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Questions submitted to ENRC on 15 May 2012 in respect of business activities in the Democratic Republic of Congo

1. Who conducted the negotiations between ENRC and Emerald Star Enterprises Limited, in respect of the \$25 million option?
2. How did ENRC justify paying a third party (Dan Gertler) for an asset which that third party did not actually own?
3. Has ENRC made any reports to the UK Serious Organised Crime Agency in respect of this transaction, as it did so in August 2010 in relation to its acquisition of 50.5 per cent of Camrose?
4. Can ENRC account for the financial transactions in respect of the \$25 million and \$50 million payments? How were these payments disbursed? Can ENRC name the precise bank accounts that received these funds?
5. What documentation has ENRC received that indicates that Dan Gertler and his family are the only beneficiaries of the trust ultimately owning Emerald Star Enterprises Limited? What assurances does ENRC have that money transferred to the trust is not disbursed to inappropriate third parties including Congolese officials or their proxies?
6. Who are the directors and beneficial owners of Emerald Star Enterprises Limited?
7. Why did ENRC state that Emerald Star Enterprises Limited was "the owner" of the outstanding 50 per cent share of SMKK in December 2009, when the sale was not completed until at least February 2010? Why was the true structure of the deal not revealed to shareholders?
8. Does ENRC dispute that Emerald Star Enterprises Limited had not acquired the 50 per cent stake by the time the option was negotiated on 21 December 2009? If so, what evidence does ENRC have to show that Emerald Star Enterprises Limited had already acquired the stake by the time the option was negotiated?
9. Does ENRC have a copy of the sales agreement between Emerald Star Enterprises Limited and Gecamines and will it disclose it? If it has not obtained a copy of the sales agreement, why has ENRC not obtained this document in order to confirm Emerald Star Enterprises Limited was the rightful owner of the additional 50 per cent share of SMKK?
10. Does ENRC dispute it had a right of first refusal on the additional 50 per cent stake of SMKK? If so, can the company provide copies of the amended SMKK joint ventures which stipulate that such rights of first refusal have effectively been removed?
11. If ENRC does not dispute it had a right of first refusal on the additional 50 per cent stake of SMKK, why did the company not exercise this right, and why instead did it allow Emerald Star Enterprises Limited to acquire the asset, in light of the fact that ENRC eventually purchased the asset from Emerald Star Enterprises Limited?
12. What explanation has ENRC given its shareholders in respect of the fact that ENRC overpaid for this asset by a factor of five and effectively facilitated the transfer of \$60 million to Dan Gertler?
13. What explanation does ENRC have that this windfall has not been shared with Congolese officials, whose cooperation was at the very least required for the approval of the sale of SMKK (at an undervalued price) to Dan Gertler?
14. Would ENRC like to provide any additional commentary on the above?
15. How much of the \$175 million paid by ENRC to Camrose shareholders was in respect of Kolwezi, Africo and Comide.
16. Who negotiated the agreements between ENRC and Dan Gertler in respect of Camrose?
17. When did these negotiations begin?
18. If the \$400 million relates to a loan and not a gift, what are the repayment terms (including interest rates and repayment schedule)?
19. Why did ENRC agree to repay a third party, Vipar, in respect of liabilities assumed by Dan Gertler? Who are the directors and beneficial owners of Vipar?

20. What due diligence did ENRC undertake on Silvertide, Cerida and Zanette, in respect of its share acquisitions in Camrose? Who are the beneficial owners of these three companies? Who are the directors of each of these companies?
21. What due diligence did ENRC undertake on the Highwind Group? Who are the beneficial owners of these three companies? Who are the directors of each of the constituent companies of the Highwind Group?
22. If ENRC does not know the beneficial owners of the companies mentioned in the two questions above, how can the company be sure it was not facilitating corruption given the acquisition of a Congolese state asset by the Highwind Group appears to have been made in secret at a steeply undervalued price (requiring no upfront cash payments) by companies connected to a friend of President Joseph Kabila (Dan Gertler) and which have not declared their full beneficial ownership?
23. Did ENRC make the payment to the LMS client account at Nat West Offshore (Gibraltar) Ltd as per page 2 of the Executed Letter of Intent? If not, where were payment made to in respect of the acquisition of the 50.5 per cent stake in Camrose?
24. Who are the trustees and beneficiaries of LMS client account? If ENRC does not know the answer to this question, how can it be sure that it has not facilitated corruption? What assurances does ENRC have that the \$175 million paid to these companies (not to mention future revenues from Metalkol) is not further transferred to third parties?
25. On what basis did ENRC conclude an agreement in which it agreed to carry the development costs for Cerida? Why should ENRC shareholders accept Cerida obtaining a carried interest in respect of the development costs? Cerida appears to have taken on zero financial risk for its acquisition of 70 per cent of Metalkol; how is ENRC's decision to carry Cerida commercially justifiable therefore?
26. Why did ENRC not directly deal with the Congolese government in relation to Kolwezi if it was willing to shoulder 100 per cent of the financial risk for an effective 35.35 per cent interest in the mine?
27. At the time of the government's deal with the Highwind Group (just five months before ENRC signed a letter of intent with Dan Gertler), ENRC already had substantial investments in Congo. What was the commercial justification for Dan Gertler's involvement in this deal, which netted him \$175 million in cash, \$400 million in loans and a 34.65 per cent carried interest in Metalkol for taking on no apparent financial risk?
28. Why was ENRC obliged to disclose Dan Gertler's links to the Highwind Group?
29. What were the precise terms of the negotiations between ENRC, the Congolese government and the Highwind Group prior to the settlement between ENRC and First Quantum? Was Dan Gertler involved?
30. Since Dan Gertler owns 49.5 per cent of the Highwind Group, did he contribute financially to the settlement with First Quantum? If not, why not?
31. Did ENRC carry any legal costs for the Highwind Group in respect of the British Virgin Islands lawsuit filed against the Group by Congo Minerals Development, or any legal costs for the Congolese government in respect of international arbitration between it and First Quantum?
32. When ENRC settled with First Quantum, is it not the case that it did so in respect of First Quantum's "residual claims and assets" in respect of Kolwezi and Frontier and Lonshi? As such, were there any guarantees that ENRC should have the right to acquire the actual mining licenses, which were assigned to Fortune Ahead Limited, Sandro Resources Limited and Garetto Holdings Limited?
33. If there were no such guarantees, why did ENRC tie itself to such a risky settlement, whereby it made a payment to First Quantum which covered Frontier SPRL and Comisa SPRL with no guarantee that it would obtain access to the Frontier and Lonshi properties from Fortune Ahead Limited and/or Sandro Resources Limited and Garetto Holdings Limited?
34. If there was a guarantee that ENRC would obtain an option of first refusal on Frontier and Lonshi in return for settling with First Quantum when was that guarantee made and who negotiated it? Will ENRC disclose documents related to such a guarantee?
35. What due diligence did ENRC do in respect of the beneficial ownership of Fortune Ahead Limited and Sandro Resources Limited and Garetto Holdings Limited?
36. Who are the beneficiaries and directors of Sandro, Garetto and Fortune Ahead Limited? How is ENRC able to come to the conclusion that these companies are not covering hidden interests?

37. Are Fortune Ahead Limited, Sandro Resources Limited and Garetto Holdings Limited, companies held on trust for interests connected to Dan Gertler? What assurances does ENRC have that any consideration paid to these companies has not been transferred to third parties?
38. Has ENRC acquired any of the licenses held by Fortune Ahead Limited, Sandro Resources Limited or Garetto Holdings Limited? If so, who was party to the negotiations on all sides?
39. How much has ENRC paid for any stakes it has acquired?
40. Have any disclosures on these deals been made to the UK Serious Organised Crime Agency, in light of the August 2010 disclosure to the said agency in respect of ENRC's acquisition of a stake in Camrose?
41. Has ENRC undertaken due diligence in relation to whether the confiscations of Kowlezi, Frontier and Lonshi from First Quantum were carried out legally? If so, what were the findings? Can ENRC disclose these findings?
42. In relation to the court case brought against the Highwind Group by Congo Mineral Development, was a statement of defence filed by the Highwind Group?
43. Given that ENRC at this time had acquired 50.5 per cent of the Highwind Group via the Camrose acquisition, it should have access to these documents. Will ENRC share a copy with Global Witness?
44. What due diligence did ENRC conduct in respect of all of the below companies? Specifically what research did ENRC undertake in respect of these companies?

Delena International Limited
 Eagle Multinational Limited
 Geranium Properties Limited
 Summertown Resources Limited
 Gladioli International Group Limited
 Kara Enterprises Limited
 Silvertown International Limited
 Padbury Holdings Limited
 Autumn Breeze Global Limited
 Margin Investments Limited
 Artic Overseas Limited
 Bremhill Limited

45. Does ENRC know who are the beneficial owners and directors of the above companies? If so, will it disclose this information?
46. Can ENRC say with complete certainty that the above companies are not beneficially owned by any Congolese official or their proxies?
47. Does ENRC have the financial receipts, including all transactional and banking information, relating to the acquisition of the shares in these companies? Will it share these receipts with Global Witness? If not, will ENRC disclose who the payments were made to?
48. With whom did ENRC negotiate the purchase of Dezita Investments Limited?
49. What does ENRC know about how Dezita Investments Limited acquired exploration permit number PE 1284?
50. Does ENRC know how much Dezita Investments Limited paid for its permit? If so, how much? If not, why did ENRC fail to find this information out?
51. What resources does the permit cover? Is there a development plan?
52. When precisely was Dezita Investments Limited awarded the permit?
53. Does ENRC have a copy of the contract between Dezita Investments Limited and the relevant Congolese mining body (Gecamines, Ministry of Mines) that details the acquisition of the permit by Dezita Investments Limited? Will ENRC disclose this document to Global Witness?
54. To which bank accounts did ENRC make the payments for Dezita?
55. Who are the trustees and beneficiaries of the bank accounts that received such payments.

56. Can ENRC name the full list of trustees and beneficiaries of Dezita Investments Limited? If not, how can ENRC be sure that it has not paid money to an entity that is covering for Congolese officials.
57. Why did ENRC not disclose Dezita Investments Limited's apparent relationship with Dan Gertler?
58. What is the relationship between ENRC and Dan Gertler?
59. Who in ENRC is responsible for coordinating business activities between ENRC and Dan Gertler?
60. Which senior company officials in ENRC have had regular contact with Dan Gertler or any of his business associates or employees?
61. Global Witness understands that ENRC has been in discussions with the UK Serious Organised Crime Agency, which filed a suspicious activity report on 12 August 2010 in respect of Dan Gertler. The focus of that report was the Camrose acquisition. However in light of all of the above cases, will ENRC now give its shareholders a commitment that other issues mentioned in this questionnaire will be investigated?
62. What has been the position of ENRC's board, if any, regarding the fact that the company has been buying assets that have been sold in secret at highly undervalued prices by the Congolese state at a time when Congo's government has publicly committed to publish all natural resource contracts?