

31 March 2020

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PER EMAIL

Dear Peter, Dave, and Valued Customer,

NOTICE OF THE DECLARATION OF FORCE MAJEURE DUE TO THE COVID-19 OUTBREAK

1. As you are now aware President Cyril Ramaphosa declared a nationwide lock-down as of midnight on Thursday 26 March 2020, with the exception of essential services as defined in the Regulations issued on 25 March 2020 (Annexure B).
2. The lockdown, is the South African government's bid to contain and slow down the spread of the Coronavirus in the country.
3. The announcement comes a week after the President declared the outbreak a national state of disaster with South Africa experiencing a rapid surge in the number of confirmed cases.
4. Exempt from this lockdown are companies that are essential to the production and transportation of food, basic goods and medical supplies, emergency and security services who will remain operational during the 21 day lockdown period.
5. In terms of the aforesaid Regulations Transnet Port Terminals will remain operational to support the transportation of essential goods and services as well as those goods and services that support the production or provision of those essential goods and services to the country. It

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is to be noted however, that portions of our operations will be scaled down over the period of the lockdown to ensure focus and efficiency is maintained over this period.

6. Following on the initial announcement by the President, there have been changes such as the enablement of the mining companies to approach their regulator Ministry on an individual basis and seek authorization to continue operations, albeit on a limited basis.
7. Further, in addition to the list of essential goods, Government has revised and created exemptions for other goods, which are critical to the health of the national economy and its revilitisation post the crisis.
8. Limited operations at the RCB Dry Bulk Terminal and Saldanha Iron ore Bulk terminal will be available.
9. Operations will be available to service the essential agricultural bulk sector albeit on a reduced level.
10. Automotive Terminals will be closed. Break bulk Multi-Purpose Terminals will continue to operate on a scaled back single berth operation with essential break bulk goods given priority.
11. Unfortunately, the effects of this unforeseen pandemic of the coronavirus are beyond the control of TPT and therefore TPT has no option but to invoke the provisions of the Force Majeure clauses in TPT's commercial agreements and Standard Trading Terms and Conditions. Any outbreak of epidemic proportions, any plague or quarantine period declared as a result thereof is regarded as a Force Majeure Event in terms of such agreement.
12. As a result if TPT is prevented from, or delayed in performing any of its obligations under such commercial agreement or in terms of our Conditions of Trade in respect of the Container sector or our Standard Trading Terms in terms of the Bulk and Break-bulk sectors and any annexure thereto as a consequence of such Force Majeure event, TPT shall be relieved of the liability for the delay or failure to perform any of its obligations under such agreement, Conditions of Trade or Standard Trading Terms.
13. TPT has already sent two letters with the practical application of the above events to the container sector (refer "APPLICATION OF THE COVID19 LOCKDOWN – PROACTIVE MEASURES TO ENSURE THROUGHPUT OF ESSENTIAL CONTAINERS 26 MARCH 2020 – 16 APRIL 2020," dated 24 March 2020 and "FURTHER CLARIFICATION: PRACTIAL APPLICATION OF THE COVID19 LOCKDOWN – PROACTIVE MEASURES TO ENSURE THROUGHPUT OF ESSENTIAL CONTAINERS 26 MARCH 2020 – 16 APRIL 2020," dated 26 March 2020). These letters will remain in force. Further to these letters we confirm that, for the period of the lockdown:
 - a. The provisions of the CTOC berthing windows have ceased with effect from 27 March 2020 in favour of on a first planned, first served basis in all terminals.
 - b. Storage of containers which cannot be physically moved within the defined free period will not be charged. We reserve the right to levy storage in cases where abuse of this declaration is evident.

14. Any claims arising from our operation under this state of Force Majeure will be dealt with in terms of the applicable contractual agreements and Standard Trading Terms and Conditions.
15. Kindly be advised that this constitutes an official notice suspending the provisions of all applicable contracts during this period of lockdown and specifically from 24h00 on Thursday 26 March 2020 up to and including 16 April 2020.
16. In order to minimise any negative impact the Force Majeure may have on the Agreement, Transnet hereby confirms that upon the lifting of the lockdown by the President, it will do everything possible to perform in accordance with the Contracts as set out in the Agreement or any recovery plan that may be agreed to between the Parties.
17. It is also important to note that the provision of our service is subject to customers and their cargo handlers/siding operators taking necessary measures to protect Transnet staff who interface with their operations. While Transnet staff are in customer operations, they must have access to hygiene services, e.g. sanitation, soap and water. This therefore means strict adherence to health and safety protocols will not be compromised. Customers must provide Transnet with the Business Continuity Plans (BCP) and update Transnet daily on the status of their employees.
18. It is anticipated that normal operations will resume as of 06h00 on 17 April 2020 unless the President indicates the contrary. A further communiqué will be issued in this regard. Should the Force Majeure Event (lockdown) be extended by the President of the Republic of South Africa to endure for any such longer period beyond 16 April 2020, Transnet shall advise of steps to be taken for the Parties to jointly quantify the impact of the Force Majeure on the Agreement and consider the Parties available remedies.
19. Thank you for your continued support and commitment to Transnet Port Terminals, acknowledging that together we will overcome the impact of this pandemic.

Yours faithfully



31-03-20

Mr Siyabulela Mhlaluka
General Manager : Sales and New Business Development