



Lake Natron Resources Ltd. - Position Statement on the Lake Natron Project

Lake Natron Resources Ltd (LNRL), a company jointly owned by the Government of Tanzania, represented by its agency the National Development Corporation (NDC) and TATA Chemicals Ltd of Mumbai, India is considering developing a soda ash facility at Lake Natron in Arusha Region of Tanzania.

Lake Natron Resources Ltd. was aware that the Lake Natron project would be either in or close to an ecologically sensitive area. As such, of its own volition, the Company appointed Norconsult A.S. (Norway) to carry out a thorough and detailed Environmental & Social Impact Study. A process of consultation with stakeholders was instituted with a meeting in July '07 in Dar-es-Salaam to understand the concerns of environmentalists and to proceed in a structured and systematic manner thereafter. Since then, the Company with the support of its promoters has engaged with reputed conservation associations and experts in ornithology, particularly the Lesser Flamingo.

Position with regard to the Lake Natron Project is as follows:

1. Aligned with the values and corporate responsibility of its promoters, Lake Natron Resources Ltd. is fully committed to the protection of the environment and will take all possible steps to ensure that no damage is caused to the ecology and wild life in the area.
2. LNRL's promoters are in thorough discussions with expert ornithologists to understand the issues involved and LNRL is fully aware of the risks. The Company will proceed with caution and responsibility.
3. The point for deciding on a suitable site for the location of the plant has not yet been reached, but the company has committed to experts that the ultimate location will be at an appropriate distance from the lake and will be outside the Ramsar Boundary. A techno-economic study is currently in progress and Norconsult A.S. will be asked to supplement their first report in respect of the site/s finally short-listed.
4. The company abide by the direction of its promoters, who will consult with, seek the advice of eminent experts in ornithology, such as the Species Survival Commission of IUCN on the Lesser Flamingo and proceed in accordance with their advice. There will be total transparency in the process.
5. The company will also abide to the Environment Management Plan of Lake Natron Ramsar Wetland, when it is drawn up by the Tanzanian Government.
6. The company will not introduce Brine Shrimps into the lake.
7. There will be no pipe-line grid within the lake, but brine will be drawn through limited extraction points in the lake. The number would depend on hydrology studies.
8. The source of fresh water for the plant will not be within the Ramsar boundary, but will in all probability be ground/surface water that is extracted at a place away from the lake and is not feeding the lake.
9. There will be no effect on the inflow of fresh water to the lake as a consequence of setting up the project.
10. Additionally, the company is presently exploring sourcing of power from the Tanzanian National grid as well as ways of minimizing human load in the vicinity of the plant.

G.J. Nasari
Director - Lake Natron Resources Ltd.

R. Mukundan
Director - Lake Natron Resources Ltd.

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