provided by ICVL at cost;
- Project funding will be secured by the project owner and developers.
- ICVL expects the developer to undertake development work for the plant/project in the following stages:
 - Feasibility work including Market assessment
 - Development work
 - Financing
 - Project construction
 - Operation and Maintenance on BOO basis

2. ELIGIBILITY REQUIREMENT

For coal to chemical project:

- The EOI respondent should be a project development company and should have exclusive support of experienced international Engineering Procurement Construction (EPC) in coal to chemical projects and of a proven entrained gasification technology provider of European/OECD country origin.
- The gasification technology provider should have at least five [5] gasifiers working in similar installation/applications.
- The EPC Company chosen to work on this project should have at least ten (10) years' experience in building similar projects

For Thermal Power generation

- The EOI respondent should be a project development company and should have exclusive support of experienced international Engineering Procurement Construction (EPC) in thermal power generation.
- The respondent should have the experience of setting up and commissioning at least 100MW thermal power plant.

The response to EOI is required by 2:00pm on 12th February 2015 on the following address:

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Maputo, 12th of January 2015