



**Private & Confidential**

## SITE NOTICE

INITIATED BY:	SL Mining Management
TO:	All SL Mining employees
	19 <sup>th</sup> September 2019

Dear All,

### **RE: UPDATE ON GOVERNMENT OF SIERRA LEONE IMPOSED EXPORT AND SHIPPING BAN**

1. Since SL Mining Limited (“**SL Mining**”) was granted a Mining Licence in a public process in March 2017, with SL Mining’s Large Scale Licence Agreement being subsequently ratified by the Parliament of the Republic of Sierra Leone in December 2017, we have all worked together with the Gerald Group, SL Mining’s sole shareholder, to develop a long term sustainable mine that can sustain the volatility of the iron ore market through production of a high quality product, Marampa Blue.
2. The Government of Sierra Leone (“**GoSL**”) suspended our operations on July 3<sup>rd</sup>, 2019, which shocked all of us. Following two months on unsuccessful engagement with the government, SL Mining has challenged the suspension at the International Chamber of Commerce (ICC) in London where an Emergency Arbitration Final Order was awarded two weeks ago compelling the GoSL to lift the export ban and allow SL Mining to continue exporting and shipping its product, and ensure FULL operations resume.
3. GoSL is not complying with this Final Order and as of today’s date remains in non-compliance. GoSL fully understands our situation, we have warned them several times that their actions will oblige SL Mining to fully shut down operations and this was openly discussed during the arbitration proceedings with the GoSL present.
4. Without being able to export, it is not possible for SL Mining to continue operating while the GoSL ignores the terms of the Final Order and fails to engage in a meaningful discussion with SL Mining. SL Mining’s sole shareholder, the Gerald Group, has invested a great deal of money and efforts in Sierra Leone over many years and yet, was only allowed to make three successful shipments in a highly favorable market and then was struck by the GoSL suspension.



5. Under those conditions regrettably, SL Mining has no other viable options but to place the entire project into suspension in accordance with Sierra Leonean laws and in what is commonly referenced as 'care and maintenance'. Investments and construction activities to expand the project must also be suspended and the construction team will be demobilized in the coming week.
  6. SL Mining will hold management meetings over the next few days to outline various measures the company will undertake to place the mine on care and maintenance, including review on staffing and suspension of all activities with contractors and orderly demobilization.
  7. SL Mining will update the staff further as and when more information is available.
  8. It is very unfortunate that we have come to this point. We have worked together very hard and have achieved a great deal with our phase 1 construction completed in record time and the production for the first time in the country of our high grade 65% Fe concentrate Marampa Blue.
  9. Remain assured that SL Mining and Gerald are committed to Marampa, the surrounding communities, and Sierra Leone as a whole. Even in these dire situations, SL Mining is and will continue to do everything in its power to defend its rights legally by all means possible in order to resume operations, discuss the impasse with the GoSL when they are ready to properly meet and resolve it, and eventually resume normal operations.
  10. We will work through our difficulties together and continue building what we have always said we will build, a resilient and sustainable long-term project.
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