

ТПТ ООО “Таманский паромный терминал”
Tamansky ferry terminal LLC

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Ship House Istanbul.

I thank you for taking interest in our investment project.

The Ro-Ro rolling cargo Complex, constituting the North-East Cargo Handling Area of the Kavkaz Port, will be built in the Temryuksky District of the Krasnodar Krai, in the Kerch Strait, within the newly created territory, from the North East sited adjacent to the territory of the existent port Kavkaz (to Severny Quay Pier) and the Chushka Spit coast.

The geographical location of the port allows the freight forwarders of the South region to use with equal efficiency as the motor so the railway transport on the federal highway and the North Caucasus Railway approaching thereto.

In the allocated lots the complex of harbor facilities will be built provided with the protected defined water zone with the depths up to 8,5 meters, with the developed ashore infrastructure, with a network of approach auto and railway roads, allowing to deliver the cargo to any point of Russia and outside its territory.

A coastal, artificially created territory used for warehousing and handling the cargoes, for placing the transport and engineering communications, other facilities of the port infrastructure, will total up to 60 hectares.

The Complex, as the international marine crossing point, will provide the border, custom, sanitary and quarantine control, veterinary check, quarantine phytosanitary control and transport state control.

The estimated cost of Complex facilities is assumed to be within the scope of RUB 2.5 bln. RUB 300 mln have been already invested into the Project. Construction has been projected for 2-year period.

The designed capacity of the ferry terminal for reception and handling the Ro-Ro type vessels will amount to 50 000 units of vehicles (Euro Trailers) or 2

mln tons of cargo per year. In order to ensure the projected cargo turnover the provision has been made for:

- Creation of a new territory of 34.72 hectares in area;
- Construction of two staiths for rolling cargoes and the port vessels berth;
- Formation of the water area with dredging works on 25.6 hectares area with simultaneous beach nourishment works using the dredged soil to create the new territory;
- Construction of the necessary set of buildings and facilities;
- Construction of two converging quay piers – North and South ones to protect the Complex against wave, ice impact and sediment accumulation.

The target mode of Complex operation is all-the-year-around and round-the-clock.

Our company –Tamansky Paromny Terminal LLC, as the Project proprietor - has developed this Project for construction of the port for transporting the Ro-Ro cargoes which have undergone the state expert appraisal, and has obtained the complete package of Project documentation: construction permit, enabling documentation, documents of entitlement. There is Project documentation (P stage) available with affirmative expert appraisal of the Project.

Construction design documents (DD stage) are being developed based on the approved project documentation and will be finalized with due regard to the direct design contractor's requirements (General Contractor) with the purpose of optimizing the expenses for Complex construction.

The General Contractor will be designated with due consideration of Project investors' interests. As can be seen from the above, it will be the investors who will designate a General Contractor from the list of those offered by us or recommended by the Project investors directly. To realize the capital investment project there has been selected the team of specialists being skilled in the legislation of the Russian Federation in the area of ports construction, having the necessary experience and high qualification. The Project possesses high potential and represents the first specialized complex throughout the region. The high potential is conditioned by growing commodity turnover with Turkey and countries of the Black Sea and Mediterranean areas. The profitability margin can reach nearly 50%.

The group of consulting companies has undertaken the technological audit of the object - «Construction of the North-East freight district of the Kavkaz Marine Merchant Seaport in the Temryuksky district of the Krasnodar Krai of the Russian Federation.»

The Project will reach profitability beginning from the third year, within the first two years the construction will be implemented actively. Within the period from the third to the fifth years, the profitability can make to RUB 550 mln per year. The internal rate of return (IRR) can amount to within 18 to 21%.

Presently, negotiations are in progress on establishing ferry lines with ports and shipping forwarders of Turkey, Greece, there are the letters of intent signed with the Russian companies.

Taking into account the availability of free territories and creation of additional artificial land plots, it becomes possible to construct the terminals for

containers, general cargoes, and other kinds of terminals, under due consideration of the investor's interests.

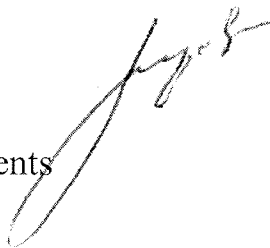
Presently the proprietor (Tamansky Paromny Terminal LLC) is in the active search of the investor and positively examines the matter of providing the essential shares for him in the Project.

Having regard to the above, the management of the Tamansky Paromny Terminal LLC voices a hope, that our Project will be of interest to you, and we will be able to proceed to the final phase of negotiations and signing the relevant documents.

I thank you for attention and look forward to fruitful cooperation.

Respectfully yours

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