



FEDERAL REPUBLIC OF NIGERIA
**Ministry of Solid Minerals Development
and
The Bureau of Public Enterprises**

**INVITATION FOR EXPRESSION OF INTEREST AS INVESTOR IN
COAL PROPERTIES**

As part of the ongoing reform programme in the Solid Minerals sector, the Ministry of Solid Minerals Development will be divesting from all its ownership interests in the sector. It is the intention of the Ministry to focus solely on its role as administrator-regulator, while the private sector will act as owner-operator.

The Nigerian Coal Corporation (NCC) was established in 1950 under the Coal Ordinance No. 20. NCC had the exclusive rights to mine coal in Nigeria until 1999, when the Federal Government of Nigeria established a policy and legislation that de-regulated mineral exploration and exploitation. This opened up the sector to private industry participation and resulted in NCC entering into joint ventures on an equity participation basis. NCC is currently divesting from all of its operating interests in the sector.

Several of the Coal Properties wholly owned and developed by NCC will be offered for sale to pre-qualified investors through a competitive bidding process on **Wednesday, May 24, 2006**. The properties to be offered for sale are as follows:

1. Okpara Mine (Enugu State);
2. Onyeama Mine (Enugu State);
3. Okaba Coal Field (Kogi State);
4. Owukpa Coal Field (Benue State);
5. Ogboyoga I Coal Field (Kogi State);
6. Ogboyoga II Coal Field (Kogi State);
7. Ezinmo Coal Field (Enugu State);
8. Inyi Coal Field (Enugu State);
9. Ogwashi-Azagba Lignite Field (Delta State); and
10. Amansiodo Coal Field (Enugu State)

Preliminary data packages for the above properties will be available by **Monday, March 6, 2006** at the offices of the Ministry of Solid Minerals Development or the BPE and online on the Ministry's website (<http://www.msmd.gov.ng>) and the BPE website (<http://www.bpeng.org>).

Applicants are expected to be local / international investors or groups with a proven track record in ownership, financial capability and technical competence in the exploration and / or mining of coal.

In order to be pre-qualified, the prospective Investor must possess verifiable evidence of Technical, Managerial and Financial capability to own and manage the coal properties. These include, but are not limited to the following:

- Record of successful investment and technical management in the coal exploration and mining industry;
- Record of running mining operations that successfully balance relevant externalities like community relations and the environment; and
- The requisite financial resources.

In addition, the Federal Government has the following objectives for the sale:

- To secure credible investors with the capability and commitment to develop coal based power generation, in view of Nigeria's significant supply gap in the power sector;
- To secure investors with demonstrated commitment to increased exploration to significantly increase the level of coal resource that can be classified as proven;
- To obtain fair value for the investments made in the coal properties to date by NCC;

- To promote the development of a local skills base in coal exploration and mining; and
- To encourage participation of indigenous investors in the sector, in line with the spirit of the Nigeria Local Content Legislation.

METHOD OF APPLICATION

Interested investors should indicate their interest by providing the following documentation and information:

- Full name of company and contact person, postal address, telephone / fax numbers and e-mail address.
- Ownership structure of the company;
 - Name(s) of major shareholders, and
 - Percentage shareholdings.
- Audited financial statements for up to the past five (5) years and most recent management accounts.
- Technical and operational capabilities
 - Number of years in coal exploration and / or mining;
 - Local and international experience in the industry; and
 - List of coal properties owned or managed by the firm.
- Composition and profile of management team showing qualification and years of experience in coal exploration and / or mining.
- Evidence of ample financial resources.
- A listing of the coal properties for which the Investor is seeking pre-qualification

Upon receipt of the Expression of Interest from interested investors, the Ministry shall evaluate and pre-qualify applicants for the coal properties of their choice. Results of the pre-qualification exercise will be published on **Wednesday, April 26, 2006**. Thereafter, pre-qualified applicants will be issued bidding packages for the coal properties of their choice upon payment of **Five hundred thousand naira (N500,000) only per property** in bank draft drawn in favour of the **Ministry of Solid Minerals Development**. Details of the bidding procedure shall be contained in the bidding package.

An original copy and five (5) other copies of Expression of Interest in a sealed envelope clearly marked "**EOI COAL PROPERTIES**" at the top right hand corner shall be delivered to one of the addresses below not later than **Friday, March 31, 2006 by 5.00pm**:

<p><i>The Minister</i> Ministry of Solid Minerals Development Annex 3, 5th floor Federal Secretariat Complex Shehu Shagari Way P.M.B. 107 Abuja - Nigeria</p> <p>Attn: Ademola O. Gbadegesin Special Assistant, Privatisation & Deregulation Tel: 234-802-0321948, 234-804-3031974, 234-805-3984939, 234-806-5901937 Fax: 234 - 9 - 5236518 E-mail: d.gbadegesin@msmd.gov.ng Web site: http://www.msmd.gov.ng</p>	<p><i>Director General</i> The Presidency, Bureau of Public Enterprises</p> <p>Attn: Ibrahim Njiddab Director, Extractive Industries BPE, Zayyad House 1, Osun Crescent Maitama Abuja - Nigeria Tel: 234 - 9 - 4130789, 6703296, 4130783 Fax: 234 - 9 - 4130789 E-mail: isnjiddab@bpeng.org Web site: http://www.bpeng.org</p>
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