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Guarantee in respect of the Power Purchase Agreement relating to the Power Generation Complex at Makeni, Sierra Leone.

Dated 8th Sept **2011**

Ministry of Finance
(the Guarantor)

Addax Bioenergy (SL) Limited
(the Beneficiary)

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Contents

Guarantee

Dated **2011**

Between

(1) **The Government of Sierra Leone** acting by the Minister of Finance & Economic Development (the **Guarantor)** and

(2) **Addax Bioenergy (SL) Limited**, a company incorporated under the laws of Sierra Leone and whose registered office is located at 4 Liverpool Street, PO Box 610, Freetown, Sierra Leone (the **Beneficiary**).

Recitals

A By a power purchase agreement dated on or about the date of this Guarantee between the Government of the Republic of Sierra Leone, acting by its Ministry of Energy and Water Resources and the Beneficiary (the **Power Purchase Agreement**) and as set out in Schedule 1, GoSL (as defined below) has agreed to purchase the available excess net generation of the generating plant to be installed and operated as part of the sugarcane ethanol bio-fuel project in the Makari Gbanti chiefdom, Bombali district, Sierra Leone pursuant to the terms and conditions set forth in the Power Purchase Agreement.

B GoSL in its capacity as Offtaker under the Power Purchase Agreement is entitled to transfer its rights and obligations under the Power Purchase Agreement to a Successor Utility (as defined below) subject to compliance with certain conditions as set out therein.

C The Guarantor has agreed to give this Guarantee to the Beneficiary to guarantee the Guaranteed Obligations.

It is agreed

1 Definitions and interpretation

1.1 Definitions

In this Guarantee:

Authorisation means an authorisation, consent, permission, approval, resolution, licence, exemption, filing, notarisation or registration.

Business Day has the meaning given to it in the Power Purchase Agreement.

Default Rate has the meaning given to it in the Power Purchase Agreement.

Dollar or US$ has the meaning given to it in the Power Purchase Agreement.

GoSL means the Government of the Republic of Sierra Leone, acting by its Ministry of Energy and Water Resources.

Guaranteed Obligations means each of the obligations of any Successor Utility under, pursuant to or in connection with the Power Purchase Agreement from time to time including, without limitation, any liabilities under or pursuant to Articles X (*Compensation, Payment and Billing*), XI (*Payment Assurance*), XIV (*Indemnification and Liability*), XV (*Force Majeure*), XVII (*Defaults and Termination*), in each case of the Power Purchase Agreement) or otherwise and whether arising by reason of breach of contract, misrepresentation, termination or otherwise.

NPA has the meaning given to it in the Power Purchase Agreement.

Successor Utility means any Successor Utility (as defined in the Power Purchase Agreement) under the Power Purchase Agreement at any time, whether the same is or not a direct transferee from GoSL, or whether any such rights or obligations are vested by operation of contract, law or otherwise.

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

Transfer Date has the meaning given to it in the Power Purchase Agreement.

1.2 Construction

1.2.1 Unless a contrary indication appears, any reference in this Guarantee to:

(a) **assets** includes revenues, property and rights of every kind, present, future, actual and contingent and whether tangible or intangible (including uncalled share capital);

(b) **Clauses** are to be construed as references to the clauses of this Guarantee;

(c) the words **include(s)**, **including** and **in particular** shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding words;

(d) **indebtedness** includes any obligation, whether incurred as principal or as surety, for the payment or repayment of money, whether present or future, actual or contingent and whether owed jointly or severally or in any other capacity;

(e) **liabilities** includes any obligation whether incurred as principal or as surety, whether or not in respect of indebtedness, whether present or future, actual or contingent and whether owed jointly or severally or in any other capacity;

(f) the words **other** and **otherwise** shall not be construed ejusdem generis with any preceding words where a wider construction is possible;

(g) any **person**, including any reference to NPA, includes one or more of that person's assigns, transferees, successors in title, delegates, sub-delegates and appointees (in the case of a party to this Guarantee, in so far as such assigns, transferees, successors in title, delegates, sub-delegates and appointees are permitted and, includes in the case of a reference to NPA, any person who may be substituted for NPA wholly or partly as a party to the Power Purchase Agreement by whatever means) and any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality);

(h) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

(i) any **statute** or **statutory provision** includes any statute or statutory provision which amends, extends, consolidates or replaces it, or which has been amended, extended, consolidated or replaced by it, and any orders, regulations, instruments or other subordinate legislation made under it;

(j) the **Power Purchase Agreement** or any other document, agreement or instrument is a reference to the Power Purchase Agreement or that other agreement or instrument as amended, restated, varied, novated, supplemented or replaced from time to time; and

(k) a time of day is a reference to Freetown, Sierra Leone time.

1.2.2 Section and clause headings are for ease of reference only.

1.3 Third party rights

1.3.1 The Beneficiary and its officers, employees and agents may enforce any term of this Guarantee which purports to confer a benefit on that person, but no other person who is not a party to this Guarantee has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Guarantee.

1.3.2 Notwithstanding any term of this Guarantee, the parties to this Guarantee may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Guarantee without the consent of any person who is not a party to this Guarantee.

2 Effective Date

This Guarantee shall take effect on and from the Transfer Date.

3 Consideration

The Guarantor has entered into this Guarantee in consideration of the Beneficiary entering into the Power Purchase Agreement.

4 Guarantee and indemnity

The Guarantor irrevocably and unconditionally:

(a) guarantees to the Beneficiary punctual performance by any and each Successor Utility of the Guaranteed Obligations;

(b) undertakes with the Beneficiary that whenever any Successor Utility does not pay any amount which is a Guaranteed Obligation when due, it shall immediately pay that amount as if it were the principal debtor; and

(c) as a separate and independent obligation, agrees with the Beneficiary that if, for any reason, any amount claimed by the Beneficiary under this Guarantee is not recoverable on the basis of a guarantee, it will be liable as a principal debtor and primary obligor to indemnify the Beneficiary against any cost, loss or liability it incurs as a result of any Successor Utility not paying or performing any obligation expressed to be payable or to be performed by it under, pursuant to or in connection with the Power Purchase Agreement on the date when it is expressed to be due or, as the case may be, to be performed. Any references in this Guarantee to a "guarantee" or a "Guarantor" and any provisions of this Guarantee relating to a guarantee but not to a primary obligation shall be ignored for the purpose of interpreting the Guaranteed Obligations under this paragraph (c). The amount payable by the Guarantor under this indemnity will not exceed the amount it would have had to pay under this Guarantee if the amount claimed had been recoverable on the basis of a guarantee.

5 Representations and warranties

5.1 The Beneficiary has entered into this Guarantee in reliance on the representations of the Guarantor set out in this Clause 5, and the Guarantor warrants to the Beneficiary on the date of this Guarantee and on the Transfer Date as set out in this Clause 5.

5.2 The Guarantor represents, warrants and undertakes that:

5.2.1 may be sue and be sued in its own name and has full and unconditional power and authority to enter into this Guarantee, to perform and deliver this Guarantee, to pledge the full faith and

credit of the Republic of Sierra Leone for the due performance by the Guarantor of its obligations under this Guarantee, and all necessary action has been taken to authorise its entry into, performance and delivery of, this Guarantee and the transactions contemplated by it;

5.2.2 all Authorisations, official or otherwise, required or desirable:

(a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Guarantee; and

(b) to make this Guarantee admissible in evidence in the Republic of Sierra Leone,

have been obtained or effected and are in full force and effect;

5.2.3 the execution, delivery and performance of this Guarantee do not and will not constitute a default or breach under any law or any treaty or agreement or other instrument to which it is a party or which is binding on it or result in the creation of or oblige it to create any security interest on any of its assets, rights or revenues;

5.2.4 this Guarantee constitutes or will constitute its legal, valid and binding obligations enforceable in accordance with its terms and would be so treated in the competent courts of Sierra Leone; this Guarantee is in proper form for its enforcement in all such courts;

5.2.5 it is subject to civil and commercial law with respect to its obligations under this Guarantee; the obligations assumed by it under this Guarantee and the entering into and performance of its obligations under this Guarantee constitutes a private commercial transaction entered into entirely in its commercial capacity and, should the Beneficiary bring legal proceedings against it or its assets in relation to this Guarantee, neither the Guarantor nor any of its assets is entitled immunity from such legal proceedings (including, without limitation, suit, attachment prior to judgement, other attachment, the obtaining of judgment, execution or other enforcement) with respect to itself or its assets;

5.2.6 the choice of English law as the governing law of this Guarantee, and any award made in accordance with this Guarantee, will be recognised and enforced in the Republic of Sierra Leone;

5.2.7 the execution and delivery of, and performance of its obligations under this Guarantee will be binding on it and any sub-division thereof and any other ministry or governmental, quasi governmental, or other regulatory department, body, instrumentality, agency, or authority of the Ministry of Finance or of any sub-division thereof having jurisdiction over or in relation to this Guarantee;

5.2.8 its obligations under this Guarantee rank and will continue to rank at least *pari passu* with all its other unsecured and unsubordinated liabilities expect for obligations which are mandatorily preferred by law;

5.2.9 under the laws of the Republic of Sierra Leone in force at the date hereof, it will not be required to make any deduction or withholding from any payment it may make under this Guarantee;

5.2.10 under the law of the Republic of Sierra Leone, it is not necessary that this Guarantee be filed, recorded or enrolled with any court or other authority in that jurisdiction, or that any stamp, registration or similar tax be paid on or in relation to this Guarantee or any of the transactions contemplated by it;

5.2.11 no action or administrative proceeding of or before any court or agency which might have a material adverse effect on its ability to perform or comply with its obligations under this Guarantee has been started or threatened;

5.2.12 it is not, nor would be with the giving of notice or lapse of time, in breach or default under any agreement relating to its external debt or any indebtedness denominated or payable at the option of the debtor or the creditor in a currency other than leones;

5.2.13 the Republic of Sierra Leone is a member of, and is eligible to use the general resources of, the International Monetary Fund (the **IMF**) and, to the best of its knowledge and belief, the IMF has not limited, and does not intend to limit, pursuant to its Articles of Agreement or Rules and Regulations, its use of the general resources of the IMF; and

5.2.14 the gold and currency reserves of Sierra Leone are held by it and may be used to meet the Guarantor's liabilities under this Guarantee.

6 Preservation of Guarantee

6.1 Continuing guarantee

This Guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any and each Successor Utility to the Beneficiary under the Power Purchase Agreement, regardless of any intermediate payment or discharge in whole or in part.

6.2 Reinstatement

If any discharge, release, accounting or arrangement (whether in respect of the obligations of any or each Successor Utility or any security for those obligations or otherwise) is made by the Beneficiary in whole or in part on the faith of any payment, security, recovery or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Guarantor under this Guarantee shall continue or be reinstated as if the discharge, release, accounting or arrangement had not occurred.

6.3 Waiver of defences

The obligations of the Guarantor under this Guarantee will not be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Guarantee (whether or not known to it or the Beneficiary) including:

(a) any time, waiver or consent granted to, or composition with, any or each Successor Utility or any other person;

(b) the release of any or each Successor Utility or any other person under the terms of any composition or arrangement with any creditor of any person;

(c) the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any or each Successor Utility or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members, name or status of any or each Successor Utility (including whether or not it is wholly or partly privatised) or any other person;

(e) any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of this Guarantee, the Power Purchase Agreement or any other document or security;

(f) any unenforceability, illegality or invalidity of any obligation of, or any security created by, any person under this Guarantee, the Power Purchase Agreement or any other document;

(g) any insolvency, liquidation, administration or similar procedure;

(h) the identity of any Successor Utility;

(i) that on the date of this Guarantee there was no Successor Utility and whether or not any actual or prospective Successor Utility has been identified.

6.4 Immediate recourse

The Guarantor waives any right it may have of first requiring the Beneficiary (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Guarantor under this Guarantee. This waiver applies irrespective of any law or any provision of the Power Purchase Agreement or any other document to the contrary.

6.5 Appropriations

Until the Guaranteed Obligations have been irrevocably paid and discharged in full, the Beneficiary may:

(a) refrain from applying or enforcing any other moneys, security or rights held or received by it (including but not limited to rights of set-off) in respect of amounts which may be or become payable by any or each Successor Utility to the Beneficiary under or in connection with the Power Purchase Agreement, or apply and enforce them in such manner and order as it sees fit (whether against the Guaranteed Obligations or otherwise) and the Guarantor shall not be entitled to the benefit of them; and

(b) hold in an interest-bearing suspense account any moneys received from the Guarantor or on account of the Guarantor's liability under this Guarantee.

6.6 Deferral of Guarantor's rights

Until the Guaranteed Obligations have been irrevocably paid and discharged in full, and unless the Beneficiary otherwise directs, the Guarantor will not exercise any rights which it may have by reason of performance by it of its obligations under this Guarantee or any other document or by reason of any amount being payable, or liability arising, under this Guarantee:

(a) to receive or claim payment from or be indemnified by any or each Successor Utility;

(b) to claim any contribution from any other guarantor of, or provider of security in respect of, any or each Successor Utility's obligations under the Power Purchase Agreement;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Beneficiary under the Power Purchase Agreement or of any guarantee or security taken pursuant to, or in connection with, the Power Purchase Agreement by the Beneficiary;

(d) to bring legal or other proceedings for an order requiring any or each Successor Utility to make any payment, or perform any obligation, in respect of which the Guarantor has given a guarantee, undertaking or indemnity under Clause 4 (*Guarantee and indemnity*);

(e) to exercise any right of set-off against NPA; and/or

(f) to claim or prove as a creditor of any or each Successor Utility in competition with the Beneficiary.

6.7 Additional Security

This Guarantee is in addition to, is not in any way prejudiced by, and shall not merge with, any other guarantee or security now or in the future held by the Beneficiary as security for the Guaranteed Obligations.

6.8 No Security from Principal Debtor

Until the Guaranteed Obligations have been irrevocably paid and discharged in full, the Guarantor shall not take, or retain, any security from any or each Successor Utility or other person in connection with any of the Guarantor's liabilities under this Guarantee.

6.9 Trust

If the Guarantor is in breach of Clause 6.6 (*Deferral of Guarantor's rights*) or 6.8 (*No Security from Principal Debtor*), the Guarantor shall hold on trust the payment, contribution, benefit, right or security to transfer or pay it to the Beneficiary to the extent necessary to satisfy any of the Guarantor's liabilities under this Guarantee.

6.10 New accounts

If this Guarantee ceases to be continuing for any reason, the Beneficiary may open a new account or accounts with any or each Successor Utility and, if it does not do so, it shall nevertheless be treated as if it had done so at the time this Guarantee ceased to be continuing (whether by determination, calling in, demand or otherwise), and as from that time all payments made by the Guarantor to the Beneficiary:

(a) shall be credited or be treated as having been credited to the new account; and

(b) shall not operate to reduce the Guaranteed Obligations at that time.

7 Payment mechanics

7.1 Payments

7.1.1 All payments to be made by the Guarantor under this Guarantee shall be made in Dollars to the Beneficiary to such account as it may notify the Guarantor for this purpose.

7.1.2 Payments under this Guarantee shall be made for value on the date upon which the relevant payment is due under this Guarantee to the account of the Guarantor.

7.2 Interest

If the Guarantor fails to pay any amount payable by it under this Guarantee on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at the Default Rate. Any interest accruing under this Clause shall be immediately payable by the Guarantor on demand by the Beneficiary.

7.3 Payments without deduction

7.3.1 In this Clause, **Tax Deduction** means a deduction or withholding for or on account of Tax from a payment under this Guarantee.

7.3.2 The Guarantor shall make all payments to be made by it under this Guarantee without any Tax Deduction, unless a Tax Deduction is required by law.

7.3.3 If a Tax Deduction is required by law to be made by the Guarantor, the amount of the payment in respect of which the Tax Deduction is required to be made shall be increased to the amount which (after the Tax Deduction) will leave an amount equal to the payment which would have been due if no Tax Deduction had been required.

8 Currency

8.1 The Spot Rate

In this Clause 8, the **Spot Rate** means, in relation to the Beneficiary, the spot rate of exchange of BNP Paribas for the purchase of any currency with any other currency in the London foreign exchange market.

8.2 Conversion of moneys received

The Beneficiary may convert any moneys received, recovered or realised in any currency under this Guarantee (including the proceeds of any previous conversion under this Clause 8) from their existing currency into any other currency, by purchasing that other currency at the Spot Rate.

8.3 Hedging

If the Guarantor fails to pay any sum under this Guarantee on the due date, the Beneficiary may, without notice to the Guarantor, purchase at the Spot Rate any currency which the Beneficiary considers necessary or desirable to cover the liabilities of the Guarantor to pay that sum.

8.4 Indemnity

8.4.1 If any sum due from the Guarantor under this Guarantee (a **Sum**), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the **First Currency**) in which that Sum is payable into another currency (the **Second Currency**) for the purpose of:

(a) making or filing a claim or proof against the Guarantor; or

(b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Guarantor shall, as an independent obligation, within three Business Days of demand, indemnify the Beneficiary against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (i) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (ii) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

8.4.2 The Guarantor waives any right it may have in any jurisdiction to pay any amount under this Guarantee in a currency or currency unit other than that in which it is expressed to be payable.

9 Costs and expenses

9.1 Amendment costs

If the Guarantor requests an amendment, waiver, consent or release of or in relation to this Guarantee, the Guarantor shall, within three Business Days of demand, reimburse the Beneficiary for the amount of all costs and expenses (including legal fees) reasonably incurred by it in responding to, evaluating, negotiating or complying with that request or requirement.

9.2 Enforcement costs

The Guarantor shall, within three Business Days of demand, pay to the Beneficiary the amount of all costs and expenses (including legal fees) incurred by the Beneficiary in connection with the enforcement of, or the preservation of any rights under, this Guarantee.

10 Assignment

10.1 Procedure

10.1.1 The Guarantor may not assign or transfer any or all of its rights and obligations under this Guarantee without the prior written consent of the Beneficiary.

10.1.2 The Beneficiary may:

(a) assign, novate, transfer or otherwise dispose of all or any of its rights, claims, title or interest or obligations under this Guarantee to any person to whom it assigns, novates, transfers or otherwise disposes of any of its rights or obligations under the Power Purchase Agreement; and

(b) create or allow to subsist any charge, mortgage, pledge, lien, assignment or any other security interest or encumbrance over all or any of its rights, claims, title or interest in or to, or all or any of its obligations under, this Guarantee,

in each case without the consent of the Guarantor.

10.2 Disclosure of information

The Beneficiary may disclose to any assignee or proposing assignee any information it thinks fit in relation to the Guarantor and the Power Purchase Agreement.

11 Set-off

The Beneficiary may set off any matured obligation due from the Guarantor under this Guarantee (to the extent beneficially owned by the Beneficiary) against any matured obligation owed by the Beneficiary to the Guarantor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Beneficiary may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

12 Notices

12.1 Communications in writing

Any communication to be made under or in connection with this Guarantee shall be made in writing and, unless otherwise stated, may be made by fax or letter.

12.2 Addresses

12.2.1 The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Guarantee is that identified with its name below or any substitute address, fax number or department or officer as either party may notify to the other by not less than five Business Days' notice.

12.2.2 The addresses referred to in Clause 12.2.1 are:

(a) **The Guarantor**:

Financial Secretary
Ministry of Finance and Economic Development
Ministry of Finance
George Street
Freetown

Fax: +23222228472

Email: ekoroma@mofed.gov.sl

(b) **The Beneficiary**:

Addax Bioenergy (SL) Ltd
Attn: Nikolai Germann
33 Rue de la Synagogue
CH - 1211 Genève 12
Switzerland
Fax: +41 58 702 99 80
e-mail: nikolai.germann@addaxbioenergy.com

Addax Bioenergy (SL) Limited
Attn: John Moult, General Manager
4 Liverpool Street
PO Box 610
Freetown
Sierra Leone
Fax: +232 22 293 10
e-mail: John.Moult@addaxbioenergy.com

12.3 Delivery

12.3.1 Any communication or document made or delivered by one person to another under or in connection with this Guarantee will only be effective:

(a) if by way of fax, when received in legible form; or

(b) if by way of letter, (i) when it has been left at the relevant address or (ii) two Business Days (or, in the case of airmail, five Business Days) after being deposited in the post postage prepaid (or, as the case may be, airmail postage prepaid), in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 12.2 (*Addresses*), if addressed to that department or officer.

12.3.2 Any communication or document to be made or delivered to the Beneficiary will be effective only when actually received by the Beneficiary and then only if it is expressly marked for the attention of the department or officer identified in Clause 12.2.2 (or any substitute department or officer as the Beneficiary shall specify for this purpose).

12.4 English language

12.4.1 Any notice given under or in connection with this Guarantee must be in English.

12.4.2 All other documents provided under or in connection with this Guarantee must be:

(a) in English; or

(b) if not in English, and if so required by the Beneficiary accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

13 Calculations and certificates

13.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Guarantee, the entries made in the accounts maintained by the Beneficiary are *prima facie* evidence of the matters to which they relate.

13.2 Certificates and determinations

Any certification or determination by the Beneficiary of a rate or amount under this Guarantee is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

14 Partial invalidity

If, at any time, any provision of this Guarantee is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

15 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Beneficiary, any right or remedy under this Guarantee shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Guarantee are cumulative and not exclusive of any rights or remedies provided by law.

16 Amendments and waivers

Any term of this Guarantee may be amended or waived only with the written consent of the Guarantor and the Beneficiary.

17 Counterparts

This Guarantee may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Guarantee.

18 Governing law and enforcement

18.1 Governing law

English law governs this Guarantee, its interpretation and any non-contractual obligations arising from or connected with it.

18.2 Jurisdiction

18.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Guarantee (including a dispute regarding the existence, validity or termination of this Guarantee) (a **Dispute**).

18.2.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

18.2.3 This Clause 18.2 is for the benefit of the Beneficiary only. As a result, the Beneficiary shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Beneficiary may take concurrent proceedings in any number of jurisdictions.

19 Service of process

Without prejudice to any other mode of service allowed under any relevant law, the Guarantor:

(a) Shall within 30 days of the date of this Guarantee, irrevocably appoint Law Debenture Corporate Services of 101 Wood Street, London EC2V 7EX ("Law Debenture Corporate Services") or any other person notified by the Guarantor and approved by the Beneficiary from time to time, as its agent for service of process in relation to any proceedings before the English courts in connection with this Guarantee and notify the Beneficiary of any such appointments; and

(b) agrees that failure by a process agent to notify the Guarantor of the process will not invalidate the proceedings concerned; and

(c) agrees that failure by a process agent to notify the Guarantor of the process will not invalidate the proceedings concerned; and

(d) if any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Guarantor must immediately (and in any event 30 days of such event taking place) appoint another agent on terms acceptable to the Beneficiary for any reasonable fees and costs incurred by the Beneficiary in making such appointment on its behalf.

20 Waiver of immunity

The Guarantor irrevocably and unconditionally:

(a) agrees that the execution, performance and delivery of this Guarantee by it constitute a private commercial transaction (rather than a public or government act) entered into entirely in its commercial capacity;

(b) agrees that should the Beneficiary bring legal proceedings against it or its assets in relation to this Guarantee, no immunity from such legal proceedings (which shall be deemed to include without limitation, suit, attachment prior to judgement, other attachment, the obtaining of judgment, execution or other enforcement) shall be claimed by or on behalf of itself or with respect to its assets;

(c) waives any such right of immunity which it or its assets now has or may hereafter acquire;

(d) consents generally in respect of any such proceedings to the giving of any relief or the issue of any process in connection with such proceedings including the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such proceedings;

(e) consents generally to the jurisdiction, with respect to itself and any and all of its assets and property that it now has or may hereafter acquire, of any court of competent jurisdiction for any action filed by the Beneficiary to enforce any judgement given in accordance with Clause 18.2;

(f) waives any objection that it may now or hereafter have to the venue of any action or proceeding brought as consented to in Clause 18.2 or this Clause 20 and specifically waives any objection that any such action or proceeding has been brought in an inconvenient forum and agrees not to plead or claim the same; and

(g) agrees that service of process in any such action or proceeding may be effected in any manner permitted by the law applicable to the aforementioned court, or in the manner specified in Clause 19.

This Guarantee has been entered into on the date stated at the beginning of this Guarantee.

SIGNATURE PAGE

Signed by duly authorised for and on behalf of **The Ministry of Finance and Economic Development**	)	Samura M Kamara 1/9/11
Signed by Duly authorised for and On behalf of **The Ministry of Trade and Industry**	)	DR. RICHARD KONTEH 31/8/11
Signed by duly authorised for and on behalf of **Addax Bioenergy (SL) Limited**	)	Nikolai Gerhaugh Managing Director Vincent L. Kanu Director

Schedule 1

Power Purchase Agreement

GOVERNMENT OF THE REPUBLIC OF SIERRA LEONE

- AND -

ADDAX BIOENERGY (SL) LIMITED

POWER PURCHASE AGREEMENT

RELATING TO

THE POWER GENERATION COMPLEX AT

MAKENI, SIERRA LEONE

DATED AS OF 2011

SUBJECT TO RATIFICATION

TABLE OF CONTENTS

THIS POWER PURCHASE AGREEMENT is made at Freetown, Sierra Leone as of 2011 by and between:

(1) **THE GOVERNMENT OF THE REPUBLIC OF SIERRA LEONE** acting by the Ministry of Energy and Water Resources in its capacity as Offtaker;

(2) **THE GOVERNMENT OF THE REPUBLIC OF SIERRA LEONE** acting by the Ministry of Energy and Water Resources in its capacity as GOSL Guarantor; and

(3) **ADDAX BIOENERGY (SL) LIMITED** (the "Company"), a company duly incorporated under the Laws of Sierra Leone and whose registered office is located at 32A Wilkinson Road, Freetown, Sierra Leone.

The Offtaker, the GOSL Guarantor and the Company are referred to individually as a "Party" and collectively as the "Parties".

WHEREAS:

A The Company is in the process of designing and developing the Project, and intends to install and operate, as part of the Project, the Complex.

B The Company expects the generation capacity of the Complex to exceed its requirements for the Project. The Company anticipates that the capacity which will be available for export to the Offtaker will range from 5MW to 21.5MW over the course of each Year (or First Year, as applicable) from the Commercial Operations Date and the Company wishes to sell to the Offtaker, and the Offtaker wishes to purchase from the Company, the available export capacity pursuant to the terms and conditions set out in this Agreement.

C The Company and the GOSL have entered into a Memorandum of Understanding and Agreement dated 9th February, 2010, relating to the Project and the subject matter of this Agreement which has been ratified by the GOSL on 09 November 2010 ("MOUA").

D It is anticipated that the rights and obligations of Offtaker under this Agreement will be transferred from the GOSL to a suitable company with the legal, technical and financial capability to perform this Agreement (as a successor to the National Power Authority) following the restructuring of the Sierra Leone electricity industry (the "Successor Utility");

E The GOSL Guarantor (acting through the Ministry of Finance) will enter into the Guarantee setting out the Successor Utility's obligations under this Agreement in the form, or substantially the same form, provided in Annex 1.

NOW, THEREFORE, in consideration of the mutual benefits to be derived and the representations and warranties, conditions and promises herein contained, and intending to be legally bound hereby, the Company and the GOSL (in its capacity as GOSL Guarantor and in its capacity as Offtaker) hereby agree as follows:

ARTICLE I
DEFINITIONS; INTERPRETATION

Section 1.1. Definitions; Interpretation

In this Agreement, unless otherwise specified:

(i) capitalised terms shall have the meaning given in Schedule I;

(ii) the headings of Sections are for convenience only and shall be ignored in construing this Agreement;

(iii) the singular includes the plural and vice versa;

(iv) words of any gender include each other gender;

(v) reference to a Recital, Annex, Schedule, Article, or Section, is a reference to a Recital, Annex, Schedule, Article, or Section of or to this Agreement and reference to a paragraph is a reference to a paragraph of a Schedule to this Agreement;

(vi) reference to **this Agreement** includes a reference to the Recitals and the Schedules, provided that the main body of this Agreement shall prevail to the extent of any conflict or inconsistency with a Schedule;

(vii) reference to a **person** includes an individual, firm, partnership, joint venture, company, corporation, body corporate, unincorporated body of persons or any state or any agency of a state or any other legal entity;

(viii) references to any agreement, enactment, ordinance or regulation includes any amendment thereof or any replacement in whole or in part;

(ix) where a word or expression is defined or construed, other grammatical forms of that word or expression shall be defined or construed accordingly,

(x) **including** shall not be construed as being by way of limitation and **other** and **otherwise** shall not be construed as limited by words with which they are associated;

(xi) unless otherwise provided herein, whenever a consent or approval is required by one Party from the other Party, such consent or approval shall not be unreasonably withheld or delayed;

(xii) references to time are to the time in Freetown, Sierra Leone.

ARTICLE II
SALE AND PURCHASE OF ENERGY, AND PERFORMANCE OF AGREEMENT

Section 2.1. Sale, Delivery and Purchase of Energy

2.1.1 Subject to and in accordance with the terms of this Agreement:

(i) during the period when the Company is testing and Commissioning the Complex, up to and including the Commissioning Date, the Offtaker shall take delivery, from time to time, of electrical energy from the Complex which is made available by the Company;

(ii) on the Day following the Commissioning Date and until the Commercial Operations Date, the Company shall (subject to operation of the Project) use reasonable endeavours to sell and deliver Net Energy Output to the Offtaker at the Interconnection Points, and the Offtaker shall use reasonable endeavours to purchase the Net Energy Output from the Company, in accordance with Section 7.1, for the consideration described in Article X;

(iii) subject to Article VII, from and after the Commercial Operations Date, and until the end of the Term, the Company shall sell and deliver to the Offtaker at the Interconnection Points the Net Energy Output, and the Offtaker shall purchase the Net Energy Output from the Company for the consideration described in Article X.

2.1.2 Notwithstanding Section 2.1.1:

(i) the Company shall not be obliged to make available or sell or deliver to the Offtaker any electric energy output of the Complex (a) prior to the Commissioning Date or (b) in excess of the Annual Availability; and

(ii) the Offtaker shall not be obliged to pay for any electric energy output of the Complex prior to the Commissioning Date.

2.1.3 Without prejudice to Section 4.1.1, the Company may use electric energy produced at the Complex for the operation of any part of the Project (including the Ethanol Production Facility and the Complex) and notwithstanding anything to the contrary in this Agreement the requirements of the Company for electric energy for any part of the Project shall take priority over the production of Net Energy Output for delivery under this Agreement.

Section 2.2. Performance by GOSL

2.2.1 Prior to the date on which the GOSL transfers its rights and obligations in its capacity as Offtaker under this Agreement to the Successor Utility in line with the provisions of Article XIX ("Transfer Date"), GOSL shall, to the extent that it is unable to perform any operational or technical obligations relating to the Offtaker

under this Agreement, procure that such obligations are performed on its behalf by NPA or another appropriate electricity industry entity.

2.2.2 The procurement by GOSL of the performance of the Offtaker obligations under this Agreement prior to the Transfer Date shall not relieve GOSL of its responsibilities or liabilities under this Agreement.

ARTICLE III
TERM

Section 3.1. Initial Term

3.1.1 On the date of execution of this Agreement by the Parties, only Article I, (Definitions; Interpretation), this Article III (Term), Section 5.1, Section 5.2, Article VI (Representations and Warranties), Article XIV (Indemnification) Article XVIII (Resolution of disputes), Article XIX (Assignment), Article XXI (Miscellaneous Provisions) and Article XXII (Conditions Precedent), shall be effective.

3.1.2 This Agreement shall come into full force and effect on the date of Effectiveness of Agreement.

3.1.3 Subject to Section 3.1.2, this Agreement shall expire twenty (20) Years from the Commercial Operations Date unless it is earlier terminated pursuant to the provisions of this Agreement. The term of twenty (20) Years shall be extended for periods of Force Majeure pursuant to Section 15.3.5.

3.1.4 The expiration or termination of this Agreement is subject to Section 17.6 and is without prejudice to all rights and obligations of the Parties accrued under this Agreement prior to such expiration or termination.

Section 3.2. Renewal Term

This Agreement may be extended for an additional period or periods after the date on which it is to expire, on terms mutually agreeable to the Company and the Offtaker .

Section 3.3. Supply after Termination

If this Agreement has been terminated by the Company pursuant to Article XVII or Article 15.3.1 and the Offtaker has paid the Company in full the Compensation Amount pursuant to Sections 17.4.2 and Section 17.7, then the provisions of this Agreement shall apply with the exception of:

(i) Sections 7.8.2 to 7.8.8 (inclusive) which shall be replaced with the following: "On the occurrence of a Bagasse Shortfall the Company shall have no liability to the Offtaker as a result of a failure resulting from the Bagasse Shortfall";

(ii) Section 10.2 to Section 10.11 (inclusive);

(iii) Article XI;

(iv) the reference to "Section 3.3" in Section 17.6;

(v) Section 17.7; and

until the earlier of the following:

(a) the time at which the sum of all Nominated Hourly Amounts (including Nominated Hourly Amounts in any deemed Daily Nomination issued pursuant to Section 5.7) for all Hours in all Days in all Years amounts to one million eight hundred thousand (1,800,000) MWh;

(b) if the Commercial Operations Date has occurred, 20 Years from the Commercial Operations Date;

(c) three (3) Years from the date on which this Agreement has been terminated by the Company pursuant to Article XVII if the Commercial Operations Date has not occurred by the expiry of such three (3) Year period due to an Offtaker Event; or

(d) the occurrence of an Offtaker Event of Default which prevents, hinders or delays the performance by the Company of their obligations or the exercise of its rights under this Agreement either (i) for a continuous period of six (6) months; or (ii) on a persistent and repetitive basis, pursuant to which the Company terminates this Agreement under Article XVII.

For the avoidance of doubt, following the occurrence of expiration or termination of this Agreement pursuant to any of the events described in Section 3.3 (a)-(d) (inclusive), the Parties shall have no further obligations or liabilities in this Agreement except for those obligations and liabilities that: (i) arose prior to such termination, or (ii) expressly survive such expiration or termination pursuant to Section 21.15.

ARTICLE IV
AVAILABILITY

Section 4.1. Annual Availability

4.1.1 The "Annual Availability" (in MWh) is 100,000 MWh or such other amount as the Company notifies the Offtaker:

(i) on the Commercial Operations Date, for the First Year; and

(ii) no later than one Month prior to the start of a Year, for each Subsequent Year, or such later date agreed by the Operating Committee,

provided that the Annual Availability shall never without the Offtaker's consent (a) be below 90,000 MWh except in relation to the First Year for which there shall be no minimum; or (b) exceed 120,000 MWh.

Section 4.2. Ramp-up Period

4.2.1 The Company shall, not later than three (3) Months before the anticipated Commissioning Date provide to the Offtaker an indicative, non-binding statement ("Ramp-up Statement"), for the Offtaker's information.

4.2.2 The "Ramp-up Statement" shall set out:

(i) the period (commencing with the Target Commissioning Date, and not exceeding thirty (30) Months) to which the statement applies; and

(ii) for each Month of the anticipated Ramp-up Period, the estimated amount of availability (in MWh) which the Company expects to make available in each Month during that period ("Ramp-up Availability").

4.2.3 The Company may (i) from time to time update its Ramp-up Statement; and (ii) increase the Ramp-up Availability for any Month by providing the Offtaker with a notice not less than seven (7) Days before the relevant Month.

4.2.4 The Company may at any time during the Ramp-up Period serve notice on the Offtaker specifying the date, no earlier than nine (9) Months from the date of that notice, when the Ramp-up Period is anticipated to end and the Commercial Operations Date is to occur. The Company may at any time amend the date(s) previously notified.

4.2.5 The Ramp-up Period shall end on the date specified by the Company as the end of the Ramp-up Period in the Company's final notice under Section 4.2.4, and, for the avoidance of doubt, the provisions of Article X shall apply.

4.2.6 The Target Commissioning Date is 30 October 2013.

ARTICLE V
PRE-COMMERCIAL OPERATIONS

Section 5.1. Permits and Licences

5.1.1 GOSL shall use its best efforts to procure, no later than three Months following the date of this Agreement, the grant to the Company by NPA or the Successor Utility of, without additional payment, a Licence to enable the Company to undertake the generation, transmission and supply of electricity from the Complex, which Licence shall be on the terms and conditions set out in this Agreement.

5.1.2 Except as provided in Section 5.1.1, and without prejudice to any provision of the MOUA, the Company shall, at its sole cost and expense obtain and maintain in effect all Consents in order to enable it to perform its obligations under this Agreement.

Section 5.2. Submissions by the Company

5.2.1 The Company shall submit to the Offtaker the documents listed in Section 5.2.2 on or before the dates specified in Section 5.2.2 (the "PPA Original Documents"). In addition, the Company shall provide to the Offtaker any documents supplementing or otherwise amending a PPA Original Document in a timely manner as such information is amended, modified or superseded (all such supplements and amendments, "PPA Amended Documents").

5.2.2 The PPA Original Documents, and the date by which each PPA Original Document must be submitted, are as follows:

(i) on or before the date of Effectiveness of Agreement, copies of all Consents that have been issued to the Company to date for the Complex, and, not later than ten (10) Days prior to the Commercial Operations Date: (a) evidence demonstrating that the Company has obtained all of the Consents then required to be obtained for the ownership, operation and maintenance of, and the supply of power from, the Complex together with (b) a list identifying Consents not yet required to be obtained for the operation and maintenance of, and the supply of power from, the Complex, together with a plan reasonably acceptable to the Offtaker for obtaining such Consents and an estimate of the time within which such Consents will be obtained;

(ii) on or before the date of Effectiveness of Agreement, a copy of the Company's proposed plan for the operation and maintenance of the Complex, together with all amendments executed as of that date;

(iii) at least fourteen (14) Days prior to the Construction Start Date, evidence demonstrating that the Company has obtained all material Consents that are necessary for the Construction Start Date;

(iv) thirty (30) Days after the date of Effectiveness of Agreement, a construction report ("Construction Report") in the form set out in Schedule 7, and, thereafter (but without duplication of any requirement under Section 5.6), as required, supplemental Construction Reports, as and when the Company becomes aware of any new condition or event that will have a material and adverse effect on the timely completion of the Complex;

(v) as soon as available but not later than thirty (30) Days after the date of Effectiveness of this Agreement, general arrangement drawings of the Complex;

(vi) not later than fourteen (14) Days prior to the scheduled commencement of testing and Commissioning of the Complex, a test schedule for the Complex.

(vii) at the time specified in Section 5.3, a copy of draft written operating procedures to serve as the basis for the written operating procedures to be jointly developed pursuant to Section 5.3;

(viii) as soon as available but not later than ten (10) Days after the performance of any Commissioning Test, copies of all test results for tests performed on the Complex; and

(ix) on the Commissioning Date, a certificate from the Company Engineer addressed to the Offtaker to the effect that, based upon the Company Engineer's monitoring and review of the Project, the construction and installation of the Complex has been carried out in all material respects in compliance with the terms of this Agreement.

5.2.3 Without prejudice to any provision of the MOUA, neither the receipt nor approval of any PPA Original Document or PPA Amended Document shall (i) relieve the Company of any liability, obligation or responsibility under this Agreement resulting from a breach by the Company of this Agreement or (ii) be construed as an endorsement by the Offtaker of the delivery, installation, ownership, operation or maintenance of the Complex nor as a warranty by the Offtaker of the safety, durability or reliability thereof.

Section 5.3. Operating Procedures

5.3.1 The Company, in consultation with the Offtaker, shall develop written operating procedures for the Interconnection Facilities in accordance with this Section 5.3 and to the extent that the Offtaker provides any information to the Company as part of the consultation, the Offtaker acknowledges that the Company may rely on the accuracy of such information. Such operating procedures shall:

(i) be based on the designs of the Complex (including the Company Interconnection Facilities), the Offtaker Interconnection Facilities and the Offtaker Grid System and on the draft procedures provided by the Company pursuant to Section 5.2.2(vii);

(ii) be consistent with the Minimum Functional Specifications; and

(iii) deal with all operational interfaces between the Offtaker and the Company, including the method of day-to-day communication, key personnel lists, clearances and switching practices, outage scheduling, requirements detailing inter-tripping, requirements detailing protective devices, capacity and energy reporting, and operations log.

5.3.2 Within ten (10) Days of the Commissioning Date, the Company shall, in consultation with the Operating Committee, finalize the operating procedures addressing all operational interfaces between the Offtaker and the Company. The operating procedures shall:

(i) take proper account of the design of the Complex, the Metering System, and the Offtaker Grid System and shall be consistent with the Minimum Functional Specifications;

(ii) be consistent with Prudent Utility Practices; and

(iii) be subject to the approval of the Offtaker, such approval not to be unreasonably withheld or delayed.

5.3.3 The procedure for developing and finalizing the operating procedures shall be as follows:

(i) at the time of the establishment of the Operating Committee, the Company shall deliver to the Offtaker in writing proposed draft operating procedures;

(ii) the Offtaker shall provide comments in writing on the draft operating procedures within fourteen (14) Days following the date the draft operating procedures are delivered by the Company to the Offtaker (and if the Offtaker does not provide any comments within fourteen (14) Days, the Offtaker will be deemed to have approved and agreed to the draft operating procedures) and each Party shall make a representative available to meet within two (2) Days thereafter to review both the draft operating procedures and the comments provided by the Offtaker;

(iii) the Company shall finalize the operating procedures following such review.

5.3.4 Following the finalization of the operating procedures pursuant to Section 5.3.3, either Party may propose changes to the operating procedures from time to time as changes in events and circumstances may require. The Parties shall meet and discuss such proposed changes in good faith and incorporate such changes as are agreed by the Parties.

Section 5.4. Inspection

The Offtaker and/or its representatives shall have the right to observe the progress of the construction and installation of the Complex and the testing and Commissioning of the Complex in accordance with SCHEDULE 4. The Company shall comply with all reasonable requests of the Offtaker for, and assist in arranging, any such observation visits to the Complex. Without prejudice to the MOUA, such visits to the Complex shall not be construed as an endorsement by the Offtaker of the design thereof nor as a warranty by the Offtaker of the safety, durability or reliability of the Complex. All persons visiting the Complex on behalf of the Offtaker shall comply with the Company's reasonable and generally applicable safety regulations and procedures made available to such persons and shall comply with the reasonable instructions and directions of the Company, and shall not unreasonably cause any interference with or disruption to the activities of the Company in respect of the Project (including the Complex).

Section 5.5. General Covenants of the Company in Respect of the Complex

The Company hereby covenants as follows:

(i) during the term of this Agreement, the Company shall operate the Complex in accordance with: (a) this Agreement; (b) the Minimum Functional Specifications set out in Schedule 3; (c) sound engineering and construction practices in accordance with the standards of a Reasonable and Prudent Operator and Prudent Utility Practice; (d) the operating procedures developed pursuant to Section 5.3; (e) the environmental guidelines and occupational health and safety standards of Sierra Leone, and (f) all applicable Consents and Laws; and

(ii) the Company shall cause all equipment that is installed as part of the Complex to be in reasonable operating condition (though not necessarily in new and unused condition) at the time of such installation and to otherwise comply with the requirements of this Agreement.

Section 5.6. Commercial Operations Date

5.6.1 The Commercial Operations Date shall occur on the Day following the end of the Ramp-up Period, in accordance with Section 4.2.

5.6.2 At the date of this Agreement, the Company's good faith non-binding estimate is that the Commercial Operations Date will occur by 1 November 2013.

5.6.3 The Company shall give the Offtaker a report every Month from the date of Effectiveness of Agreement, setting out its progress towards achieving: (i) the Commissioning Date; and (ii) the Commercial Operations Date, and its prevailing good faith, non-binding, estimate (in the Company's opinion) of the dates when such Commissioning Date, and Commercial Operations Date, are estimated to occur. The Company may at any time by notice to the Offtaker revise its estimates, provided that the Company shall provide an explanation of the revised estimate.

5.6.4 If the Commercial Operations Date has not occurred by the earlier of:

(i) thirty (30) Months after the Commissioning Date (as extended by any Extension Period); or

(ii) thirty (30) Months after the Target Commissioning Date (as extended by any Extension Period);

the Parties shall meet to discuss in good faith the date when the Commercial Operations Date is likely to occur and, unless the Company is able to demonstrate to the Offtaker (acting reasonably) that it will be able to achieve the Commercial Operations Date within three (3) Months of the date of that meeting, then either Party may immediately terminate this Agreement. If, following the expiry of that three (3) Month period, the Commercial Operations Date has not occurred then either Party may immediately terminate this Agreement.

Section 5.7. Deemed Commercial Operations Date

5.7.1 To the extent that there is any delay to achieving the Commercial Operations Date as a direct result of an Offtaker Event specified in Section 5.7.2 (the "Deemed Commercial Operations Date"), then, with effect from the Deemed Commercial Operations Date until the date on which the Commercial Operations Date has actually been achieved:

(i) the Company shall be entitled to submit deemed Daily Nominations (for each Day of such delay) to the Offtaker in accordance with Section 7.4, and the Offtaker shall pay the Company Energy Payments on the basis of such deemed Daily Nominations in accordance with Section 10.2; and

(ii) the Company shall be excused from any failure to achieve the Commercial Operations Date.

5.7.2 The "Offtaker Events" are:

(i) any failure by the Offtaker to comply with any of its obligations under Article VIII or any other obligation under this Agreement;

(ii) any unreasonable refusal or delay by the Offtaker in giving any approval or Consent required under this Agreement;

(iii) any Sierra Leone Political Event;

(iv) any Force Majeure event affecting the Offtaker; and/or

(v) any failure by the GOSL to comply with any provision of the MOUA.

5.7.3 Without prejudice to Section 5.7.1 (i), the Company shall: (A) as soon as is reasonably practicable after becoming aware of a delay or potential delay in the Commercial Operations Date, provide the Offtaker with any relevant information in relation to the delay, (B) in any event, provide Offtaker with at least one (1) Weeks' notice, as far as this is reasonably possible, of its intention to submit

deemed Daily Nominations to Offtaker, pursuant to Section 5.7.1; and (C) as soon as is reasonably practicable after becoming aware that the relevant Offtaker Event has been cured or has ceased, provide the Offtaker with notice of such cure or cessation.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES

Section 6.1. Company Representations and Warranties

The Company represents and warrants to the Offtaker that:

(i) the Company is duly incorporated, and validly existing, in accordance with the Laws of Sierra Leone;

(ii) the Company has full power to carry on its business and to enter into, legally bind itself by, and perform its obligations under, this Agreement and the Project Agreements to which it is party;

(iii) this Agreement has been duly authorized, executed, and delivered by the Company and constitutes its legal, valid and binding obligation;

(iv) the execution, delivery, and performance of this Agreement and Project Agreement to which it is party does not, and will not, constitute a violation of (a) any statute, judgment, order, decree or regulation or rule of any court, governmental authority or arbitrator of competent jurisdiction applicable or relating to the Company, its assets or its businesses, or (b) the Company's Articles of Association or other organic documents or any indenture, contract or agreement to which it is a party or by which it or its property may be bound;

(v) there are no outstanding judgments against the Company, and, to the best knowledge of the Company, no action, claim, suit or proceeding is pending or threatened against the Company before any court, governmental authority or arbitrator of competent jurisdiction that could reasonably be expected to affect materially and adversely the financial condition or operations of the Company or the ability of the Company to perform its obligations under this Agreement or any Project Agreement to which it is party or which purports to affect the legality, validity or enforceability of this Agreement or any Project Agreement to which it is party;

(vi) the Company is not in default under any agreement to which it is a party or by which it or its property may be bound, nor in any default of any technical or financial obligation, which could have a material adverse effect on the ability of the Company to perform its obligations under this Agreement or any Project Agreement to which it is party; and

(vii) no information given by the Company in relation to this Agreement or any agreement in the Project Agreements or in the proposal submitted by the Company to the Offtaker contains any misstatement of fact or omits to state a fact which would be materially adverse to the enforcement of the rights and remedies of the Offtaker or which would be necessary to

make any statement, representation or warranty contained herein or therein true and correct in all material respects.

Section 6.2. GOSL Representations and Warranties

The GOSL represents and warrants to the Company that:

(i) the execution and performance of this Agreement by it and those agreements included in the Project Agreements shall constitute a private commercial transaction entered into entirely in its commercial capacity;

(ii) the GOSL has full power to enter into, legally bind itself by, and perform its obligations under, this Agreement;

(iii) the GOSL (in its capacity as the Offtaker) has the right to use the Offtaker Grid System;

(iv) this Agreement has been duly authorized, executed, and delivered by the GOSL and constitutes its legal, valid and binding obligation;

(v) the execution, delivery, and performance of this Agreement does not, and will not, constitute a violation of (a) any statute, judgment, order, decree or regulation or rule of any court, governmental authority or arbitrator of competent jurisdiction applicable or relating to the GOSL, its assets or its businesses, or (b) any constitutional documents or other organic documents or any indenture, contract or agreement to which GOSL is a party or by which it or its property may be bound.

Section 6.3. Representations and Warranties on GOSL Transfer

Pursuant to any transfer to the Successor Utility under Section 19.1.3(ii) the Successor Utility represents and warrants to the Company that:

(i) the Successor Utility is duly incorporated, and validly existing in accordance with the Laws of Sierra Leone;

(ii) the Successor Utility has full power to carry on its business and to enter into, legally bind itself by, and perform its obligations under, this Agreement;

(iii) this Agreement, and the transfer to it of the rights and obligations of the Offtaker under this Agreement, has been duly authorized, executed, and delivered by the Successor Utility and constitutes its legal, valid and binding obligation;

(iv) the execution, delivery, and performance of this Agreement does not, and will not, constitute a violation of (a) any statute, judgment, order, decree or regulation or rule of any court, governmental authority or arbitrator of competent jurisdiction applicable or relating to the Successor Utility, its assets or its businesses, or (b) the Successor Utility's Articles of

Association or other organic documents or any indenture, contract or agreement to which it is a party or by which it or its property may be bound.

Section 6.4. Repetition of Representations and Warranties

Each of the representations and warranties in Section 6.1and Section 6.2 of this Article VI shall be correct and complied with at the date of (i) execution of this Agreement and (ii) Effectiveness of Agreement.

Each of the representations and warranties in Section 6.3 of this Article VI shall be correct and complied with at (i) the Transfer Date and (if applicable) (ii) Effectiveness of Agreement.

C

ARTICLE VII
OPERATION AND MAINTENANCE OF THE COMPLEX

Section 7.1. Operations and dispatch during Ramp-up Period

7.1.1 The Company may at any time during the Ramp-up Period serve a non-binding notice on the Offtaker ("Ramp-up Availability Notice") specifying:

(i) the period (or periods) to which the Ramp-up Availability Notice applies; and

(ii) the Net Energy Output which the Company expects to be able to provide for each Hour during that period (or periods).

7.1.2 The Offtaker shall, upon receipt of a Ramp-up Availability Notice, at least twenty-four (24) Hours before the start of each Day (D) to which the Ramp-up Availability Notice applies (or otherwise as soon as reasonably practicable if the Ramp-up Availability Notice was served within Day (D)), provide to the Company a notice ("Ramp-up Net Energy Output Schedule") setting out its anticipated Net Energy Output requirements for each Hour in Day (D) ("Scheduled Ramp-up Net Energy Output"). The Offtaker shall use reasonable endeavours to provide that the Scheduled Ramp-up Net Energy Output in each Ramp-up Net Energy Output Schedule is consistent with the level of Net Energy Output specified in the relevant Ramp-up Availability Notice.

7.1.3 The Company shall use reasonable endeavours to deliver to the Offtaker at the Interconnection Points, in each Hour of each relevant Day during the Ramp-up Period, the Net Energy Output in accordance with the prevailing Ramp-up Net Energy Output Schedule.

7.1.4 The Offtaker shall pay the Company for Net Energy Output delivered during the Ramp-up Period in accordance with Section 10.2.

Section 7.2. Annual Schedule

7.2.1 The Company shall for each Year Y not later than 30 September in Year Y-1 (except for in the First Year, when the Company shall give notice by one Month prior to the Commercial Operations Date) give notice to the Offtaker of an estimate of:

(i) the date when the Harvest Season in Year Y is expected to start, which shall not be earlier than 1 November in Year Y; and

(ii) the duration of the Harvest Season in Year Y.

7.2.2 The Company shall not later than 30 September in Year Y-1 submit its proposed Annual Schedule for Year Y to the Offtaker in MWh for each Month in the Year Y, the amount in (MWh) being the ("Nominated Monthly Amount").

7.2.3 The Annual Schedule shall not be binding but is the Company's estimate, acting as a Reasonable and Prudent Operator, of its average Net Energy Output production for each Month of that Year.

7.2.4 When preparing the Annual Schedule the Company shall take into account (i) the Annual Availability; (ii) the Target Production Profile; (iii) the Harvest Season notified in accordance with Section 7.2.1; and (iv) the forecast availability of bagasse.

7.2.5 The Offtaker may give notice to the Company proposing reasonable changes to the Annual Schedule.

7.2.6 The Parties shall discuss the Offtaker's proposals and the Company shall use reasonable endeavours to accommodate such proposed changes to the Annual Schedule provided that the Offtaker's proposals: (i) are consistent with the Minimum Functional Specifications; (ii) can be accommodated, taking into account the forecast availability of bagasse; and (iii) do not conflict with the Company's power needs for the Project, including for irrigation.

Section 7.3. Monthly Schedule

7.3.1 The Company shall for each Month (M) not later than the last Day of Month M-1 submit its proposed monthly schedule ("Monthly Schedule") to the Offtaker in MWh for each Day in Month M, the amount nominated for each Day in MWh) being the ("Nominated Daily Amount"). The Monthly Schedule shall not be binding but is the Company's estimate, acting as a Reasonable and Prudent Operator, of its average Net Energy Output production for each Day of such Month.

7.3.2 The sum of the Nominated Daily Amounts in MWh for all Days in the Month (M) shall not be more than one hundred and twenty-five percent (125%) of the Nominated Monthly Amount for that Month and shall not be less than seventy-five percent (75%) of the Nominated Monthly Amount for that Month.

Section 7.4. Daily Notice

7.4.1 In relation to each Day (D) from and including the first Day of the First Year, no later than 18:00 hours on the preceding Day (D – 1), the Company shall submit to the Offtaker a nomination in MWh ("Daily Nomination") for each Hour of Day D, the amount nominated for each Hour of that Day (in MWh) being the ("Nominated Hourly Amount").

7.4.2 The sum of the Nominated Hourly Amounts (in MWh) for all Hours in the relevant Day D must not be more than one hundred and ten percent (110%) of the Nominated Daily Amount (in MWh) for that Day, and shall not be less than ninety percent (90%) of the Nominated Daily Amount (in MWh) for that Day.

Section 7.5. Changes to Nominations

7.5.1 The Company may revise any Annual Schedule, Monthly Schedule or Daily Nomination, before the applicable deadline set out in this Section for submission to the Offtaker.

7.5.2 The Offtaker may, no later than 21:00 hours on the preceding Day (D-1), submit to the Company a notice ("Output Reduction Notice") setting out in MWh a reduction ("Output Reduction") to the Nominated Hourly Amount which was specified in the Company's Daily Nomination for the next Day, D and the corresponding revised amount (in MWh) for delivery in such Hour ("Revised Hourly Amount").

7.5.3 The Output Reduction Notice:

(i) may not reduce by more than twenty percent (20%), the Nominated Hourly Amount for any Hour of such Day;

(ii) may only be given for the following eight (8) Hour time periods in a Day:

(a) 06:00 hours – 14:00 hours

(b) 14:00 hours – 22:00 hours

(c) 22:00 hours – 06:00 hours

(iii) must reduce the Nominated Hourly Amount for each Hour of the eight hour time period to which the Output Reduction Notice relates by the same percentage amount (subject to (i) above);

(iv) must be consistent with the Minimum Functional Specification.

Section 7.6. Delivery

7.6.1 The Net Energy Output delivered by the Company to the Offtaker at the Interconnection Points in any Hour shall not exceed one hundred and five percent (105%) of: (i) the Nominated Hourly Amount for that Hour; or (ii) the Revised Hourly Amount for that Hour, whichever is lower.

7.6.2 The Offtaker shall take the Net Energy Output delivered by the Company in each Hour, up to one hundred and five percent (105%) of the: (i) Nominated Hourly Amount for that Hour; or (ii) the Revised Hourly Amount for that Hour, whichever is lower.

Section 7.7. Failure to provide notices

7.7.1 If from and including the first Day of the First Year the Company fails to submit to the Offtaker a Daily Nomination for any Day (D), the Company shall be deemed to have submitted to the Offtaker a Daily Nomination identical to the most recently submitted Daily Nomination or, if no Daily Nomination has ever

been submitted, the Operating Committee shall determine the deemed amount of such Daily Nomination.

Section 7.8. Bagasse Shortfall

7.8.1 For the purposes of this Agreement:

a "Bagasse Shortfall" in relation to a Year Y from and including the First Year is an actual shortfall in the quantities and/or fibre content of bagasse required to enable the Company to produce Net Energy Output equal to the relevant Annual Availability for the Year Y which results from any failure or deficiency in the Project's sugarcane production which occurs notwithstanding the Company's having followed good, reasonable and prudent agricultural practices in implementing the Project.

7.8.2 Subject to Article XV, on the occurrence of a Bagasse Shortfall in a Year the following shall apply:

(i) the Company shall give notice of the occurrence of the Bagasse Shortfall to the Offtaker in which notice the Company shall: (i) specify the extent of the Bagasse Shortfall; (ii) estimate the impact of the Bagasse Shortfall on its ability to deliver Net Energy Output equal to the Annual Availability for that Year Y to the Offtaker under the Agreement; and (iii) if the notice given by the Company pursuant to Section 7.8.2(i) differs from the actual Bagasse Shortfall then the Company shall provide revised details of such Bagasse Shortfall to the Offtaker as soon as reasonably possible; and

(ii) the Offtaker shall be entitled, on reasonable prior notice, to inspect the Company's bagasse harvesting records and inventory to verify for itself the extent of the Bagasse Shortfall.

7.8.3 The Company shall have no liability to the Offtaker as a result of a failure resulting from such Bagasse Shortfall if the Company is not able to source a suitable alternative fuel within the conditions specified in Section 7.8.5.

7.8.4 Where the Company has given notice under Section 7.8.2 of a Bagasse Shortfall and that shortfall is estimated by the Company to reduce the Net Energy Output for that Year Y to below 90% of the relevant Annual Availability:

(i) the Company shall, use its best endeavours to, source a suitable alternative fuel (in the Company's discretion) in order to deliver 90% of the relevant Annual Availability for that Year Y to the Offtaker, provided that the Company shall have no obligation to source alternative fuel in the event that it is able to provide written evidence to the Offtaker (acting reasonably) that the conditions in Section 7.8.5 have not been satisfied; or

(ii) where the conditions in Section 7.8.5 are not satisfied, the Offtaker may itself provide to the Company suitable alternative fuel, use of which is consistent with the Minimum Functional Specifications, and where it

does so, the Company shall use such fuel to deliver, to the extent possible, the anticipated Net Energy Output shortfall to the Offtaker.

7.8.5 The conditions referred to in Section 7.8.4 above are that:

(i) use of the alternative fuel is consistent with:

(a) the Minimum Functional Specifications and Technical Limits;

(b) the Lenders' Social and Environmental Requirements (as set out in Section 1.1 at Annex III, as amended from time to time); and

(c) any environmental requirements under the Laws of Sierra Leone; and

(ii) the actual costs to the Company of: (i) sourcing the alternative fuel (including all purchase, transportation, processing, storage, logistical and tax costs) and (ii) providing Net Energy Output to the Offtaker (including all operation and maintenance costs, debt service costs, insurance costs and all other costs relating to the maintenance and/or operation of the Complex); are equal to, or less than, the Availability Charge for each kWh provided.

7.8.6 For the avoidance of doubt the requirements of the Company for electricity for the purposes of the Project, including irrigation, shall take priority over the production of Net Energy Output for delivery under this Agreement in case of a Bagasse Shortfall.

7.8.7 Further, without prejudice to Section 4.1.1, the Parties acknowledge that to the extent that a Bagasse Shortfall does not affect the ability of the Company to deliver Net Energy Output in excess of the requirements of the Company for electricity for the purposes of the Project (including irrigation) or of the Offtaker to take delivery of Net Energy Output, the provisions of this Agreement shall apply.

7.8.8 The Parties agree that following the third anniversary of the Commercial Operations Date they shall meet to analyse and discuss the Annual Schedules provided to date and the historical quantities and fibre content of bagasse produced by the Company since the Commercial Operations Date, to assess the quantities and fibre content of bagasse which the Company is likely to be able to produce in future Years.

Section 7.9. Title and risk

Title to and risk (including risk of transmission losses) in Net Energy Output shall pass from the Company to the Offtaker at the relevant Interconnection Points.

Section 7.10. Periods in and application of this Section 7

7.10.1 Unless the context otherwise requires:

(i) subject to (ii) below, references in this Article VII to Years, Months, Weeks, Days and Hours are to Years, Months, Weeks, Days and Hours falling on or after the Commissioning Date;

(ii) Section 7.2 to Section 7.8 (inclusive) shall apply in respect of each Year from (and including) the First Year; and

(iii) Section 7.1 shall apply during the Ramp-up Period only and Section 7.2 to Section 7.7 (inclusive) shall apply only from the Commercial Operations Date.

Section 7.11. Scheduled Outages and Urgent Maintenance Outages

7.11.1 The Company shall be entitled to shut down the Complex for Scheduled Outages for up to thirty (30) Days in any Year and shall use reasonable endeavours to carry out such Scheduled Outages during the Non-Harvest Season.

7.11.2 The Company, in consultation with the Offtaker, shall establish plans for shut-downs of the Complex for Scheduled Outages and Urgent Maintenance Outages.

7.11.3 The Company shall be entitled to shut down the Complex for the period of time in which no Bagasse is available to generate electricity.

Section 7.12. Emergencies

7.12.1 If in the opinion of the Company or the Offtaker (acting in accordance with Prudent Utility Practice) there is an Emergency:

(i) the Company shall be entitled to, and

(ii) the Offtaker shall be entitled to request the Company, in which case the Company shall;

disconnect the Complex from the Offtaker Grid System for the duration of the Emergency.

7.12.2 Following any such disconnection the Company shall be entitled to reconnect, and the Offtaker shall be entitled to request the Company to reconnect, the Complex as soon as the Emergency circumstances no longer subsist.

Section 7.13. Employment of Qualified Personnel

The Company shall employ personnel (management, supervisory and otherwise) who are qualified and experienced for operating and monitoring the Complex in accordance with the terms of this Agreement. The Company shall ensure that such personnel are on duty at the Complex at all times, twenty-four (24) hours a Day and seven (7) Days a Week commencing with the date on which electrical energy is first generated by the Complex.

Section 7.14. Operating Committee Membership and Duties

7.14.1 On or before six (6) Months following the date of this Agreement, the Parties shall establish an operating committee ("Operating Committee") comprising four (4) members. Each Party shall designate two (2) members to represent it on the Operating Committee, and either Party may remove or replace any of its Operating Committee members at any time upon notice to the other Party. The Operating Committee shall develop procedures for the holding of meetings, the keeping of minutes of meetings and the appointment and operation of sub-committees. The Parties agree that the chairman shall be nominated by the Company. Decisions of the Operating Committee shall require the approval of a majority of members of the Operating Committee and, subject to Section 7.14.5, if there is a deadlock the chairman shall have the casting vote.

7.14.2 The Company shall be responsible for developing the operating procedures to be developed pursuant to Section 5.3 (and any subsequent revisions thereto); for approving procedures for the Commissioning of the Complex pursuant to Article XII and SCHEDULE 4; for establishing other procedures relating to the interaction of the Complex, the Metering System and the Offtaker Grid System; and, where appropriate, for approving solutions to other issues and attempting to resolve disputes concerning the operation, maintenance and testing of the Complex. These matters shall include:

(i) the coordination of the respective programs and procedures of the Parties for the construction, installation, Commissioning and operation of the Offtaker Interconnection Facilities, the Metering System, the Telecommunication System and the Complex, and agreement where necessary upon the respective Commissioning procedures;

(ii) the co-ordination of procedures for the operation of the Complex during an Emergency, including procedures for the scheduling of Urgent Maintenance Outages pursuant to Section 7.11.2 and the disconnection and reconnection of the Complex from the Offtaker Grid System;

(iii) the discussion of the steps to be taken on the occurrence of any Force Majeure, or the shutdown or reduction in capacity for any other reason of the Offtaker Interconnection Facilities or the Complex;

(iv) safety matters affecting the Complex, the Project or the Parties (including their employees and Contractors);

(v) review and revision, subject to the Offtaker's approval, of protection schemes;

(vi) the co-ordination of procedures for the connection of the Company package earthing points to the main grid;

(vii) the development of the Form of the Billing Period Invoice; and

(viii) any other matter mutually agreed to by the Parties.

7.14.3 The Parties shall instruct their representatives on the Operating Committee to act in good faith in dealing with matters considered by the Operating Committee. The Parties shall consider and use reasonable efforts to incorporate the decisions of the Operating Committee in the operation and maintenance of the Complex and the Offtaker Interconnection Facilities. The Operating Committee on its own shall not (i) override or waive any provisions of this Agreement or (ii) amend or modify any provisions of this Agreement.

7.14.4 The Operating Committee shall from the Commercial Operations Date meet once every Month and jointly prepare a monthly availability and offtake statement based on (as applicable to the relevant month) the Power Station Log Book, and where relevant taking into account the applicable Ramp-up Availability Notice, the Ramp-up Net Energy Output Schedule, the Monthly Schedule, the Daily Nomination, the Output Reduction Notice and Net Energy Output as measured under Section 9.5 and any Bagasse Shortfall, Force Majeure and other relevant events under this Agreement.

7.14.5 The Company and the Offtaker shall use their reasonable endeavours to resolve any disputes under Sections 7.14.2(i) or 7.14.2(ii) in the Operating Committee. If there is a deadlock with regard to the matters under Sections 7.14.2(i) or 7.14.2(ii), the Chairman shall not have the casting vote, and the matter may be referred by either Party for determination by an expert pursuant to Section 18.2.

7.14.6 The Offtaker shall have the right to visit and observe the Complex and the operation thereof upon reasonable advance notice to the Company. Such visits and observation shall not be construed as an endorsement by the Offtaker of the design of the Complex nor as a warranty by the Offtaker of the safety, durability or reliability thereof. All persons visiting the Complex on behalf of the Offtaker shall comply with the Company's reasonable and generally applicable safety regulations and procedures made available to such persons and shall comply with the reasonable instructions and directions of the Company, and shall not unreasonably cause any interference with or disruption to the activities of the Company in connection with the Project (including the Complex).

7.14.7 Each Party shall keep complete and accurate records and all other data required by each of them for the purposes of proper administration of this Agreement. Among other records and data, the Company shall maintain an accurate and up-to-date operating log in a format reasonably acceptable to the Offtaker which log shall include records of:

(i) real and Reactive Power production for each clock hour, frequency and 161 kV bus voltage at all times;

(ii) changes in operating status;

(iii) any unusual conditions found during inspections;

(iv) Net Energy Output for each Day;

(v) dispatch instructions and any revisions thereto for each Day; and

(vi) other matters agreed to by the Operating Committee.

All such records shall be maintained for six (6) Years.

7.14.8 Either Party shall have the right, upon reasonable prior written notice to the other Party, to examine and/or make copies of the records and data of the other Party relating to this Agreement at any time during normal office hours during the period such records and data are required to be maintained under the terms of this Agreement.

7.14.9 Nothing in this Agreement entitles the Offtaker to be informed of, have access to, inspect or approve, or otherwise confers on the Offtaker any right in relation to, any aspect or part of or other thing concerning the Project other than the Complex.

ARTICLE VIII
INTERCONNECTION AND TRANSMISSION AVAILABLE CAPACITY

Section 8.1. Company Responsibilities

8.1.1 The Company shall (without prejudice to any provision of the MOUA):

(i) procure all Consents necessary to construct, install, commission, operate and maintain the Company Interconnection Facilities;

(ii) construct, install, commission, operate and maintain the Company Interconnection Facilities;

(iii) supply all parts of the Company Interconnection Facilities;

(iv) cooperate with and provide any information to the Offtaker in connection with the Offtaker's installation of the Offtaker Interconnection Facilities.

8.1.2 The Company shall undertake its obligations under this Section 8.1 in accordance with the terms of this Agreement (including SCHEDULE 2) and any procedures developed pursuant to Section 5.3; the Laws of Sierra Leone; the Consents; and Prudent Utility Practice, so that the Company Interconnection Facilities can be reasonably expected to provide a useful life of not less than the term of this Agreement.

Section 8.2. Offtaker Responsibilities

8.2.1 Subject to the Company requesting access on reasonable notice, the Offtaker shall permit (or procure via NPA or the Successor Utility) the Company such access (and shall cause lessees of the Offtaker Grid System to permit the Company such access) to its facilities as the Company shall require to undertake its obligations pursuant to Section 8.1, and the Offtaker shall cooperate with the Company with regard to its undertakings pursuant to Section 8.1. The Offtaker shall further procure that the NPA or the Successor Utility shall have the right to use the Offtaker Grid System.

8.2.2 The Offtaker shall provide to the Company within fifteen (15) Business Days after receipt of a written request from the Company, documents and information on the Offtaker Grid System and such other documents and data in the possession and control of the Offtaker (or NPA or the Successor Utility) as may be reasonably necessary for the Company to undertake its obligations pursuant to Section 8.1, including details of all existing and planned facilities necessary to connect the Complex with the Offtaker Grid System, dispatch and communications procedures currently in use by the Offtaker (or NPA or the Successor Utility) and any planned changes to the dispatch and communication procedures then in effect. In connection with the provision of such documents and information, the Offtaker shall allow the Company during regular business hours to make copies of such documents and information, at the Company's sole cost and expense, and to have reasonable access to and to consult with the Offtaker's (or NPA's or the Successor Utility's) relevant personnel engaged in the management, operation, maintenance and reinforcement of the Offtaker Grid

System. When such documents and information are no longer required for the purposes provided herein, such documents and information shall be returned to the Offtaker or destroyed by the Company.

8.2.3 The Offtaker shall supply all parts of the Offtaker Interconnection Facilities and construct, install and commission the Offtaker Interconnection Facilities

8.2.4 The Offtaker shall upon completion of the Offtaker Interconnection Facilities, check and test such Offtaker Interconnection Facilities in accordance with the procedures set forth in SCHEDULE 4.

8.2.5 The Offtaker shall procure all Consents necessary to construct, install, commission, operate and maintain the Offtaker Interconnection Facilities.

8.2.6 The Offtaker shall undertake its obligations under this Section 8.2 in accordance with the terms of this Agreement (including SCHEDULE 2); the Laws of Sierra Leone; the Consents; and Prudent Utility Practice, so that the Offtaker Interconnection Facilities can be reasonably expected to provide a useful life of not less than the term of this Agreement.

8.2.7 The Offtaker shall make the final connection of the Offtaker Interconnection Facilities to the Offtaker Grid System within two (2) Business Days of the Company requesting it to do so.

8.2.8 With effect from the Commissioning Date:

(i) the Offtaker shall maintain and operate the Offtaker Grid System so as to enable the Company to operate the Complex in synchronisation with the Offtaker Grid System and the Offtaker to take delivery of Net Energy Output from the Complex;

(ii) obtain and maintain insurance coverage on terms reasonably satisfactory to the Company in respect of the Offtaker Interconnection Facilities;

(iii) subject to any temporary disconnection or de-synchronisation in an Emergency in accordance with Section 7.14.2, and except in periods of Scheduled Maintenance Outages, the Company shall be entitled to have the Complex connected to (and to synchronise the Complex to) the Offtaker Grid System at the Interconnection Points, and the Offtaker shall maintain such connection and shall do nothing to sever or remove such connection; and

(iv) allow the Company access to the Offtaker Interconnection Facilities to repair or maintain the Offtaker Interconnection Facilities (at the Offtaker's expense) if at any time the Offtaker has failed to comply with its obligation under Section 8.2.8(i).

8.2.9 For the avoidance of doubt it is the responsibility and risk of the Offtaker to ensure that there is sufficient unused capacity in the Offtaker Grid System to enable the Offtaker to take delivery of Net Energy Output under this Agreement.

8.2.10 The obligations of the Offtaker under this Article VIII shall apply whether or not the part of the Offtaker Grid System to which the Complex is connected is owned and/or operated by the Offtaker.

8.2.11 The Offtaker shall carry out its obligations under this Agreement in accordance with the standards of a Reasonable and Prudent Operator, in accordance with Prudent Utility Practice and in accordance with the Laws of Sierra Leone.

Section 8.3. Granting of Easements and Rights of Way

8.3.1 The Offtaker hereby grants to the Company a license to enter onto the real property of the Offtaker and access the Offtaker Interconnection Facilities for the purposes of exercising the Company's rights and/or satisfying the Company's obligations under this Article VIII.

8.3.2 The GOSL shall procure that NPA (or the Successor Utility) grants to the Company a license to enter onto the real property of NPA and any Successor Utility and access NPA's (or the Successor Utility's) Offtaker Interconnection Facilities for the purposes of exercising the Company's rights and/or satisfying the Company's obligations under this Article VIII.

Section 8.4. Protective Devices

8.4.1 The Company shall install protective devices as determined by the Operating Committee. The Company shall maintain and test from time to time such protective devices in accordance with the specifications for such protective devices determined by the Operating Committee, or as otherwise agreed in writing by the Parties. The Company may make changes to the settings on the protective devices and will notify the Offtaker of any revised setting.

8.4.2 Each Party shall notify the other Party in advance of any changes to either the Complex or the Offtaker Grid System that may affect the proper coordination of protective devices between the two systems. The Offtaker may not make any such changes to the Complex or the Offtaker Grid System without the Company's prior written approval.

8.4.3 Except for those protective devices determined by the Operating Committee, all protective devices to be installed by the Company shall be notified in writing to the Offtaker.

8.4.4 Subject to giving the Company reasonable notice, the Offtaker may require the Company to modify or expand the protective devices. Following completion of such work, the Offtaker shall reimburse the Company within thirty (30) Days for the necessary and reasonable costs of such modification or expansion on the basis of an invoice delivered to the Offtaker accompanied by supporting documentation.

Section 8.5. Testing of Offtaker Interconnection Facilities

The Parties shall cooperate in, and the Offtaker shall complete all, testing in relation to the Offtaker Interconnection Facilities in accordance with the schedule developed by the Company, in consultation with the Operating Committee (but in no event later than thirty (30) Days prior to the anticipated Commissioning Date) and at such other times thereafter as either Party may reasonably require. Each Party shall bear its own costs in connection with any such testing.

Section 8.6. Access to Project Transmission Line

8.6.1 The "Project Transmission Facilities" means the approximately 14.3 kilometers, one hundred and sixty-one (161) kV line by which the power generating plant is connected to the Offtaker Grid System and the Company Interconnection Facilities.

8.6.2 The Company agrees that the Offtaker may have access to the Project Transmission Facilities for the purposes of connecting other sources of generation or demand to the Offtaker Grid System, subject to the following:

(i) the Offtaker shall give advance notice of any such proposal giving full details thereof and the Offtaker's proposals to satisfy the following requirements;

(ii) the Company shall assume no obligation or liability to any other person in connection with such arrangement;

(iii) the Offtaker shall bear, and indemnify the Company against, all costs incurred for or associated with such arrangement, and any liability to any third party;

(iv) the arrangement does not involve (and the Offtaker shall indemnify the Company against) any cost or risk to the Company (including transmission losses) and any risk affecting the performance of the Company's obligations under this Agreement;

(v) all appropriate metering arrangements are made at the Offtaker's expense;

(vi) the requirements of the Company for the delivery of energy from the Complex (including from any expansion of the Project) shall have priority over any other use of the Project Transmission Facilities.

ARTICLE IX
METERING AND TELECOMMUNICATIONS

Section 9.1. Meters as Pre-Requisite to Sales

The Parties acknowledge that, for the purposes of determining Net Energy Output of the Complex, the Metering System and Check Metering System are required prior to the delivery for sale of any Net Energy Output to the Interconnection Points.

Section 9.2. Ownership of Metering Equipment

9.2.1 The Company, at its expense, shall own, procure, install, operate and maintain the Metering System in accordance with Part 1.1 of SCHEDULE 5.

9.2.2 The Company, at its expense, shall own, procure, install, operate and maintain meters and metering devices for backup purposes ("Check Meters") pursuant to Part 1.1 of SCHEDULE 5 (the "Check Metering System") in addition to the Metering System.

Section 9.3. Installation of Metering System

9.3.1 The Company shall install the Metering System and the Check Metering System on the Site. The Metering System and Check Metering System shall include an electronic recorder or any other state-of-the-art recording equipment, approved by the Offtaker, capable of making continuous recordings of the Net Energy Output on appropriate magnetic media or equivalent, which recording shall be used to compute Payments under Article X, and which, after procurement and installation by the Company, shall constitute a part of the Metering System and the Check Metering System. The Company shall give to the Offtaker no less than forty-eight (48) hours' notice of the installation and all testing in connection therewith of the Metering System.

9.3.2 The Company shall keep on the Site a copy of drawings clearly describing both the Metering System and the Check Metering System and shall provide a copy thereof to the Offtaker.

Section 9.4. Testing and Inspection of Metering System

The Offtaker shall inspect and test, at its own expense, the Metering System and the Check Metering System for accuracy in accordance with Part II of SCHEDULE 5 no later than thirty (30) Days prior to the Commissioning Date, and thereafter at any time that a reading from a metering device and a Check Meter differ by an amount greater than two tenths of a percent (0.2%), or at any time that either Party reasonably believes that the Metering System or the Check Metering System is inaccurate. With respect to each testing of the Metering System or the Check Metering System, the Offtaker shall give the Company no less than twenty-four (24) hours advance notice of such testing, and the Company may have a representative present during any such testing, as well as during any inspection of the Metering System or Check Metering System or adjustment thereof (but the test, inspection or adjustment may be taken if the Company has no representative present).

Section 9.5. Measurement of Net Energy Output

9.5.1 Subject to the provisions of Section 9.5.2 and verification of the data recording system pursuant to Section 9.5.2, the information contained in or obtained from such electronic data recording systems shall be used to determine the Net Energy Output.

9.5.2 The information contained in the electronic data recording system shall be verified by checking that the sum of the hourly readings in the electronic data recording system over a specified period are consistent with the local totalized readings for the Metering System (or, if applicable, the Check Metering System) over the same period (determined by subtracting the local totalised reading at the beginning of the period from the local totalised reading at the end of the period). In order to verify the information contained in the electronic data recording system, the Operating Committee shall determine the most appropriate method to measure the information, including the time and Day such measurements will be carried out, such measurement to be undertaken by both Parties.

9.5.3 When, as a result of any test pursuant to Section 9.4, a metering device is found to be inaccurate by more than two tenths of a percent (0.2%) or is otherwise not functioning or is functioning improperly, then the correct amount of Net Energy Output delivered to the Offtaker for the actual period during which inaccurate measurements were made, if any, shall be determined as follows:

(i) first, the readings of the Check Meter, if any, shall be utilized to calculate the correct amount of Net Energy Output, unless a test of such Check Meter, as required by either Party, reveals that the Check Meter is inaccurate by more than two tenths of a percent (0.2%) or is otherwise functioning improperly;

(ii) if the Check Meter is not within the acceptable limits of accuracy or is otherwise functioning improperly, then the Company and the Offtaker shall jointly prepare an estimate of the correct reading on the basis of all available information including deliveries of Net Energy Output during periods of similar operating conditions when the metering device was registering accurately;

(iii) in the event that the Parties cannot agree on the actual period during which inaccurate measurements were made, the period during which measurements are to be adjusted shall be the shorter of (a) one-half of the period from the last previous test of the Metering System, or (b) fourteen (14) Days immediately preceding the test which found the metering device to be inaccurate; and

(iv) the difference between the previous payments by the Offtaker for the period of inaccuracy or improper functioning and the recalculated amount shall be paid by the Offtaker to the Company, or by the Company to the Offtaker, as appropriate, in accordance with the provisions of Article X.

In the event that the Offtaker and the Company fail to agree upon any estimate pursuant to this Section 9.5.3, then the matter may be referred by either Party for determination by an expert pursuant to Section 18.2.

Section 9.6. Sealing, Repair and Replacement of Meters

9.6.1 The Metering System and the Check Metering System shall be jointly sealed. Such seals shall be broken only by the Offtaker personnel in the presence of personnel from the Company when the Metering System or the Check Metering System is to be inspected, tested or adjusted.

9.6.2 When any component of the Metering System is found to be outside acceptable limits of accuracy or otherwise not functioning properly, the Company shall forthwith repair, recalibrate or replace such component of the Metering System. Similarly, when any component of the Check Metering System is found to be outside acceptable limits of accuracy or otherwise not functioning properly, the Company shall forthwith repair, recalibrate or replace such component of the Check Metering System. Upon the completion of any examination, maintenance, repair or recalibration of, or replacement of any component in, the Metering System or the Check Metering System, the relevant metering system shall be jointly sealed.

Section 9.7. Telecommunications Equipment and Installation

9.7.1 The Parties acknowledge that, for the purposes of the efficient operation of the energy network, a telecommunications system (the "Telecommunications System") is required. The function of the Telecommunication System shall be to provide real time information on the operation of the Complex and the Interconnection Facilities to the Offtaker Grid System operator and to enable this operator to exert full telecontrol over the Interconnection Facilities

9.7.2 The Company shall provide and install, at its own cost, the telecommunications equipment, as specified by the Operating Committee, up to the connecting point between the Complex's transmission line and the Offtaker Grid System. The selection of telecommunications equipment to be provided by the Company in accordance with this Section 9.7 shall be subject to the prior written approval of the Offtaker.

9.7.3 The Offtaker shall provide and install, at its own cost, the telecommunications equipment, as specified by the Operating Committee, for any prolongation of the Telecommunication System from the connecting point, between the Complex's transmission line and the Offtaker Grid System, to the Offtaker Grid System.

9.7.4 Any telecommunications equipment supplied by the Company to the Offtaker will remain the property of the Company.

9.7.5 The Company shall keep on the Site a copy of drawings clearly describing the Telecommunications System and shall provide a copy thereof to the Offtaker.

Section 9.8. Testing and Inspection of Telecommunications System

9.8.1 Every six months the Offtaker shall inspect and test, at its own expense, the Telecommunications System for operability in accordance with the procedures developed by the Operating Committee.

9.8.2 Commissioning of the Telecommunications System will be considered as a part of the whole Complex's Commissioning and it will performed consequently.

Section 9.9. Telecommunication System operating procedures

9.9.1 The Operating Committee will develop procedures pursuant to Section 5.3 and 7.14.2 for the operation and use of the Telecommunications System by the Parties.

ARTICLE X
COMPENSATION, PAYMENT AND BILLING

10 Compensation, Payment and Billing

Section 10.1. Defined terms in this Article X

10.1.1 For the purposes of this Agreement:

(i) the "Availability Charge" is US$0.20.kWh (twenty US cents per kWh), subject to Section 10.11 and SCHEDULE 6;

(ii) the "Energy Payment" is an amount payable by the Offtaker in respect of Net Energy Output for all Hours in a Month;

(iii) "Nomination Adjustment Payment" is an amount payable by the Offtaker in respect of each six (6) Month period as provided in Section 10.3;

(iv) "Payments" means all Energy Payments and Nomination Adjustment Payments;

(v) "Nominated Availability" for an Hour is the lesser of the: (i) Nominated Hourly Amount as stated in the Daily Nomination; or (ii) Revised Hourly Amount as stated in the Output Reduction Notice, for such Hour prevailing at the start of the Hour.

10.1.2 In relation to any Hour, "Effective Availability" is:

(i) subject to paragraph (ii), the Nominated Availability for such Hour;

(ii) subject to the following proviso, if for such Hour the Net Energy Output was less than the Nominated Availability, the Net Energy Output for that Hour;

provided that paragraph (i) and not paragraph (ii) shall apply, where all or part of the Nominated Availability was not delivered to the Offtaker Grid System by the Company as a direct result of:

(a) any failure or outage (including an outage for scheduled or unscheduled maintenance) of the Offtaker Grid System or any other event or circumstance affecting the Offtaker Grid System, unless such failure or outage resulted directly from Force Majeure affecting the Offtaker and the Offtaker Grid System;

(b) the disconnection of the Complex in an Emergency or perceived Emergency, where either:

(aa) the Emergency resulted from any defect or fault in the Offtaker Grid System or failure of the Offtaker to act in

accordance with Prudent Utility Practice or with any requirement of this Agreement; or

(bb) the Offtaker effected such disconnection in a case where there was no Emergency;

(c) any other act or omission of the Offtaker which results in the Company not being able to deliver the Nominated Availability to the Offtaker at the Interconnection Points;

(d) any failure by the Offtaker to comply with the MOUA;

(e) any Sierra Leone Political Event;

(f) any Force Majeure event affecting the Offtaker; and/or

(g) the suspension of delivery of Net Energy Output by the Company in accordance with Section 17.5.

10.1.3 The Company shall maintain a physical log book, recording all incidents affecting the delivery of the Nominated Availability to the Offtaker Grid System (the "Power Station Log Book").

Section 10.2. Energy Payment

In respect of each Hour (H):

(i) during the Ramp-up Period;

(ii) and thereafter, from the Commercial Operations Date for the remaining term;

the Offtaker shall pay to the Company an Energy Payment calculated as the Availability Charge multiplied by the Net Energy Output for that Hour.

Section 10.3. Offtaker's Take or Pay

10.3.1 Following the Commercial Operations Date, the Offtaker shall be liable for and shall pay to the Company, in addition to the amounts due under Section 10.2 a Nomination Adjustment Payment if:

(i) the sum of the Nominated Hourly Amounts for all Hours in all Days in all Months in the preceding six (6) Months exceeds;

(ii) the sum of the Net Energy Output for all Hours in all Days in all Months in that preceding six (6) Months

as a result of the events set out in the definition of Effective Availability in Section 10.1.2(ii)(a) to 10.1.2(ii)(g) (inclusive) or as a result of the Offtaker's Output Reduction Notice.

10.3.2 Where the Offtaker is liable to pay the Company a Nomination Adjustment Payment pursuant to Section 10.3.1 due to any failure or outage (including an outage for scheduled or unscheduled maintenance) of the Offtaker Grid System, or any other event or circumstance affecting the Offtaker Grid System (unless such failure or outage resulted directly from Force Majeure affecting the Offtaker and the Offtaker Grid System), and such failure or outage results in the suspension of delivery of Net Energy Output by the Company in accordance with Section 17.5, the Power Station Log Book shall be the definitive record of the Effective Availability, absent fraud or manifest error.

10.3.3 The Nomination Adjustment Payment payable by the Offtaker shall be calculated as the Availability Charge multiplied by 90% of the amount by which the amount of MWh in Section 10.3.1(i) exceeds the amount of MWh in Section 10.3.1(ii).

10.3.4 The obligations of the Offtaker under this Section 10.3 shall be satisfied by a payment every six (6) Months in respect of the relevant preceding six (6) Month period.

10.3.5 For the avoidance of doubt, the Offtaker's obligation to make Nomination Adjustment Payments shall never exceed in each Year Y (or First Year, as applicable) an amount calculated as: (90,000MWh multiplied by the Availability Charge) minus the total Energy Payments made during such Year Y (or First Year, as applicable) in accordance with Section 10.2.

Section 10.4. Billing of Payments

10.4.1 No earlier than fifteen (15) Days after the end of each Month (in respect of Payments under Section 10.2) or the final Month to which the six (6) Month period relates in respect of Payments under Section 10.3, the Company shall prepare and deliver a statement to the Offtaker setting out Payments due under this Article X; and any interest payable under Section 10.7, showing the calculation of such claimed interest in reasonable detail, together with such supporting information as may reasonably be necessary to substantiate the amounts claimed in the invoice.

Such statement shall be in the form of SCHEDULE 9.

10.4.2 To the extent the Offtaker believes that a Company statement delivered pursuant to Section 10.4.1 incorrectly reflects amounts due, the Offtaker may prepare and deliver a revised statement to the Company, showing the calculation of any interest in reasonable detail, together with such supporting information as may reasonably be necessary to substantiate the amounts claimed in the invoice.

10.4.3 Either Party may require clarification or substantiation of any amount included in a statement submitted under Section 10.4 by delivering notice of such requirement to the other Party. The Party receiving such request shall provide the requested clarification and substantiation of such invoice within fourteen (14) Business Days of its receipt of such request.

Section 10.5. Dispute of Invoices

10.5.1 If the Offtaker shall dispute any portion of an invoice delivered under Section 10.4.1, then the Offtaker shall, within ten (10) Days of the receipt of such invoice serve a notice on Company indicating the amount of the dispute and the basis therefor (a "Dispute Notice"). For the avoidance of doubt, the Offtaker shall pay all undisputed amounts in accordance with Section 10.6. The dispute shall be settled by mutual discussion and, if necessary, dispute resolution under Article XVIII. If it is determined that the Offtaker owes an amount of money to the Company, the Offtaker shall, within ten (10) Days after the receipt of such determination, pay such sum together with interest thereon at the Default Rate from the date the Offtaker should have paid such sum to the Company.

10.5.2 At any time prior to sixty (60) Days after the end of a Year (or First Year, as applicable), or within such other period as permitted or required by applicable Law, either Party may serve a Dispute Notice on the other Party that the amount of any invoice submitted by the Offtaker during the preceding Year (or First Year, as applicable) is in dispute. Each Dispute Notice shall specify the invoice concerned, the amount of the dispute and the basis therefor. The dispute shall be settled by mutual discussion and, if necessary, dispute resolution under Article XVIII. Upon resolution of the dispute, the Party which is determined to owe money to the other Party shall immediately pay such sum to the other Party together with interest thereon at the Default Rate from the date such payment should have been made.

Section 10.6. Payment

10.6.1 Subject to Section 10.5.1, the Offtaker shall pay to the Company the amount shown on a Company invoice delivered in accordance with Section 10.4.1 within forty five (45) Days from the date of receipt of the Company invoice.

10.6.2 All payments under this Agreement shall be made in US Dollars.

Section 10.7. Unpaid Amounts

Any payment required hereunder which is not paid when due hereunder shall bear interest at the Default Rate. Interest shall be compounded with the overdue amount at Monthly intervals.

Section 10.8. Discount for Early Payment

In respect of sums payable by the Offtaker to the Company under a billing period invoice, the Offtaker shall obtain discounts:

(i) of one and two tenths percent (1.2%) if the invoice is settled within fifteen (15) Days of the date the Company delivers the invoice;

(ii) of eighty five hundredths of a percent (0.85%) if the invoice is settled between sixteen (16) and thirty (30) Days of the date the Company delivers the invoice; and

(iii) of zero percent (0%) if the invoice is settled thirty-one (31) Days or more after the date the Company delivers an invoice.

Section 10.9. Payment of VAT and Sales Tax

The Company invoices for Payments delivered to the Offtaker pursuant to Section 10.4.1 shall be exclusive of any applicable value added tax or sales tax. To the extent any value added tax or sales tax is applicable on such amount, Company shall include such value added tax or sales tax as a separate item on invoices to the Offtaker, and the Offtaker shall pay such amounts to the Company.

Section 10.10. No set-off

If any deduction or withholding is required by law on any Payment to be made by the Offtaker to the Company under this Agreement, the Offtaker shall be obliged to pay the Company such increased sum as will, after the deduction or withholding has been made, leave the Buyer with the same amount as it would have been entitled to receive in the absence of any requirement to make a deduction or withholding.

Section 10.11. Revision to the Availability Charge

The provisions of SCHEDULE 6 shall apply in respect of any revision to the Availability Charge.

ARTICLE XI
PAYMENT ASSURANCE

Section 11.1. Definition

"Advance Payment Amount" means:

(i) subject to (ii) below, ten million and fifty four thousand Dollars (US $ 10,054,000) (the "Initial Payment Amount"); or

(ii) subject to the proviso to this paragraph (ii) and the Offtaker having paid on or before the due date in accordance with Section 10.6.1 all invoices previously delivered to it, from the latest of:

(a) the third anniversary of the Commercial Operations Date;

(b) the arrangements provided for under Section 11.2.1 and Section 11.3 operating in accordance with their respective terms; and

(c) the Lenders to the Company giving their consent to the Company for such reduction in the Advance Payment Amount (to the extent their consent is required under the terms of the Common Terms Agreement),

half of the amount set out in (i) above (the "Reduced Payment Amount"), provided that the Advance Payment Amount shall revert to the Initial Payment Amount if the Offtaker fails at any time to make any Payment to the Company in full when due in accordance with the terms of this Agreement or if there has been an Offtaker Event of Default subsisting at any time.

Section 11.2. Letter of Credit

11.2.1 The Offtaker shall within 30 Business Days before the Commercial Operations Date provide to the Company, and thereafter maintain, a Letter of Credit such that the undrawn amount available under such Letter of Credit shall, subject to Section 11.2.3, at all times be at least the Advance Payment Amount.

11.2.2 The Offtaker shall provide written updates to the Company regarding the status of the Letter of Credit. Such written updates shall be provided within both (a) six (6) Months and (b) three (3) Months before the Commercial Operations Date.

11.2.3 Within thirty (30) Business Days of the date on which the Company draws any amount under the Letter of Credit pursuant to Section 11.2.1, the Offtaker shall (i) procure that the value of the Letter of Credit is reinstated so that the aggregate amount available for drawing is no less than the Advance Payment Amount or (ii) shall replace the Letter of Credit with a Letter of Credit having an aggregate amount available for drawing of not less than the Advance Payment Amount.

11.2.4 If the Offtaker fails to reinstate or replace the Letter of Credit pursuant to Section 11.2.3 within such thirty (30) Business Days period, the Company shall:

(i) be entitled to draw the full amount of the Letter of Credit available for drawing at that time and withdraw from the Collection Account established under Section 11.3 an amount equal to that drawn under the Letter of Credit by the Company pursuant to Section 11.2.3; and

(ii) retain the same by way of security until such time as the Offtaker procures the issuance of a replacement or reinstated Letter of Credit in accordance with this Section 11 where upon the Company shall refund to the Offtaker the full amount of such drawing and/or withdrawal, less (i) any sums discharged with the drawing under the Letter of Credit, and (ii) any sums then due to the Company.

Section 11.3. Collection Account Mechanism

11.3.1 GOSL shall procure that NPA (or, if applicable the Successor Utility) shall, no later than 90 days before the Commercial Operations Date:

(i) establish and maintain for so long as there is or may be a liability to the Company under this Agreement a designated collection account for the Payments in the name of the NPA (and the Offtaker, if required by the Company and the Lenders) from which all Payment shall be made (the "Collection Account") with a bank (the "Collection Account Bank") acceptable to GOSL, the Company and the Lenders (such approval not to be unreasonably withheld or delayed). If at any time there is a Successor Utility as Offtaker, such account may be transferred into the name of the Successor Utility on condition that all Payments shall continue to be made from such account;

(ii) select, designate and notify (pursuant to the invoices referred to in Section 11.3.4) a number of end users of electricity supplied by NPA and/or the Offtaker (the "Designated Users") to pay all amounts due under invoices 60 days before the Commercial Operations Date into specific designated bank accounts (the "Designated Bank Accounts", held with the "Designated Account Banks"). The Designated Bank Accounts and payments made to those Designated Bank Accounts will not in any way be hypothecated, charged, encumbered or otherwise subject to any security, other than as agreed among the Parties. A sufficient number of Designated Users shall be selected, designated and notified so that the aggregate amount of their payments will at all times be sufficient to pay on a timely basis at least the Payments due to the Company from time to time; and

(iii) enter into an agreement (or if necessary a series of agreements) with each of the Designated Account Banks, and if required, other banks that it wishes to use for the transfer of funds to the Collection Account, to ensure that sufficient funds will be transferred to the Collection Account on a timely basis to meet all amounts then invoiced by the Company and notified to the Collection Account Bank. Such agreements shall provide that such transfers of funds to the Collection Account will require no action or approval by NPA (or, if applicable, the Successor Utility) and

that such agreements cannot be modified without the consent of the Company and the Collection Account Bank.

11.3.3 If at any time insufficient funds in total are credited to the Designated Accounts and/or the Collection Account to allow the Collection Account Bank to make payment of the total uncontested amounts then invoiced by the Company, the Parties intend that no Designated Account Bank will be allowed to transfer funds from its Designated Bank Account other than to the Collection Account and the Company shall in such a situation be entitled to require that NPA (or, if applicable, the Successor Utility) and GOSL promptly select, designate and notify replacement or additional Designated Users and GOSL, or the Successor Utility, as the case may be, shall comply (or procure that the NPA comply, where GOSL is the Offtaker) with such requirement. Designated Users once so designated shall remain with that status unless and until the Company notifies GOSL to the contrary.

11.3.4 GOSL shall procure that for NPA (or, if applicable, the Successor Utility) (i) ensures that each invoice to a Designated User contains a direction (in a form satisfactory to the Company) that payment thereof shall only be made directly to a Designated Bank Account. If for any reason payment by a Designated User is not made directly into a Designated Bank Account, GOSL shall procure that the payment is promptly credited to a Designated Bank Account.

11.3.6 GOSL shall procure that the holder of the Collection Account shall enter into an agreement ("the Collection Account Bank Agreement"), with the Collection Account Bank, the Designated Account Banks and the Company, as further provided in Section 11.3.9, entitling the Company to receive and withdraw any amount from the Collection Account from time to time in or towards meeting any amount due to it under this Agreement but unpaid at any time and regulating the transfer of funds from the Designated Bank Accounts to the Collection Account. Such agreement shall also cover the handling of Payments in case a dispute notice is issued pursuant to this Agreement.

11.3.7 Following the date the Company has notified the Collection Account Bank that the Commercial Operations Date has been achieved, the Company shall be entitled to withdraw or transfer any amounts from the Collection Account and to use any amount withdrawn to discharge any amounts due to the Company under this Agreement from time to time.

11.3.9 No later than 90 days before the Commercial Operations Date , the Parties shall enter into all necessary arrangements reasonably required by the Company to give effect to this Section 11.3 and GOSL shall ensure that the Collection Account and the Designated Bank Accounts may only be operated in accordance with this Section 11 and the provisions of the Collection Account Bank Agreement unless NPA (or, if applicable, the Successor Utility), GOSL and the Company otherwise agree in writing.

11.3.10 The Parties will enter into all necessary arrangements and will obtain all necessary approvals, including those of the Bank of Sierra Leone, for the operation of the Collection Account and the Designated Bank Accounts,

including if required, any authorisations for the Collection Account Bank and the Company to receive, hold, convert and/or make payments in United States Dollars as well as Sierra Leone Leones, where permitted by law.

Section 11.4. Costs of Security

For the avoidance of doubt, all fees and expenses associated with the arrangement and maintenance of the Collection Account and the Letter of Credit and the designated bank and collection account processes (including, without limitation, any stamp duty) shall be for the account of the Offtaker.

ARTICLE XII
COMMISSIONING AND TESTING

Section 12.1. Commissioning of the Complex

The Company shall carry out Commissioning of the Complex in accordance with SCHEDULE 4.

Section 12.2. Notice of and Compliance with Testing Procedures

12.2.1 The Offtaker shall be given prior written notice of any Commissioning procedure in accordance with SCHEDULE 4 and shall be entitled to have representatives present for the purpose of observing any such procedure (but such testing or Commissioning may be performed if the Offtaker has no representative present).

12.2.2 The Offtaker shall use its reasonable efforts to comply promptly with all reasonable requests by the Company for assistance in carrying out testing and Commissioning.

Section 12.3. Test Results

The Company shall within the period specified in Section 5.2.2(viii) provide the Offtaker with copies of the results of all tests performed pursuant to SCHEDULE 4.

Section 12.4. Dispute

In the event that a dispute arises between the Company and the Offtaker regarding the tests related to the Commissioning, such dispute may be referred by either Party to an expert pursuant to Section 18.2.

ARTICLE XIII
INSURANCE

Section 13.1. Insurance Coverage

13.1.1 The Company shall obtain and maintain for the duration of the periods specified, at its own cost, the insurances specified in Schedule 11 having such limits and deductible amounts as are commonly maintained by companies engaged in business activities similar to the business of the Company, provided that the Company shall not be in breach of this obligation with respect to specific insurance coverage if and to the extent that any particular insurance is unavailable at that time to the Company under commercially reasonable terms.

13.1.2 At any time during the term of this Agreement, the Company shall, upon the Offtaker's request, provide to the Offtaker details of the insurance cover it has at that time in respect of the Complex.

13.1.3 The proceeds of any "All Risks" insurance obtained to cover the Complex shall only be required to be applied (whether directly or indirectly) to the repair of the Complex, if the Lenders under the Common Terms Agreement so consent.

13.1.4 On or before the Commercial Operations Date and every anniversary of the Commercial Operations Date, the Company shall cause its insurers or agents to provide the Offtaker with certificates of insurance, evidencing the Company's insurance.

ARTICLE XIV
INDEMNIFICATION AND LIABILITY

Section 14.1. Indemnity by the Company

In addition to the Company's obligations and the Offtaker's remedies provided elsewhere in this Agreement, the Company shall bear responsibility for: (a) loss of or damage to property or death or personal injury; and (b) any other liabilities, damages, losses and reasonable costs and expenses (including reasonable legal fees and expert witness fees) arising from any claim against the Offtaker, that is suffered by the Offtaker in connection with:

(i) the Complex, resulting from any act of gross negligence or omission of, or wilful misconduct of, the Company; and

(ii) any breach of warranty, misrepresentation by the Company, or non-performance of the Company under this Agreement or any other Project Agreement to which it is party.

The Company shall ensure that the Offtaker is fully indemnified in respect of the foregoing losses, damages, death, injuries, liabilities, costs and expenses; provided, however, that the Company's indemnities shall not extend to any loss, damage, death, injury, liability, costs or expenses (or any claim in respect thereof) to the extent that: (1) they were caused by any act or omission of the Offtaker or the failure of the Offtaker to take reasonable steps in mitigation thereof; or (2) (for the avoidance of doubt they arise or result from any failure to supply or shortfall in supply of Net Energy Output. With the exception of liability for death, personal injury or fraud, the maximum liability under the indemnity in this Section 14.1 is ten million Dollars (US $10,000,000) per occurrence.

Section 14.2. Indemnity by Offtaker

In addition to the Offtaker's obligations and the Company's remedies provided elsewhere in this Agreement, the Offtaker will bear responsibility for: (a) loss of or damage to property, death or injury to person; and (b) any other liabilities, damages, losses and reasonable costs and expenses (including reasonable legal fees and expert witness fees) arising from any claim against the Company, that are suffered by the Company in connection with:

(i) the undertaking of any aspect of the Project resulting from any act of gross negligence or omission of, or wilful misconduct of, the Offtaker; and

(ii) any misrepresentation by the Offtaker or non-performance of any term, condition, covenant or obligation to be performed by the Offtaker under this Agreement or any other Project Agreement to which it is party.

The Offtaker will ensure that the Company is fully indemnified in respect of the foregoing losses, damages, death, injuries, liabilities, costs and expenses; provided, however, that the Offtaker's indemnities shall not extend to any loss, damage, death, injury, liability, cost or expense (or any claim in respect thereof) to the extent that it was caused by any act or omission of the Company or the failure of the Company to take

reasonable steps in mitigation thereof. With the exception of liability for death, personal injury or fraud, the maximum liability under the indemnity in this Section 14.2 ten million Dollars (US $10,000,000) per occurrence.

14.2.2 For the avoidance of doubt, if either Party incur losses in the same insured event (e.g. an explosion), each Party will claim against their own insuree for their own losses, regardless of who was responsible.

Section 14.3. Joint Negligence

In the event injury or damage results from the joint or concurrent gross negligence or intentional acts or omissions of the Parties, each Party shall be liable under this indemnification in proportion to its relative degree of fault.

Section 14.4. No Indemnification for Fines and Penalties

Any fines or other penalties incurred by a Party for breach of any Laws of Sierra Leone shall not be reimbursed by the other Party but shall be the sole responsibility of the Party in breach. The Party in breach shall have the right, but not the obligation, to contest or appeal any fines it believes have been imposed in violation of the Laws of Sierra Leone.

Section 14.5. Notice of Proceedings

Each Party shall promptly notify the other Party of any claim or proceeding in respect of which, but for the provisions of Section 14.6, it is entitled to be indemnified. Such notice shall be given as soon as reasonably practicable after the relevant Party becomes aware of such claim or proceeding.

Section 14.6. Basket Limitation

Neither Party shall be entitled to make any claim under this Article XIV until such time as all such claims by such Party exceed one hundred thousand Dollars (US$ 100,000) in the aggregate, at which time all such claims of that Party may be made; provided, however, that, when such claims have been made, the same rule shall apply in respect of future claims. Notwithstanding the foregoing, any claims outstanding at the termination or expiration of this Agreement may be brought at that time.

Section 14.7. Conduct of Proceedings

14.7.1 Each Party shall have the right, but not the obligation, to contest, defend and litigate (and to retain legal advisers of its choice in connection therewith) any claim, action, suit or proceeding by any third party alleged or asserted against it arising out of any matter in respect of which it is entitled to be indemnified hereunder, and the reasonable costs and expenses thereof shall be subject to the said indemnity; provided, however, that, the indemnifying Party shall be entitled, at its option, to assume and control the defense of such claim, action, suit or proceeding at its expense and through legal advisers of its choice if it (i) gives notice of its intention to do so to the other Party, (ii) acknowledges in writing its obligation to indemnify that Party to the full extent provided by this Article XIV,

and (iii) reimburses that Party for the reasonable costs and expenses previously incurred by it prior to the assumption of such defense by the indemnifying Party.

14.7.2 Following acknowledgment of the indemnification and assumption of the defense by the indemnifying Party, the indemnified Party shall have the right to employ its own counsel, and such counsel may participate in such action, but the fees and expenses of such counsel shall be at the expense of such indemnified Party, when and as incurred, unless (i) the employment of counsel by such indemnified Party has been authorized in writing by the indemnifying Party, (ii) the indemnified Party shall have reasonably concluded that there may be a conflict of interest between the indemnifying Party and the indemnified Party in the conduct of the defense of such action, or (iii) the indemnified Party shall have reasonably concluded and specifically notified the indemnifying Party either that there may be specific defenses available to it that are different from or additional to those available to the indemnifying Party or that such claim, action, suit or proceeding involves or could have a material adverse effect upon it beyond the scope of this Agreement. If the conditions set out in (i), (ii) or (iii) of the preceding sentence shall be applicable, then counsel for the indemnified Party shall have the right to direct the defense of such claim, action, suit or proceeding on behalf of the indemnified Party and the reasonable fees and disbursements of such counsel shall constitute legal or other expenses hereunder.

14.7.3 Neither Party shall settle or compromise any claim, action, suit or proceeding in respect of which it is entitled to be indemnified by the other Party without the prior written consent of that Party; provided, however, that after agreeing in writing to indemnify the indemnified Party, the indemnifying Party may settle or compromise any such claim, action, suit or proceeding without the approval of the indemnified Party.

ARTICLE XV
FORCE MAJEURE

Section 15.1. Meaning of Force Majeure

In this Agreement, "Force Majeure" means any event or circumstance or combination of events or circumstances beyond the reasonable control of a Party which prevents, hinders or delays the performance by that Party of its obligations or the exercise by that Party of its rights under or pursuant to this Agreement; provided, however, that such material and adverse effect could not have been prevented, overcome or remedied in whole or in part by the affected Party through the exercise of diligence and reasonable care. Without limitation to the generality of the foregoing, "Force Majeure" shall include the following events and circumstances to the extent that they satisfy the above requirements:

15.1.1 natural events including:

(i) acts of God (including lightning, fire, earthquake, flood, drought, or water shortage, storm, hurricane, cyclone, typhoon, tidal wave and tornado);

(ii) epidemic, pandemic or plague (as classified or advised by the World Health Organisation);

(iii) explosion or chemical contamination (other than resulting from an event or circumstance described in Section 15.1.2(i)(a), in which case it shall be a Sierra Leone Political Event);

15.1.2 the following political events or circumstances :

(i) any of the following events or circumstances that occurs inside or directly involves Sierra Leone ("Sierra Leone Political Events"), including:

(a) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, civil commotion, act of terrorism, or sabotage;

(b) nationwide strikes, works to rule or go-slows that extend beyond the Complex or the Project or are widespread or nationwide, or that are of a political nature, such as, by way of example and not limitation, labor actions associated with or directed against a Sierra Leone political party, or those that are directed against the Company or any of its management or other personnel as a part of a broader pattern of labor actions against companies or facilities with foreign ownership or management;

(c) radioactive contamination or ionizing radiation originating from a source in Sierra Leone or resulting from another Sierra Leone Political Event;

(d) any Lapse of Consent that shall have existed for thirty (30) or more consecutive Days;

(e) any act or omission of GOSL or any subdivision thereof, the Offtaker or any local authority in Sierra Leone which materially delays or impairs the Company's ability to import or export any goods or materials into or out of Sierra Leone or transport any goods or materials in Sierra Leone;

(f) any Law coming into effect after the date of this Agreement (including any such Law, in force at the date of this Agreement being changed, repealed or replaced); and

(g) any act or omission of a Public Sector Entity which is discriminatory against the Company in relation to the Project, including without limitation, the nationalisation, expropriation or compulsory acquisition of the Project in whole or part.

(ii) any of the following events or circumstances that occurs outside Sierra Leone and does not directly involve Sierra Leone including:

(a) any act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, civil commotion, act of terrorism, or sabotage;

(b) strikes, works to rule or go-slows that are widespread or nationwide (other than by employees of the Party claiming the same as Force Majeure);

(c) radioactive contamination or ionizing radiation originating from a source outside Sierra Leone and not falling within Section 15.1.2(i)(c); and

15.1.3 other events beyond the reasonable control of the affected Party, including:

(i) any Lapse of Consent that shall have existed for less than thirty (30) consecutive Days; and

(ii) any strike, work-to-rule, go-slow, or analogous labor action that is not politically motivated and is not widespread or nationwide (other than by employees of the Party claiming the same as Force Majeure).

15.1.4 Force Majeure shall not include:

(i) lack of funds due to any reason, including any commercial, economic or financial reason, such as, but not limited to, a Party's inability to make a profit or achieve a satisfactory rate of return due to the provisions of this Agreement or changes in market conditions; (although the inability to use available funds, due to any reason set out above in 15.1.1, 15.1.2 or 15.1.3, shall be regarded as Force Majeure);

(ii) late delivery of machinery or other materials or a delay in the performance by any supplier or Contractor, except where such late delivery or delay is itself attributable to Force Majeure;

(iii) normal wear and tear or random flaws in materials and equipment or breakdowns in equipment;

(iv) hazards, including but not limited to the growth of trees, which can be reasonably anticipated in normal Offtaker operations and planned for as part of prudent Offtaker design, operations and maintenance activities;

(v) in relation to the Offtaker, a Sierra Leone Political Event; or

(vi) in relation to the Offtaker, the lack of or insufficient market for the onward sale of electricity by the Offtaker.

15.1.5 For the avoidance of doubt, Force Majeure for the Company includes events or circumstances (as provided in Section 15.1) which affect the Project but does not include any event, occurrence or matter to which Section 7.8 applies.

Section 15.2. Notification and Obligation to Remedy.

15.2.1 In the event of the occurrence of Force Majeure that prevents, hinders or delays a Party from performing its obligations hereunder (other than an obligation to pay money), such Party shall: (i) notify as soon as reasonably practicable (but in any event with forty-eight (48) hours) the other Party in writing of such Force Majeure; (ii) not be entitled to suspend performance under this Agreement for any greater scope or longer duration than is required by the Force Majeure; (iii) use all reasonable efforts to remedy its inability to perform and to resume full performance hereunder as soon as practicable; (iv) give the other Party a second notice, describing the Force Majeure(s) in reasonable detail and, to the extent which can be reasonably determined at the time of such notice, providing a preliminary evaluation of the obligations affected, a preliminary estimate of the period of time that the affected Party shall be unable to perform such obligations and other relevant matters as soon as practicable, but in any event, not later than seven (7) Days after the initial notice of the occurrence of the Force Majeure(s) is given by the affected Party; (v) keep such other Party apprised of such efforts on a reasonably continuous basis; and (vi) provide written notice of the resumption of performance hereunder. Notwithstanding the occurrence of Force Majeure, the Parties shall perform their obligations under this Agreement to the extent the performance of such obligations is not impeded by the Force Majeure.

15.2.2 Failure by the affected Party to have given written notice of Force Majeure to the other Party within the forty-eight (48) hour period required by Section 15.2.1 shall not prevent the affected Party from giving such notice at a later time; provided, however, that in such case the affected Party shall not be excused pursuant to Section 15.3.1 for any failure or delay in complying with its obligations under or pursuant to this Agreement until such notice has been given. If such notice is given within the forty-eight (48) hour period required by Section 15.2.1, the affected Party shall be excused for such failure or delay

pursuant to Section 15.3.1 from the date of commencement of the relevant Force Majeure.

Section 15.3. Consequences of Force Majeure

15.3.1 Subject to Section 15.3.2, neither Party shall be responsible or liable for, or deemed in breach of this Agreement because of any failure or delay in complying with its obligations under or pursuant to this Agreement which it cannot perform due solely to one or more events of Force Majeure or its or their effects or by any combination thereof. For the avoidance of doubt, the Company shall be deemed unable to perform due to Force Majeure if a Force Majeure event prevents, hinders or delays the Company supplying electric energy in accordance with Article IV once the Company has used such amounts of the electric energy produced at the Complex as it requires for the operation of the Project (including the Ethanol Production Facility and the Complex). The periods allowed for the performance by the Parties of such obligation(s) shall be extended on a day-for-day basis for so long as one or more Force Majeure events continues to affect materially and adversely the performance of such Party of such obligation(s) under or pursuant to this Agreement; provided, however, that no relief shall be granted to the Party claiming Force Majeure pursuant to this Section 15.3 to the extent that such failure or delay would have nevertheless been experienced by that Party had such Force Majeure not occurred, and provided further, that (subject to Section 17.2(xii)) either Party may immediately terminate this Agreement without further obligation if Force Majeure delays or prevents a Party's performance for a period greater than twenty four (24) Months in which case if the Company has terminated this Agreement due to a Force Majeure event affecting the Offtaker, the Offtaker shall within thirty (30) Days pay to the Company Compensation Amount.

15.3.2 If the Company is unable to deliver to the Offtaker, or the Offtaker is unable to receive, electrical energy during: (i) a Sierra Leone Political Event; and/or (ii) any Force Majeure event affecting the Offtaker; the Offtaker shall be obligated to make Payments as if the Company had delivered to the Offtaker deemed Daily Nominations in accordance with Section 7.4 for each Day (or portion thereof), calculated on the basis of the average of Daily Nominations for the preceding Year (or First Year, as applicable), as follows:

(i) immediately, following the occurrence of a Sierra Leone Political Event;

(ii) on and from the thirtieth (30th) Day following the occurrence of a Force Majeure event which a Reasonable and Prudent Operator acting in accordance with Prudent Utility Practice could remedy; or

(iii) on and from the ninetieth (90th) Day following the occurrence of a Force Majeure event which a Reasonable and Prudent Operator acting in accordance with Prudent Utility Practice could not remedy,

until the end of the occurrence of the Sierra Leone Political Event or the Force Majeure Event (as applicable), in which case each Party's obligations under the terms of the Agreement (including in respect of Payments) shall continue.

15.3.3 If there is a dispute between the Parties as to the whether a Force Majeure event qualifies under either Section 15.1.1(ii) or Section 15.1.1(iii) then the Offtaker shall resume payments to the Company, pursuant to Section 15.3, forty-five (45) Days following the occurrence of the Force Majeure event.

15.3.4 Following an occurrence of a Force Majeure event, the Offtaker shall use its best endeavours to take an amount of electrical energy equivalent to the deemed Daily Nominations not supplied in the periods referred to in Section 15.3.2 so as to restore the Company to its original position as if no Force Majeure event had occurred.

15.3.5 The term of this Agreement shall be extended by any period up to a maximum of the period of time by which either Party is prevented, hindered or delayed in performing its obligations or exercising its rights under or pursuant to this Agreement due to Force Majeure.

Section 15.4. Non-compliance with MOUA

15.4.1 Notwithstanding any other provision of this Agreement, the Company shall not be considered to be in breach of this Agreement to the extent that any failure by the Company to comply with any provision of this Agreement results from any failure by GOSL to comply with the MOUA.

ARTICLE XVI
TAXES

Section 16.1. Taxes

Subject to any exemptions granted or agreed in favour of the Company, all present and future national, local or other lawful Sierra Leone taxes, duties, levies, or other impositions applicable to the Company, the Complex, the Project and the Company's other assets shall be paid by the Company as and when required under the Laws of Sierra Leone. All present and future national, local or other lawful Sierra Leone taxes, duties, levies, or other impositions applicable to the Offtaker arising from or in connection with its rights and obligations under this Agreement shall be paid by the Offtaker as and when required under the Laws of Sierra Leone.

ARTICLE XVII
DEFAULTS AND TERMINATION

Section 17.1. Company Events of Default

Each of the following events shall be events of default by the Company (each a "Company Event of Default"), which, if not cured within the time permitted (if any) under Section 17.3, shall give rise to the right on the part of the Offtaker to terminate this Agreement pursuant to Section 17.4; provided, however, that no such event shall be a Company Event of Default hereunder if it results from a breach by the Offtaker of this Agreement or if it occurs as a result of an event of Force Majeure (but without prejudice to Section 15.3):

(i) any failure by the Company to make any payment or payments required to be made by it under this Agreement on or by the due date for payment;

(ii) except for the purpose of amalgamation, reorganization or reconstruction (provided that such amalgamation, reorganization or reconstruction does not affect the ability of the amalgamated, reorganized or reconstructed entity, as the case may be, to perform its obligations under this Agreement), the occurrence of any of the following events: (a) the passing of a resolution by the owners of the Company for the winding up of the Company; (b) the admission in writing by the Company of its inability generally to pay its debts as they become due; (c) the appointment of a provisional manager, trustee, liquidator or similar person in a winding up proceeding after notice to the Company and due hearing; or (d) the making by a court with competent jurisdiction over the Company of an order winding up the Company;

(iii) any statement, representation or warranty by the Company in this Agreement proving to have been incorrect, in any material respect, when made or when reaffirmed and such incorrect statement, representation or warranty having a material adverse effect on the Company's ability to perform its obligations under this Agreement or having a material adverse effect on the rights or obligations of the Offtaker under this Agreement;

(iv) persistent tampering in violation of Section 9.6 by the Company with the Metering System or the Check Metering System;

(v) the assignment or transfer by the Company of its rights and obligations under this Agreement in breach of Section 19.1;

(vi) any other material breach by the Company of this Agreement, which breach has a material and adverse impact on the Offtaker; and/or

(vii) persistent, intentional and prolonged failures by the Company to deliver to the Offtaker at the Interconnection Points any Net Energy Output of the Complex in accordance with Offtaker's valid dispatch instructions under Section 7.5 (and for the avoidance of doubt in no other circumstances, including any temporary failure to deliver energy, shall a

Company Event of Default arise in respect of a failure by the Company to deliver energy to the Offtaker under this Agreement).

Section 17.2. Offtaker Events of Default

Each of the following events shall be events of default by the Offtaker (each an "Offtaker Event of Default"), which, if not cured within the time permitted (if any) under Section 17.3, shall give rise to the right on the part of the Company to terminate this Agreement pursuant to Section 17.4; provided, however, that no such event shall be an Offtaker Event of Default hereunder if it results from a breach by the Company of this Agreement or if it occurs as a result of an event of Force Majeure (but without prejudice to Section 15.3):

(i) except for the purpose of amalgamation, reorganization or reconstruction (provided that such amalgamation, reorganization or reconstruction does not affect the ability of the amalgamated, reorganized or reconstructed entity, as the case may be, to perform its obligations under this Agreement), the occurrence of any of the following events: (a) the passing of a Law or resolution of the shareholders of the Successor Utility for the winding up of the Offtaker or an amendment to the Offtaker's powers and functions such that it would cease to be able to perform its obligations under this Agreement, including any repeal of the statute creating the Successor Utility; (b) the admission in writing by the Offtaker of its inability generally to pay its debts as they become due; (c) the appointment of a provisional manager, trustee, liquidator or similar person in a winding up proceeding after notice to the Offtaker and due hearing; or (d) the making by any court with competent jurisdiction over the Offtaker of an order winding up the Offtaker;

(ii) any failure by the Offtaker to make any payment or payments required to be made by it under this Agreement on or by the due date for payment;

(iii) the assignment or transfer of this Agreement by the Offtaker or an assignment, transfer or acquisition by the Offtaker in breach of Section 19.1;

(iv) persistent tampering by the Offtaker or its Contractors with the Metering System or the Check Metering System;

(v) any statement, representation or warranty made by the Offtaker in this Agreement proving to have been incorrect, in any material respect, when made or when reaffirmed and such incorrect statement, representation or warranty having a material adverse effect on the Offtaker's ability to perform its obligations under this Agreement or having a material adverse effect on the rights or obligations of the Company hereunder;

(vi) failure by the Offtaker to comply with the requirements of Article XI where applicable;

(vii) failure by the Offtaker to comply with the requirements of Section 2.2;

(viii) any material default by the GOSL under the MOUA, which default has not been remedied by the GOSL within thirty (30) Days after delivery by the Company to the GOSL of a copy of the notice sent by the Company to the GOSL, which notice shall state that a material default has occurred under the MOUA and is continuing, and identify the breach or default in question in reasonable detail;

(ix) any material default by the GOSL under the Guarantee;

(x) any material default by GOSL under the Tax Incentive Agreement;

(xi) any material default by the Offtaker under the Letter of Credit;

(xii) any material breach by the Offtaker of this Agreement, which breach has a material and adverse impact on the Company;

(xiii) termination of the Water Extraction Licence due to default by GOSL or any of its successors or assigns to the Water Extraction Licence;

(xiv) any Sierra Leone Political Event within any of paragraphs (a), (b), (c), (d), (e), (f) or (g) of the definition of Sierra Leone Political Event delays or prevents the Company's performance for a period greater than twelve (12) Months; and/or

(xv) any material default by either the NPA (or the Successor Utility, if applicable) or the Offtaker under the Collection Account Bank Agreement.

Section 17.3. Notice and Cure

17.3.1 In the case of a Offtaker Event of Default or a Company Event of Default (each, an "Event of Default"), as the case may be, set forth in Section 17.1 or Section 17.2, the non-defaulting Party may deliver a notice ("Notice of Default") to the defaulting Party.

17.3.2 Following a Notice of Default, the defaulting Party shall have thirty (30) Days to cure the Event of Default if that default (i) is capable of being cured and (ii) has not arisen under Section 17.2(viii). Notwithstanding the preceding sentence, if the Event of Default is (i) not a default in making payment (and has not arisen under Section 17.2) and (ii) incapable of being cured within thirty (30) Days, the defaulting Party may request from the non-defaulting Party an additional period of thirty (30) Days to cure the Event of Default, and the non-defaulting Party shall be deemed to grant such request.

17.3.3 Following a Notice of Default, the defaulting Party shall furnish to the non-defaulting Party, during any cure period, Weekly reports on its progress in curing the Event of Default.

17.3.4 Upon occurrence of an Event of Default that is not cured within the applicable period (if any) for cure, the non-defaulting Party may, at its option, terminate this

Agreement by delivering to the defaulting Party a written notice ("Notice of Intent to Terminate") of its intent to terminate this Agreement and specifying in reasonable detail the Event of Default giving rise to the Notice of Intent to Terminate, and this Agreement shall terminate.

Section 17.4. Rights and Remedies Upon an Event of Default

17.4.1 If a Company Event of Default has occurred and the Company Event of Default has not been cured within the period specified in Section 17.3, the Offtaker, in its sole discretion, may take any or all of the following actions:

(i) subject to any rights of the Lenders under the Direct Agreement, terminate this Agreement by delivering written notice to the Company pursuant to Section 17.3.4; and/or

(ii) proceed in accordance with Article XVIII to protect and enforce its rights, to recover any damages to which it may be entitled (including all costs and expenses reasonably incurred in the exercise of its remedy).

These rights and remedies shall not be exclusive but, to the extent permitted by Law, shall be cumulative and in addition to all other rights and remedies existing at Law, in equity or otherwise; provided, however, that the Offtaker may seek to exercise such rights and remedies only in accordance with the procedures set forth in Article XVIII. The Offtaker may exercise each right and remedy afforded by this Agreement or by Law from time to time and as often as may be deemed expedient by the Offtaker. No delay by, or omission of, the Offtaker to exercise any right or remedy arising upon any Company Event of Default shall impair any such right or remedy or constitute a waiver of such event or an acquiescence thereto.

17.4.2 If an Offtaker Event of Default has occurred and the Offtaker Event of Default has not been cured within the period specified in Section 17.3, the Company, in its sole discretion, may take any or all of the following actions:

(i) terminate this Agreement by delivering written notice to the Offtaker, in which event the Offtaker shall within thirty (30) Days pay to the Company the Compensation Amount;

(ii) suspend delivery of electrical energy from the Complex;

(iii) draw on the Letter of Credit; and

(iv) proceed in accordance with Article XVIII to protect and enforce its rights and to recover any damages to which it may be entitled (including all costs and expenses reasonably incurred in the exercise of its remedy).

These rights and remedies shall not be exclusive but, to the extent permitted by Law, shall be cumulative and in addition to all other rights and remedies existing at Law, in equity or otherwise; provided, however, that the Company may seek to exercise such rights and remedies only in accordance with the procedures set out

in Article XVIII. The Company may exercise each right and remedy afforded by this Agreement or by Law from time to time and as often as may be deemed expedient by the Company. No delay by, or omission of, the Company to exercise any right or remedy arising upon any Offtaker Event of Default shall impair any such right or remedy or constitute a waiver of such event or an acquiescence thereto.

Section 17.5. Remedies in the Event of Certain Defaults

Notwithstanding any of the provisions in Section 17.3 and Section 17.4, in the event of a Offtaker Event of Default as described in Section 17.2(ii), the Company shall have the right, immediately, to suspend the delivery of electrical energy from the Complex and to draw upon the Letter of Credit and/or Collection Account provided under Section 11.2 and Section 11.3 (where any Advance Payment Amount has been deposited).

Section 17.6. Obligations Upon Expiration or Termination

Subject to Section 17.7.2, upon expiration or termination of this Agreement, the Parties shall have no further obligations or liabilities hereunder except for those obligations and liabilities that: (i) arose prior to such termination, or (ii) expressly survive such expiration or termination pursuant to Section 3.3 or Section 21.15.

Section 17.7. Compensation Amount

17.7.1 Subject to Section **Error! Reference source not found.**, the "Compensation Amount" shall be calculated as (i): the sum of the payments that would be due to the Company from the date of termination until the end of the Term if the Complex were to have made available 90,000MWh each Year, adjusted pro-rata in respect of a part year, of that period (the "Availability Payments"), discounted to the date of payment at a discount rate (nominal) of eight per cent (8%) per annum in respect of each Year (or First Year, as applicable) up to and including the 10th Year after the Commercial Operations Date and fifteen per cent (15%) in respect of each Year thereafter up to and including the 20th Year after the Commercial Operations Date; less (ii) the net present value of any future fixed operation and maintenance costs which the Company will no longer be required to pay as a result of termination of this Agreement. The Availability Payments shall be calculated based on the Availability Charge or, if applicable revised Availability Charge pursuant to Schedule 6 (and only from the date when such revised Availability Charge is to come into force pursuant to Schedule 6). The Parties acknowledge and agree that the calculation of the Compensation Amount under this Section 17.7.1 is a genuine pre-estimate of the Company's losses at the time of entering into this Agreement.

17.7.2 Where the Offtaker has paid the Compensation Amount in full the provisions of Section 3.3 shall apply.

17.7.3 If the Company terminates this Agreement pursuant to Section 17.2(xiv) due to an event falling within paragraphs (a) or (b) of the definition of Sierra Leone

Political Event, then the Compensation Amount payable to the Company by the Offtaker shall:

(i) in the event that Repayment Instalments remain payable by the Company to the Lenders under the Finance Documents on the date of termination of this Agreement, be the aggregate amount of the Repayment Instalments which remain outstanding under the Finance Documents on the date of termination of this Agreement (as notified by the Lenders to the Offtaker in writing); or

(ii) in the event that all Repayment Instalments from the Company to the Lenders under the Finance Documents have been paid on the date of termination of this Agreement, be zero (0).

ARTICLE XVIII
RESOLUTION OF DISPUTES

Section 18.1. Mutual Discussions

18.1.1 If any dispute or difference of any kind whatsoever shall arise between the Offtaker and the Company in connection with, or arising out of, this Agreement (save for any dispute as to the interpretation or implementation of Section 18.2 to 18.7 hereof), the Parties shall attempt in good faith to settle such dispute in the first instance within thirty (30) Days by mutual discussions between the Company and the Offtaker, which may include referring the dispute to the Operating Committee for resolution within such thirty (30) Day period.

18.1.2 Sections 18.2, 18.3 and 18.4 apply to any claim, dispute, disagreement, controversy or difference of any kind between the Parties arising out of or in connection with this Agreement (a "Dispute") and which has not been resolved following the procedures set out in Section 18.1.1. That includes, without limitation, any question about this Agreement's existence, validity or termination.

Section 18.2. Referral to an Expert

18.2.1 If the Dispute cannot be settled within the period allowed in Section 18.1 and:

(i) referral to an expert is required by Section 7.14.5, Section 9.5 or Section 12.4, or

(ii) the Parties otherwise agree in writing;

then, in each case, the Dispute shall be referred to an expert for determination.

18.2.2 Either Party may give notice ("Notice of Intention to Refer") to the other Party of its intention to so refer the Dispute. The Party giving that notice is referred to herein as the applicant ("Applicant"), and the Party to whom such notice is given is referred to herein as the respondent ("Respondent").

18.2.3 A Notice of Intention to Refer shall include, inter alia:

(i) a description of the Dispute;

(ii) the grounds on which the Applicant relies in seeking to have the Dispute determined in its favor; and

(iii) all written material which the Applicant proposes to submit to the expert;

provided however, that this Section 18.2.3 shall not be construed so as to prevent the Applicant from using or producing further written material which comes into existence or comes to the Applicant's attention after the Notice of Intention to Refer is given but, in such event, the Respondent shall be allowed a reasonable time to respond thereto.

18.2.4 The Respondent shall within fourteen (14) Days after service of the Notice of Intention to Refer, give to the Applicant a notice ("Notice of Intention to Defend") of intention to defend which shall include, inter alia:

(i) the grounds upon which the Respondent relies in seeking to have the question determined in its favor; and

(ii) all written material that the Respondent proposes to submit to the expert;

provided, however, that this Section 18.2.4 shall not be construed so as to prevent the Respondent from using or producing further written material which comes into existence or comes to the Respondent's attention after the Notice of Intention to Defend is given but, in such event, the Applicant shall be allowed a reasonable time to respond thereto.

18.2.5 If within fourteen (14) Days after service of a Notice of Intention to Defend, the Parties have agreed on an expert and on the terms under which the Dispute shall be referred, the Dispute shall be so referred. In the event that the Parties are unable within fourteen (14) Days after service of a Notice of Intention to Defend to agree upon an expert to be appointed hereunder or upon the terms of such expert's reference or both, then either Party may the UK Institute of Mechanical Engineers to appoint an expert, and the terms of reference of such expert's appointment shall be those set out in the Notice of Intention to Refer and the Notice of Intention to Defend; provided, however, that no expert appointed pursuant to this Section 18.2 shall be a national of the jurisdiction of either Party to this Agreement or of the jurisdiction of any of the Shareholders (nor shall such expert be a former employee or agent of any such person).

18.2.6 Within three (3) Days of the appointment of the expert, the expert shall nominate a time and place in the Sierra Leone for a hearing of the Parties regarding the Dispute, which time shall not be more than fourteen (14) Days after the expert's appointment.

18.2.7 The Parties shall not be entitled to apply for discovery of documents but shall be entitled to have access to the other Party's records and data in accordance with Section 7.14.8.

18.2.8 At the time nominated for the hearing, each Party must appear before the expert and present its case.

18.2.9 The expert must render his decision on the Dispute as soon as possible after completion of the hearing and must forthwith advise the Parties in writing of his determination and his reasons therefor.

18.2.10 The proceedings shall be without prejudice and any evidence given or statements made in the course of the hearing may not be used against a Party in any other proceedings.

18.2.11 The proceedings shall not be regarded as an arbitration and the laws relating to commercial arbitrations shall not apply; provided, however, that the expert shall resolve the Dispute in accordance with the Laws of Sierra Leone.

18.2.12 Once a dispute is referred to an expert, the expert may shorten any of the time periods required by this Section 18.2 if, in the expert's best judgment, the Dispute requires expeditious resolution.

18.2.13 The decision of the expert shall be final and binding upon both Parties upon the delivery to them of the expert's written determination, save in the event of fraud, serious mistake or miscarriage.

18.2.14 If the expert does not render a decision within a period of thirty (30) Days of his appointment or such longer or shorter period as the Parties may agree in writing, either Party may, upon giving notice to the other, terminate such appointment, and a new expert shall be appointed who shall resolve the dispute in accordance with the provisions of this Section 18.2.

18.2.15 If the dispute is not resolved by one or more experts within three (3) Months after the receipt by the Respondent of the Notice of Intention to Refer, then either Party may refer the dispute for arbitration in accordance with this Agreement.

18.2.16 The costs of engaging an expert shall be borne equally by the Parties and each Party shall bear its own costs in preparing materials for, and making presentations to, the expert.

18.2.17 The failure of any Party to comply with the provisions and time periods set out in this Section 18.2 shall not prevent (i) the expert from proceeding; and/or (ii) any Party from requesting that the expert proceedings be terminated and the matter referred immediately to arbitration in accordance with Section 18.3, except for matters specified herein as only eligible for referral to an expert.

Section 18.3. Reference to Arbitration

18.3.1 Disputes

This Section applies to any Dispute which has not been resolved following the procedures set out in Section 18.1 and, if applicable, Section 18.2.

18.3.2 Reference to arbitration

All Disputes shall be referred to and finally resolved by arbitration in London before three arbitrators under the International Centre for Settlement of Investment Disputes Convention, Regulations and Rules from time to time in force (the ICSID Rules), or if the Republic of Sierra Leone has ratified the New York Convention, the Rules of Arbitration of the International Chamber of Commerce from time to time in force (the ICC Rules). This Section incorporates the ICSID Rules or the ICC Rules, as applicable, except where they conflict with its express terms. Rule 9(5) of the ICC Rules and rule 39 of the ICSID Rules shall not apply.

18.3.3 The Offtaker acknowledges that for the purposes of the Washington Convention:

(i) it is a Government entity; and

(ii) this Agreement is a contract which concerns an investment.

18.3.4 Appointing arbitrators

(i) Each Party shall nominate an arbitrator in the Request for Arbitration or Answer as the case may be. In the event that there are multiple claimants and/or multiple respondents, all claimants and/or all respondents shall attempt to agree upon their respective appointment(s).

(ii) If such Party or multiple Parties fail to nominate an arbitrator within or at the same time as serving their Request for Arbitration or Answer as the case may be, an arbitrator shall be appointed on its or their behalf by the Chairman of the ICSID Administrative Council in accordance with the ICSID Rules, or if applicable, the President of the ICC Court in accordance with the ICC Rules. In such circumstances, any existing or future nomination or confirmation of the arbitrator chosen by the Party or Parties on the other side of the proposed arbitration shall be unaffected.

(iii) The Parties must then seek to agree on and nominate a third arbitrator to act as Chairman within fourteen (14) Days after confirmation of the second arbitrator's appointment. Failing agreement between the Parties the two arbitrators already appointed must within fourteen (14) Days nominate the third arbitrator. If any of the Parties fail to nominate an arbitrator or the two arbitrators already appointed fail to nominate the Chairman, the appointments shall be made by the Chairman of the ICSID Administrative Council in accordance with the ICSID Rules, or if applicable, the President of the ICC Court of Arbitration in accordance with the ICC Rules.

18.3.5 Language

The proceedings shall be conducted in the English language. All documents submitted in the arbitration shall be in the English language or, if in another language, be accompanied by a certified English translation.

18.3.6 No appeal

None of the Parties may appeal to any court on a question of Law arising out of an award made in the arbitration. The Parties irrevocably waive any rights of appeal they might otherwise have had.

18.3.7 Enforcement

(i) The award shall be final and binding on the Parties or anyone claiming through or under them and judgment rendered on the award may be entered in any court having jurisdiction or application may be made to such court for judicial

acceptance of the award and an order of enforcement as the case may be. The award shall be enforced in Sierra Leone, notwithstanding (i) any Laws of Sierra Leone to the contrary, or (ii) if such award is deemed to be unenforceable under the Foreign Judgment (Reciprocal Enforcement) Act.

18.3.8 The Company irrevocably and unconditionally agrees it shall not be entitled to, and shall not, take any action to enforce a judgment or arbitral award against any bank account held by GOSL (including any of its diplomatic or consular missions) within a period of 45 Days from the date of such judgment or award or such longer period granted to GOSL in the judgment or award to meet the same.

Section 18.4. Related Disputes

18.4.1 If more than one arbitration is commenced under either: (i) this Agreement; or (ii) this Agreement and any separate agreements related to this Agreement ("Related Agreements"); and any party contends that two or more arbitrations are substantially related and/or involve the same parties and that the issues should be heard in one proceeding, the Arbitral Tribunal appointed in the first-filed of such proceedings shall have the power to determine whether, in the interests of justice and efficiency, the whole or part of the matters at issue should be consolidated before that Arbitral Tribunal upon such terms or conditions as the Arbitral Tribunal thinks fit.

18.4.2 The Related Agreements shall include (but are not limited to) the Project Agreements, the Tax Incentives Agreement and the Water Extraction Licence.

18.4.3 The Parties expressly accept that any Dispute under this Agreement may accordingly be disposed of in the same arbitration proceedings as any other dispute arising under another Related Agreement, even in the presence of parties other than the Parties to this Agreement.

Section 18.5. Waiver of Sovereign Immunity

18.5.1 The GOSL unconditionally, irrevocably and notwithstanding any Law:

(i) agrees that the execution, delivery and performance by it of this Agreement and those agreements included in the Project Agreements to which it is a Party constitute private and commercial acts rather than public or governmental acts;

(ii) agrees that, should any proceedings be brought against it or its assets other than assets protected by the diplomatic and consular privileges in any jurisdiction in relation to this Agreement or any transaction contemplated by this Agreement, no immunity from such proceedings shall be claimed by or on behalf of itself or with respect to its assets (other than Excepted Assets);

(iii) waives any requirement under the State Proceedings Act, 2000 for a claimant under this Agreement to give prior notice before bringing a claim against GOSL;

(iv) consents generally, in respect of the enforcement of any arbitral award (whether by judgment or otherwise) against it in any such proceedings in any jurisdiction to the giving of any relief or the issue of any process in connection with such proceedings (including the making, enforcement or execution against or in respect of any property other than Excepted Assets whatsoever irrespective of its use or intended use);

(v) agrees that judgements made in any country in relation to this Agreement shall be registered in Sierra Leone;

(vi) consents generally to the jurisdiction, with respect to itself and any and all of its assets and property that it now has or may hereafter acquire, of any court of competent jurisdiction for any action filed by the Company to enforce any arbitral award or decision made pursuant to arbitration conducted in accordance with Section 18.3;

(vii) waives any objection that it may now or hereafter have to the venue of any action or proceeding brought as consented to in this Section 18.5.1 and specifically waives any objection that any such action or proceeding has been brought in an inconvenient forum and agrees not to plead or claim the same;

(viii) agrees that service of process in any such action or proceeding may be effected in any manner permitted by the Law applicable to the aforementioned court, or in the manner specified in Section 18.6; and

(ix) waives any and all rights it may have to enforce any judgment or claim against the Excepted Assets in the courts of any jurisdiction.

18.5.2 For the avoidance of doubt, any dispute or difference between the Parties as to whether either Party has complied with this Section 18.5 shall be referred for determination under Section 18.3.

Section 18.6. Service of Process

With respect to any proceedings for enforcement of an award pursuant to this Article XVIII against assets of either Party brought in the courts of the Republic of Sierra Leone, the Parties agree that service of process in any such action or proceeding may be effected in any manner permitted by the Law applicable to the aforementioned court.

Section 18.7. Continued Performance

Unless this Agreement is already terminated, the Parties shall continue to comply with their obligations under this Agreement regardless of the nature of the dispute and notwithstanding the referral of the dispute to arbitration or expert pursuant to this Article 18. .

ARTICLE XIX
ASSIGNMENT

Section 19.1. Right to Assignment

19.1.1 The Company may assign or transfer, as security or otherwise, its rights or obligations under, pursuant to or associated with this Agreement, either:

(i) with the prior written consent of the Offtaker, such consent not to be unreasonably withheld, and subject to any Consents required from the Offtaker under the MOUA for such assignment and/or transfer; or

(ii) in the case of an assignment or transfer by way of security in favour of Lenders to the Company in relation to the Project or any part thereof.

19.1.2 Except as provided in Section 19.1.3, the GOSL may not transfer its rights and obligations under this Agreement.

19.1.3 The rights and/or obligations of the GoSL in its capacity as Offtaker under this Agreement may only be transferred and/or assigned:

(i) from the GOSL to the Successor Utility in connection with any restructuring of the electricity supply industry in Sierra Leone prescribed by Law; and

(ii) provided that the Successor Utility shall by the Transfer Date:

(a) have the financial ability and technical competence to perform all of the Offtaker's obligations and duties under this Agreement;

(b) have all necessary Consents and approvals and is otherwise legally authorised to carry out the Offtaker's obligations under this Agreement;

(c) be in compliance with all the representations and warranties under Section 6.3;

(d) have fulfilled the obligations under Article XI;

(e) be the beneficiary of the transfer or assignment of all Finance Documents; and

(f) have provided a letter of credit in favour of the Company in an amount equal to the Advance Payment Amount issued or confirmed by an international financial institution and on terms acceptable to the Company.

19.1.4 It shall be a condition of any transfer by GOSL of its rights and obligations as Offtaker under this Agreement that it retains its obligations to procure as provided in Section 11 and GOSL agrees to enter into (at GOSL's cost) such

agreements or other documents as the Company may reasonably require to effect or otherwise acknowledge the same.

19.1.5 For the avoidance of doubt, if GOSL's rights and/or obligations under this Agreement are assigned or transferred as set out in Section 19.1.3, the Guarantee shall immediately come into full force and effect.

19.1.6 Following the Transfer Date, the rights and/or obligations of the GoSL in its capacity as Offtaker under this Agreement may only be transferred or otherwise assigned with the Company's consent, such consent not to be unreasonably withheld, taking account of the factors set out in Section 19.1.3.

19.1.7 The GOSL Guarantor may not assign or transfer its rights and/or obligations under, pursuant to or associated with this Agreement.

ARTICLE XX
NOTICES

Section 20.1. Address for Notices

All notices and other communications required or permitted between the Parties by this Agreement shall be in English, in writing and hand delivered, or sent by pre - paid post or by facsimile to the address or number of the Party concerned as set forth below. No communication shall be effective until received and such shall be deemed to have been received:

(i) by hand when so delivered;

(ii) by an internationally-recognized and reputable priority courier four (4) Days after posting, subject to proof of posting;

(iii) by facsimile, where receipt of the transmission occurs before 17:00 recipient's time on a Business Day and recipient receives a transmission confirmation or otherwise acknowledges transmission, upon receipt of transmission, or if receipt of the facsimile transmission occurs after 17:00 recipient's time and recipient receives a transmission confirmation or otherwise acknowledges transmission, the next succeeding Business Day.

If to the Offtaker:

National Power Authority
Attn: ***General Manager, Joe Ben Davies***
Electricity House,
Freetown, Sierra Leone
e-mail: (joebendavies@hotmail.com).

If to the Company:

Addax Bioenergy (SL) Ltd
Attn: ***Nikolai Germann***
33 Rue de la Synagogue
CH - 1211 Genève 12
Switzerland
Fax: +41 58 702 99 80
e-mail: nikolai.germann@addaxbioenergy.com

Addax Bioenergy (SL) Limited
Attn: ***John Moult, General Manager***
4 Liverpool Street
PO Box 610

Freetown
Sierra Leone
Fax: +232 22 293 10
e-mail: John.Moult@addaxbioenergy.com

Section 20.2. Change of notice

Either Party may change its nominated address to another address by giving at least twenty one (21) Days prior written notice to the other Party in accordance with Section 20.1.

ARTICLE XXI
MISCELLANEOUS PROVISIONS

Section 21.1. Variations in Writing

Subject to the provisions of Schedule 6, no change may be made to this Agreement unless it is in writing and signed by the authorised representative of both Parties.

Section 21.2. Entire Agreement

21.2.1 This Agreement and all Schedules thereto and the Project Agreements and MOUA constitute the entire agreement of the Parties relating to its subject matter. If there is a conflict between the terms of the MOUA and this Agreement, the terms of this Agreement shall prevail.

21.2.2 Each Party agrees that it is not, in entering into this Agreement, relying on and shall have no right of action against the other Party in respect of any pre-contractual representation, which is not expressly set out in this Agreement.

Section 21.3. Severability

If any term of this Agreement is finally declared to be invalid, the other terms shall not thereby be affected or impaired and shall continue in full force and effect. In such event, the Parties shall in good faith seek to negotiate valid substitute terms which will as nearly as possible preserve the commercial balance between them.

Section 21.4. Waivers

No delay or omission of any Party in exercising any right, power or remedy provided by Law or under this Agreement shall impair such right, power or remedy or operate as a waiver thereof. The single or partial exercise of any right, power or remedy provided by Law or under this Agreement shall not preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

Section 21.5. Confidentiality

21.5.1 Each of the Parties shall hold in confidence all documents and other information, whether technical or commercial, relating to the Project, or the Complex that is of a confidential nature and that is supplied to it by or on behalf of the other Party. The Party receiving such documents or information shall not publish or otherwise disclose them or use them for its own purposes. The confidentiality obligation in this Section 21.5.1 shall not apply in respect of disclosure by a Party to (i) its professional advisers, Lenders (including potential lenders) and/or investors in relation to the performance or exercise of that Party's rights and/or obligations under this Agreement or (ii) any expert or arbitrator appointed pursuant to the terms of this Agreement.

21.5.2 The provisions of Section 21.5.1 shall not apply to any information: (i) which is or becomes available to the public other than by breach of this Agreement; (ii) which is in or comes into the possession of the receiving Party prior to the

aforesaid publication or disclosure and which was not or is not obtained under any obligation of confidentiality; (iii) which was or is obtained from a third party who is free to divulge the same and which was or is not obtained under any obligation of confidentiality; or (iv) which is required by Law or appropriate regulatory authorities to be disclosed; provided, however, that the Party supplying the information is notified of the requirement set forth in sub-Section (iv) at least fourteen (14) Business Days prior to such disclosure and the disclosure is limited to the maximum extent possible.

21.5.3 For the avoidance of doubt, nothing herein contained shall preclude the use of provisions similar to those contained in this Agreement and the other agreements referred to herein in any agreements prepared and issued in connection with other projects.

Section 21.6. Successors and Assigns

Reference to a Party, the Successor Utility, the Company or any other person includes its or their successors, permitted assigns and transferees pursuant to Section 19.

Section 21.7. Consequential Damages; Liability Beyond Contract

Neither Party shall be liable to the other Party in contract, tort, warranty, strict liability or any other legal theory for indirect, consequential, punitive or exemplary damages resulting from the performance of obligations or the exercise of rights under or pursuant to this Agreement; provided that this provision shall not in any way affect a Party's obligations under or pursuant to Section 5.7, Section 10.2, Section 10.7, Section 14.1, Section 14.2, Section 15.3.2 or SCHEDULE 6 or in respect of the Compensation Amount. Neither Party shall have any liability to the other Party except pursuant to, or for breach of, this Agreement; provided, however, that this provision is not intended to constitute a waiver of any rights of one Party against the other with regard to matters unrelated to this Agreement or any activity not contemplated by this Agreement.

Section 21.8. No Third Party Beneficiaries

This Agreement is intended solely for the benefit of the Parties hereto and, except for rights expressly granted to other persons, nothing in this Agreement shall be construed to create any duty to, standard of care with reference to, any liability to, or any right of suit or action in, any person not a Party to this Agreement.

Section 21.9. Affirmation

21.9.1 The Company and the Offtaker each declares and affirms, each on its own behalf, that it has not engaged and will not engage, directly or through an agent, in Corrupt Practices, Fraudulent Practices, Collusive Practices, Coercive Practices, or Obstructive Practices in competing for this Agreement or during the procurement, execution or performance of this Agreement, and that it will not in the future engage in such practices relative to this Agreement

21.9.2 The Company and the Offtaker each declares and affirms, each on its own behalf, that it shall in the future not pay any bribe, pay-off, kick-back or unlawful commission during the term of and relative to this Agreement.

Section 21.10. Governing Law

This Agreement is governed by and shall be construed in accordance with the Laws of Sierra Leone.

Section 21.11. Relationship of the Parties

This Agreement shall not make either of the Parties partners or joint ventures one with the other, nor make either the agent of the other. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or otherwise bind, the other Party.

Section 21.12. Counterparts

This Agreement may be executed in two (2) or more counterparts, each of which when executed shall be an original, but all the counterparts together shall constitute one document.

Section 21.13. Double Jeopardy

A final, non-appealable order issued in a proceeding initiated by the GOSL and based upon a claim of breach of the MOUA shall be with prejudice to any proceedings against the Company based on the same claim that the Offtaker could otherwise bring for breach by the Company of its obligations under this Agreement. Nothing in this Section 21.13 shall prevent the Successor Utility and the GOSL from separately initiating proceedings to terminate this Agreement and the MOUA, respectively, pursuant to Section 17.1 and Section 17.4 of this Agreement and Article XI of the MOUA.

A final, non-appealable order issued in a proceeding initiated by the Company and/or Addax & Oryx Holdings and based upon a claim of breach of the MOUA shall be with prejudice to any proceedings against the GOSL based on the same claim that the Company could otherwise bring for breach by the Offtaker of its obligations under this Agreement.

Section 21.14. Partial Invalidity

The illegality, invalidity or unenforceability of any provision of this Agreement in whole or in part under the Law of any jurisdiction shall neither affect its (i) legality, validity or enforceability under the Law of any other jurisdiction, nor (ii) the legality of any other provision or part thereof.

Section 21.15. Survival

Subject to Section 3.3, the provisions of Article I, Section 7.14.5, Article XI, Article XIV, Article XVII, Article XVIII, Article XX, Section 21.2, Section 21.10 and Section 21.5 shall survive the cancellation, expiration or termination of this Agreement.

Section 21.16. Language

The language for the purpose of administering this Agreement, including any expert proceeding or arbitration hereunder, shall be English.

ARTICLE XXII
CONDITIONS PRECEDENT TO EFFECTIVENESS OF AGREEMENT

Section 22.1. Conditions Precedent

22.1.1 This Agreement shall come into full force and effect upon the occurrence (or waiver by the Company in respect of the conditions precedent set out at 22.1.1(i), (ii), (iii), (v) and (vi)) of the following conditions precedent:

(i) the Guarantee having been executed by the GOSL and becoming fully effective in accordance with its terms, except as its effectiveness is conditional on the occurrence of the Transfer Date;

(ii) the satisfaction of all conditions precedent to the Finance Documents;

(iii) the Direct Agreement having been executed by each of the parties to it and having becoming fully effective in accordance with its terms;

(iv) the Company obtaining all relevant Consents required to perform its obligations under this Agreement;

(v) the provision by GOSL of all information reasonably required by the Company in order to operate the Company Interconnection Facilities; and

(vi) the provision by GOSL to the Company of all technical information outstanding at the date of this Agreement, as reasonably required by the Company, in relation to the operation of the Complex, including without limitation the interaction of the Complex with the Offtaker Grid System, the Metering System and the Telecommunications System.

22.1.2 The Company shall use its reasonable endeavours to cause the occurrence of the Conditions Precedent in Sections 22.1.1(ii) and 22.1.1(iv) by the date set out in Section 22.1.4 and shall promptly give notice of such occurrence to the Offtaker.

22.1.3 Without prejudice to Section 5.1.1, the Offtaker shall use its reasonable endeavours to cause the occurrence of the Conditions Precedent in Sections 22.1.1(i), 22.1.1(iii), 22.1.1(iv) (where relevant), 22.1.1(v) and 22.1.1(vi) by the date set out in Section 22.1.4 and shall promptly give notice of such occurrence to the Company.

22.1.4 If the date of Effectiveness of Agreement does not occur by the date that is one year following the date of execution of this Agreement, the Offtaker or the Company may deliver written notice to the other Party terminating this Agreement, which termination shall be effective on the date of delivery of such notice. From the date of such termination, the Parties shall have no further rights against each other and shall be released from all further obligations under this Agreement, subject to any rights and obligations that may have accrued before the date of such termination.

IN WITNESS whereof the Parties have entered into this Agreement on the date first above written.

The Government of the Republic of Sierra Leone acting by the Ministry of Energy and Water Resources

By: _____

Name: _____

Title: Minister of Energy and Water Resources

The Government of the Republic of Sierra Leone acting by the Ministry of Energy and Water Resources

By: _____

Name: _____

Title: Minister of Finance and Economic Development

ADDAX BIONENERGY (SL) LIMITED

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

SCHEDULE 1

DEFINITIONS

Whenever the following terms appear in this Agreement or the Schedules hereto, whether in the singular or in the plural, present, future or past tense, they shall have the meanings stated below unless the context otherwise requires:

"Advance Payment Amount" shall have the meaning given in Section 11.1.

"Agreement" means this Power Purchase Agreement, including all Schedules hereto, as amended or supplemented from time to time.

"Annual Availability" has the meaning given in Section 4.1.1.

"Annual Schedule" means, for each Month (or part-Month in the case of the First Year) of the relevant Year Y (or part-Year in the case of the First Year), a non-binding schedule showing the Nominated Monthly Amount, subject to Section 7.2.

"Answer" has the meaning given in the ICSID Rules or the ICC Rules, as applicable.

"Applicant" means the Party that served a Notice of Intention to Refer pursuant to Section 18.2.2.

"Articles of Association" means the most current version of the articles of association.

"Availability Charge" has the meaning given in Section 10.1.1(i).

"Availability Payments" has the meaning given in Section 17.7.1.

"Bagasse Shortfall" has the meaning given in Section 7.8.1.

"Business Day" means a Day on which business by and between banks is legally permitted to be carried on in Freetown, Sierra Leone.

"Check Meter" has the meaning given in Section 9.2.2.

"Check Metering System" has the meaning given in Section 9.2.2.

"Coercive Practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of this Agreement.

"Collection Account" shall have the meaning given in Section 11.3.1.

"Collection Account Bank Agreement" shall have the meaning given in Section 11.3.6.

"Collusive Practice" means a scheme or arrangement between two or more bidders, with or without the knowledge of the Offtaker or the GOSL, designed to establish bid prices at artificial, non-competitive levels.

"Commercial Operations Date" means the date after that date on which the Ramp-up Period ends in accordance with Section 4.2.5.

"Commissioned" means (i) in relation to the Complex, the state or act of successful completion of Commissioning of the Complex and the certification of such successful completion of Commissioning to the Offtaker by the Company Engineer following approval thereof by the Offtaker.

"Commissioning" means engaging in the operations required for testing of the Complex in accordance with SCHEDULE 4.

"Commissioning Certificate" means a certificate in the form of Annex A of SCHEDULE 4.

"Commissioning Date" means the date on which the Complex and the Ethanol Production Facility are Commissioned, which date shall occur as specified in SCHEDULE 4.

"Commissioning Tests" has the meaning given in SCHEDULE 4, Section 4.1.

"Common Terms Agreement" is the agreement for financing the Project between the Lenders and the Company and dated 16 July 2011.

"Company" has the meaning given in the preamble.

"Company Engineer" means a qualified engineer employed by the Company that shall observe the construction and installation of the Complex and the Commissioning and certify to the Offtaker on behalf of the Company the results of the Commissioning and the other matters specified herein.

"Company Event of Default" means an event described in Section 17.1 for which the Offtaker may issue a Notice of Default to the Company.

"Company Interconnection Facilities" means the Project Transmission Facilities plus any other interconnection facilities and equipment to be designed, constructed or installed by or on behalf of the Company on the Company's side of the Interconnection Points for the purposes of connecting the Complex to the Interconnection Points.

"Compensation Amount" has the meaning given in Section 17.7.

"Complex" means the bagasse fired power generating plant installed or to be installed by the Company in connection with and as part of the Project, including the Company Interconnection Facilities (but excluding the Offtaker Interconnection Facilities) designed, engineered, manufactured, financed, supplied, constructed, installed, completed, tested, Commissioned, insured, owned, operated and maintained by the Company during the term of the Agreement, whether completed or at any stage in its construction and installation, including without limitation or regard to level of development, engineering and design documents, all energy producing equipment and its auxiliary equipment, bagasse conveyors, water transportation and treatment systems, all spare parts, and all other equipment or facilities necessary for delivery of electricity to the Offtaker at the Interconnection Points (including any working areas required by the

Company, villages, townships and camps for the accommodation of the employees of the Company, and all rights of way and access from public highways and, where applicable, railway and seaward access), as further described in SCHEDULE 8. References to the Complex exclude any other parts of the Project.

"Consents" means all such approvals, consents, authorizations, grants or certificates of registration, notifications, concessions, acknowledgments, agreements, licenses (including, except where expressly provided otherwise, a License, permits, decisions or similar items required to be obtained from any Public Sector Entity by the Company for the undertaking of the Complex and any concessions or exemptions from the Laws of Sierra Leone expressly granted pursuant to the terms of the MOUA.

"Construction Report" means a report to be submitted by the Company pursuant to Section 5.2.2(iv), which report shall address the matters identified in, and shall be substantially in the form set out in SCHEDULE 7.

"Construction Start Date" means the date on which the Company materially commences construction or installation of the Complex.

"Contractor" means any direct contractors and any of their direct sub-contractors integrally involved in the Project.

"Corrupt Practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in execution of this Agreement.

"Daily Nomination" has the meaning specified in Section 7.4.1.

"Day" means the 24-hour period beginning and ending at 12:00 midnight.

"Deemed Commercial Operations Date" has the meaning given in Section 5.7.

"Default Rate" means LIBOR plus one and one-half percent (1.5%) per annum. Whenever the Default Rate is applied, the interest shall be computed for the actual number of Days elapsed on the basis of a 365-Day Year.

"Direct Agreement" means the direct agreement entered into between the Company, GOSL and BNP Paribas Suisse S.A. and dated on or about the date of this Agreement.

"Dispute" has the meaning given in Section 18.1.2.

"Dollar" or "US$" means such currency of the United States of America which, as the time of payment or determination, is legal tender therein for the payment of public or private debts.

"Effective Availability" has the meaning given in Section 10.1.2.

"Effectiveness of Agreement" means the occurrence of the fulfilment or waiver (by the relevant Party) of all conditions precedent in accordance with Section 22.1.

"Emergency" means a condition or situation that, in the reasonable opinion of either Party, does materially and adversely, or is likely to materially and adversely, present an imminent threat to the safe operation, security or integrity of the Offtaker Grid System, the Complex or any other part of the Project, or a physical threat to persons or property.

"Energy Payment" has the meaning given in Section 10.1.1.

"Ethanol Production Facility" means the Company's factory for the production of bio-ethanol in Makari Gbanti chiefdom, Bombali district, Sierra Leone. References to the Ethanol Production Facility exclude any other parts of the Project.

"Event of Default" has the meaning ascribed thereto in Section 17.3.1.

"Excepted Assets" means the Offtaker Grid System, electric generation assets and equipment, electric transmission or distribution assets, or other assets, necessary for the fulfilment by the GOSL of its duties and responsibilities under the Laws of Sierra Leone.

"Extension Period" means such extension period allowable following a Force Majeure event, pursuant to Section 15.3.1, or such period of delay which results from any act or omission of the Offtaker or delay by the Offtaker in procuring any Consents required under this Agreement, or any failure by the Offtaker to comply with any provision of the MOUA.

"Facility Agreements" means the agreements under which the Lenders agree to provide loan facilities, in accordance with the Common Terms Agreement, to the Company.

"Finance Documents" means the Common Terms Agreement and the Facility Agreements.

"First Year" means the part-Year starting on the Commercial Operations Date (inclusive) and ending at the start of the following Year.

"Force Majeure" means an event or occurrence specified in Article XV.

"Fraudulent Practice" means a misrepresentation or omission of facts in order to influence a procurement process or the execution of this Agreement.

"GOSL" means the Government of the Republic of Sierra Leone.

"GOSL Guarantor" means the GOSL acting in its capacity as the guarantor of the Offtaker's obligations under this Agreement.

"Guarantee" means a guarantee of all of the Successor Utility's obligations under this Agreement, given by GOSL in favour of the Company, effective on the Transfer Date, and in the form set out in Annex 1, or such other form as may be agreed by the Parties.

"Harvest Season" means the period of a Year in which Bagasse is harvested.

"Hour" means a period of sixty (60) consecutive minutes starting on the hour.

"Hypothecated Receivables" shall have the meaning defined in Section 11.3.2.

"Hypothecated Users" shall have the meaning defined in Section 11.3.2.

"Initial Payment Amount" shall have the meaning defined in Section 11.1(i).

"Interconnection Points" means the physical points where the Company Interconnection Facilities that form part of the Complex interconnect with the Offtaker Interconnection Facilities that form part of the Offtaker Grid System, as such points are more specifically described in SCHEDULE 2.

"kW" means Kilowatts.

"kWh" means Kilowatt-hours.

"Lapse of Consent" means any Consent (i) ceasing to remain in full force and effect and not being renewed or replaced within the time period prescribed by the applicable Laws of Sierra Leone or (ii) not being issued upon application having been properly and timely made and diligently pursued or (iii) being made subject, upon renewal or otherwise, to any terms or conditions that materially and adversely affect the Party's ability to perform its obligations under this Agreement, the Guarantee or the Letter of Credit , in each of the above instances despite such Party's compliance with the applicable procedural and substantive requirements as applied in a non-discriminatory manner.

"Law" means any law, act, requirement (including license and permit requirements), ordinance, code, order, rule, resolution or regulation of any governmental authority or agency (federal, national, provincial, municipal, local or other) that is at any time applicable to the Company, the Complex, the Project, the Site, or any part thereof, and shall include the Laws of Sierra Leone and all applicable environmental standards and hazardous waste laws, as any such law, act, requirement, ordinance, rule, resolution or regulation or standard may be amended from time to time.

"Laws of Sierra Leone" means the national, provincial and local laws of Sierra Leone and all orders, rules, regulations, executive orders, decrees, policies, judicial decisions, notifications or other similar directives made pursuant thereto, as such laws, orders, rules, regulations, decrees, policies, judicial decisions and notifications or other similar directives may be amended from time to time.

"Lenders" means the African Development Bank, Deutsche Investitions und Entwicklungsgesellschaft mbH (DEG), Emerging Africa Infrastructure Fund Limited, ICF Debt Pool LLP, Nederlandse Financierings Maatschappij voor Ontwikkelingslanden NV and Industrial Development Corporation of South Africa Limited.

"Lenders' Social and Environmental Requirements" has the meaning given in Annex III.

"Letter of Credit" means a letter of credit in favour of the Company in an amount equal to the Advance Payment Amount and on terms acceptable to the Company and either (i) issued or confirmed by the Bank of Sierra Leone and irrevocably guaranteed by the African Development Fund; or (ii) issued by such other financial institution acceptable to the Company; or (iii) issued by any financial institution and guaranteed by a financial institution, in each case acceptable to the Company.

"LIBOR" means the British Bankers Association Interest Settlement Rate for Dollar deposits for a period equal to three (3) Months that appears on the appropriate page of the Reuters service at or about 11:00 a.m. in London on the last available Day on which banks are legally permitted to be open in London, or in the event that the Reuter's service, or any successor thereto, no longer provides such information, such other service as agreed to by the Parties that provides the British Bankers Association Interest Settlement Rate for Dollar deposits in the London inter-bank market.

"Licence" means the licence issued by the NPA or the Successor Utility to the Company for the generation, transmission and supply of electricity from the Complex in accordance with Section 5.1.1.

"Metering System" means all meters and metering devices owned by the Company and used to measure the delivery and receipt of Net Energy Output.

"Minimum Functional Specifications" means the minimum functional specifications (including the Technical Limits) of the Complex as set forth in SCHEDULE 3.

"Month" means a calendar month according to the Gregorian calendar beginning at 12:00 midnight on the last Day of the preceding month and ending at 12:00 midnight on the last Day of that month.

"Monthly Schedule" means for each Day of the relevant Month M a non-binding schedule showing the Nominated Daily Amount for each Day in such Month, subject to Section 7.3.

"MOUA" has the meaning given in Recital C.

"MVAR" means Megavars.

"MW" means Megawatts.

"MWh" means Megawatt-hours.

"National Power Authority" or "NPA" means the body corporate established under the National Power Authority Act 1982 of Sierra Leone and having its registered office at Electricity House, 36 Siaka Stevens Street, Freetown, Sierra Leone.

"Net Energy Output" means net active energy expressed in MWh, in excess of the energy required by the Company for the Project (including, for irrigation) produced by the Company at the Complex and delivered to the Offtaker at the Interconnection Points, as measured by the Metering System in accordance with Section 9.5.

"New York Convention" means the Convention on the Recognition and Enforcement of Foreign Arbitral Awards, which came into force on 7 June 1959.

"Nominated Daily Amount" has the meaning given in Section 7.3.1.

"Nominated Hourly Amount" has the meaning given in Section 7.4.1.

"Nominated Monthly Amount" has the meaning given in Section 7.2.2.

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"Nomination Adjustment Payment" has the meaning given in Section 10.1.1.

"Non-Harvest Season" means the period of a Year in which Bagasse is not harvested.

"Notice of Default" has the meaning given in Section 17.3.1.

"Notice of Intent to Terminate" has the meaning given in Section 17.3.4.

"Notice of Intention to Defend" has the meaning given in Section 18.2.4.

"Notice of Intention to Refer" has the meaning given in Section 18.2.2.

"Obstructive Practice" means any of (i) the act of deliberately destroying, falsifying, altering or concealing evidence material to the investigation, or making false statements to investigators in order to materially impede an investigation, into allegations of a Corrupt Practice, Fraudulent Practice, Coercive Practice, or Collusive Practice; or (ii) the act of threatening, harassing, or intimidating any Party to prevent it from disclosing its knowledge of matters relevant to such investigation or from pursuing the investigation.

"Offtaker" means from the execution of this Agreement, GOSL and from the Transfer Date, the Successor Utility.

"Offtaker Event" has the meaning given in Section 5.7.2.

"Offtaker Event of Default" means an event described in Section 17.2 for which the Company may issue a Notice of Intent to Terminate to the Offtaker.

"Offtaker Grid System" means the Offtaker Interconnection Facilities and any other transmission or distribution facilities (whether or not owned and/or operated by the Offtaker) on the Offtaker's side of the Interconnection Points through which the Net Energy Output will be distributed by the Offtaker to users of electricity.

"Offtaker Interconnection Facilities" means all facilities on the Offtaker side of the Interconnection Points described in SCHEDULE 2 to be provided by or for the Company to enable it to receive and deliver energy in accordance with this Agreement, including any extension thereto.

"Operating Committee" means the committee established pursuant to Section 7.14 for the purpose of determining operating standards and procedures for the Complex.

"Output Reduction" has the meaning given in Section 7.5.2.

"Output Reduction Notice" has the meaning given in Section 7.5.2.

"Party" or "Parties" has the meaning given in the preamble.

"Payments" has the meaning given in Section 10.1.1.

"PPA Amended Documents" has the meaning given in Section 5.2.1.

"PPA Original Documents" has the meaning given in Section 5.2.1.

"Price Revision" has the meaning given in SCHEDULE 6, 2(ii).

"Project" means the first phase of a sugarcane ethanol bio-fuels project in the Makari Gbanti chiefdom, Bombali district, Sierra Leone, comprising all aspects of the Ethanol Production Facility, the Complex, and all associated infrastructure.

"Project Agreements" means this Agreement, the MOUA, the Water Extraction Licence, the Tax Incentive Agreement, the Guarantee, the Letter of Credit, the Common Terms Agreement, the Direct Agreement, the Facility Agreements and any other agreements (integral to the undertaking of the Project) that may be expressly agreed in writing by the Parties to be Project Agreements.

"Project Transmission Facilities" has the meaning given in Section 8.6.1.

"Prudent Utility Practice" means the practices generally followed from time to time by the electric utility industry (including practices generally followed by independent power producers) in West Africa, having regard to engineering and operational considerations, including manufacturers' recommendations. Prudent Utility Practice is not limited to optimum practices, methods or acts to the exclusion of all others, but rather is a spectrum of possible practices, methods and acts which could have been expected to accomplish the desired result at reasonable cost consistent with reliability and safety.

"Public Sector Entity" means the GOSL and any subdivision thereof, any provincial or local governmental authority with jurisdiction or authority over the Company or the Project or any part thereof, any department, authority, instrumentality, agency or judicial body of the GOSL or any such provincial or local governmental authority, and any court, tribunal or independent regulatory agency or body in Sierra Leone having jurisdiction over the Company or the Project or any part thereof.

"Ramp-up Availability" has the meaning given in Section 4.2.2.

"Ramp-up Availability Notice" has the meaning given in Section 7.1.1.

"Ramp-up Net Energy Output Schedule" has the meaning given in Section 7.1.2.

"Ramp-up Period" means the period commencing on the Commissioning Date and ending on the date determined in accordance with Section 4.2.

"Ramp-up Statement" has the meaning given in Section 4.2.1.

"Reactive Power" means the wattless component of the product of voltage and current, which the Complex shall provide to or absorb from the Offtaker Grid System and which is measured in MVAR.

"Reasonable and Prudent Operator" means a person seeking, in good faith, to perform its contractual obligations and, in so doing, and in the general conduct of its undertaking, exercising that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances and conditions. Any

reference to the standard of a Reasonable and Prudent Operator shall be construed accordingly.

"Reduced Payment Amount" shall have the meaning defined in Section 11.1(ii).

"Related Agreements" has the meaning given in Section 18.4.1.

"Repayment Instalments" has the meaning given to it in the Common Terms Agreement.

"Request for Arbitration" has the meaning given in the ICSID Rules or the ICC Rules, as applicable.

"Respondent" means the Party on whom a Notice of Intention to Refer has been served in accordance with Section 18.2.2.

"Revised Hourly Amount" has the meaning given in Section 7.5.2.

"Scheduled Outage" means a planned interruption of the Complex's generating capability or any material part thereof that:

(i) has been scheduled in accordance with Section 7.11; and

(ii) is for the inspection, testing, preventive maintenance, corrective maintenance, repairs, replacement or improvement of the Complex or any material part thereof.

"Scheduled Ramp-up Net Energy Output" has the meaning given in Section 7.1.2.

"Shareholder" means the holder, from time to time of any shares of the Company with voting or other rights of management and control and any securities of the Company that are convertible into such shares at the option of the holder, as well as the holders of any securities or instruments that are convertible at the option of the holder into either of such shares.

"Sierra Leone Political Events" has the meaning given in Section 15.1.2(i).

"Site" means the land, spaces, waterways, roads, water wells and any rights:

(i) acquired by the Company for the purposes of carrying out the Project (as part of the Project); or

(ii) in relation to the Company Interconnection Facilities, acquired or to be acquired by the Offtaker and is respect of which the Offtaker grants to the Company a license for the entry onto and use by the Company,

and on which (or through, above or below which) all or any part of the Complex is to be built (including any working areas required by the Company, villages, townships and camps for the accommodation of the employees of the Company, and all rights of way and access from public highways and, where applicable, railway and seaward access).

"Successor Utility" has the meaning given in Recital D.

"Target Commissioning Date" means the date set out in Section 4.2.6.

"Target Production Profile" means the target annual electrical energy production profile of the Complex as set forth in Schedule 12.

"Tax Incentive Agreement" means the tax incentive agreement entered into between the Company and GOSL dated on or about the date of this Agreement.

"Technical Limits" means the limits of operation of the Complex described in SCHEDULE 3 and SCHEDULE 8.

"Telecommunications System" has the meaning given in Section 9.7.1.

"Transfer Date" has the meaning given in Section 2.2.1.

"Urgent Maintenance Outage" means an interruption or reduction of the Complex's generating capability that:

(i) is not a Scheduled Outage;

(ii) has not been scheduled and agreed between the Parties; and

(iii) is for the purpose of performing work on specific components of the Complex or the Project which require immediate care and action in accordance with Prudent Utility Practice.

"Washington Convention" means the Convention on the Settlement of Investment Disputes between States and Nationals of other States, which came into force on 14 October 1966.

"Water Extraction Licence" means the extraction licence entered into between the Company and the GOSL dated on or about the date of this Agreement.

"Week" means each period of seven (7) consecutive Days beginning at 12:00 midnight Sierra Leone time falling between a Saturday and a Sunday.

"Year" means each twelve (12) Month period commencing on 00.00 hours on 1 November and ending at 00.00 hours the following 1 November during the term of this Agreement.

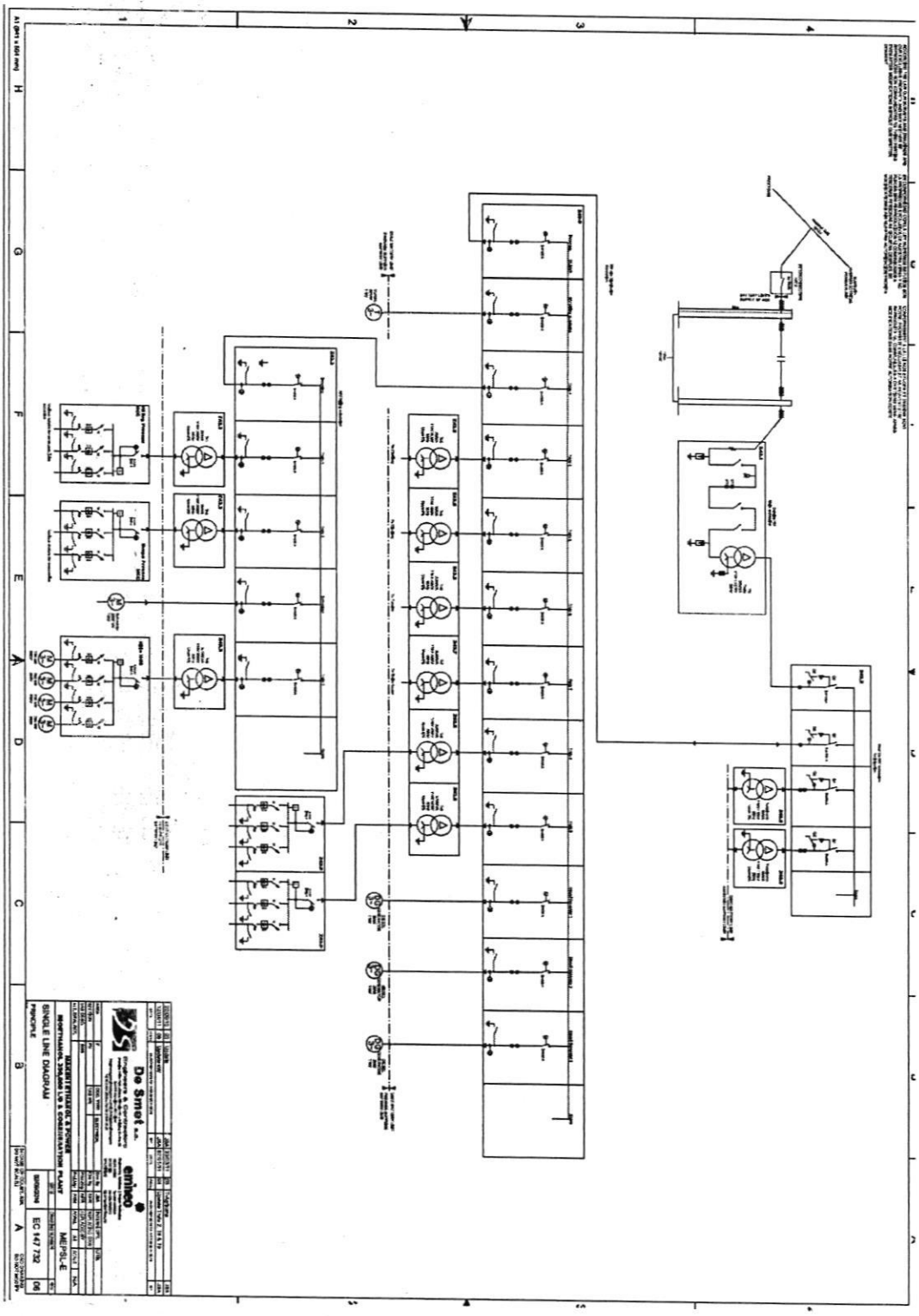
SCHEDULE 2

INTERCONNECTION FACILITIES

Annex A provides a schematic of the Company Interconnection Facilities interfacing with the Offtaker Interconnection Facilities at the 161 kV Interconnection Points.

ANNEX A

161 KV INTERCONNECTION POINT



SCHEDULE 3

MINIMUM FUNCTIONAL SPECIFICATIONS AND TECHNICAL LIMITS

Part A. Minimum functional specifications

This specification sets out the quality of power that the Company shall avail to the Offtaker at the Company Interconnection Points.

Section 1. Voltage level
The Company shall deliver energy at the Interconnection Points within a voltage range of 161 kV ± 10%.

Section 2. Power Factor
The Offtaker shall take power at a power factor between 0.85 lagging and unity. Both the Offtaker and the Company shall endeavour to contribute towards maintaining system voltage stability.

Section 3. Computation of Power Factor
The power factor for each Interconnection Points shall be separately determined and shall be computed as the cosine of the arctangent of the ratio of the algebraic value of the increment in the register reading for reactive energy (kVArh) to the increment in the register reading for real energy (kWh). The algebraic sign of the arctangent will determine whether the resulting power factor is leading or lagging. If the arctangent has a positive sign, then the power factor is lagging, and if the sign of the arctangent is negative, then the power factor is leading.

Section 4. Frequency
The Offtaker shall maintain the system frequency within a range of 50 Hz ± 1%.

Part B. Technical limits

The Technical Limits shall be provided by the Company within one (1) Year of the Date of this Agreement.

SCHEDULE 4

COMMISSIONING AND COMMERCIAL OPERATIONS DATE

ARTICLE 1.
DEFINITION

1

Section 1.1. Definition

Wherever the following term appears in this SCHEDULE 4, it shall have the meaning stated below:

"Commissioning Tests" - The meaning ascribed thereto in Section 4.1 of this SCHEDULE 4.

ARTICLE 2.
SCHEDULING OF TESTING OF THE COMPLEX PRIOR TO COMMERCIAL OPERATIONS DATE

Section 2.1. Scheduling by the Company

The Company shall provide the Offtaker, on an on-going basis, with relevant information regarding its program for testing the Complex and the schedule therefor. Not less than twenty (20) Days prior to the commencement of such test program, the Company will deliver to the Offtaker in writing the final program for testing the Complex, including a tentative schedule for conducting all tests required for Commissioning. The Company shall advise the Offtaker in writing of any changes in its final schedule for the testing program not less than seven (7) Days prior to the commencement of the tests required for Commissioning. If the schedule for any test required for Commissioning is adjusted after the Company has provided the Offtaker with the final testing program schedule, then the Company shall advise the Offtaker not less than forty-eight (48) hours prior to the commencement of any such test. On each Day beginning with the Day on which testing commences, the Company shall provide the Offtaker with a schedule of the tests to be conducted on the following Day or Days (if such test will continue for more than one (1) Day).

Section 2.2. Deferral by Offtaker

Without prejudice to Section 8.5, if the Offtaker is unable to accommodate the schedule for such test or tests as provided by the Company in the final schedule for the program of tests, the Offtaker will give the Company notice within forty-eight (48) hours of its receipt of the final schedule for testing of its requirements regarding deferral or delay of any Commissioning Tests for the Complex, and the Parties will mutually agree on a date for any deferral test or program of tests. The Offtaker shall notify the Company at the end

of any such delay or deferral. No such delay or deferral shall delay the relevant test or tests by more than ten (10) Days from the date proposed by the Company.

ARTICLE 3.
TESTING PRIOR TO COMMISSIONING TESTS

Section 3.1. Pre-Synchronization Tests

Prior to synchronization of the Complex or any part thereof with the Offtaker Grid System to perform the Commissioning Tests, the Company shall successfully carry out, in the presence of the Offtaker, the following:

(i) verification of the protection level settings prepared by the Company, in consultation with the Operating Committee.

(ii) proving of all inter-tripping circuits between the Complex and the Offtaker Grid System.

Section 3.2. Observation by Offtaker

The Offtaker shall be given not less than twenty-four (24) hours notice of such tests (and any retests thereof) and shall have an opportunity to be present at and observe all such tests.

ARTICLE 4
COMMISSIONING TESTS

Section 4.1. Process

(a) The Company shall carry out the Commissioning of the Complex pursuant to this Article 4.

(b) The Complex shall be Commissioned following the successful completion (by satisfying the minimum performance criteria specified herein) of the tests described in Section 4.3 of this SCHEDULE 4 (the "Commissioning Tests").

Section 4.2. Notification

The Company shall give reasonable notice to the Offtaker before carrying out the tests described in Section 4.3 of this SCHEDULE 4.

Section 4.3. Commissioning Tests

(a) The Company shall carry out pre-commissioning and Commissioning Tests in accordance with Annex A.

(b) Minimum criteria for the successful completion of the Commissioning Tests are described in Annex B.

Section 4.4. Complex Commissioned; Commissioning Date

(a) When the Complex has satisfied the minimum performance standards as set forth in Annex B for all Commissioning Tests described in Section 4.3 of this SCHEDULE 4, then the Complex shall be Commissioned.

(b) The Commissioning Date shall occur as of 00.00 hours at the start of the first Day after the Day the entire Complex is Commissioned and the Company has delivered the duly completed Commissioning Certificate that conforms with the standards set out in Annex B to this Schedule 4 to the Offtaker.

ANNEX A.

FORM OF COMMISSIONING CERTIFICATE

Project:	**Location:**	**Date:**
Customer:	**Voltage:**	**Frequency:**

1	**Final Site Commissioning Checks**	**Checked**
1.1	Check that all equipment is correctly earthed	
1.2	Check that all transformers and switchgear are not in circuit earth position	
1.3	Check that all circuit breakers are in the open position	
1.4	Clear all unnecessary personnel off Site to a safe area	
1.5	Ensure that all Company personnel are verbally addressed and aware of energization	
1.6	Ensure that the Offtaker is fully aware of your intention to energize the system	
2	**Final Site Commissioning Tests**	
2.1	Close circuit breaker for earthing transformer or neutral earthing resistor (Only applicable when system is in island mode)	
2.2	Energize system either by back feed from customers HV or by closing generator circuit breaker in island mode	
2.3	Check phase rotation	
2.4	Check system voltage	
2.5	Check system frequency	
2.6	Check inter tripping and inter locks	
2.7	Check Site ESD shutdown	
2.8	Additional testing required pursuant to the PPA	
2.9	While the system is energized, conduct burden and accuracy tests on the Metering, Check Metering and Telecommunication Systems	

Date and Time first machine online:	**Date and Time last machine on line:**	**Total KW Output: Date and Time:**
System voltage:	**System frequency:**	**Power factor:**

On behalf of the Company, I hereby certify that the Complex has satisfied the minimal performance standards sufficient to be Commissioned. Capitalized terms used herein have the meaning given to them in the Power Purchase Agreement.

By: **[printed name of Company Engineer]**_____

Company Engineer's signature: **/s/**_____

Date: **[date]**_____

On behalf of the Offtaker, I hereby approve the issuance of this certificate.
By: **[printed nameOfftaker]**_____
Company Engineer's signature: **/s/**_____
Date: **[date]**_____

ANNEX B.

STANDARDS FOR SUCCESSFUL COMPLETION OF COMMISSIONING TESTS

Successful completion of Commissioning of the Complex in its entirety shall occur when all of the final Site commissioning checks and tests described in Annex A have been completed to the satisfaction of the Offtaker and the Company and Annex A has been signed by authorized representatives of the Offtaker and the Company as evidence of this.

SCHEDULE 5

METERING

ARTICLE I.

METERING SYSTEM AND CHECK METERING SYSTEM REQUIREMENTS

1

Section 1.1.

The Metering System and Check Metering System shall consist of a single set of three current transformers and potential transformers feeding both a primary and a backup three phase four wire metering instrument.

Section 1.2.

The Metering System and the Check Metering System shall be designed such that the overall error of the installation, (including instrument transformers, wiring, and metering instruments) shall be no greater than two tenths of a percent (0.2%) for power flows through the metering installation.

Section 1.3.

The Metering System and Check Metering System shall be selected to have rated error no greater than two tenths of a percent (0.2%) over the equivalent load range.

Section 1.4.

The Metering System and Check Metering System shall be electronic time-of-use meters which accumulate data separately for at least three time blocks with programmable beginning and ending times and holiday/weekend discrimination.

Section 1.5.

The Metering System and Check Metering System shall be capable of separately accumulating and presenting on the register display the following data for peak hours, shoulder and off peak hours, each of which shall occupy one time-of-use block:

(i) Net kWh into the Offtaker Grid System

(ii) Net kVArh into the Offtaker Grid System

(iii) kW into the Offtaker Grid System.

Section 1.6.

The Metering System and Check Metering System current and voltage transformers will measure current and voltage as near as practicable to point at which the Offtaker Interconnection Facility connects to the Company Interconnection Facilities, as shown in SCHEDULE 2. The Metering System and Check Metering System shall consist of the following meters:

Metering System

Description
161 kV feeder bay – electrical output from Company
161 kV feeder bay – electrical input to Company

Check Metering System

Description
161 kV feeder bay – electrical output from Company
161 kV feeder bay – electrical input to Company

Section 1.7.

Both the Metering System and Check Metering System shall be installed in weatherproof enclosures, which shall include test switches and shorting blocks to allow removal of either meter instrument without taking the other out of service. The Metering System and Check Metering System may be installed in a single enclosure or in separate enclosures, but the enclosure shall be so arranged that both the Metering System and the Check Metering System can be read without disturbing the seals on the enclosure(s).

ARTICLE II

INTERPRETATION OF METERING SYSTEM READINGS

Section 2.1.

The Metering System and the Check Metering System at the Interconnection Points register imports and exports on two separate cumulative registers – one for export from the Company and the other for import to the Company, if any. The import register reading only changes with a flow from the Offtaker to the Company and the reading will decrease (and so will give a negative reading) and the export register only changes with a flow from the Company to the Offtaker and the meter reading will increase (and so will give a

positive reading). All the meters at the Interconnection Points are programmed with a positive direction reflecting power flow from the Company to the Offtaker, and the negative direction reflecting power flow from the Offtaker to the Company.

Section 2.2.

In general, the Net Energy Output shall be calculated as the sum of all metered energy. In the event that the Net Energy Output is positive, the interpretation is that electrical energy has, in net, been supplied by Company to the Offtaker. In the event that the Net Energy Output is negative, the interpretation is that electrical energy has, in net, been supplied by the Offtaker to Company. In the event that the Net Energy Output is zero, the interpretation is that, in net, no energy exchange between Company and the Offtaker has taken place and that Company has exactly supplied the energy needs of its own auxiliaries.

ARTICLE III

TESTING

Section 3.1.

All testing and calibration of the Metering System and Check Metering System instruments shall be carried out by qualified personnel using test equipment with a rated error of one tenth of a percent (0.1%) or better, and which has been calibrated according to a procedure and against instruments traceable to a Sierra Leonean standard within the preceding forty-eight (48) Months. The Metering System and Check Metering System shall be tested at full rated test current, and at ten percent (10%) of full rated test current at power factors of fifty percent (50%) lag, fifty percent (50%) lead and one hundred (100%). A written test report shall be prepared for all tests showing the calibration history of the test instruments, the as-found, and as-left conditions of the Metering System and Check Metering System, which shall be supplied to both Parties.

Section 3.2.

Current and voltage transformers shall be tested for ratio and phase angle errors following manufacture at an accredited testing station. Test certificates issued by the testing station will be issued independently to both Parties.

ARTICLE IV

TESTING

Section 4.1.

The Company shall, prior to the Commissioning Date, establish and maintain a telephone hotline between the Company's control room and the Control Center.

SCHEDULE 6

PRICE ADJUSTMENT

Part 1. Hardship

1.1 **Defined terms in this Part 1**

"Hardship" means taking into account the reasonable costs incurred by the Company in the planning, design, procurement, construction, Commissioning, operating and maintaining of the Complex in accordance with this Agreement a situation which materially affects the Company's rationale of making such an investment as an industry service provider.

1.2 **Hardship Notice**

If the Company believes it is suffering Hardship, it may give a notice (a "Hardship Notice") to the Offtaker. The Hardship Notice shall be accompanied by:

(a) the Company's proposed modifications to the Agreement in order to remove or relieve such Hardship; and

(b) such evidence as is necessary to support the Company's contention that it is suffering Hardship and justifications for its proposed modifications.

1.3 **Offtaker's notice and discussions as to Hardship**

1.3.1 The Offtaker shall notify the Company within thirty (30) Days of receipt of the Hardship Notice if it disputes (i) that the Company is suffering Hardship and/or (ii) the Company's proposed modifications to the Agreement.

1.3.2 If the Offtaker does not provide such a notice within that thirty (30) Day time period the Company's proposed modifications to the Agreement shall take effect upon the expiration of that thirty (30) Day time period.

1.3.3 If the Offtaker does provide such a notice the Parties shall, within seven (7) Days of receipt of that notice, meet to discuss the points disputed by the Offtaker.

1.4 **Expert determination as to Hardship**

If the Parties have not within sixty (60) Days of receipt of the Hardship Notice agreed that the Company is suffering Hardship and any modifications to the Agreement, the Company may, not later than seven (7) Days thereafter, submit the matter to the Expert for determination.

1.5 **Modifications**

1.5.1 If: (i) the Parties have under Paragraph 1.3 agreed that the Company is suffering Hardship but have not agreed on any modifications within the time period set out in Paragraph 1.4; or (ii) the Expert determines that the Company is suffering

Hardship; then the Expert shall determine whether an increase in the Availability Charge would remove or relieve the Hardship. The Expert shall not consider any other modification to this Agreement as a solution to remove or relieve the Hardship.

1.5.2 If the Expert so determines that a modification to this Agreement is to be made, or the Parties agree to any modification, this Agreement shall be so modified following thirty (30) Days of such determination or agreement.

1.6 **No modifications**

If the Expert determines (i) that the Company is not suffering Hardship, or (ii) that it is unable to propose amendments to this Agreement which meet the requirements of Paragraph 1.5, the Agreement shall continue without modification at that time.

Part 2. Price review

(i) Pursuant to Paragraph E.12(a)(iv) of the MOUA the amount of the Availability Charge may be revised with effect from any date not earlier than the 10th anniversary of the Commercial Operations Date (or Deemed Commercial Operations Date pursuant to Section 5.7,) as extended by an event of Force Majeure. This Paragraph 2 to Schedule 6 sets out, in accordance with the MOU, the circumstances in which the Availability Charge may be revised and the objectives to be satisfied by a revised Availability Charge.

(ii) Either Party may by written notice to the other Party require that the Availability Charge shall be revised (a "Price Revision") with effect from any date not earlier than the 10th anniversary of the Commercial Operations Date or (if applicable) the Deemed Commercial Operations Date pursuant to Section 5.7.

(iii) Such notice shall be given not less than six (6) Months before the date with effect from which the Price Revision is to be effective.

(iv) With effect from such notice (and in any case within thirty (30) Days of the date of such notice) the Parties shall ensure that representatives of each Party meet and discuss in good faith, and use reasonable endeavours to agree a revision of the Availability Charge, so far as such a revision is needed, such that the revised Availability Charge will satisfy the objectives set out in Paragraph 2(vii) to this Schedule 6. The Parties shall ensure that such representatives are sufficiently senior and authorised to approve a revised Availability Charge in accordance with objectives set out in Paragraph 2(vii) to this Schedule 6.

(v) Each Party shall provide to the other such information as the other Party reasonably requires in connection with such discussions, including information relating to the objectives to be satisfied by a revised Availability Charge.

(vi) The original Availability Charge shall continue to apply until such time as the Parties agree, or arbitrators determine in accordance with Section 18.3, a revised Availability Charge.

(vii) The objectives to be satisfied by a revised Availability Charge are as follows:

(a) the national power sector policy objectives;

(b) the prevailing state of the power sector; and

(c) the economics of a similar power plant with equivalent capacity.

SCHEDULE 7

FORM OF CONSTRUCTION REPORTS

By way of example, Construction Reports may take the form of a narrative identifying progress on all key activities e.g. civil works, fuel depot construction, equipment delivery and installation together with timelines for completion against plan to achieve the Commissioning Date. Construction Reports will identify dates when phases of the Complex will be ready for Commissioning.

Appended to this Schedule is an indicative monthly report.

SCHEDULE 8
DESCRIPTION OF THE COMPLEX

1. Power Package Description

1.1 Introduction
This section provides an indicative summary of the Complex.

The power plant is designed and studied to burn bagasse. The project considers the production of ethanol biofuel from cane juice and production of energy for the grid. Diesel will be used for start up and as alternative fuel.

Cane will be produced in pivot irrigated parcels. Energy from the factory will supply the irrigation system to allow optimum yield whatever the climatic conditions. Cane harvesting will be made during dry season which will also be the crushing season. Cane will be unloaded at factory on feeder tables and conveyed to a shredder which will prepare the cane for crushing. Crushing is performed with a 4 mill tandem which will make the separation between the cane juice and fibre (the bagasse).

The cane juice will go through a clarification process and will be partially concentrated before entering the fermentation process. The resulting product will be a fermentation in which sugars will be transformed into alcohol. This alcohol will be separated through a distillation process giving two byproducts: CO2 and vinasse. The alcohol will be dehydrated in order to achieve the level of quality for commercial fuel alcohol.

The above described process requires energy and process steam. Energy is supplied by a turboalternator receiving steam from two boilers fuelled with the bagasse resulting from crushing. The two boilers will produce 67bara/480°C steam, feeding a turbine. There will be in parallel with the turbine one pressure reducing station to produce 6,5 bara saturated steam and one pressure reduction station to produce 2,7 bara saturated steam (split in 2x50% parallel circuits). The high pressure steam will feed a condensation turbine at 65 bara/480°C. There will be a 2,7 bara steam extraction on the turbine. In order to increase the quantity of fuel for the boilers, a part of the trash which is generally left in the field, is harvested with cane. In addition, the installation of a condensing turbine with extraction, together with an optimized process steam consumption, result in an excess of bagasse which will be used to produce excess power for supply to the grid after satisfying the needs of complex (irrigation, factory and annex). Due to the seasonality of crushing period this energy cannot be supplied year round but it will available during the dry season when production potential of Bumbuna dam is at its lowest.

1.2 Units

(a) Demineralised water production.

(b) Complete bagasse boiler plant including:

- Two (2) bagasse boilers 80TPH each / 67 bara /480°C;
- Economisers;
- Two (2) stacks;
- Alternative diesel fuel burner for start-up at low load (20%). Possibility to burn in combination fusel-oil;
- Condensate return storage tank and feeding pumps;
- Demi water heat exchanger using LP steam at 2,7 bara;
- Degasser / feedwater tank with safety and control devices;
- Boiler feedwater pumps;
- Chemical dosing units for boiler water;
- Blowdown tank;
- HP steam header;
- LP steam header and safety valves;
- Turbine by-pass steam pressure reducing station (2,7 bara);
- Process steam pressure reducing station (6,5 bara);
- Ash recovering and handling unit; and
- Air compressor station for boiler & power plant package.

(c) Bagasse conveyors, including:

- Conveyors from dewatering mills discharge to boiler furnace;
- Conveyor of bagasse surplus to yard; and
- Reclaiming bagasse conveyors from yard to boiler feed conveyor, with buffer and dosing system fed by payloader.

(d) Steam turbine 32 MW

Extraction and Condensing type including:

- Cooling water unit for turbo-generator group;
- Exhaust steam condenser unit (water supply by others);
- MV panel power station; and
- Travelling crane for turbo generator maintenance.

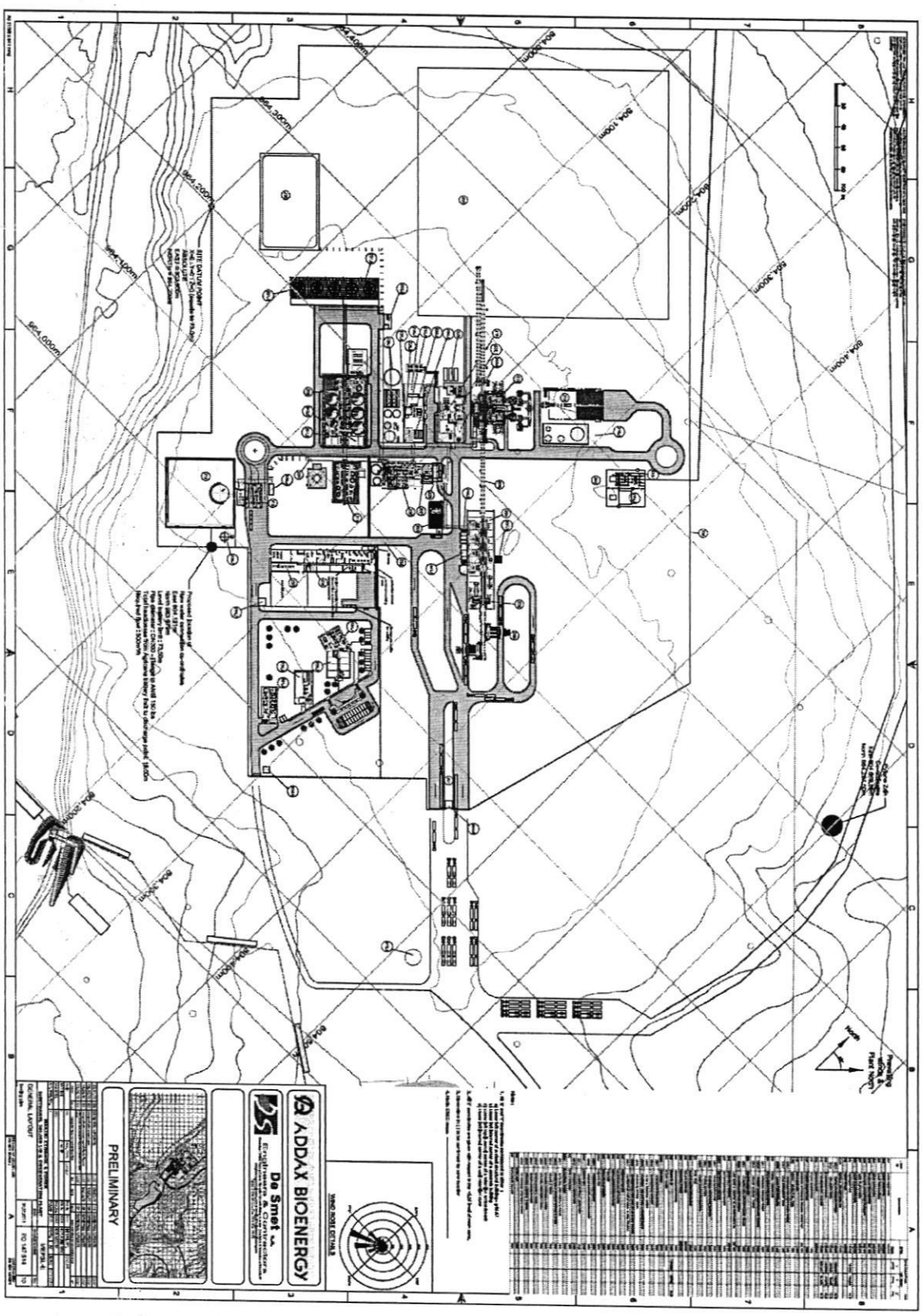
(e) Diesel tank and pumps for boiler start-up.

(f) Fire fighting for package.

2. Reference drawings

See Annex A General Layout Plan.

ANNEX A – GENERAL LAYOUT PLAN



SCHEDULE 9

[FORM OF BILLING PERIOD INVOICE]

[To be developed by the Parties]

A.O.G.

Your contact

Ref. to mention in all correspondence:

- **INVOICE NUMBER**
- Client account

V.A.T.

DATE:

Client number:

		Excl. VAT	VAT	Incl. VAT
High voltage electricity				
Our ref:		EAN :		
Consumption from	till			
Consumption from	till			

Total				

Payment due before

- Communication number:
- At A.O.G. IBAN account (BIC)

According to our general terms, interest will be charged in case of late payment.

Overview V.A.T. total, invoice number	Excl. VAT	VAT

VAT 21%

Detail invoice number:
Client number:

High voltage electricity – Ref.

EAN

CONSUMPTION DATA

We received from electricity company the following consumption data. This invoice was issued subject to the receipt of consumption adjustments concerning the billed period.

Period from	till	Units
Power normal hours		kW
Power quiet hours		kW
Normal hours consumption		
Quiet hours consumption		
Net consumption 26-70Kv		
Year subscription: net		
Month subscription peak: net		
Month subscription off-peak: net		
Month subscription WE: net		
Peak power: net		
Off-peak power: net		
WE power: net		
Peak consumption: net		
Off-peak consumption: net		
WE consumption: net		

Intermediate Calculations
KWF
Total active consumption
KWF: network
Minimum monthly power

Billing data

	Units	Unit price	calculation unit pricesamounts	VAT
Powerterme-month				
Consumption normal hours				
Consumption quiet hours				
Guarantees of origin				
Contribution renewable energy				

Network connection fee
Total energy

Network losses

Losses

Monthly subscription peak: net
Monthly subscription off-peak: net

Monthly subscription WE: net
Year peak rate: net
Adjustment balance rate
System management rate: net
Congestion management rate: net
Reactive adjustment rate: net
Net losses peak: net
Net losses off-peak:net
Reactive consumption: net
Management access contract: net

Distribution and transmission

Total federal fees

Contribution for use of public domain

Total regional contribution
Contribution financial fee offshore wind
Fed. contribution green power certificate

---

additional transmission fee

Invoiced for period from till

PARAMETERS PERIOD:

EBlm =
Year consumption =

CONSUMPTION EVOLUTION

Consumption in kWh												
2005500												
1505500												
1005500												
505500												
5500												
	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec

					2009
					2010
0	2200000	4400000	6600000	8800000	

Consumption in kWh

SCHEDULE 10

DESCRIPTION OF SITE

1. Site location

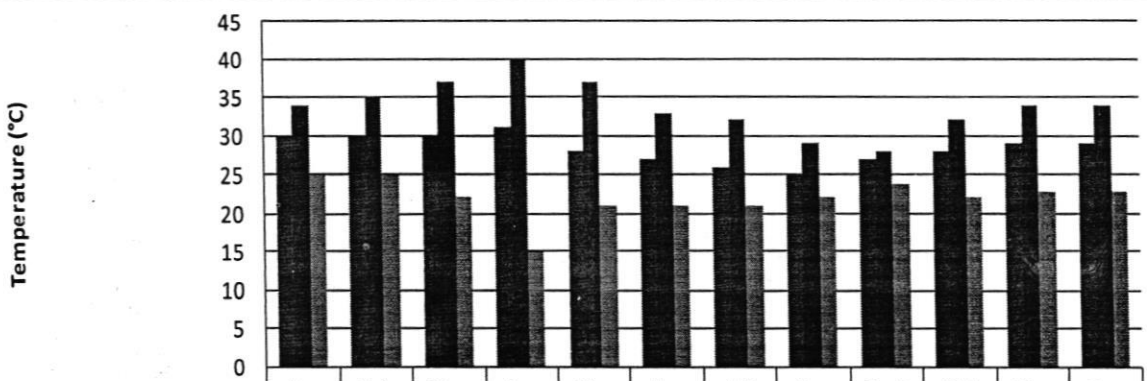
The Site is located in Sierra Leone on a territory south of the city of Makeni (N 8° 42' 38" – W 12° 14' 04").

The distance from Freetown to the Site is approximately 165 kms.

The road from Freetown to Yankassa is asphalted and is approximately 146 kms. From Yankassa to the Site, there will be a lateritic trail.

2. Climatological data

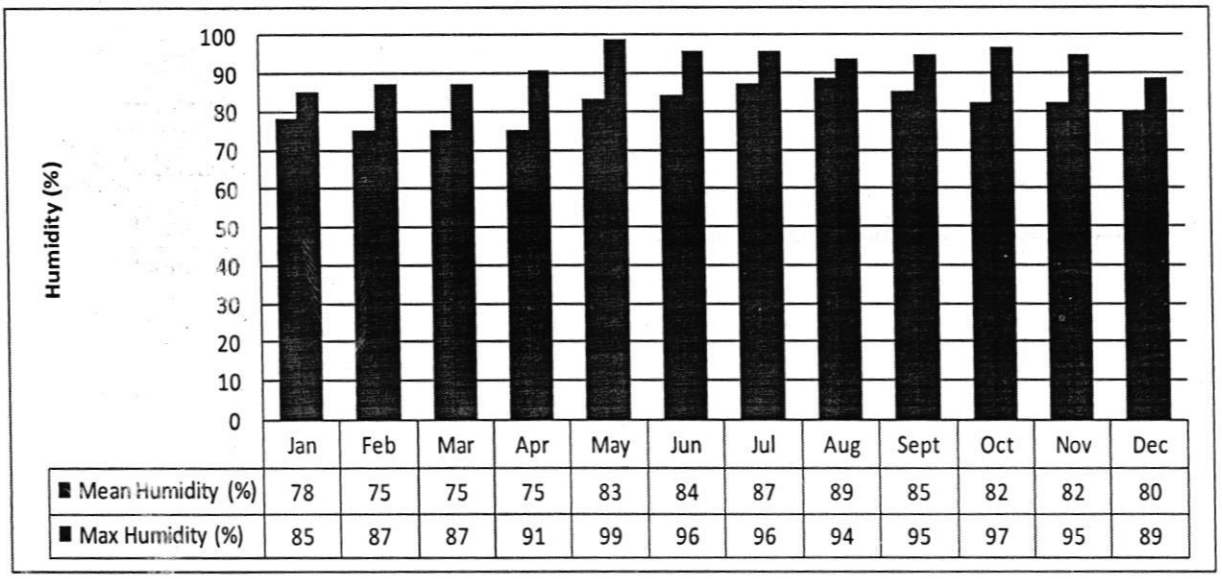
The sea coast is located approximately 100 km away in a SW direction.



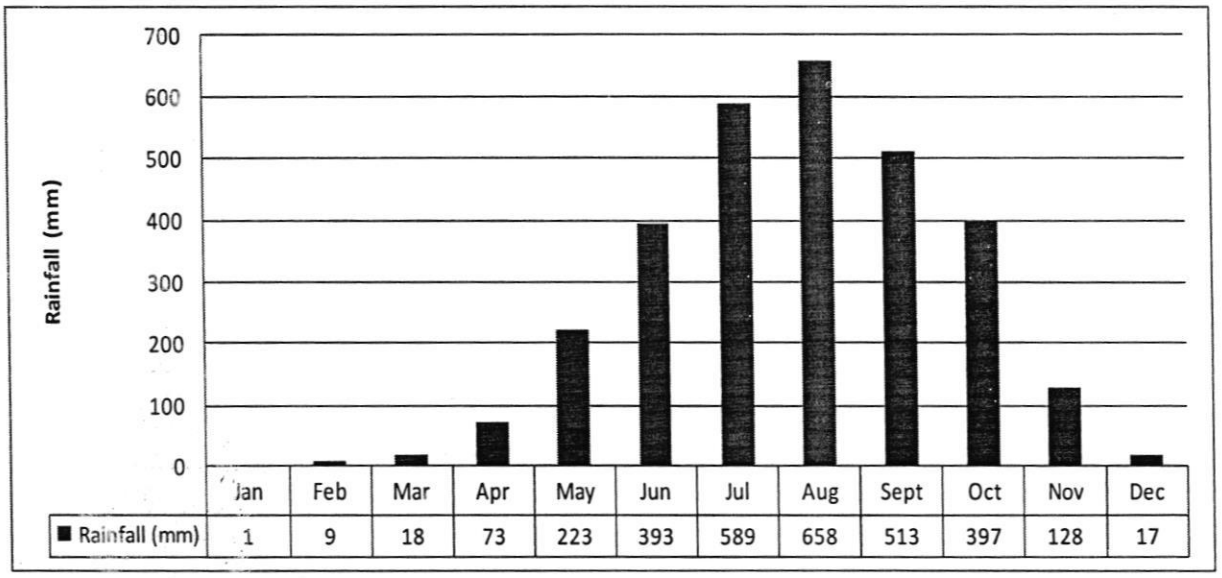
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Mean Temperature (°C)	30	30	30	31	28	27	26	25	27	28	29	29
Max Temperature (°C)	34	35	37	40	37	33	32	29	28	32	34	34
Min Temperature (°C)	25	25	22	15	21	21	21	22	24	22	23	23

Design air temperature: 40°C

Design wet bulb temperature: 29°C

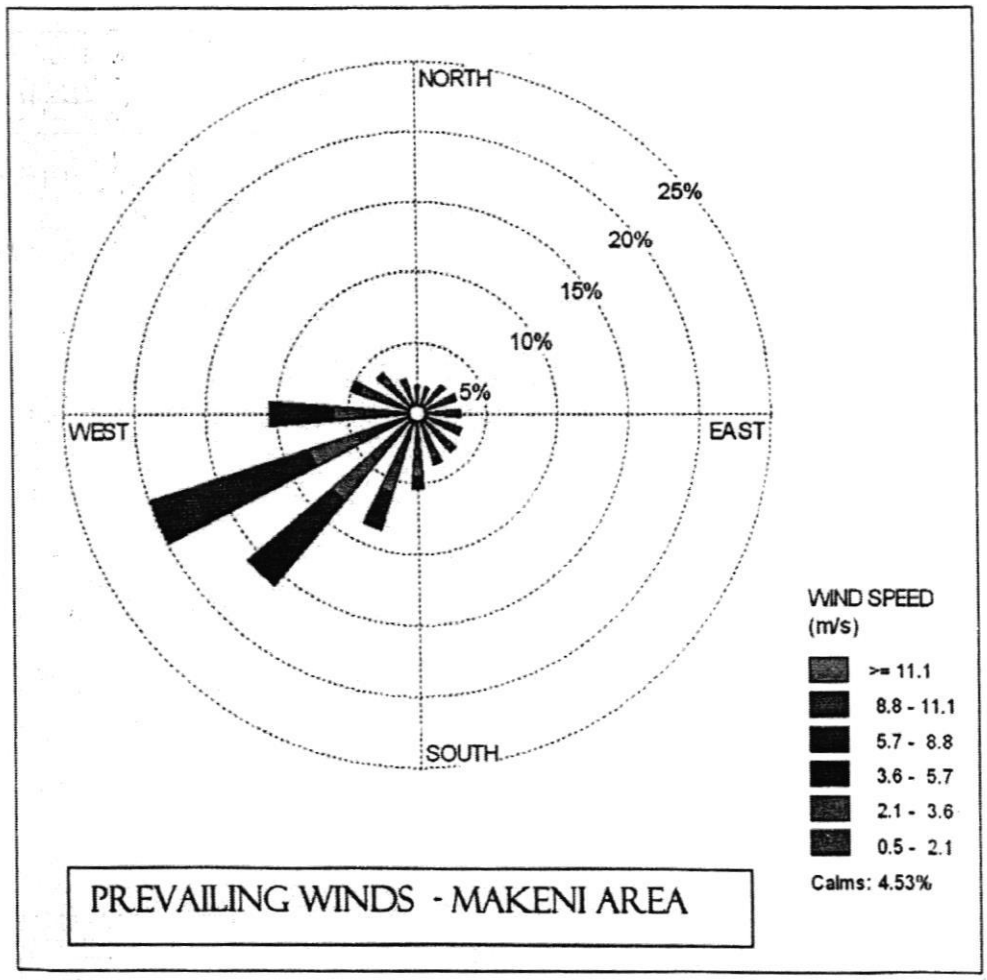


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Mean Humidity (%)	78	75	75	75	83	84	87	89	85	82	82	80
Max Humidity (%)	85	87	87	91	99	96	96	94	95	97	95	89



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Rainfall (mm)	1	9	18	73	223	393	589	658	513	397	128	17

Maximum wind speed for design purposes: 145 km/h.


NORTH
25%
20%
15%
10%
5%
WEST
EAST
SOUTH
WIND SPEED
(m/s)
>= 11.1
8.8 - 11.1
5.7 - 8.8
3.6 - 5.7
2.1 - 3.6
0.5 - 2.1
Calms: 4.53%
PREVAILING WINDS - MAKENI AREA

Mean: 957 Pa

SCHEDULE 11

INSURANCES

From the Commercial Operations Date, in accordance with Section 13, the insurance requirements are:

1.	**Insurance:**	Property "All Risks" insurance
	Insured:	The Company
	Insured Property:	The Complex
	Scope of cover:	Risk of physical loss or damage
	Exclusions:	Standard market exclusions
	Level of cover:	Full reinstatement value
2.	**Insurance:**	Third party insurance
	Insured:	The Company
	Scope of cover:	Activities on the Complex, in respect of death or personal injury to persons/damage to property
	Exclusions:	Standard market exclusions
	Level of cover:	Full reinstatement value

SCHEDULE 12

TARGET PRODUCTION PROFILE

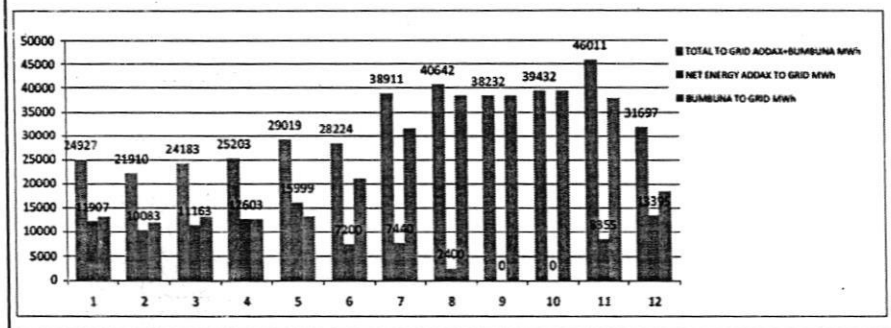
ADDAX BIOENERGY — De Smet Engineers & Contractors

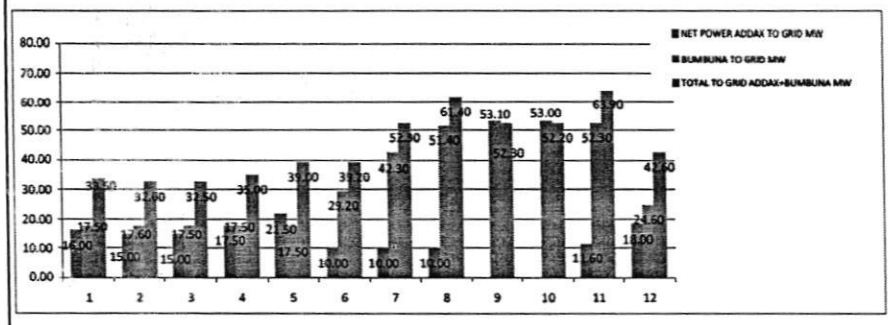
01A MEPSL-E SPEC 026
PROJECT INTERFACE ASSUMPTIONS
ELECTRICITY PRODUCTION SCHEDULE

PROJECT	MEPSL-E
REV	
DATE	
BY	LAU
Pages	1

12th SCENARIO 950 000 tcd 2 BOILERS 80 t/h NO CASSAVA

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Grid intake capacity for ADDAX MW	51.50	51.40	51.50	51.50	51.50	39.80	26.70	17.60	15.90	16.00	16.70	44.40	316'594 MWh
Power for ADDAX irrigation MW	5.50	7.00	7.10	4.50	0.50	0.00	0.00	0.00	0.00	0.00	0.50	3.90	20'952 MWh
Power for ADDAX village MW	1.00	1.00	1.00	1.00	1.00	0.80	0.80	0.80	0.80	0.80	1.00	1.00	8'028 MWh
Power for ADDAX factory MW CROP	6.90	6.90	6.90	6.90	6.90						6.90	6.90	35'087 MWh
Power for ADDAX factory MW OFF CROP					1.40	1.40	1.40	1.40	0.00	0.00			2'386 MWh
Power generated in factory MW CROP	29.40	29.90	30.00	29.90	29.90						20.00	29.80	144'631 MWh
Power generated in factory MW OFF CROP					11.90	12.20	12.20	12.20	0.00	0.00			20'789 MWh
Steam generated in the factory (t/h)	145.60	147.60	148.00	147.60	147.60	48.80	48.80	48.80	0.00	0.00	103.00	147.20	
Power exported to the grid CROP MW	16.00	15.00	15.00	17.50	21.50						11.50	16.00	
Power exported to the grid OFF CROP MW					9.00	10.00	10.00	10.00	-0.80	-0.80			
NET POWER ADDAX TO GRID MW	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
Number of working day /month CROP	31	28	31	30	31						30	31	212 days
Number of working day /month OFF CROP						30	31	10	0	0			71 days
NET ENERGY ADDAX TO GRID MWh	11907	10083	11163	12603	15999	7200	7440	2400	0	0	8355	13396	100'544 MWh
BUMBUNA TO GRID MW	17.60	17.60	17.60	17.50	17.60	29.20	42.30	61.40	63.10	63.00	62.30	24.60	
BUMBUNA TO GRID MWh	13020	11827	13030	12600	13020	21024	31471	38242	38232	39432	37656	18302	287'846 MWh
TOTAL TO GRID ADDAX+BUMBUNA MW	33.50	32.80	32.50	35.00	39.00	39.20	52.30	61.40	52.30	52.20	63.90	42.60	
TOTAL TO GRID ADDAX+BUMBUNA MWh	24927	21910	24183	25203	29019	28224	38911	40642	38232	39432	46011	31697	388'391 MWh





ANNEX I

GOSL GUARANTEE

ANNEX II

MOUA

ANNEX III

LENDERS' SOCIAL AND ENVIRONMENTAL REQUIREMENTS

1.1 Lenders' Social and Environmental Requirements mean:

(i) Environmental Law and Social Law;

(ii) IFC Performance Standards;

(iii) AfDB Performance Standards and Guidelines;

(iv) Bonsucro Standards;

(v) Roundtable on Sustainable Biofuels Principles and Criteria;

(vi) Basic Terms and Conditions of Employment; and

(vii) the Core Labour Standards

"AfDB Performance Standards and Guidelines" means the requirements set out in AfDB's Policy on the Environment (2004), AfDB's Environmental Review Procedures for Private Sector Operations (2000), AfDB's Gender Policy (2001), AfDB's Policy on Poverty Reduction (2004) and AfDB's Policy on Involuntary Resettlement (2003).

"Basic Terms and Conditions of Employment" means the requirements as applicable to the relevant person on wage, working hours, labour contracts and occupational health & safety issues, stemming from ILO conventions 26 and 131 (on remuneration), 1 (on working hours) and 155 (on health & safety).

"Bonsucro Better Sugar Cane Initiative (BBSCI)" means the global multi-stakeholder non-profit initiative dedicated to reducing the environmental and social impacts of sugar cane production through a standard that measures these impacts accurately and with the development of a system to certify that sustainable practices are being adhered to.

"Bonsucro Standard (BS)" means the March 2011 Bonsucro production standard in the form as at the date of this Agreement for the sustainable production of sugar cane and all sugar cane derived products in respect of economic, social and environmental aspects developed by Bonsucro Better Sugar Cane Initiative.

"Core Labour Standards" means the requirements as applicable to the relevant person as at the date of this Agreement on child and forced labour, discrimination and freedom of association and collective bargaining, stemming from the ILO Declaration on Fundamental Principles and Rights at Work, adopted in 1998 and including: (i) freedom of association and the right to collective bargaining, (ii) the elimination of forced and

compulsory labour, (iii) the abolition of child labour; and (iv) the elimination of discrimination in the workplace.

"Environmental Law" means any and all international, national, regional or local laws, including legislation, regulations, orders or common law relating to the pollution or protection of the Environment.

"IFC Performance Standards" means the IFC Performance Standards (PS) on Social and Environmental Sustainability as at the date of this Agreement, including, to the extent that they prescribe identifiable standards, the technical reference documents known as IFC's Environmental, Health, and Safety (EHS) Guidelines.

The applicable IFC Performance Standards are:

(a) IFC PS 1: Social and Environmental Assessment & Management Systems;

(b) IFC PS 2: Labour & Working Conditions;

(c) IFC PS 3: Pollution Prevention & Abatement;

(d) IFC PS 4: Community Health, Safety and Security;

(e) IFC PS 5: Land Acquisition and Involuntary Resettlement;

(f) IFC PS 6: Biodiversity Conservation and Sustainable Natural Resource Management;

(g) IFC PS 8: Cultural Heritage.

The applicable IFC Environmental, Health, and Safety (**EHS**) Guidelines are:

(a) General EHS Guidelines;

(b) EHS Guidelines on Thermal Power Plants;

(c) EHS Guidelines on Electric Power Transmission and Distribution;

(d) EHS Guidelines on Plantation Crop Production;

(e) EHS Guidelines on Crude Oil and Petroleum Products terminals,

provided that items (b) to (d) immediately above shall not apply to the Ethanol Facilities.

"Roundtable on Sustainable Biofuels (RSB)" means the international initiative coordinated by the Energy Center at EPFL in Lausanne that brings together farmers, companies, non-governmental organizations, experts, governments, and inter-governmental agencies concerned with ensuring the sustainability of biofuels production and processing. The RSB has developed a third-party certification system for biofuels sustainability standards, encompassing environmental, social and economic principles and criteria through an open, transparent, and multi-stakeholder process.

"Roundtable on Sustainable Biofuels Principles and Criteria" means the Principles and Criteria for sustainable biofuel production (Version 2.0) developed by the Roundtable on Sustainable Biofuels as at the date of this Agreement.

"Social Law" means any law, rule or regulation (including international treaty obligations that has the force of law, rule or regulation in the relevant jurisdiction) concerning (i) labour, (ii) social security, (iii) the regulation of industrial relations (between government, employers and employees), (iv) the protection of occupational as well as public health and safety, (v) the regulation of public participation, (vi) the protection and regulation of ownership of land rights (both formal and traditional), immovable goods and intellectual and cultural property rights, (vii) the protection and empowerment of indigenous peoples or ethnic groups, (viii) the protection, restoration and promotion of cultural heritage, (ix) social protection rights, (xi) the prohibition of gender-based violence and other forms of violence, and (xii) all other laws, rules and regulations providing for the protection of employees and citizens.