

PROJET
EPINEDORSALE
BACKBONE PROJECT

- Rail Network
- Dry Ports
- Oil, Mineral and Commercial deepwater Port
- Airport and others

PIC Network Limited

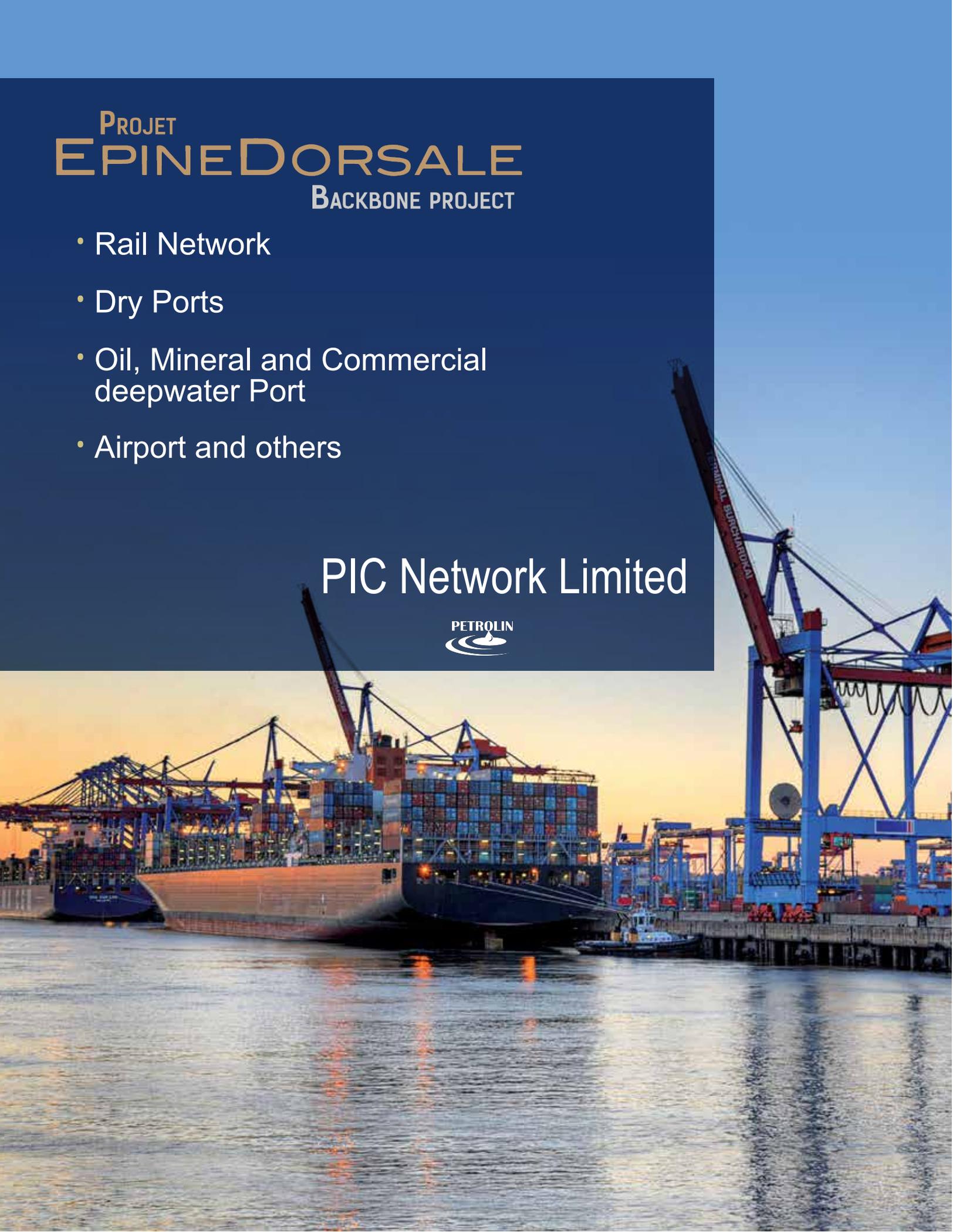


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A PROJECT THAT WILL RESHAPE BENIN'S FUTURE

OVERVIEW OF THE BACKBONE PROJECT AND ITS COMPONENTS

The Backbone Project is key to the integrated development of Benin. PIC Network Limited has been contracted to carry out this integrated transportation development project, which consists of five major components:

/ COMPONENT N°1

The rail line linking Cotonou to the city of Parakou, operated by the Benin-Niger Railway and Transport Organization, and the extension of this network to Niger;

/ COMPONENT N°2

Construction of a new dry port as a logistics platform in Parakou;

/ COMPONENT N°3

Construction of a new deepwater port in Benin;

/ COMPONENT N°4

Construction of a new international airport, the objective of which is to service origin-destination traffic from Benin, but also from Nigeria near the Lagos urban centre;

/ COMPONENT N°5

Related infrastructure including urban areas, schools, universities, health centres and tourism areas.

The Backbone Project benefits from legal and tax incentives conditions, including:

/ The Framework Agreement signed on January 25th, 2010 between the Republic of Benin and Petrolin Group (PIC Network Limited), for an initial term of 5 years, now increased to 40 years extendable (years necessary to cover the duration of the specific agreements governing all the components (port, airport, rail, dry port, road, etc.). The scheme «E» is privileged for legal and fiscal framework of the Investment Code of the Republic of Benin designed for decisive investments.

/ The Port Particular Convention signed on December 9th, 2011 between the Republic of Benin and Petrolin Group (the company PIC Network Limited and society PIC International SA), relating the construction of the deepwater oil, ore and commercial port in Sèmè–Podji. Valid for 40 years renewable and takes advantage of all the provisions of the Framework Convention. This Port Particular Convention guarantees optimal realization conditions for private and public partners.

Some of the engineering firms, consultants and financial institutions who have contributed to the work on the strategic, technical, economic, financial, fiscal and legal aspects of the Backbone Project



/ The dry port in Parakou, multimodal platform of interconnection between different rail and the road corridors has a field of 50 hectares. The field is allocated by the Republic of Benin and the Mayor of Parakou Project Sponsor Spine, PIC Network Limited, a subsidiary of Petrolin Group in 2008. The dry port in Parakou is still open during expression of interest for interested operators and institutions.

/ The joint letter from the Republic of Benin and the Republic of Niger N / Ref: 001/2010 / MTTA / MTTTATP / PR / CPC of 22 July 2010: "Notification to Petrolin Trading Ltd of award of the concession network Benin-Niger railway" under International Competitive Bidding N ° 5498 / MDCTTP-PR / MTAC / DC / SG / OCBN, 04 August 2008. The concession agreement authorizes Petrolin Group for the management and the operation of railways and transport Cotonou-Parakou-Dosso-Niamey.

/ The allocation to the BACKBONE Project an area of 4295 hectares for the construction of the new International Airport in Sèmè-Kraké under the Framework Convention' provisions and the Department of Ouémé and Plateau prefectural decree No.1 -108 / SG / SAG / SA, 6 May 2008.

For the realization of the BACKBONE Project components, Petrolin Group assembled the best all-round team for economic, financial, tax and legal expertise, including Herbert Smith, Axcelcium, Coteba, Technip, SNCF International, Rites, a subsidiary of the railway world giant Indian Railways, Eximbank India, Ernst & Young global Infrastructure Advisory Group of France and Switzerland, the Grand Port Maritime du Havre, R + R Burger und Partner, NORDA STELO (formerly Roche International) and experts from the sub-region, Africa Omnitech, BEST and Benin Expertise.

Since its creation in 1992, Petrolin Group has built and consolidated a strategic presence in many major oil and gas projects. The group also developed diversified projects in Africa, Europe and the Middle East, including social and humanitarian investments. From its diversification policy, Petrolin Group received favorable reactions from the Benin authorities. The group acquired mandates No.191 and 192-C / PR / CAB / SP on March 22nd, 2007 and the Memorandum of Understanding of July 12th, 2007. Following the first studies carried out by Petrolin Group, both parties have finalized their agreement by signing in January 2010 a PPP convention and investment framework for the implementation of the project components "BACKBONE INTEGRATED DEVELOPMENT OF BENINESE ECONOMY", agreement signed between the Republic of Benin and the PIC NETWORK Company Limited, a Petrolin Group subsidiary.

THE RAIL COMPONENT

The rail component is included in the Backbone Project. However, as the railway Benin-Niger is managed and operated by a company belonging to two different countries (Benin and Niger) and the framework agreement only commits Benin and Petrolin Group, the two countries have decided to launch a tender for the concession of the management and operation of railways (International call for tender relative to the concession of railway network of the Common Organisation Benin-Niger of Railways and Transports (OCBN)). This tender was won by Petrolin Group and the award was notified by a joint letter of the Republic of Benin and the Republic of Niger N/Ref: 001/2010/MTTA/MTTTATP/PR/CPC on July 22nd 2010 with subject «Notification to Petrolin Trading Ltd for the award of the concession of the railway network Benin-Niger» as part of the International call for tender N°5498/MDCTTP-PR/MTAC/DC/SG/OCBN on August 4th 2008. This letter officially awards Petrolin Group with the concession of the management and operation of railways and transports between Cotonou-Parakou-Dosso-Niamey.

THE COTONOU - PARAKOU - DOSSO - NIAMEY RAIL NETWORK

This 1,032 km rail line consists of the existing COTONOU - PARAKOU (438 km) line along with its PARAKOU-DOSSO-NIAMEY (594 km) extension. This rail line will be rehabilitated and built with the standard track gauge (1,435 m).

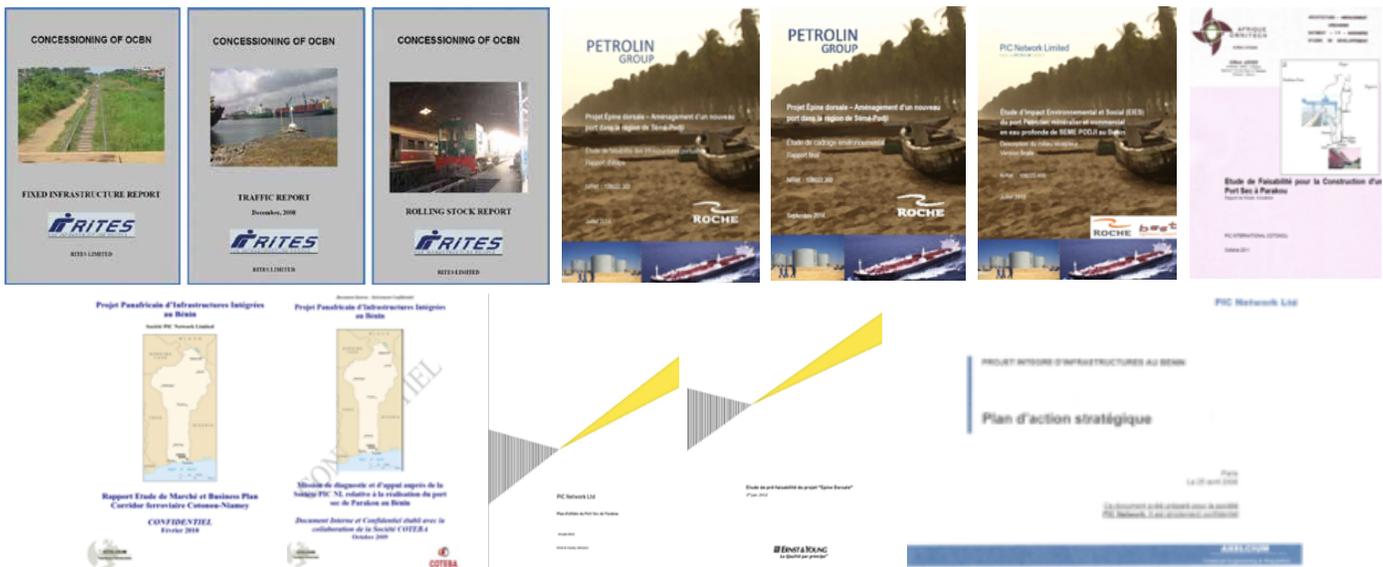




A major factor in West Africa is that this network is the first standard-gage rail dedicated to logistics flows. The rail corridor at present appears to be highly competitive (i.e., it represents the shortest distance between mining areas and the sea, and offers reduced costs along with large transport capacity) and it is a catalyst for the development of mining and oil resources in Benin, Niger, Nigeria and other hinterland countries.

SOME OF THE STUDIES CARRIED OUT BY PETROLIN

As part of the Backbone project, Petrolin Group tasked Rites, a subsidiary of global railway giant, Indian Railways the mission of a technical diagnosis of the rail network Benin-Niger, subject of the three reports below, including a technical audit of the state of Cotonou-Parakou existing infrastructure, traffic forecasts as well as considered rolling stock. Furthermore, a number of studies were completed by experts from international industry firms.



MAIN STEPS IN THE RAIL PROJECT

Strategic action plans (Axelcium)
Technical audit reports for Cotonou-Parakou rail line, rolling stock, inventories and OCBN operating conditions (Rites)
Diagnostic and support mission relative to the Parakou dry port in Benin (Axelcium - Coteba)
Bid solicitation N°5498/MDCTTP-PR/MTAC/DC/SG/OCBN
Ref/N: 001/2010/MTTA/MTTATP/PR/CPC
Cotonou-Niamey rail corridor market study and business plan (Groupement Axelcium-Technip-Sofremines-SNCF International)
OCBN management audit report (Cabinet Bénin-Expertise)
Meeting in Abidjan of transportation and infrastructure ministers from ECOWAS and the African Union
Insurance of the environmental compliance certificate for the planned construction of the oil, mineral and commercial Deepwaterport of Sèmè-Podji



The objective of the States and of Petrolin Group is to build an efficient standard gauged rail network (1.047 km) between the Port of Sèmè-Podji in Benin and Niamey in Niger via Parakou and Dosso dry ports. This includes:

- / Rehabilitation and modernization by standardizing the existing railway gauge between Cotonou and Parakou
- / Construction of a new railway from Parakou to Dosso and from Dosso to Niamey.

This new rail network Sèmè/Cotonou-Parakou-Dosso-Niamey will contribute to the promotion of an urban corridor along the coast with about 25 million consumers making up the West African economic force (Greater-Ibadan-Lagos-Accra Corridor – zone GILA).

This rail corridor appears now as very competitive (the shortest distance between many mining areas and the sea, reduced costs, high transport capacity) and as a catalyst for the development of mine and oil resources of Benin, Niger, Nigeria and other countries of the hinterland.

DRY PORT COMPONENT

A number of dry ports are included in the Backbone Project, namely:

- / The Parakou dry port, a multimodal rail and road platform, for major commercial areas in Benin and neighbouring countries including Niger, Nigeria and Burkina Faso. The construction of the dry port of Parakou has been completed.

DEEPWATER PORT COMPONENT

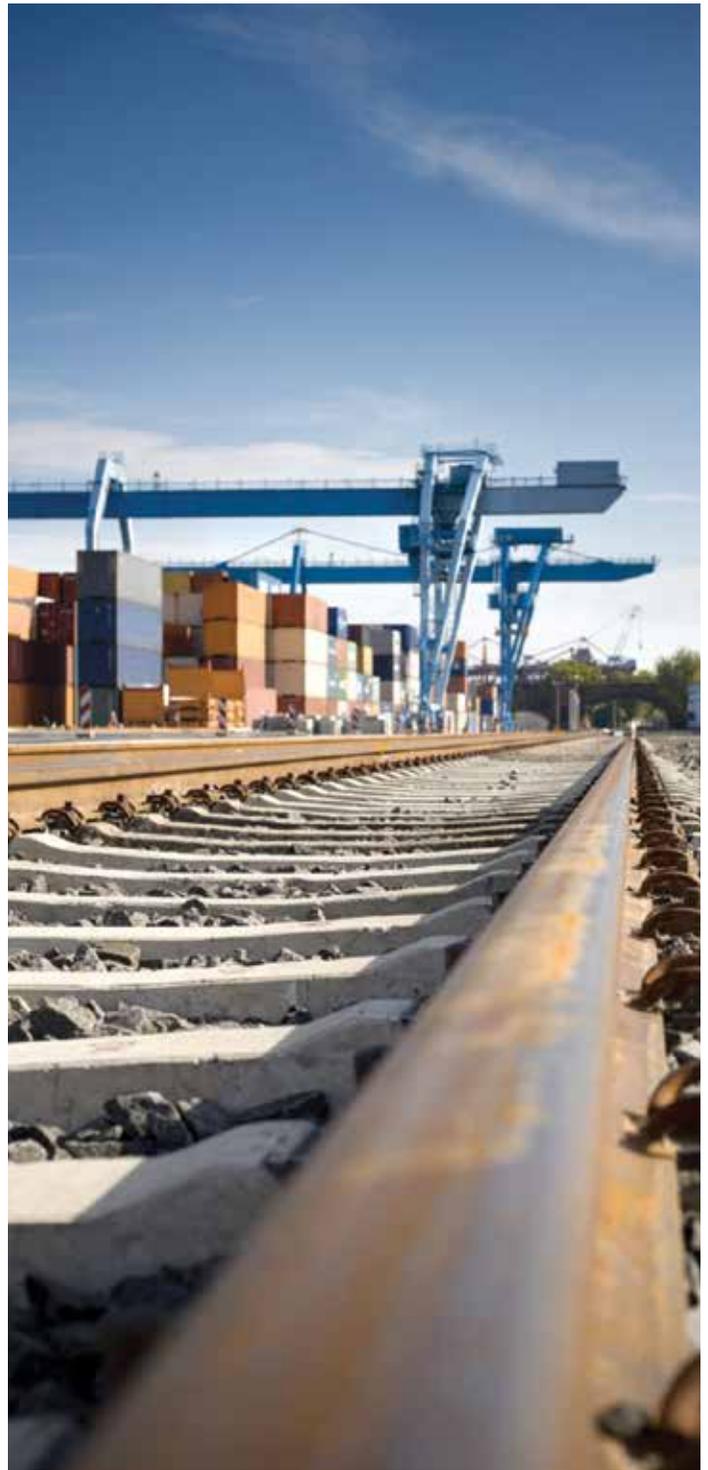
The new oil, ore and commercial port will spur major economic growth throughout the country.

This deepwater port to be built 20 km east of the Port of Cotonou in the commune of Sèmè-Podji is

part of the “Backbone” program.

The new deepwater port has been in the works for a number of years. Beninese authorities considered that expanding the existing Port of Cotonou would be limited given its geographical situation and that building a completely new port facility would serve as a major economic driver for Benin as well as the West African sub-region. The new Sèmè-Podji port and the existing Port of Cotonou will complement one another in that the new facility will make it possible to develop additional activities and markets, which would not be possible at the existing port owing to congestion and lack of space at this port.

Under the framework public-private partnership agreement between PIC Network Limited and the Government of Benin represented by the Ministry of Maritime Economy and Port Infrastructure, the Benin government has made 1,006 ha of land available in Sèmè-Podji, whereas the private developer PIC Network Limited has committed to contributing funding for the studies and the installation of port infrastructure in partnership with concessionaires specialized in port operations.



A PROMOTER ENGAGED IN HIGH VALUED PROJECTS IN AFRICA

PETROLIN GROUP

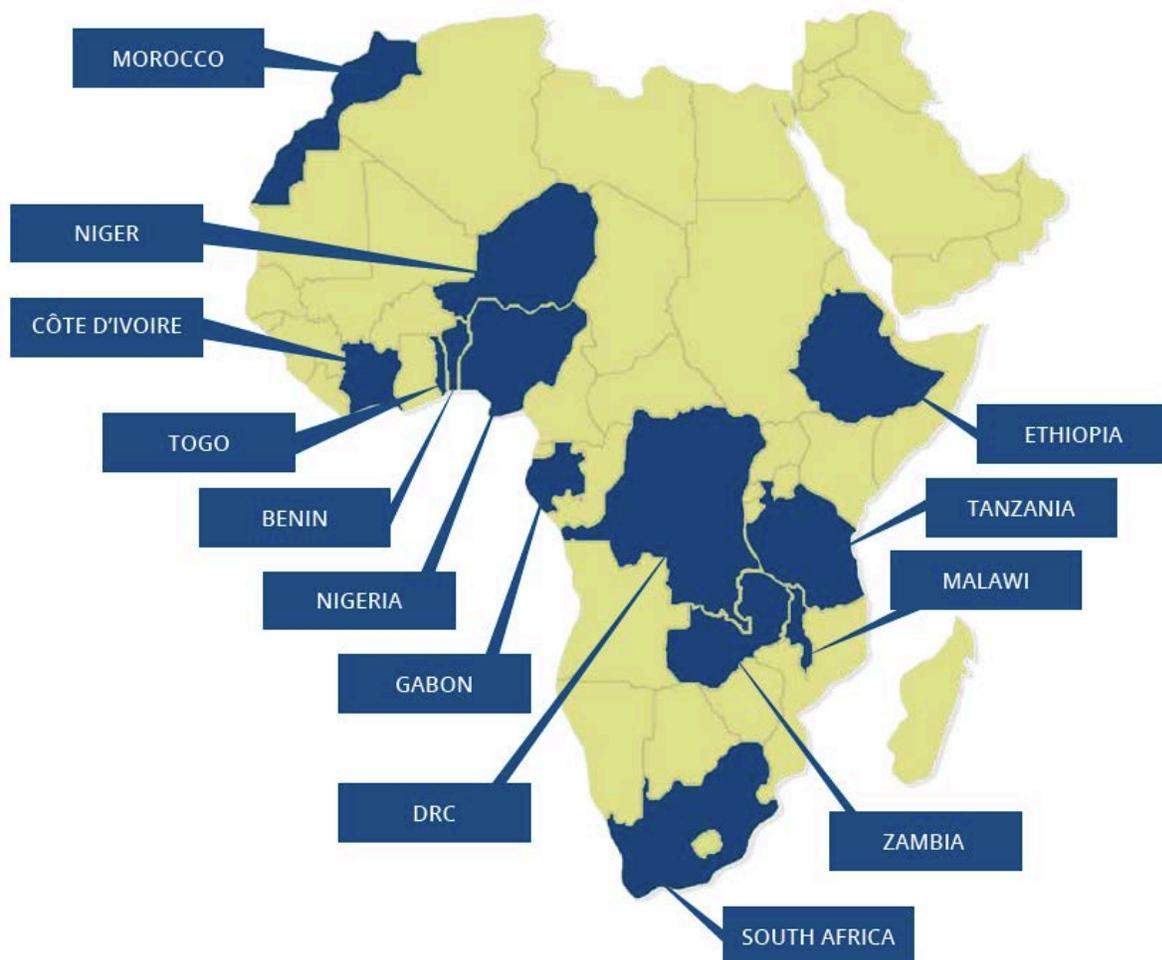
International Partnership for Africa in Infrastructures, in Oil & Gas, in Development Projects

Petrolin Group understood early on how to acquaint its partners with synergies between different areas of activity in Africa, between tradition and modernity, between industry and raw materials, between the private and public sectors, and between local and international players.

Our group is sustaining a policy of initiating and developing strategic partnerships at the national and international level in the petroleum, mining, energy and infrastructure domains. This is implemented in compliance with the most stringent ethical standards commensurate with the Group's reputation.

We value the principles of social and environmental responsibility, for this reason part of our revenues is allocated to our foundation, Fondation Espace Afrique. Furthermore, we engage in humanitarian activities notably in the countries we have industrial and commercial activity.

PETROLIN GROUP ACTIVITY MAP



PIC Network Limited

