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PROPOSAL FOR A TRANSPORT AIRCRAFT

23 November 2003

INTRODUCTION

1. The discovery of oil in Equatorial Guinea (EG) has brought upon the country new developments and investments. Due to numerous new companies working on the Island Biako (Malabo) and on the mainland, a requirement exists for transportation between EG and the neighboring countries. An affordable airfreight service, operated either privately or by the government, will earn substantial revenue for the country, and provide the investor companies with transport facilities as required.

SCOPE

2. The scope of this proposal will include the following :
 - a. The aim.
 - b. Assumptions
 - c. A Broad outline.
 - d. Implementation
 - e. Financial Implications
 - f. Conclusion

AIM

3. To establish an affordable large airfreight service in EG by utilizing an IL-76 jet transport aircraft.

ASSUMPTIONS

4. The following assumptions were made :
 - a. This will be a joint venture within the joint venture company of Triple Option Trading 610 EG SA. The aircraft will operate under the license of PANAC air service.

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- b. The aircraft will be supplied by the SA partners of Triple Option Trading EG SA, complete with crew. Positioning, de-positioning and one month operational cost will also be paid by Triple Option Trading, but will be recovered first and foremost from the profits before profit sharing will take place.
 - c. The EG partners in Triple Option Trading EG SA must arrange to obtain fuel at government prices. They must also try to get reimbursement from fees such as navigation, approach, landing, parking and handling for at least the first year of operation, as an incentive to the company.

BROAD OUTLINE

5. The aircraft will be based in Bata, operating between Bata, Malabo, Gabon, Cameroon, Ghana, Togo, Nigeria and even further away as required. The aircraft can be positioned immediately after approval. The aircraft can be hired out to any other company in any country for freight services. Marketing will have to be done between all the foreign and local companies to ensure full time utilization of the aircraft. The aircraft can carry 40 tons of cargo. If the aircraft is positioned in from Ghana Cameroon to Nigeria. The places further away, the aircraft can carry 25 tons with fuel for 3,000 nm.

IMPLEMENTATION

6. For planning purposes, the following stages will be followed.
- a. Stage 1 : Approval of the proposal by the authorities involved and clearance to land. PANAC to supply Triple Option Trading GE SA with an Aircraft Operation Certificate (AOC) and authority to operate the aircraft under its license.
 - b. Stage 2 : Movement of aircraft to Bata, marketing and recruiting work. Recovering of initial costs.
 - c. Stage 3 : Ongoing operation, marketing and profit sharing.

TIMINGS

7. The aircraft is on standby to fly immediately after the approval of this proposal. It will take one day from Europe to Bata. The crew is available to operate from date onwards.

COST IMPLICATIONS

8. The aircraft operational cost is approximately US\$6,000 / hour. This is based on a fuel price of \$500/ton and a fuel consumption of 8.5 tons per hour flying at 410 nm/hr. If the FG government can supply this fuel at a cheaper rate, the operational cost will be lower and profits higher. The initial cost implications are as follow :

a. Positioning cost -	US\$ 55,000
b. De-positioning cost -	US\$ 55,000
c. One month in advance @ 50 hrs flying time @ US\$ /hour -	US\$ 300,000
Total initial cost to be recovered	US\$ 410,000

CONCLUSION

9. There is definitely a requirement for this type of transport. Triple Option Trading will pay the initial cost to be recovered from operations. Once the aircraft is available, there will be enough work to keep it constantly in operation. One might find that an additional aircraft will be required after a short time in the area.
10. Triple Option Trading 610 GE SA will make a proposal towards the president concerning security. Part of the proposal will include the donation of 6 (six) Toyota Land Cruiser pick-up trucks by the SA

partners, to be utilized by either the police or the military. These vehicles can be transported with the IL-76 directly to EG, pending the approval of the security proposal.

AMENDMENTS/NOTES

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ACCEPTANCE OF PROPOSAL

I, Name ANTONIO JAVIER NQUEMA NCHAMA
ID # MINISTER PRESIDENTIAL COUNSELOR.

Officially representing the Government of EQUATORIAL GUINEA
and authorized by the president to sign on his behalf, hereby accept the proposal and conditions of payment as set out in this document, including the amendments noted in paragraph above.

Signed at BATA, EQUATORIAL GUINEA on this 27 day of 2003

Name and Signature of Client [Signature]

Witness Name and Signature [Signature]

Name and Signature of Service Provider [Signature]

Witness Name and Signature [Signature] [Signature]