

DATED 20 DECEMBER 2006

HYDRO ALUMINIUM AS

and

TAJIK ALUMINIUM PLANT

SETTLEMENT AGREEMENT

Herbert Smith LLP
Exchange House
Primrose Street
London EC2A 2HS
Ref: 2024/2454

TADSDD000979_1

THIS AGREEMENT is made the 20th day of December, 2006

BETWEEN:

- (1) **HYDRO ALUMINIUM AS** an enterprise registered in Norway with its registered office at Drammensveien 264, Oslo, Norway ("Hydro"); and
- (2) **TAJIK ALUMINIUM PLANT** a state enterprise in Tajikistan with its address at 735014 Tursunzade, Tajikistan ("TadAZ"),

together referred to as the "Parties".

WHEREAS:

- A. Hydro contends that it entered into a barter agreement with TadAZ on 25 September 2003 and that this was later amended by Addendum No. 1 dated 8 September 2004 (the "Barter Agreement"). The terms of the Barter Agreement envisaged that Hydro would supply alumina or bauxite required by TadAZ for the production of aluminium in exchange for deliveries of aluminium from TadAZ to Hydro.
- B. A dispute arose between Hydro and TadAZ in or around December 2004 regarding the alleged non-delivery of aluminium by TadAZ to Hydro under the Barter Agreement. Part of that dispute related to TadAZ's contentions, on various grounds, that the Barter Agreement was not binding upon it.
- C. TadAZ considers that it was the victim of a fraud perpetrated against it by, at least, Mr Nazarov and Ansol Limited ("Ansol"), in conjunction with the former director of TadAZ, Mr Ermatov. In particular, TadAZ contends that Mr Nazarov and Ansol controlled the supply of alumina to TadAZ and caused TadAZ to trade at unfavourable prices. TadAZ alleges that its records reflect that its primary trading relationship during the relevant period was with Hamer Investing Limited ("Hamer") and Ansol, not Hydro. TadAZ alleges that it did not therefore benefit from the commercial terms contained in the Barter Agreement. TadAZ's relationship with Hamer was kept secret from Hydro by Rusal Group and Ansol. Hydro did not learn of that relationship until around January 2005.
- D. On 3 February 2005, Hydro commenced arbitration proceedings (Arbitration No 5626) against TadAZ before the LCIA (the "Arbitration").
- E. By an Award dated 4 November 2005 (the "Arbitration Award"), the arbitral tribunal determined that Hydro had entered into the Barter Agreement with TadAZ, that it was valid and binding and that it had jurisdiction over the dispute. It ordered TadAZ to pay to Hydro (i) US\$127,658,289.67 in liquidated damages in respect of TadAZ's failure to deliver aluminium; (ii) US\$16,896,377.40 in respect of aluminium detained in Tajikistan (the "Detained Aluminium"), and (iii) interest and costs. The Tribunal found that Hydro was not aware of any alleged fraud.
- F. TadAZ considers that the proceedings were flawed as a result of a number of serious procedural irregularities. Further, TadAZ considers that the arbitral tribunal did not ever have jurisdiction over the dispute. Hydro disputes both points.
- G. TadAZ challenged the Arbitration Award by application to the Commercial Court, action 2005 Folio 991 (the "Challenge"). By an Approved Judgment dated 18 May 2006 the court *inter alia*

ordered TadAZ to provide security of US\$150 million and gave TadAZ permission to appeal (the "Morison Arbitration Judgment"). TadAZ elected not to appeal the order for provision of security and thereafter failed to provide the security. The Challenge was accordingly discontinued on 28 June 2006. By an Approved Judgment dated 9 October 2006 the Court *inter alia* ordered that the Morison Arbitration Judgment should be made public (the "Morison Publication Judgment"). TadAZ has applied for permission to appeal the Morison Publication Judgment and is awaiting the outcome of this application.

- H. Hydro and TadAZ wish to enter into a new commercial relationship and to set out the terms for a full and final settlement of the disputes between them. As part of the settlement, TadAZ has agreed that until it has made all the payments and deliveries provided for in this Agreement, Hydro may, if this Agreement is terminated, seek to enforce the Award and that the Award shall remain as enforceable at such time as it was immediately prior to the execution of this Agreement. Hydro has agreed however not to seek to enforce the Award for so long as TadAZ is making the said payments and deliveries.
- I. As part of the proposed settlement, TadAZ will make cash payments to Hydro totalling US\$70million in the amounts and on the dates set out in Schedule 1 to this Agreement. TadAZ has indicated to Hydro that it will consider whether it can accelerate the payments under Schedule 1 if its financial circumstances permit.
- J. In addition to those payments, TadAZ will either supply 800,000 MT of finished aluminium to Hydro over 4 years at a discount to LMB prices or deliver 480,000 MT over that period (at a discount), together with an additional US\$24million in cash payments over and above the US\$70million. In order to achieve the additional cash payments TadAZ intends to enter into a separate contractual arrangement with a third party, pursuant to which TadAZ will sell the balance of 320,000 MT of aluminium over 4 years on substantially the same terms as the supplies of aluminium to Hydro under this Agreement and thereby realise funds to make the additional payments agreed with Hydro. In the event that it is not possible to enter into such an agreement with a third party, TadAZ will instead supply a further 320,000 MT of aluminium to Hydro (at a discount).

IT IS HEREBY AGREED as follows:

1 DEFINITIONS

- 1.1 Unless the context otherwise requires the following expressions shall have the following meanings wherever they appear in this Agreement:

"Agreement" means this agreement, including all its schedules and the annexes thereto;

"Aluminium Agreement Claims" means any claims (to the value of at least US\$7million) which Hydro may have against Ansol in connection with the Aluminium Agreement dated 25 September 2003 (as amended) or its predecessor agreement;

"Ansol Recoveries" means any sums or Benefits in Kind recovered from the Ansol Defendants by either Party;

"Benefit in Kind" means any benefit or recovery received in lieu of a cash payment by either Party from any of the Ansol Defendants, the Rusal Group, Hamer or CDH which is intended to compensate such Party in respect of any claim which it may have against those entities as at the

date of this Agreement (whether or not such claim has been formally asserted or pursued as at such date);

"Business Day" means a day on which banks are generally open for business in London;

"Claims" means all and any claims, disputes, demands and/or liabilities of whatever nature and howsoever and wheresoever arising in any jurisdiction, arising out of or based on any acts, omissions or events that occurred before the date of this Agreement, whether actual or contingent, whether known or unknown, honest or dishonest, negligent or not negligent, whether such claims are for breach of trust or fiduciary duty or other duty, and whether such claims are contractual, quasi-contractual, tortious, compensatory, proprietary or restitutionary claims or are claims of any other nature (including for the avoidance of doubt, claims relating to or arising out of allegations of fraud), whether such claims are sole or joint claims and whether or not such claims relate to the Arbitration Award. For the avoidance of doubt, "Claims" includes any claims which arise from or are affected by any change in the law or any other change of circumstance of any sort;

"Customs Orders" means the orders of (i) the Prosecutor General to the Customs Department of the Tajik State Ministry for Revenues and Duties dated 8 December 2004 and (ii) the Customs Department of the Tajik State Ministry for Revenues and Duties to the Tursunzade Customs Department dated 20 January 2005;

"Detained Aluminium" means 8,580.597 MT of aluminium detained at TadAZ's premises in Tajikistan pursuant to the Customs Orders and the State Prosecutor's Decree;

"Fraud Action" means the proceedings commenced by TadAZ in the Chancery Division of the High Court of Justice on 13 May 2005 and subsequently transferred to the Commercial Court, Queen's Bench Division with action number 2006 Folio 271 against Abdulkadir Ermatov, Ansol Limited, Avaz Nazarov, Alexander Shushko, Ashton Investments Limited, Cherkzod Ermatov, Anna Osadchaya, Ansol Resources Limited (such defendants collectively being referred to herein as the "Ansol Defendants") and Ansol Capital Limited, together with the Part 20 proceedings issued by Ansol Limited on 1 July 2005 against TadAZ, Oleg Deripaska, OJSC Russian Aluminium, Rusal Management Company, Alexander Bulygin, Khasan Sadulov, CDH Investments Corp ("CDH"), OJSC Orientbank and Hamer;

"MT" means metric tonnes;

"Rusal Group" means the RUSAL group of companies (including, for the avoidance of doubt, OJSC Russian Aluminium, Rusal Trade Limited, Ellery Management Limited and Rusal Management Company);

"State Prosecutor's Decree" means the decree issued by the Office of the Prosecutor General of Tajikistan dated 8 December 2004, pursuant to which TadAZ was prohibited from continuing to perform its contracts with Hydro, Ansol and Hamer; and

"terrorism" means an act including the use of force or violence and or threat thereof, of any person or group of persons, whether acting alone or on behalf of or in connection with any organisations or governments, which is committed for political, religious, ideological or similar purposes, including where made with the intention to influence any government, company or business interest and or put the public or any section of the public (including those persons involved in the operation and maintenance of TadAZ's facilities) in fear.

1.2 Where the context allows, words denoting the singular include the plural and vice versa, words importing one gender include both other genders and words denoting natural persons include corporations and vice versa. References to Clauses are references to clauses of this Agreement.

1.3 In this Agreement, the words "include" and "including" shall be construed without limitation.

2 PAYMENTS

2.1 TadaZ shall pay to Hydro the sums provided for below (the "Settlement Sums") (without any deduction or set-off):

2.1.1 the sum of US\$70,000,000 (United States Dollars seventy million), payable in the instalments and on or before the dates set out in Schedule 1 to this Agreement; and

2.1.2 (subject to Clauses 2.2, 2.3 and 2.4 below) the sum of US\$24,000,000 (United States Dollars twenty-four million), payable in the instalments and on or before the dates set out in Schedule 2 to this Agreement.

All payments are to be made into the bank account no. 400917025 with JP Morgan Chase Bank (Fed-routing 0210-0002-1, SWIFT Code CHASUS33), or such other account as is nominated by Hydro. Payments shall be made to Norsk Hydro Americas Inc, marked "In favour of Hydro Aluminium Sourcing & Trading, TRA USD".

2.2 The payment referred to in Clause 2.1.2 above shall be conditional upon TadaZ entering into an agreement with a third party no later than 25 December 2006, pursuant to which that third party agrees to purchase 320,000 MT of finished aluminium from TadaZ during the period 1 January 2007 to 31 December 2010 (a "Third-Party Contract" (as signed and amended from time to time). TadaZ shall use all reasonable endeavours to negotiate and, in its absolute discretion, conclude a Third-Party Contract on satisfactory terms by 25 December 2006 (and, for the avoidance of doubt, TadaZ shall be under no obligation to agree any such contract). In the event that a Third-Party Contract is not entered into by 25 December 2006 (for whatever reason) TadaZ shall promptly notify Hydro. Clause 2.1.2 above shall thereafter cease to apply and TadaZ shall instead sell and Hydro shall buy 320,000 MT of finished aluminium on the terms set out in Schedule 3 to this Agreement, in equal monthly instalments over the period 1 January 2007 to 31 December 2010 unless otherwise agreed between the Parties.

2.3 Subject to clause 2.4, in the event that the performance of the Third-Party Contract by the third party is, in accordance with the terms of the Third-Party Contract, prevented or terminated (for whatever reason), TadaZ may notify Hydro in writing of such event. On receipt of such notice by Hydro (the "Third-Party Contract Notification Date"), Clause 2.1.2 shall cease to apply and, unless otherwise agreed between the Parties (acting reasonably and in good faith), TadaZ shall instead be required to sell and Hydro shall be required to buy on the terms set out in Schedule 3 to this Agreement such quantity of finished aluminium as remains due to be delivered under the Third-Party Contract as at the Third-Party Contract Notification Date. Any supplies of aluminium pursuant to this Clause 2.3 shall be made in equal instalments over the period from the date falling 60 days after the Third-Party Contract Notification Date until 28 February 2011, unless otherwise agreed between the Parties.

2.4 If performance of the Third-Party Contract by the third party is prevented (for whatever reason) but the Third-Party Contract is not terminated, TadaZ's right to issue a notice to Hydro under Clause 2.3 shall be dependent on TadaZ being permitted, under the terms of the Third-Party Contract, to make deliveries to persons other than the third party during the period in which performance of the Third-Party Contract is so prevented and 60 days thereafter. In giving a

notice under Clause 2.3 in circumstances where performance of the Third-Party Contract by the third party is prevented but the Third-Party Contract is not terminated, TadAZ shall confirm that by making such deliveries to Hydro it will not be in breach of its obligations under the Third-Party Contract and TadAZ shall set out in its notice the provision of the Third-Party Contract on which it relies and its grounds for saying that the provision applies. If, following the Third-Party Notification Date, performance of the Third-Party Contract again becomes possible, TadAZ may, on 60 days' prior written notice to Hydro, elect to resume its obligations under Clause 2.1.2 (which shall be adjusted to take account of any supplies of aluminium pursuant to Clause 2.3 above, the value of such supplies to be agreed and if not referred to an expert for determination in accordance with Clause 18) and TadAZ's obligations to deliver aluminium to Hydro pursuant to Clause 2.3 shall cease.

3 SUPPLY OF ALUMINIUM BY TADAZ

TadAZ shall sell and Hydro shall buy 480,000 MT of finished aluminium on the terms and dates set out in Schedule 3 to this Agreement. Any supply of aluminium to Hydro pursuant to Clauses 2.2 or 2.3 shall be above and in addition to the volume to be delivered pursuant to this Clause 3.

4 SUPPLY OF ALUMINA BY HYDRO

Hydro shall sell and TadAZ shall buy up to 450,000 MT of alumina on the terms and dates set out in Schedule 4 to this Agreement.

5 FULL AND FINAL SETTLEMENT

- 5.1** Hydro hereby irrevocably and absolutely undertakes, covenants and agrees that it shall not, provided that this Agreement has not been terminated by either Party (for whatever reason) or otherwise discharged prior to the satisfaction by TadAZ of all of the payments and deliveries expressed to be payable and deliverable by it under Clauses 2, 3 and 4 (and as further detailed in the respective Schedules), commence, advance, maintain, continue or pursue any action to enforce, recognise or obtain relief in respect of the Arbitration Award in any jurisdiction including any application pursuant to section 66 of the Arbitration Act 1996, any application for injunctive relief (or any equivalent), any application pursuant to sections 221 or 225 of the Insolvency Act 1986, or any application that a receiver be appointed in respect of TadAZ's affairs (or any equivalent).
- 5.2** Each Party hereby irrevocably and absolutely undertakes, covenants and agrees that it shall not, provided that this Agreement has not been terminated by either Party (for whatever reason) or otherwise discharged prior to the satisfaction by TadAZ of all of the payments and deliveries expressed to be payable and deliverable by it under Clauses 2, 3 and 4, commence, advance, maintain, continue or pursue any Claims against the other Party.
- 5.3** Each of the Parties irrevocably and absolutely undertakes, covenants and agrees that any and all Claims which each of them has or may have against the other of them shall be settled, released and discharged upon satisfaction by TadAZ of all of the payments and deliveries expressed to be payable and deliverable by it under Clauses 2, 3 and 4, and each of the Parties irrevocably covenants that thereafter neither shall sue on or otherwise bring or threaten any such Claims against the other of them, whether by way of civil or criminal proceedings or otherwise howsoever, save for any claim to enforce this Agreement.
- 5.4** Hydro irrevocably and absolutely undertakes, covenants and agrees that it shall not, without the prior written consent of TadAZ, sue on or otherwise bring or threaten any Claims of whatever nature against any or all of CDH, Hamer, the Rusal Group and/or Ansol (save, in the case of

Ansol, in relation to the Aluminium Agreement dated 25 September 2003 (as amended) or its predecessor agreement), provided that TadAZ is not in breach of its obligations under this Agreement and that TadAZ has not remedied such breach within 30 days of receipt of a notice from Hydro requiring it to do so. In the event of any breach by Hydro of this provision, Hydro agrees to indemnify TadAZ against any losses suffered by TadAZ as a consequence (whether direct or indirect and including any claims for contribution) of Hydro's actions.

6 HAMER

6.1 Hydro acknowledges the possibility that Hamer may, following the date of this Agreement, contend that TadAZ is liable to it in respect of a particular shipment or shipments of alumina or aluminium in respect of which TadAZ has been determined to be liable to Hydro pursuant to the Arbitration Award (the "Hamer Claims"). In the event that a Hamer Claim is threatened or brought by Hamer, Hydro agrees that it shall so far as reasonably possible co-operate with and assist TadAZ in resisting the Hamer Claim, such co-operation and assistance to include:

6.1.1 confirming in writing to TadAZ and/or Hamer in a form previously approved by TadAZ (acting reasonably) the grounds upon which Hydro does not consider that Hamer has any valid claim against TadAZ in respect of the shipments of alumina or aluminium to which the Arbitration Award relates;

6.1.2 permitting TadAZ to rely on and disclose documents disclosed by Hydro during the course of the arbitration (subject to Clause 8.3 below);

6.1.3 promptly disclosing to TadAZ any further non-privileged documents reasonably requested by TadAZ (such documents or classes of documents to be identified with reasonable specificity) save where Hydro considers acting reasonably and in good faith that disclosing such documents would not be practicable and/or would involve a disproportionate effort on Hydro's part and/or or would materially prejudice Hydro's interests (in which event Hydro shall promptly inform TadAZ of the reasons for its refusal to provide the relevant documents);

6.1.4 permitting TadAZ or its representatives to interview employees or (if they agree) other representatives, consultants or agents of Hydro or the Norsk Hydro group (in the presence of Hydro's legal representatives if Hydro sees fit); and

6.1.5 making available employees and (if they agree) other representatives, consultants or agents of Hydro or the Norsk Hydro group to give evidence for TadAZ in any proceedings between TadAZ and Hamer, provided that Hydro's legal advisers are given permission to attend any hearings in such proceedings as are in any way relevant to the evidence of such individuals, if so requested by Hydro. TadAZ shall give reasonable notice to Hydro of any such hearings.

6.2 For the avoidance of doubt, nothing in this Clause 6 shall require Hydro to join as claimant or defendant any proceedings brought by Hamer against TadAZ.

7 GUARANTEES

7.1 In the event that TadAZ enters into a Third-Party Contract, TadAZ shall, no later than 31 December 2006:

- 7.1.1 obtain from the counterparty to the Third-Party Contract a first class bank guarantee or letter of credit in form and substance satisfactory to TadAZ (acting reasonably) securing the counterparty's obligations pursuant to the Third-Party Contract; and
- 7.1.2 provide to Hydro a first class bank guarantee or letter of credit in form and substance satisfactory to Hydro (acting reasonably) securing TadAZ's obligations pursuant to Clause 2.1.2 of this Agreement.
- 8 CO-OPERATION AGAINST THE FRAUD ACTION DEFENDANTS, THE RUSAL GROUP AND/OR HAMER**
- 8.1 Hydro shall as far as reasonably possible co-operate with and assist TadAZ in:
- 8.1.1 pursuing the Fraud Action to recover damages; and
- 8.1.2 pursuing companies within the Rusal Group and/or Hamer to recover damages; and
- 8.1.3 pursuing any further actions against Ansol and/or the other defendants to the Fraud Action to recover damages (the "Additional Ansol Claims").
- 8.2 The co-operation and assistance to be provided by Hydro pursuant to Clause 8.1 above shall include:
- 8.2.1 promptly disclosing to TadAZ any further non-privileged documents reasonably requested by TadAZ (such documents or classes of documents to be identified with reasonable specificity) save where Hydro considers acting reasonably and in good faith that disclosing such documents would not be practicable and/or would involve a disproportionate effort on Hydro's part and/or or would materially prejudice Hydro's interests (in which event Hydro shall promptly inform TadAZ of the reasons for its refusal to provide the relevant documents);
- 8.2.2 permitting TadAZ or its representatives to interview employees or (if they agree) other representatives, consultants or agents of Hydro or the Norak Hydro Group (in the presence of Hydro's legal representatives if Hydro sees fit) in relation to any issues raised in the Fraud Action, in prospective or actual claims by TadAZ against companies in the Rusal Group and/or Hamer, or in the Additional Ansol Claims (whether such claims are prospective or actual);
- 8.2.3 making available employees or (if they agree) other representatives, consultants or agents of Hydro or the Norak Hydro Group to give evidence for TadAZ in the Fraud Action in or any proceedings brought by TadAZ against companies in the Rusal Group and/or Hamer, or in connection with the Additional Ansol Claims, provided that Hydro's legal advisers are given permission to attend any hearings in such proceedings which are in any way relevant to the evidence of such individuals. TadAZ shall give reasonable notice to Hydro of any such hearings;
- 8.2.4 permitting TadAZ to rely upon and disclose in the Fraud Action or in any negotiations with or legal proceedings against companies in the Rusal Group and/or Hamer and/or in connection with the Additional Ansol Claims documents disclosed by Hydro during the course of the Arbitration (subject to Clause 8.3 below); and

- 8.2.5 to the extent consistent with its corporate communications strategy and that of the wider Norsk Hydro Group, co-operating with any public relations strategy designed by TadAZ to facilitate the satisfactory resolution of its various claims.
- 8.3 In the event that TadAZ wishes to disclose documents disclosed by Hydro during the course of the Arbitration pursuant to Clauses 6.1.2 or 8.2.4 above, TadAZ shall first provide Hydro with 14 days' written notice of the documents it intends to disclose. To the extent that Hydro asserts (acting reasonably) that such documents contain genuinely commercially sensitive information, Hydro may, within 14 days of receiving such notice from TadAZ, notify TadAZ of any redactions which it requires to be made to such documents by TadAZ before such documents are disclosed. Subject to making any such redactions, TadAZ may thereafter disclose the relevant documents.
- 8.4 Nothing in this Clause 8 or in this Agreement shall prejudice in any way TadAZ's rights to apply to the Court for disclosure from Hydro pursuant to paragraph 31.17 of the Civil Procedure Rules or otherwise.
- 8.5 TadAZ shall as far as reasonably possible co-operate with and assist Hydro in pursuing the Aluminium Agreement Claims, such co-operation and assistance to include:
- 8.5.1 promptly disclosing to Hydro any further non-privileged documents reasonably requested by Hydro (such documents or classes of documents to be identified with reasonable specificity) save where TadAZ considers acting reasonably and in good faith that disclosing such documents would not be practicable and/or would involve a disproportionate effort on TadAZ's part and/or would materially prejudice TadAZ's interests (in which event TadAZ shall promptly inform Hydro of the reasons for its refusal to provide the relevant documents);
- 8.5.2 permitting Hydro or its representatives to interview employees of TadAZ (in the presence of TadAZ's legal representatives if TadAZ sees fit) in relation to any issues raised in connection with the Aluminium Agreement Claims;
- 8.5.3 making available employees of TadAZ to give evidence for Hydro in any proceedings relating to the Aluminium Agreement Claims, provided that TadAZ's legal advisers are given permission to attend any hearings in such proceedings which are in any way relevant to the evidence of such individuals, if so requested by TadAZ. Hydro shall give reasonable notice to TadAZ of any such hearings; and
- 8.5.4 permitting Hydro to rely upon and disclose in any proceedings relating to the Aluminium Agreement Claims documents disclosed by TadAZ during the course of the Arbitration (subject to Clause 8.6 below).
- 8.6 In the event that Hydro wishes to disclose documents disclosed by TadAZ during the course of the Arbitration pursuant to Clause 8.5 above, Hydro shall first provide TadAZ with 14 days' written notice of the documents it intends to disclose. To the extent that TadAZ asserts (acting reasonably) that such documents contain genuinely commercially sensitive information, TadAZ may, within 14 days of receiving such notice from Hydro, notify Hydro of any redactions which it requires to be made to such documents by Hydro before such documents are disclosed. Subject to making any such redactions, Hydro may thereafter disclose the relevant documents.
- 8.7 Nothing in Clauses 8.1 or 8.5 above shall oblige either Party to commence, join or continue any legal proceedings as claimant. The Parties shall be solely responsible for their own legal or other costs incurred in pursuing any legal proceedings (including the Fraud Action) or in providing the co-operation and assistance set out in Clauses 6.1, 8.1, 8.2 and 8.5 above. Each Party shall

indemnify the other Party in respect of any adverse costs orders made against that Party as a result of providing such co-operation and assistance in legal proceedings to which it is not a party.

8.8 TadAZ and Hydro shall jointly use their reasonable endeavours to obtain compensation from the Rusal Group and/or the Ansol Defendants and/or Hamer in part or full satisfaction of any and all claims TadAZ and Hydro may have against them, provided that TadAZ shall not be obliged to agree to any terms or conditions sought to be imposed by those parties as a condition to paying such compensation. TadAZ agrees that, so far as reasonably practicable:

8.8.1 Hydro may partake in any negotiations aimed at settling such claims;

8.8.2 TadAZ will consult with Hydro prior to rejecting any settlement offer; and

8.8.3 TadAZ will provide Hydro promptly with all documentation (including draft documentation) recording the terms of any such settlement or proposed settlement.

8.9 Subject to Clause 8.10 below, any net sums (or Benefits in Kind) recovered from the Rusal Group and/or the Ansol Defendants (including in respect of the Additional Ansol Claims) and/or CDH and/or Hamer by the Parties shall be divided equally between TadAZ and Hydro, provided that:

8.9.1 75% of the first US\$6,000,000 of any Ansol Recoveries shall be retained solely by Hydro (provided that the recovered sums include a payment or Benefit in Kind which is at least in part in settlement of the Aluminium Agreement Claims);

8.9.2 75% of the first US\$6,000,000 of any other recoveries including Benefits in Kind shall be retained solely by TadAZ; and

8.9.3 the maximum amount payable to Hydro under this Clause shall be US\$57,500,000.

For the avoidance of doubt, Hydro shall not be entitled to share in any sums or Benefits in Kind received by TadAZ from CDH in the ordinary course of business.

8.10 If and to the extent that Ansol succeeds in any claim against TadAZ (whether by way of contribution or otherwise) in respect of any liability Ansol has to Hydro pursuant to the Aluminium Agreement Claims (an "Ansol Contribution Claim"), Hydro's entitlement to share in the Ansol Recoveries due to be divided between TadAZ and Hydro pursuant to Clause 8.9 shall be reduced by the amount paid by TadAZ to Ansol in respect of such Ansol Contribution Claim(s), less TadAZ's share pursuant to Clause 8.9 of the recoveries from the Aluminium Agreement Claims, provided that this Clause shall not have the effect of reducing Hydro's share of the Ansol Recoveries to less than US\$4,500,000.

8.11 Insofar as the recoveries made from the Rusal Group and/or the Ansol Defendants (including in respect of the Additional Ansol Claims) and/or Hamer and/or CDH comprise, in whole or in part, Benefits in Kind, a Party receiving such Benefits in Kind shall make a cash payment to the other Party in order to enable that Party to receive its share of the Benefits in Kind pursuant to Clause 8.9. In such circumstances, the value attributable to Benefits in Kind shall be based on a comparison to market prices (the "Attributable Value"). In calculating the Attributable Value:

8.11.1 the Parties shall negotiate in good faith for 21 days from the date that it is agreed that Benefits in Kind will be made to agree the Attributable Value; and

8.11.2 In the event that the Parties cannot agree the Attributable Value within the 21 days, the matter shall be referred to an expert for determination in accordance with Clause 18 below.

8.12 In the event of either Party receiving Benefits in Kind, that Party shall be liable to account to the other Party, in accordance with Clause 8.11, for each such recovery within 3 months of the date on which the benefit of the relevant Benefit in Kind is received by the relevant Party.

9 CONFIDENTIALITY/BAD FAITH ALLEGATIONS

9.1 For the purposes of this Clause 9, "Confidential Information" shall mean:

9.1.1 the content or effect of this Agreement, including details of any payments made or to be made pursuant to the Agreement; or

9.1.2 any matters discussed at or in negotiations with a view to settling the matters settled by this Agreement, any incidental agreements or arrangements between the Parties hereto or any communications arising under or in connection with this Agreement which either Party may have received or obtained or may from time to time in the future receive or obtain (orally or in writing or in disk or electronic form) from the other Party as a result of negotiating, entering into, or performing its obligations pursuant to this Agreement; or

9.1.3 the nature or detail of any disputes between the Parties to this Agreement;

in each case, provided such information has not entered the public domain.

For the purposes of this Clause 9, "Bad Faith Allegations" shall mean any allegations of bad faith or dishonesty made during the course of the Arbitration and/or the Challenge by either Party against the other Party, whether or not such information has entered or enters the public domain.

9.2 Each Party undertakes to the other that, unless the prior written consent of the other Party shall first have been obtained and subject to Clause 9.3:

9.2.1 it shall not, and (where applicable) it shall take all reasonable steps to procure that its officers, employees, agents, advisers and lawyers ("Related Parties") shall not, disclose or publish or repeat or procure or permit to be disclosed or published or repeated (whether directly or indirectly) the Confidential Information.

9.2.2 it shall, and (where applicable) shall take reasonable steps to procure that its Related Parties shall, keep confidential and shall not by failure to exercise due care or otherwise by any act or omission disclose to any person whatever, or use or exploit commercially for its or their own purposes, the Confidential Information.

Each Party undertakes to the other that, unless the prior written consent of the other Party shall first have been obtained and subject to clause 9.3, in the event that the Bad Faith Allegations enter the public domain:

9.2.3 it shall not, and (where applicable) shall take reasonable steps to procure that its Related Parties shall not, make any statements or comments regarding the Bad Faith Allegations.

9.3 The consents referred to in Clause 9.2 shall not be required for disclosure by a Party of:

(a) any Confidential Information or the Bad Faith Allegations:

- 9.3.1 to its lawyers, who shall in each case be made aware by such Party of its obligations under this Agreement and shall be required by such Party to observe the same restrictions on the use of the relevant information as are contained in Clauses 9.2 and 9.3;
- 9.3.2 to its insurance underwriters and/or re-insurers, provided that the disclosing Party requires that such underwriters or re-insurers will observe the same restrictions on the use of the relevant information as are contained in Clauses 9.2 and 9.3;
- 9.3.3 to the extent required by applicable law (including in relation to the preparation and publication of statutory accounts) or by the regulations of any stock exchange or regulatory authority to which such Party is or may become subject or pursuant to any order of court or other competent authority or tribunal; or
- 9.3.4 to the extent reasonably required by either Party to respond to publicly made allegations regarding the Confidential Information or the Bad Faith Allegations which are harmful to a Party's interests, whether such allegations are made by the other Party or by any other third party. Where practicable, the Party wishing to make a disclosure shall give the other Party 24 hours' prior written notice of its intention to do so and shall consider in good faith any suggestions made by that Party in relation to such disclosure;
- (b) this Agreement and the performance thereof to the Norwegian or Tajik Governments, provided that those entities agree to keep the same confidential;
- (c) this Agreement and the performance thereof to the EBRD and the World Bank, provided that such disclosure shall be made jointly by the Parties or, if unilaterally, copied to the other Party; or
- (d) any Confidential Information or Bad Faith Allegations as contemplated by this Agreement.
- 9.4 Each of the Parties agrees that, subject to Clause 9.5 below, to the extent that the Bad Faith Allegations are disclosed pursuant to Clauses 9.2 or 9.3, the disclosing Party shall make it clear when making such disclosure that the Bad Faith Allegations are no longer being pursued and have been withdrawn. In such circumstances, the Parties agree to limit any disclosures regarding the Bad Faith Allegations to the minimum reasonably required. For the avoidance of doubt, this Agreement shall not require either Party to suggest other than that the allegations it made in the Arbitration and the Challenge were believed to be true as at the time such allegations were made, provided that neither Party shall make any public comment regarding the truthfulness of the specific Bad Faith Allegations made by it (as distinct from the generality of the allegations made in the Arbitration and the Challenge as a whole) unless compelled to do so.
- 9.5 No statements made pursuant to Clause 9.4 shall prevent either Party from relying on or raising the Bad Faith Allegations in the event that, pursuant to the terms of this Agreement, Hydro becomes entitled once again to enforce the Award and the Parties expressly waive any right to rely on statements made pursuant to Clause 9.4 in contesting claims made by either Party in the event that Hydro becomes entitled to enforce the Award. Further, TadAZ agrees that it shall not without Hydro's prior written consent (to be exercised by Hydro at its absolute discretion) rely on any statements made by Hydro pursuant to Clause 9.4 in any litigation, arbitration or other disputes, including but not limited to the Fraud Action, the Hamer Claims and the Appeal.
- 9.6 The Parties acknowledge that nothing in this Agreement precludes TadAZ from arguing or alleging (whether in the Fraud Action or otherwise) that the Barter Agreement and the Aluminium Agreement (and their predecessor agreements) formed part of a scheme to defraud

TadAZ and are tainted by corruption, but insofar as TadAZ seeks to make such allegations, it agrees that it shall not suggest that Hydro knew about or ought to have known about any fraud or corruption or that it was guilty of any other wrongdoing.

- 9.7 Unless the prior written consent of the other Party shall first have been obtained and subject to Clause 9.8 below, neither Party shall provide, divulge or disclose to any third party the Arbitration Award, the Morison Arbitration Judgment or the Morison Publication Judgment and any decision of the Court of Appeal in relation to the Appeal and/or permission to appeal, or the contents thereof. Hydro agrees to adopt a neutral position in relation to the appeal and, in particular, to:
- 9.7.1 submit a letter to the Court of Appeal in the form set out in Schedule 7 hereto, to explain why Hydro does not wish to appear in the appeal lodged by TadAZ against the Order of Mr Justice Morison dated 9 October 2006 (the "Appeal"), and respond to any queries from the Court of Appeal in the same manner;
- 9.7.2 consent to any and all applications made by TadAZ regarding the timetabling of the Appeal process; and
- 9.7.3 consent to any and all applications made by TadAZ that the effect of the Order of Mr Justice Morison dated 9 October 2006 be stayed.
- 9.8 Hydro agrees to adopt the position and take the steps identified in Clause 9.7 above provided that no further submissions or evidence are filed in the Appeal (whether by TadAZ or any interested third party) other than (i) the documents filed by TadAZ on 18 October 2006 and (ii) submissions from Ansol in substance the same as those made in the hearing on 6 October 2006. Should any other submissions or evidence be filed, whether by TadAZ or any third party, Hydro shall (acting reasonably and in good faith) have the right to take any action which it is advised is prudent to protect itself. In addition, should any allegations be made in public regarding the Confidential Information, Hydro shall (acting reasonably and in good faith) have the right to take any steps in the Appeal which it is advised are prudent to protect itself.
- 9.9 TadAZ agrees that, if and to the extent that any costs orders are made in the Appeal (or in any further appeal) against Hydro, it will not seek enforcement of such costs orders against Hydro and waives any claims arising thereunder. Hydro agrees that it will not seek enforcement of any outstanding costs orders against TadAZ in connection with the Morison Publication Judgment and waives any claims arising thereunder.
- 9.10 Nothing in this Clause 9:
- 9.10.1 shall prevent TadAZ from disclosing documents or information concerning the Arbitration and/or the Challenge pursuant to TadAZ's obligations in the Fraud Action, in any legal proceedings involving the Rusal Group or Hamer or in any legal proceedings in connection with the Additional Ansol Claims subject to the provisions of Clause 8.3 above; and
- 9.10.2 shall prevent Hydro from disclosing documents or information concerning the Arbitration and/or the Challenge pursuant to Hydro's obligations in any proceedings relating to the Aluminium Agreement Claims, subject to the provisions of Clause 8.6 above.
- 9.11 Following the execution of this Agreement, the Parties shall jointly issue a press release in the form set out in Schedule 6 to this Agreement. Save in accordance with Clause 9.3.4 above or as otherwise contemplated by this Agreement, neither Party shall thereafter make any comment or

statement to the press regarding this Agreement without the prior written consent of the other Party.

9.12 The Parties shall so far as reasonably possible co-operate with each other in developing and performing a joint public relations strategy regarding this Agreement and the circumstances giving rise to it.

9.13 Each Party acknowledges and agrees that nothing in this Agreement shall prevent the other from informing any of the Ansoi Defendants, Rusal or Hamer on a without prejudice basis of the fact of the co-operation provisions in Clause 8 of this Agreement, provided that neither Party may disclose the substance of those provisions without first consulting with the other, unless otherwise contemplated by this Agreement.

10 FORCE MAJEURE

10.1 In this Clause 10 "Force Majeure Event" means, in relation to either Party, any act, event or circumstance, the cause of which is not within that Party's reasonable control, including (to the extent not within that Party's reasonable control) Act of God, war, hostilities (whether or not war has been declared), terrorism, acts of any civil or military authority, governmental or regulatory direction or restriction, suspension or withdrawal of licences or consents (including prohibition on exports), riot, insurrection, civil commotion, public demonstration, sabotage, acts of vandalism, fire, flood, earthquake, extreme weather conditions, epidemic, explosion, aircraft crashes or things falling from aircraft, release of ionising radiation or contamination by radioactivity, chemical or biological contamination, the order of any court or governmental or regulatory authority, delay in transportation or communications, failure by Hydro to make timely deliveries of alumina, accidental damage to equipment, any strike, lock-out or other industrial trade dispute (not involving solely the employees of that Party), provided always that lack of funds shall not be interpreted as a cause which is not of a Party's making nor within a Party's reasonable control.

10.2 If a Party (the "Affected Party") is prevented from performing any of its obligations under this Agreement by reason of a Force Majeure Event, such obligations of the Affected Party and any corresponding or related obligations of the other Party shall remain in effect but shall be suspended without liability for a period equal to the duration of the Force Majeure Event.

10.3 As soon as reasonably practicable after the start of the Force Majeure Event the Affected Party shall notify the other Party in writing of the act, event or circumstance relied on, the date on which such act, event or circumstance commenced, the effect of the Force Majeure Event on the Affected Party's ability to perform its obligations under the Agreement.

10.4 The Affected Party shall make all reasonable efforts to mitigate the effects of the Force Majeure Event on the performance of its obligations under this Agreement and shall furnish written reports every 30 days to the other Party on its progress in doing so, and shall provide any information relating to the Force Majeure Event and its effects that the other Party may reasonably request.

10.5 Immediately after the end of the Force Majeure Event the Affected Party shall notify the other Party in writing that the Force Majeure Event has ended and shall resume performance of its obligations under this Agreement. Insofar as the Force Majeure Event has resulted in payments or supplies not being made by TadAZ pursuant to Clauses 2 and 3, TadAZ shall recommence such payments or supplies in the calendar month following the ending of the Force Majeure Event and the payment dates set out in Schedules 1 and 2 shall be adjusted accordingly.

- 10.6 For the avoidance of doubt, subject to Clause 13.4 below, neither Party shall be released from any of its obligations under this Agreement as a result of a Force Majeure Event, and this Agreement shall remain in effect for the duration of a Force Majeure Event.

11 TECHNICAL ASSISTANCE

Hydro agrees to provide TadAZ with technical assistance relating to the operation of its smelter (including in particular assistance relating to environmental and health and safety matters) on the terms set out in Schedule 5 to this Agreement.

12 DETAINED ALUMINIUM

- 12.1 TadAZ shall write to the relevant Tajik authorities in the form set out in Schedule 8 to this Agreement with a view to encouraging the relevant authorities to permit the release and delivery of the Detained Aluminium to Hydro.
- 12.2 TadAZ shall use its reasonable endeavours to procure the lifting of all sanctions on the Detained Aluminium, including the cancellation or withdrawal of the State Prosecutor's Decree and the Customs Orders, so as to enable Hydro to obtain delivery of such aluminium. For the avoidance of doubt, nothing in this Agreement shall require TadAZ to challenge (whether by way of legal proceedings or otherwise) any decision by the relevant Tajik authorities to release the aluminium to a party other than Hydro, or to compensate Hydro in such event. However, in the event that part or all of the Detained Aluminium is released to TadAZ, TadAZ shall deliver the Detained Aluminium (or equivalent volume of aluminium) to Hydro, to the extent that TadAZ is permitted to do so under Tajik law.
- 12.3 In the event that part or all of the Detained Aluminium is released and delivered to Hydro, the maximum amount payable to Hydro pursuant to Clause 8.9 above shall be decreased by an amount equal to the market value of such aluminium as at the date of receipt by Hydro (the "Detained Aluminium Value"). In the event that the Detained Aluminium Value cannot be agreed between the Parties within 21 days, either party may refer the matter for expert determination in accordance with Clause 18 below.
- #### 13 TERMINATION
- 13.1 The Parties' common law rights to terminate this Agreement are expressly reserved, provided that neither Party shall be entitled to terminate this Agreement unless it has first given the other Party 30 days' prior written notice in which to remedy any breach of the Agreement giving rise to the right of termination. During such period the Parties shall use their reasonable endeavours to negotiate in good faith and settle amicably any dispute between the Parties.
- 13.2 Without prejudice to its common law rights to terminate reserved by Clause 13.1 above, in the event that TadAZ does not pay any amount payable by it pursuant to Clause 2 of this Agreement on the date due for payment and such amount remains unpaid after the expiry of 30 days following the giving by Hydro to TadAZ of a notice in writing requiring payment to be made, Hydro shall be entitled to terminate this Agreement with immediate effect by giving notice in writing to TadAZ.
- 13.3 The Parties expressly acknowledge that if this Agreement is terminated, all the rights and obligations of the Parties under this Agreement are terminated (with the exception of Clause 9.7, this Clause 13 and Clauses 16, 17 and 18) including, for the avoidance of doubt, those under Clauses 3 and 4 (and the respective Schedules).

13.4 If the performance by an Affected Party of any or all of its obligations under this Agreement is prevented by reason of a Force Majeure Event for a period of more than 90 consecutive days, the other Party may terminate this Agreement by giving 7 days' notice in writing to the Affected Party.

13.5 In the event of a termination (by either Party, for whatever reason) or other discharge of this Agreement (other than through performance of all the obligations herein), Hydro may, without prejudice to any other rights which it may have, take such steps to enforce the Arbitration Award as it sees fit (including those steps set out in Clause 5.1 above), provided that Hydro's right to enforce the Award shall be limited as follows:

13.5.1 TadAZ shall be given credit for the aggregate of (i) the amount of any and all payments made by TadAZ to Hydro pursuant to Clause 2.1 above; (ii) the value of the discounts received by Hydro in respect of the supplies of aluminum by TadAZ pursuant to Clauses 2.2, 2.3 and 3 above; and (iii) the value of the premium, if any, at which TadAZ has purchased alumina from Hydro pursuant to Clause 4 above. The value of any discount/premium shall be calculated by reference to the price which could have been obtained by TadAZ from a willing purchaser or seller (as applicable) at arm's length on the open market at the date of this Agreement in respect of (ii); and in respect of (iii) the date of this Agreement for deliveries in 2007, and thereafter on the dates that the prices for such subsequent years are agreed. In this regard TadAZ represents that, as at the date of this Agreement, the best price offer it has been able to obtain for a supply of alumina on terms equivalent to those set out at schedule 4 is 13% of LME-3M;

13.5.2 in the event that the value of any discount/premium cannot be agreed between the Parties within 21 days, either party may refer the matter for expert determination in accordance with Clause 18 below; and

13.5.3 (provided that TadAZ has paid Hydro at least US\$30million in cash pursuant to Clause 2.1 above) the total amount (including accrued interest) in respect of which Hydro may seek to enforce the Arbitration Award shall be limited to US\$130million, less the amounts referred to in Clause 13.5.1 above. For the avoidance of doubt:

(A) if this Agreement is terminated, interest under the Award shall accrue from the date of termination; and

(B) in calculating the amounts referred to in Clause 13.5.1, TadAZ shall be given credit for any supplies of aluminum or purchases of alumina made by a third party to whom TadAZ's obligations to make such supplies or purchases have been novated in accordance with Clause 14 below.

14 ASSIGNMENT / THIRD PARTIES

14.1 Subject to Clause 14.2 below, neither Party may assign (whether absolutely or by way of security and whether in whole or in part), transfer, mortgage, charge, declare itself trustee for a third party or, otherwise dispose of the benefit of this Agreement or any part thereof or delegate in any manner whatsoever its performance under this Agreement. Any purported assignment or similar in contravention of this Clause shall be ineffective. Nothing in this Clause shall interfere with any rights Hydro's insurers may have or acquire as a result of having insured the Barter Agreement, nor shall any breach of this Clause arise from any such acquisition.

14.2 Subject to Clause 14.3, Hydro agrees that TadAZ may novate its rights and obligations pursuant to Clauses 3 and 4 of this Agreement (and the respective schedules) to a third party. In the event

of such a novation, Hydro agrees that the contract to be entered into with the third party shall include (but not necessarily be limited to) identical terms to Clauses 3 and/or 4 of this Agreement (as the case may be) and the respective schedule(s), together with terms in substantially the same form as Clauses 10, 13.1, 13.4, 15, 16 (with the exception of Clauses 16.4, 16.5 and 16.7) and 19 of this Agreement.

- 14.3 In the event that TadAZ wishes to effect a novation pursuant to Clause 14.2 above, TadAZ may only do so if the identity of any such third party has previously been approved by Hydro (such approval not to be unreasonably withheld or delayed). In deciding whether or not to grant such approval, Hydro shall be entitled to take into account:
- 14.3.1 the financial standing of the proposed third party;
 - 14.3.2 the identity of any and all beneficial owners of the proposed third party;
 - 14.3.3 the operational capabilities and resources of the proposed third party;
 - 14.3.4 all relevant contracts and details of any relevant arrangements between TadAZ and the proposed third party;
 - 14.3.5 whether the third party meets Hydro's general requirements as regards corporate and social responsibility issues; and
 - 14.3.6 whether the third party meets with the approval of the World Bank and/or the EBRD.

In granting the approval, Hydro shall be entitled to impose reasonable conditions including that the terms of this Agreement be amended so as to take account of the novation and to secure Hydro's right to hold TadAZ liable to Hydro for the performance of any obligations that such third party fails to perform. In the event that the third party fails at any time to meet the conditions imposed by Hydro pursuant to this Clause, Hydro may, upon 2 months' prior written notice to TadAZ, require TadAZ to perform its obligations pursuant to Clauses 3 and 4 (and the Schedules thereto). Hydro agrees that, without prejudice to its right to withhold its approval for other reasons, it shall not object to the identity of the third party on grounds of ownership if (i) at least 70% of it is beneficially owned by the Tajik government; and (ii) the remaining part is beneficially owned by parties at arms length from the Tajik government (provided that those parties are otherwise acceptable to Hydro).

- 14.4 Nothing in this Agreement confers or purports to confer on any third party any benefit or any right to enforce any term of this Agreement which that third party would not have had but for the *Contracts (Rights of Third Parties) Act 1999*.

15 COSTS

The Parties shall bear their own costs, charges and expenses incurred in the negotiation and preparation of this Agreement.

16 GENERAL

- 16.1 No variation of this Agreement shall be effective unless it is in writing (which for this purpose does not include e-mail) and signed by or on behalf of each of the Parties. The expression "variation" includes any variation, supplement, deletion or replacement, however effected.

- 16.2 The rights and remedies of the Parties shall not be affected by any failure to exercise or delay in exercising any right or remedy or by the giving of any indulgence by either Party or by anything whatsoever except a specific waiver or release in writing and any such waiver or release shall not prejudice or affect any other rights or remedies of the Parties. No single or partial exercise of any right or remedy prevents any further or other exercise thereof or the exercise of any other right or remedy.
- 16.3 Each of the Parties warrants that they have full power and authority and have received all necessary authorisations and approvals to enter into and perform this Agreement and that the release, discharge and settlement provided for herein shall be binding upon themselves, their successors and personal representatives. The benefit of this Agreement and the release, discharge and settlement provided for herein shall ensure for the benefit of themselves, their successors, assigns and personal representatives.
- 16.4 TadAZ warrants that the execution and performance by it of this Agreement will not contravene any provisions of Tajik law in force at the date of this Agreement.
- 16.5 Each of the Parties warrants that in considering and agreeing to the terms herein it has consulted only internally and with its advisers and it has not consulted with the Rusal Group, Hamer, CDH or the Ansol Defendants or affiliates of said entities.
- 16.6 The Parties confirm that this Agreement constitutes the whole agreement between the Parties in relation to its subject matter and supersedes and extinguishes any previous or contemporaneous agreements, undertakings and arrangements pertaining to such subject matter. Each Party confirms that in entering into this Agreement it has not relied on any representation, warranty, assurance, covenant, indemnity, undertaking or commitment which is not expressly set out in this Agreement.
- 16.7 Hydro agrees that it shall not seek to avoid its obligations under this Agreement by questioning or challenging the validity of any of the documents referred to in paragraph 397 of the Arbitration Award.
- 16.8 If any term of this Agreement is deemed illegal, invalid or unenforceable in any jurisdiction, that shall not affect:
- 16.8.1 the legality, validity or enforceability in that jurisdiction of any other term in this Agreement; or
 - 16.8.2 the legality, validity or enforceability in other jurisdictions of that or any other term of this Agreement.

17 NOTICES

- 17.1 Any notice or other formal communication given under this Agreement may be delivered or sent by fax to the Party to be served as follows:

Hydro:

Hydro Aluminium AS
Drammensveien 264
N-0240 Oslo
Norway

Fax: +47 22 53 79 30

Attention: Head of Sourcing & Trading

TadAZ
735014 Tursunzade
Tajikistan

Fax: +992 37 44 62 02 1

Attention: Plant Manager and Deputy Plant Manager

or at such other address or fax number as may have been notified in writing to the other Party in accordance with this Clause.

17.2 Any notice or other formal communication shall be deemed to have been given:

17.2.1 if delivered, at the time of delivery; or

17.2.2 if sent by fax, on the date of transmission, if transmitted before 3.00 p.m. (London time) on any Business Day, and in any other case on the Business Day following the date of transmission.

17.3 In proving service of a notice or other formal communication, it shall be sufficient to prove that delivery was made or that the fax was properly addressed and transmitted, as the case may be.

18 EXPERT DETERMINATION

18.1 In the event that a matter is referred for expert determination in accordance with Clauses 2.4, 8.11, 12.3 or 13.5.2 above, the following procedure shall apply:

18.1.1 the Parties shall attempt in good faith to agree on the identity of and appoint an expert (the "Expert") within 14 days;

18.1.2 if the Parties fail to reach agreement on the identity of the Expert, either party may procure the appointment of an Expert as follows:

(A) in the case of a matter referred for expert determination pursuant to Clause 8.11, by requesting the President for the time being of the Law Society of England and Wales to appoint a suitable expert in accordance with this Clause for the determination of the matter in question; or

(B) in the case of a matter referred for expert determination pursuant to Clauses 2.4, 12.3 or 13.5.2, by requesting the Chairman for the time being of the London Metal Exchange to appoint a suitable expert in accordance with this Clause for the determination of the matter in question;

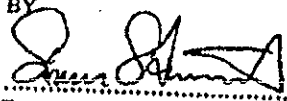
18.1.3 the Expert shall be generally recognised as an expert in the field or fields of expertise relevant to the dispute. The Expert shall be independent from the Parties and shall not, during the three years prior to the date of the proposed appointment as Expert have been in the employment of, or otherwise retained in any advisory capacity by, either Party (unless the other Party is advised of such previous employment or retainer and agrees in writing to the appointment of such person as the Expert);

- 18.1.4 the Expert shall act as an expert and not as an arbitrator. The law relating to arbitration shall not apply to the Expert or to his determination or to the procedure by which he reaches his determination;
- 18.1.5 the Expert shall be entitled to request such assistance from the Parties or from such other professionally qualified persons as it in its absolute discretion thinks fit to enable it to reach its decision and may in its reasonable discretion determine such other procedures to assist with the conduct of the determination as it considers appropriate;
- 18.1.6 the Expert shall use its best endeavours to render its decision on the matter referred for expert determination in writing and in the English language within 60 days of its appointment (in the case of a matter referred pursuant to Clause 8.11) or within 30 days of its appointment (in the case of a matter referred pursuant to Clauses 2.4, 12.3 or 13.5.2), or as soon thereafter as achievable;
- 18.1.7 the decision of the Expert shall be final and binding on the Parties, save in the case of manifest error or fraud;
- 18.1.8 each Party shall bear its own costs in relation to the reference to the Expert. The Expert's fees and any costs properly incurred by it in arriving at the determination shall be borne by the Parties equally or in such other proportions as the Expert shall direct; and
- 18.1.9 if an Expert duly appointed in accordance with the provisions of this Clause becomes unwilling or unable to act or determines that it is not, or no longer is, independent or does not in fact act in the matter for which it is appointed, then another Expert shall be appointed by the Parties in accordance with the procedure set out in this Clause.

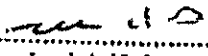
19 GOVERNING LAW AND JURISDICTION

- 19.1 This Agreement shall be governed by, and construed in accordance with, English law.
- 19.2 Save in respect of those matters reserved for expert determination pursuant to Clauses 2.4, 8.11, 12.3 and 13.5.2 above, any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the LCIA Rules, which Rules are deemed to be incorporated by reference to this Clause. The number of arbitrators shall be three. The seat, or legal place, of arbitration shall be London, United Kingdom. The language to be used in the arbitral proceedings shall be English.

SIGNED this 20 day of December 2006

BY


 For and on behalf of
HYDRO ALUMINIUM AS



 For and on behalf of
TAJK ALUMINIUM PLANT

SCHEDULE 1

Schedule of payment instalments to be made pursuant to Clause 2.1.1

Payment Instalment	Date
US\$12,000,000	31 December 2006
US\$2,000,000	31 January 2007
US\$2,000,000	28 February 2007
US\$2,000,000	31 March 2007
US\$2,000,000	30 April 2007
US\$4,000,000	31 May 2007
US\$4,000,000	30 June 2007
US\$4,000,000	31 July 2007
US\$3,000,000	31 August 2007
US\$3,000,000	30 September 2007
US\$1,500,000	31 October 2007
US\$1,500,000	30 November 2007
US\$1,500,000	31 December 2007
US\$1,500,000	31 January 2008
US\$1,500,000	29 February 2008
US\$1,500,000	31 March 2008
US\$1,500,000	30 April 2008
US\$2,500,000	31 May 2008
US\$2,500,000	30 June 2008
US\$2,500,000	31 July 2008

US\$2,500,000	31 August 2008
US\$2,500,000	30 September 2008
US\$1,500,000	31 October 2008
US\$1,500,000	30 November 2008
US\$1,000,000	31 December 2008
US\$1,000,000	31 January 2009
US\$1,000,000	28 February 2009
US\$1,000,000	31 March 2009
US\$1,000,000	30 April 2009
US\$1,000,000	31 May 2009

Total payments pursuant to this Schedule: US\$70,000,000

SCHEDULE 2

Schedule of payment instalments to be made pursuant to Clause 2.1.2

Payment Instalment	Date
US\$500,000	31 January 2007
US\$500,000	28 February 2007
US\$500,000	31 March 2007
US\$500,000	30 April 2007
US\$500,000	31 May 2007
US\$500,000	30 June 2007
US\$500,000	31 July 2007
US\$500,000	31 August 2007
US\$500,000	30 September 2007
US\$500,000	31 October 2007
US\$500,000	30 November 2007
US\$500,000	31 December 2007
US\$500,000	31 January 2008
US\$500,000	29 February 2008
US\$500,000	31 March 2008
US\$500,000	30 April 2008
US\$500,000	31 May 2008
US\$500,000	30 June 2008
US\$500,000	31 July 2008
US\$500,000	31 August 2008

US\$500,000	30 September 2008
US\$500,000	31 October 2008
US\$500,000	30 November 2008
US\$500,000	31 December 2008
US\$500,000	31 January 2009
US\$500,000	28 February 2009
US\$500,000	31 March 2009
US\$500,000	30 April 2009
US\$500,000	31 May 2009
US\$500,000	30 June 2009
US\$500,000	31 July 2009
US\$500,000	31 August 2009
US\$500,000	30 September 2009
US\$500,000	31 October 2009
US\$500,000	30 November 2009
US\$500,000	31 December 2009
US\$500,000	31 January 2010
US\$500,000	28 February 2010
US\$500,000	31 March 2010
US\$500,000	30 April 2010
US\$500,000	31 May 2010
US\$500,000	30 June 2010
US\$500,000	31 July 2010

US\$500,000	31 August 2010
US\$500,000	30 September 2010
US\$500,000	31 October 2010
US\$500,000	30 November 2010
US\$500,000	31 December 2010

Total payments pursuant to this Schedule: US\$24,000,000

SCHEDULE 3

Terms of supply of aluminium to Hydro by TadAZ

TadAZ agrees to sell and deliver, and Hydro agrees to purchase and take the following material upon and subject to all the terms and conditions as follows:

Seller: TadAZ

Buyer: Hydro

Term: 1 January 2007 to 31 December 2010

Delivery: Tallinn and/or St Petersburg (both FOB ST L/S/D EU duty unpaid and customs cleared for export only) to be agreed by the Parties or Tallinn in absence of agreement. Each Cargo shall be loaded in accordance with the standard loading provisions of the ports of St Petersburg and Tallinn which shall apply.

The Parties shall discuss in good faith the feasibility of delivery of aluminium on FOB terms at Poti, Georgia.

INCOTERMS 2000 are incorporated into this Schedule 3.

Material: Aluminium, GOST grades: A7E/A7/A6/A5/A0, TadAZ production, Tajik origin. Seller guarantees that, on a monthly basis, at least 70% of deliveries will comprise A7E or A7 and that up to 30% of deliveries shall be A6/A5/A0. AB97 may be delivered subject to Buyer's prior consent.

Shape: Standard ingots 12-26 kgs, in bundles of 800 kgs and suitable for bulk shipment, and/or T-Bars of 750 to 1000 kgs, in Seller's option.

Quantity: Total: 480,000
Yearly: 120,000
Quarterly: 30,000
Monthly: 10,000 MT, +/- 3% in Seller's option.
The Seller shall be entitled to exercise the tolerance option on a monthly basis, with the effect that the actual quarterly, yearly and total volumes may differ from those stipulated above with the compounded effect of the monthly tolerances.

Governing Weight: Bill of Lading

Shipment: Scheduled delivery at the rate of 10,000 MT +/- 3% monthly during January

2007 through December 2010.

A detailed delivery schedule (giving the loading port in accordance with "Delivery" terms above, and indicative loading program) to be agreed by end of November of the year prior to delivery. The delivery schedules for 2007 shall be agreed by 31 December 2006.

Pricing:

The price shall consist of an LME price minus the applicable Discount.

The LME price shall be the official LME quotation for 99.7% aluminium sold against cash settlement or 3 month whichever lowest as published in Reuters page "SETTLME1" averaged during the Quotational Period. If for any reason it is impossible to obtain an LME quotation on this Reuters page, the Parties shall agree a source or method that gives rise to an alternative method or basis to replace the aforementioned Reuters page. The Quotational Period shall mean the calendar month prior to any scheduled month of Warehouse Release (M-1).

Discount:

Discount is fixed for the term:

- for A7/A7E discount of \$15.00/MT
- for A6 discount of \$23.00/MT
- for A5 discount of \$30.00/MT
- for A0 discount of \$45.00/MT
- for AB97 discount of \$115/MT

Payment:

Net cash by telegraphic transfer to Seller's nominated bank account against the following documents:

1. Faxed commercial invoice.
2. Faxed copy of Warehouse Release. "Warehouse Release" means the statement issued by an independent freight forwarder in the respective port of loading (as noted under "Delivery" above) that the Material is irrevocably held by it to the order of Buyer.

Payment instructions to be executed within two Oslo, London and New York banking days after receipt of the faxed documents.

Title to the aluminium shall pass from the Seller to the Buyer on receipt by the Buyer of the Warehouse Release.

Other Documents:

Seller undertakes to courier the following documents immediately after shipment to Buyer's nominated address:

1. 3/3 Original Bill of Lading/Sea Waybills, in Buyer's option.
2. Certificate of origin.

3. Producer's certificates of quality and weight.
4. Original commercial invoice

Special Clauses:

1. Seller guarantees that metal will be covered by Seller's insurance until the delivery is made FOB ST L/S/D Buyer's vessel in Tallinn or St. Petersburg port. In case a payment has already been effected by Buyer to Seller, and the Seller for any reason, is unable to deliver to the Buyer the Material paid for by the Buyer, the Seller shall forthwith reimburse to Buyer 100% of the money paid for such metal.
2. The Seller will provide storage at its cost in warehouse at the Baltic Port for a period of up to 30 days from the date of Warehouse Release. Any excess storage to be for Buyer's account.
3. Snow covered or wet metal is acceptable
4. Seller/Producer to be shown on documentation as Shipper and Exporter
5. Metal to be free from asbestos and radioactivity
6. Cracks in T-bars to be left as is, i.e. no forced closures
7. All ingots to be properly dedrossed
8. Buyer's ref. no. PO 802232 on all paperwork

Aluminium Notice:

By the first day of the month preceding that in which a Cargo is to be delivered :

- The Seller shall send to the Buyer a notice which will specify the size of the Cargo and whether it would like to deliver aluminium of AB 97 grade.

Within two working days of receipt of Seller's notice:

- The Buyer shall send to the Seller a notice advising whether it will accept delivery of aluminium of AB 97 grade and in what volume.

Notice periods for deliveries of Cargos in January 2007 to be agreed by 31 December 2006.

Demurrage:

If the:

- Aluminium Vessel exceeds its laytime for reasons attributable to the Seller; and
- Buyer pays demurrage to the owner of the Aluminium Vessel,

then the Seller shall, following receipt of an invoice from the Buyer, pay to the Buyer an amount equal to that which the Buyer paid for the demurrage.

Warranties and Undertakings:

The Seller will, in respect of each Cargo, warrant to the Buyer that the Seller has good title to all of the aluminium in that Cargo and that it is free of all encumbrances.

Each Party undertakes to maintain throughout the Term all licences and authorisations required by it to: (i) produce, sell and deliver; or (ii) buy and take delivery of the aluminium.

Limitation of
Liability:

Notwithstanding anything in this Schedule 3, neither Party shall be liable for any indirect, consequential or special damages, costs or losses, or loss of profit, revenue, business opportunity, contract and anticipated savings, arising in relation to the provisions of this Schedule 3.

Except as set out herein, there are no representations, guarantees or warranties, express or implied, of merchantability, fitness or suitability of the aluminium for any particular purpose or otherwise.

SCHEDULE 4

Terms of supply of alumina to TadAZ by Hydro

The Seller hereby agrees to sell and deliver to the Buyer and the Buyer agrees to purchase and take the following material upon and subject to all of the terms and conditions as follows.

1. BUYER : TadAZ

2. SELLER : Hydro

3. TERM : 1st of January 2007 - 31st of December 2009.

4. MATERIAL : Sandy calcined metallurgical grade alumina. Any Jamaican, Aluncote, Alumar, Baudlum or Sherwin in Seller's option to comply with producer's specifications as set out at ANNEX I.

5. CONTRACT

QUANTITY : 2007 : 150,000 MT.
2008 : 150,000 MT, subject to agreement on price, pursuant to Clause 9 below
2009 : 150,000 MT, subject to agreement on price, pursuant to Clause 9 below

6. SHIPMENTS: 5 cargoes of 30,000 MT. A shipping tolerance of +/-5% in Seller's option for each Cargo to apply. The cargos are to be fairly evenly spread through the year commencing 1 January. A shipping schedule shall be agreed by 1 December of the year prior to delivery. The shipping schedule for 2007 shall be agreed by 31 December 2006.

7. DELIVERY : DES Poti, Georgia. INCOTERMS 2000 are incorporated into this Schedule 4.

8. PRICE : 14.7% of LME-3M
The parties shall negotiate in good faith by October 2007 and 2008 respectively the price applicable for deliveries to be made hereunder during the following year. Should the parties fail to agree a price, no deliveries will be made hereunder during the year for which no price has been agreed.

**9. LME
DEFINITION
O.P. :**

The LME 3 Month Price is the mean of the official 3 months price for Aluminium 99.7% on each day in the month preceding that in which the alumina is scheduled for completion of loading.

10. PAYMENT

CONDITIONS: In USD by Letter of Credit payable 45 days after presentation of the following shipping documents:

1. Seller's original commercial invoice
2. Original certificate of weight
3. Original certificate of analysis
4. Original certificate of origin issued by the producer
5. Full set of original charter party or ocean bills of lading

All banking charges, including any confirmation charges, are for Buyer's account.

Letter of Credit to be opened by Buyer in a bank acceptable to Seller no later than 14 days prior to the estimated time of arrival of Seller's chartered vessel in the discharging port, as this date is nominated by the Seller to Buyer upon the vessel's departure from the port of loading. Seller's nomination shall be based on information provided by the vessel usually through a "departure report" issued by the master upon sailing from the port of loading. If the date by which the Buyer shall open L/C falls on a day which is not a Business Day, the L/C shall be provided by the last prior Business Day.

L/C to be issued in compliance with enclosed ANNEX II.

The Buyer's failure to open L/C timely and in full compliance shall constitute a breach, and without limiting the Seller's remedies, it shall be entitled to reroute the Cargo without further notice to Buyer.

II. REFERENCE: Seller's reference SO3755 to be on all paperwork.

GENERAL TERMS AND CONDITIONS

- Art. 1 **DISCHARGE CONDITIONS**
In accordance with the standard loading discharge conditions in Port of Poti as set out in ANNEX III.
- Art. 2 **TRANSFER OF TITLE TO PROPERTY**
Title to property in the material shall pass from Seller to Buyer at the time that the Seller has received payment in full.
- Art. 3 **WEIGHING**
The weight of the Alumina shall be determined by draft survey by an independent surveyor at the Loading Port at Seller's expense and this weight shall be confirmed on the Bill of Lading as final and binding and shall form the basis for invoicing, save for fraud or manifest error. At its own expense, the Buyer shall have the right to be represented on the occasion of the determination of the weight of the shipment at Loading Port.
- Art. 4 **QUALITY**

The Seller warrants that the material supplied shall conform to the specifications set out in ANNEX I. The Buyer shall not be entitled to reject the alumina or any part thereof for minor differences from the specifications set out in ANNEX I.

Art. 5

SAMPLING AND ANALYSIS - NON-CONFORMING MATERIAL

Representative samples to determine the quality of each shipment shall be taken by a representative of the Seller during loading, according to the standard methods used at the relevant loadport. A description of these methods should be submitted by Seller to Buyer in writing if requested. Two equal portions of each final sample shall be placed in sealed containers and duly marked. One portion shall be sent to Buyer or at Buyer's option held by Seller for 90 days on behalf of Buyer, and the other one retained by Seller for umpire purposes for 120 days after B/L date. Buyer has the right at his own risk and expense to be present during sampling.

The material shall be deemed to comply with the Guaranteed Specifications unless the Buyer notifies the Seller within sixty (60) days of the B/L date that the material delivered does not conform with the Guaranteed Specifications and the nature of that nonconformity. Within fourteen (14) days of receipt of any notice of nonconformity, Seller shall advise Buyer whether or not it accepts that the relevant material does not conform with the specifications set out in ANNEX I.

In case of disagreement between Seller and Buyer about the material's conformity, the umpire sample retained by Seller shall be analysed by a referee laboratory agreeable to Buyer and Seller.

The result of said referee analysis will be definitive and binding on both Parties. The cost of said analysis will be borne by the Party whose results differ most from those given by the referee laboratory.

Alumina Notice: By the 20th day of the month preceding that in which a Cargo is to be loaded, the Seller shall send to the Buyer a notice which will specify the date which loading is anticipated to be completed, and the nominated size of the Cargo.

Demurrage:

If the:

- Alumina Vessel exceeds its laytime for reasons attributable to the Buyer; and
- Seller pays demurrage to the owner of the Alumina Vessel,

then the Buyer shall, following receipt of an invoice from the Seller, pay to the Seller an amount equal to that which the Seller paid for the demurrage.

Warranties and Undertakings:

The Seller will, in respect of each Cargo, warrant to the Buyer that the:

- alumina in the Cargo complies with the producer's specifications;
- Seller has good title to all of the alumina in the Cargo; and
- alumina in the Cargo is free of all encumbrances (other than the retention of the Seller's title pending drawdown under the Buyer Letter of Credit).

Each Party undertakes to maintain throughout the Term all licences and authorisations required by it to perform the Agreement.

LIMITATION OF LIABILITY

Notwithstanding anything in this Schedule 4, neither Party shall be liable for any indirect, consequential or special damages, costs or losses, or loss of profit, revenue, business opportunity, contract and anticipated savings, arising in relation to the provisions of this Schedule 4.

Except as set out herein, there are no representations, guarantees or warranties, express or implied, of merchantability, fitness or suitability of the Alumina for any particular purpose or otherwise.

BREACH BY THE SELLER

A breach by the Seller of any of the provisions of Clause 4 or this Schedule 4 shall not entitle the Buyer to terminate the Agreement, pursuant to Clause 13 or otherwise.

ANNEX I

Specifications for 7 qualities of metallurgical alumina for TADAZ

Specification for Alunorte alumina

Chemical and physical analyses	Typical value	SPECIFICATION	METHOD
Na ₂ O [%]	0,40	< 0,50	XRF
SiO ₂ [%]	0,017	< 0,025	XRF
Fe ₂ O ₃ [%]	0,017	< 0,025	XRF
CaO [%]	0,005	< 0,020	XRF
TiO ₂ [%]	0,005	< 0,007	XRF
P ₂ O ₅ [%]	0,0004	< 0,002	XRF
V ₂ O ₅ [%]	0,002	< 0,005	XRF
ZnO [%]	0,001	< 0,008	XRF
MnO [%]	0,001	< 0,002	XRF
Attrition Index [%]	12	20	
+150µm [%]	2,4	5,0	Dry sieving
-45µm [%]	6,1	10,0	Dry sieving
-20µm [%]	1,2	1,8	
Surface Area (BET) [m ² /g]	77	60-80	
MOI (110° - 300°C) [%]	0,75	<1,0	

L.O.I (300° - 1000°C) [%]	0,80	< 1,0	
Bulk Density [g/cm ³]	0,98	0,90 -- 1,05	
Alpha [%]	2,5	10	

Specification for Alumina alumina

Chemical and physical analyses	Typical value	SPECIFICATION	METHOD
Al ₂ O ₃ [%]	-	> 98,5	DHL
Na ₂ O [%]	0,39	< 0,60	XRF
SiO ₂ [%]	0,008	< 0,030	XRF
Fe ₂ O ₃ [%]	0,008	< 0,030	XRF
CaO [%]	0,022	< 0,050	XRF
TiO ₂ [%]	-	< 0,004	XRF
P ₂ O ₅ [%]	-	< 0,003	XRF
V ₂ O ₅ [%]	0,001	< 0,005	XRF
ZnO [%]	-	< 0,005	XRF
MnO [%]	-	-	XRF
Attrition Index [%]	19	-	
+150µm [%]	5,2	-	
-45µm [%]	10	12,0	
-20µm [%]	1,4*	-	

Surface Area (BET) [m ² /g]	74	60-80	
L.O.I (20° - 300°C) [%]	-	-	
L.O.I (300° - 1000°C) [%]	0,88	< 1,0	
Bulk Density [g/cm ³]	1,01	-	
Alpha [%]	6,0	-	

^{c)} Analyzed on whole sample

Specification for Bancilum alumina.

Chemical and physical analyses	Typical value	SPECIFICATION	METHOD
Al ₂ O ₃ [%]	98,8<	> 98,5	DIFF.
Na ₂ O [%]	0,42	< 0,60	XRF
SiO ₂ [%]	0,014	< 0,030	XRF
Fe ₂ O ₃ [%]	0,009	< 0,030	XRF
CaO [%]	0,031	< 0,050	XRF
TiO ₂ [%]	0,003	< 0,005	XRF
P ₂ O ₅ [%]	< 0,001	< 0,002	XRF
V ₂ O ₅ [%]	< 0,001	< 0,003	XRF
ZnO [%]	-	-	XRF
MnO [%]	-	-	XRF
Attrition Index	13	-	
+150µm [%]	2,5	< 10,0	Dry sieving

-45µm	[%]	8,0	<12,0	Dry sieving
-20µm	[%]	1,0	1,8	
Surface Area (BET)	[m ² /g]	75	60-80	
MOI (20° - 300°C)	[%]	0,90	-	
L.O.I (300° - 1000°C)	[%]	0,80	< 1,0	
Bulk Density	[g/cm ³]	-	-	
Alpha	[%]	2,0	8,0	

Specification for Alpart alumina

Chemical and physical analyzes		Typical value	SPECIFICATION	METHOD
Al ₂ O ₃	[%]		>98,2	DHL
Na ₂ O	[%]	0,48	<0,50	XRF
SiO ₂	[%]	0,011	<0,015	XRF
Fe ₂ O ₃	[%]	0,009	<0,014	XRF
CaO	[%]	0,035	<0,050	XRF
MnO	[%]	0,0013	<0,0020	XRF
TiO ₂	[%]	0,0012	<0,0020	XRF
P ₂ O ₅	[%]	<0,081	<0,002	XRF
V ₂ O ₅	[%]	0,0024	<0,0045	XRF
ZnO	[%]	0,010	<0,016	XRF

Attrition Index	[%]	18	25	
+150 μ m	[%]	3,7	<10	Dry sieving
-45 μ m	[%]	7,5	12,6	Dry sieving
-20 μ m	[%]	0,8	3,0	
Surface Area (BET)	[m ² /g]	72	60-85	
L.O.I (20 ^o - 300 ^o C)	[%]	-	-	
L.O.I (300 ^o - 1000 ^o C)	[%]	0,85	<1,1	
Bulk Density	[g/cm ³]		-	
Alpha	[%]	7,5	-	

Specification for Jamalco alumina.

Chemical and physical analyses		Typical value	SPECIFICATION	METHOD
Al ₂ O ₃	[%]	-	> 98,5	DHL
Na ₂ O	[%]	0,38	< 0,50	XRF
SiO ₂	[%]	0,012	< 0,020	XRF
Fe ₂ O ₃	[%]	0,014	< 0,020	XRF
CaO	[%]	0,050	< 0,060	XRF
TiO ₂	[%]	0,002	< 0,005	XRF
P ₂ O ₅	[%]	0,0015	< 0,003	XRF
V ₂ O ₅	[%]	0,002	< 0,005	XRF
ZnO	[%]	0,010	< 0,016	XRF

CuO	[%]	< 0,0005	< 0,016	XRF
Ga ₂ O ₃	[%]	0,006	<0,010	XRF
Attrition Index	[%]	-	-	
+150µm	[%]	3,0	<15	Dry sieving
-45µm	[%]	8,5	12,0	Dry sieving
-20µm	[%]	1,7	3,0	
Surface Area (BET)	[m ² /g]	67-77	60-80	
LOI (20° - 300°C)	[%]	-	-	
LOI (300° - 1000°C)	[%]	0,80	< 1,0	
Bulk Density	[g/cm ³]	-	-	
Alpha	[%]	-	-	

Specification for Winalco alumina.

Chemical and physical analyses	Typical value	SPECIFICATION	METHOD
Al ₂ O ₃ [%]	-	> 98,5	Difl
Na ₂ O [%]	0,42	< 0,60	XRF
SiO ₂ [%]	0,018	< 0,030	XRF
Fe ₂ O ₃ [%]	0,007	< 0,030	XRF
CaO [%]	0,040	< 0,070	XRF
TiO ₂ [%]	0,001	< 0,005	XRF
P ₂ O ₅ [%]	< 0,001	< 0,009	XRF
V ₂ O ₅ [%]	< 0,001	< 0,005	XRF
ZnO [%]	0,010	< 0,016	XRF
MnO [%]	-	-	XRF
Attrition Index [%]	-	< 30	
+150µm [%]	2,6	-	Dry sieving
-45µm [%]	8,0	12,0	Dry sieving
-20µm [%]	1,0	3,0	
Surface Area (BET) [m ² /g]	75	60-90	
L.O.I (20° - 300°C) [%]	-	-	
L.O.I (300° - 1000°C) [%]	0,80	< 1,2	
Bulk Density [g/cm ³]	0,92	1,15	
Alpha [%]	-	-	

Specification for Sherwin alumina.

Chemical and physical analyses		Typical value	SPECIFICATION	METHOD
Al ₂ O ₃	[%]	-	> 98,5	Diff.
Nb ₂ O	[%]	0,40	< 0,50	XRF
SiO ₂	[%]	0,009	< 0,025	XRF
Fe ₂ O ₃	[%]	0,003	< 0,025	XRF
CaO	[%]	0,019	< 0,050	XRF
TiO ₂	[%]	0,001	< 0,005	XRF
P ₂ O ₅	[%]	< 0,001	< 0,002	XRF
V ₂ O ₅	[%]	< 0,001	< 0,003	XRF
ZnO	[%]	0,010	< 0,016	XRF
CuO	[%]	< 0,0005	< 0,016	XRF
MnO	[%]	-	-	XRF
Attrition Index	[%]	-	< 10	
+150µm	[%]	2,6	-	
-45µm	[%]	4,4	10,0	
-20µm	[%]	1,0	< 2,0	
Surface Area (BET)	[m ² /g]	73	60-80	
L.O.I (20° - 300°C)	[%]	< 1,0	-	

L.O.I (300° - 1000°C) [%]	0,80	< 1,0	
Bulk Density [g/cm ³]	0,93	< 1,15	
Alpha [%]	6,0	< 10	

Methods for analysis of metallurgical alumina.

The typical and max values in the enclosed specs are referred to results achieved by the following analytical methods:

MOI - LOI	Australian Standard AS 2879.1
Alfa alumina	Australian Standard AS 2879.3
Specific Surface area	Australian Standard AS 2879.4
Particle size distribution	Australian Standard AS 2879.6
Elemental composition by XRF:	Australian Standard AS 2879.7
Bulk Density	Australian Standard AS 2879.8
Attrition Index	Australian Standard AS 2879.10

Australian Standard Method AS 2879.2 (-20µm by wet sieving with acetone) is normally not used in routine analyses. Instead, it is used to calibrate other, less labour intensive methods.

Several of the Australian Standard Methods are in the process of replacing old ISO standard methods for the analysis of metallurgical alumina.

ANNEX II

Form of LC

ISSUING BANK: BANK (FULL NAME AND ADDRESS)

APPLICANT:

ADVISING BANK: (TO BE NOMINATED BY BENEFICIARY)

BENEFICIARY: HYDRO ALUMINIUM AS
DRAMMENSVEIEN 264
NO-0240 OSLO, NORWAY

FORM OF DOCUMENTARY CREDIT: IRREVOCABLE

AMOUNT: USD.....

COVERING:MT \pm 5 % OF SANDY CALCINED METALURGICAL GRADE ALUMINA IN BULK

DELIVERY: DES POTT

EXPIRY:200..

AVAILABLE AT THE COUNTERS OF THE ADVISING BANK, PAYABLE 45 DAYS AFTER PRESENTATION OF THE FOLLOWING DOCUMENTS:

1. BENEFICIARY'S SIGNED COMMERCIAL INVOICE
2. ORIGINAL CERTIFICATE OF WEIGHT
3. ORIGINAL CERTIFICATE OF ANALYSIS
4. ORIGINAL CERTIFICATE OF ORIGIN
5. FULL SET OF THREE ORIGINAL OCEAN OR CHARTER PARTY BILLS OF LADING.

ADDITIONAL CONDITIONS:

1. PARTIAL SHIPMENTS AND TRANSHIPMENT NOT ALLOWED
2. PARTIAL DRAWINGS NOT ALLOWED
3. ALL BANK CHARGES ARE FOR APPLICANT'S ACCOUNT.
4. SPELLING AND TYPOGRAPHICAL ERRORS SHALL NOT BE CONSIDERED AS DISCREPANCIES EXCEPT FOR FIGURES.
5. 5 PCT MORE OR LESS IN UNIT PRICE AND AMOUNT QUANTITY TO BE ALLOWED.

6. IF PAYMENT DUE DATE FALLS ON A SATURDAY OR NON MONDAY BANK HOLIDAY, THEN RELEVANT PAYMENT TO BE EFFECTED VALUE THE PRECEDING WORKING DATE.
IF PAYMENT DUE FALLS ON A SUNDAY OR MONDAY BANK HOLIDAY, THEN RELEVANT PAYMENT TO BE EFFECTED VALUE THE FIRST FOLLOWING BANK WORKING DAY.

PERIOD FOR PRESENTATION.

DOCUMENTS MUST BE PRESENTED WITHIN 40 DAYS AFTER THE DATE OF ISSUANCE OF THE TRANSPORT DOCUMENTS BUT WITHIN THE VALIDITY OF THIS CREDIT.

THIS IS SUBJECT TO THE UNIFORM AND PRACTICE FOR DOCUMENTARY CREDITS, 1993 REVISION, ICC PUBLICATION NO. 500.

ANNEX III

Discharge Conditions Poti, Georgia

DISCHARGE, LAYTIME, DEMURRAGE AND DESPATCH

Maximum physical allowance for vessels to discharge alumina at Port of Poti for which Buyer guarantees one good and safe berth:

- Max LOA allowed: 240 meters
- Max Beam allowed: 35 meters
- Minimum guaranteed draft allowed at all times: 10.2 meters

Rate of discharge minimum 3,000 MT per weather working day Saturdays, Sundays and Holidays included.

Notice of Readiness shall be submitted and accepted (Saturdays, Sundays and Holidays included) between 0800 hours and 1700 hours whether in free pratique or not, whether custom cleared or not, whether in berth or not. If discharge berth is occupied, then valid Notice of Readiness may be submitted from designated waiting berth or anchorage.

Time for discharging shall count 6 hours after Notice of Readiness has been submitted, unless sooner commenced, in which case half time actually used before commencement of laytime shall count.

Time used in shifting from waiting berth or anchorage to discharge berth shall not count even if vessel is on demurrage.

If time for discharge exceeds the laytime allowed (as specified above) then Buyer shall pay demurrage to Seller for time so lost.

If time for discharge is less than laytime allowed (as specified above) then Seller shall pay despatch to Buyer at half rate of demurrage for time so saved.

Rate of demurrage to be as per relevant Charter Party, and to be advised by Seller to Buyer together with vessel nomination.

Vessel Nomination:

Seller shall nominate vessel to Buyer latest 5 days prior to ETA loading port, and Buyer shall accept or reject such nomination within 6 working hours after nomination. Any acceptance of vessel shall not be unreasonably withheld, and any rejection shall specify reason for rejection. Nomination of vessel shall specify:

- Vessel name and full description (including LOA, Beam, Draft, Year of built, Flag, Number of holds and hatches, Call sign, Estimated Cargo intake, Estimated time of arrival Port of Poti, Rate of Demurrage and full style of nominated Agents in Port of Poti)

SCHEDULE 5

Technical Assistance

The Parties agree to work jointly towards improving the operations of the TadAZ smelter in respect of smelter efficiency, emissions, safety standards and health. TadAZ shall with the support of Hydro establish a project aimed to reduce the environmental footprint from the TadAZ operation and improve the Safety, Health and Environmental performance and reporting towards international standard. All information as to the existence, status, work in progress and preliminary and final findings of this project shall be kept confidential, and Hydro shall not disclose any such information to third parties without TadAZ's prior written consent. The Parties' co-operation on this project shall be fully prescribed in and subject to future agreements. However, Hydro shall at least provide the following in this project:

- An adequate number of internal experts to gather information, monitor performance, provide calculations, give advice and otherwise perform those services as Hydro shall undertake pursuant to the agreed project plan.
- Within 6 months after the signing of this Agreement, a technical audit of TadAZ's current operations. Hydro will provide the necessary technical expertise during the review. The review process logistics and costs shall be subject to further discussions and agreement between TadAZ and Hydro. Such agreement shall take place prior to commencement of any technical audit work. The finalised review report shall identify areas where improvements are needed, which measures should be implemented to mitigate the situation and provide initial cost estimates for the measures.
- A proposal for and assistance in quality assuring emission data and review systems for the monitoring of the environment surrounding the plant.
- Follow-up and technical support of the agreed improvement projects to the smelter operation, including ancillary facilities (such as cast house, carbon plant, etc.).
- Support for any applications to the European Bank of Reconstruction and Development and/or the World Bank and/or any other aid or infrastructure funds and/or organizations for finance and implementation assistance with respect to projects for improving the operations and infrastructure of TadAZ, and assistance in implementing such projects.
- Attend review meetings pursuant to the agreed project plan, at least once every 6 months throughout the term of this Agreement. During the first 6 months from the date of this Agreement, Hydro's contributions shall be compensated by TadAZ at the following daily rates:

Senior Managers US\$1125
Senior Engineers US\$975
Engineers US\$825
Technicians US\$712.50

The Parties shall negotiate in good faith the daily rate at which Hydro's contributions shall be compensated thereafter.

In addition, travel expenses and accommodation shall be compensated at cost.

SCHEDULE 6

Form of Press Release

JOINT PRESS RELEASE

New Commercial Arrangements agreed between Hydro and TadAZ

Hydro Aluminium of Norway and Tajik Aluminium Plant of Tajikistan have entered into new commercial arrangements. These incorporate a final resolution of the recent Award of the London Court of International Arbitration, which related to the supply of alumina and aluminium between the parties in the latter half of 2004.

As part of the arrangements, TadAZ will deliver to Hydro between 120,000 and 200,000 tonnes of primary aluminium per year over a four year period and Hydro will supply 150,000 tonnes of alumina to TadAZ.

Hydro will also provide technical assistance to TadAZ, with a view to improving the efficiency of the smelter and its environmental and health and safety performance, as well as corporate and social responsibility issues.

In negotiating these new arrangements, Hydro and TadAZ received assistance from, and the approval of, the World Bank and the European Bank for Reconstruction and Development.

"We are pleased to have resolved our differences with TadAZ and to have reached a positive new commercial arrangement with TadAZ," said Torstein Dale Sjøtveit, Executive Vice President in Hydro. "We see this as a mutually beneficial agreement, where Hydro will receive the primary aluminium needed for our remelting operations and at the same time give assistance to TadAZ regarding operational issues. Hydro is committed to supporting TadAZ to increase their efficiency and production for the benefit of the Republic of Tajikistan," commented Simon Storesund, Senior Vice President of Hydro Aluminium.

"We are delighted to have entered into a four year commercial agreement with Hydro. We are also pleased to announce that a settlement has been reached that enables both parties to work together on mutually beneficial commercial arrangements in the coming years," said Sherali Kabirov, TadAZ's Deputy Director. "TadAZ regards Hydro as an important strategic partner in the aluminium industry. Hydro's commitment to its relationship with TadAZ demonstrates TadAZ's ability to trade successfully with international counterparties."

About the partners

Tajik Aluminium Plant, TadAZ, consisting predominantly of plants in the town of Tursunzade and owned by the Government of the Republic of Tajikistan, is the largest industrial enterprise in Tajikistan, accounting for a significant proportion of the country's GDP and employing more than 12,000 people.

Hydro Aluminium is a fully owned subsidiary of Norsk Hydro ASA. Hydro is a Fortune 500 energy and aluminium company with 33,000 employees in nearly 40 countries. The company is a leading offshore producer of oil and gas, a major aluminium supplier and a leader in the development of renewable energy sources. Its mission is to strengthen the viability of the customers and communities it serves.

SCHEDULE 7

Form of letter to be sent by Hydro to Court of Appeal

[on the headed notepaper of Watson, Farley & Williams]

Our reference: SAVAI/THOS1/00218.50000

Civil Appeals Office Registry
Room E307
3rd Floor East Block
Royal Courts of Justice
Strand
London, WC2A 2LL

Dear Sir/ Madam

APPEAL NO. 2006/2218

**TAJK ALUMINIUM PLANT (Appellant) -v- HYDRO ALUMINIUM AS (Respondent)
ON APPEAL FROM CLAIM NO. 2005 FOLIO 991**

We are solicitors for the Respondent.

We refer to the Appellant's Notice issued on 18 October 2006.

The Respondent wishes to inform the Court that it does not intend to file a Respondent's Notice.

Further, the Respondent wishes to inform the Court that it has no continuing commercial interest in resisting the Appeal. The Respondent does not therefore intend to appear in the Appeal proceedings, including at any hearing of the Appeal.

The Respondent requests that this letter be put before the Lord Justices of Appeal at any hearing in the Appeal.

Yours faithfully

Watson, Farley & Williams LLP

cc Herbert Smith (by fax)

SCHEDULE 8

The Detained Aluminium

[on the headed notepaper of TadAZ]

General Prosecutor's Office of the Republic of Tajikistan
Dushanbe
Tajikistan

For the attention of the General Prosecutor, Mr B.K. Bobokhonov

Customs service attached to the government of the Republic of Tajikistan
Dushanbe
Tajikistan

For the attention of Head of Service, Mr G. Zaripov

Dear Sirs,

We refer to the ongoing criminal investigation proceedings No 11051 and the suspension of aluminium exports by Tajik Aluminium Plant ("TadAZ") under contracts with Hamer Investing Ltd ("Hamer"), Hydro Aluminium AS ("Hydro") and Ansol Limited ("Ansol") (the "Suspension"). As a result of the Suspension, approximately 8,500 MT of aluminium loaded for export in December 2004, was detained at TadAZ's premises (the "Detained Aluminium"). The Detained Aluminium remains at TadAZ's premises.

The question of the ownership of the Detained Aluminium formed part of the dispute between Hydro and TadAZ which arose in December 2004 and was subsequently submitted to arbitration. The arbitral tribunal decided that the Detained Aluminium belonged to Hydro. So far as TadAZ is aware, no other Party has claimed ownership of the Detained Aluminium, though it is possible that the issue might be raised in the High Court proceedings that TadAZ has commenced against Ansol and others.

The dispute between Hydro and TadAZ has now been amicably settled and TadAZ is no longer claiming that Hydro was in any way involved in or had knowledge of any deception or fraud regarding the contracts referred to above. Further, TadAZ and Hydro have renewed their business links and Hydro will be a strategic partner to TadAZ going forward.

In light of the above, we kindly request that you consider the possibility of releasing the Detained Aluminium to Hydro.

Yours sincerely,

S.F. Sharipov
Director
Tajik Aluminium Plant