

Memorandum of Understanding (MOU) to undertake a feasibility study for the establishment of a vertically integrated Iron and Steel Complex

The National Gas Company of Trinidad and Tobago Limited (NGC), National Energy Corporation of Trinidad and Tobago Limited (NEC), Severstal North America, Complejo Matalurgico Dominicano S.A. (Metaldom) and Neal & Massy Holdings Limited (N&M) have signed a Memorandum of Understanding (MOU) to undertake a feasibility study for the establishment of a vertically integrated Iron and Steel Complex.

The complex will involve the construction of a Direct Reduced Iron (DRI) /Hot Briquetted Iron (HBI) plant that will have a nominal capacity of 1.5 Million tons per year and the integration of a steel mill with a nominal production capacity of up to 300,000 metric tons per year of steel billets. The entire project is estimated to cost in excess of USD600M.

The integrated facility which is earmarked for location at the Union Industrial Estate, La Brea will generate 3500 indirect jobs during construction and 400 permanent jobs. Additionally, it will contribute to the diversification of the economy, while providing opportunities for the development of downstream industries.

Arthur Lok Jack, Chairman, Neal & Massy Holdings Limited was extremely pleased with the facilitative role played by NGC and NEC in bringing this MOU to fruition and commented that this was a very good signal for investors. In turn, the Chairman of NGC, Larry Howai, noted that although this project is still only in its very preliminary stages, the involvement of these new international investors was certainly an endorsement of the strength and reputation of the Neal & Massy Group and, as well, of Trinidad and Tobago as a preferred destination for international investment.

Severstal North America is a U.S. based wholly-owned subsidiary of Russia based OAO Severstal, one of the world's leading vertically integrated steel and steel related mining companies, with assets in Russia, USA, Ukraine, Latvia, Poland, Italy, Liberia, and Brazil. Metaldom, a Dominican Republic based company, is one of the largest steel makers in the region. It is a company managed by VICINI, a private asset management company with assets under management in diverse industries including food and beverage, manufacture, agriculture and energy, banking and financial services, media, tourism and real estate development in the Dominican Republic and the Caribbean.