

Transport Infrastructure Strategy
Nickel Cluster Sector

LOCATION

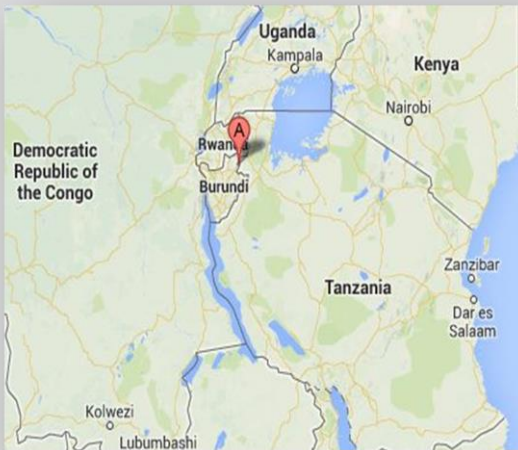
**CENTRAL DEVELOPMENT CORRIDOR,
TANZANIA & BURUNDI**

SECTOR

NICKEL

CLIENT

FINANCIAL INSTITUTION



OVERVIEW

A-Cubed Consulting was retained in July 2008 by the lead consultant for Development Bank of South Africa (DBSA) to assume responsibility for the transport infrastructure component for a strategy for the nickel cluster in the Central Development Corridor in East Africa – essentially in Burundi and Tanzania where the nickel resource is located within the Kilbaran Belt. This is a remote area and is not directly connected to the rail network.

The developing nickel projects in this area, particularly Xstrata’s Kabanga Project, required a transport infrastructure strategy that would enable the importation of raw materials for the process plant, and the exportation of the finished product.

Further elements of the study, from other specialists, included input on electrical infrastructure, legal, exploration, metallurgy and environmental aspects.

SCOPE OF WORK & METHODOLOGY

A site visit to Dar es Salaam to meet with the port authority and the Central Development Corridor was followed by a site visit to Bujumbura, Burundi to inspect the port facilities and hold discussions with port officials.

The study outline covered:

- an assessment of current road, rail, inland dry ports and port infrastructure (sea ports and lake ports) focussed on current capacities and performance. The delays at border posts and at sea ports were also considered;
- an analysis of transport infrastructure requirements for the various mine sites, considering customary mine production ramp ups and the implication for increased demand for transport capacity for imports (raw materials) and exports;
- an analysis of transport infrastructure gaps and identified opportunities to bridge those gaps;
- strategic transport infrastructure measures that need to be implemented in the short-medium term to enable the region’s mining sector to develop its world-class nickel laterite resources.

