



Local Opportunities Seminar Held on July 9, 2020

Questions and answers from the webinar/contracting workshop

Dear participants of the Webinar organized by TOTAL and its partners in the Mozambique LNG Project. As promised in the event, we share the questions raised by the participants and our responses.

1. How do I register for the Mozambique LNG Project supplier registration system?

First it is to be noted that the “registration system” verifies information provided through the platform, as mean to ensure the companies that are registering exist and are active. Being registered does not qualify companies on technical or other capabilities. Nevertheless, registering on the platform will increase company’s visibility within the project supply chain. The first step for companies to increase their chance of becoming potential suppliers of goods and services in our project, they must register in the Total E&P Mozambique Area 1, Limited (TEPMA1) registration system - Achilles - through the following address: <https://www.mzlng.total.com/opportunities/suppliers>

2. I have already registered my company with Achilles for a long time, but I have never been contacted.

Registration on the Achilles platform is a requirement for a company to become eligible to provide goods and services to TEPMA 1. It should be noted that registration on the Achilles platform is voluntary. However, it does not guarantee any contractual link with registrants. Registration allows for early access to goods and services opportunities on the market as well as their potential, and according to the needs of the Project, companies will be contacted according to their activity, as registered in the Achilles system. For example, the company that has registered as a supplier of electrical equipment, will only be invited to participate in a tender to supply these materials. Although registration is a recommended first step, companies should pay attention to the published Expressions of Interest (EOI), as most business opportunities are in the project supply chain, not in direct involvement with TEPMA1.

3. Is the TEPMA1 supplier registration system the same as that of CCS JV? Or should I make two separate registrations?

TEPMA1 and CCS JV share the supplier registration platform Achilles. Therefore, once registered with Achilles, there is no need to register again on the CCS JV platform.

4. What are the platforms used to publicize Expressions of Interest?

Once successfully registered in the TEPMA1 database, the supplier must keep up-to-date on business opportunities by frequently visiting the project website (www.mzlng.total.com), the CCS JV website (www.ccsjv.com), and some national newspapers in which expressions of interest are published.

5. My company is not certified in the ISO standards, which makes it impossible for me to compete in tenders?

In current tenders, certifications are not required, but throughout the implementation of the Project, certifications will be an integral part of the evaluation criteria for proposals submitted by competing companies, hence it is recommended that companies seek to obtain certifications.

6. Can a company with 1 year of existence respond to major expressions of interest? Companies that have been in the market for longer have more advantage in tenders than newer companies?

Companies with less time in the market can also compete for tenders published through Expressions of Interest, as long as they meet the requirements for each tender. The time of existence of the company in the market will not be a decision factor, although companies with more years in the market may demonstrate greater capacity to respond to requirements compared to new companies. If a company with less time in the market meets the established requirements it will be evaluated in the same criteria as the company with longer time in the market.

7. My company has no financial management system and has never carried out financial audits, which means we cannot respond to bids?

Some companies do not have a financial management system or have never audited their accounts. This does not constitute an impasse for this company to apply for tenders, as long as it meets the established requirements for that specific tender.

8. What are the criteria used to select suppliers?

The following evaluation criteria are considered for the selection of suppliers:

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| 1. General business establishment | 6. Environmental management |
| 2. Insurance and Licenses | 7. Quality |
| 3. Business capacity | 8. Human Resources |
| 4. Financial situation | 9. Compliance |
| 5. Health and safety at Work | 10. Supporting references |
| 11. Local Content | |

9. If my company enters into partnerships with foreign companies, my chances of being awarded a contract for the project increase?

We advise Mozambican small and medium enterprises to enter into partnerships or consortiums with other national or international companies with more time in the market, more experience, capability to use technologies, respond promptly for the projects demand or with more financial resources in the sector of activity. However, this partnership does not give any guarantee of success in awarding contracts.

10. Is there any bank credit facility if my company informs a bank that we are tendering for the TOTAL project?

The Mozambique LNG Project is working with several commercial banks, insurance brokers, and other financial institutions to assess the best options for SMEs access to finance, without high capital acquisition costs. The focus is on reducing credit line approval time and interest rates as well as ways of replacing the collateral traditionally required by banks for the purpose of granting bank credit. This work is ongoing.

11. Does the plan presented for the transportation of goods consider the increase in transport prices from Pemba to Palma?

Transport costs were not considered in the prospective/proposed plans. However, different subcontractors may add these costs in the form of service bills.

12. What is the best way to transport goods to Palma or Afungi?

It depends on each case and individual supplier's preferences.

13. How is the drivers' quarantine process? Are vehicles parked in Pemba? What is the quarantine period, and who drives the truck from Mocímboa da Praia to Afungi?

Currently, drivers do not quarantine, they dispatch the trucks in the barge from Pemba and it goes directly to the port of Afungi. Drivers stay in Pemba waiting for the trucks to return. Trucks that cannot get on the barge right away are parked at the old Mozambique LNG Project shipyard in Pemba waiting for the next shipment to the barge.

14. Regarding the logistics of deliveries, the issue of stand-by trucks in relation to delivery time has a great impact, for both parties. I am interested to know if TOTAL's direct subcontractors are responsible for the stand-by trucks?

An interval of 10 days is given for this possible stop of the trucks and the amounts have already been included in the proposal.

15. Will there be any strategy of establishing logistics base in Maputo, Nampula or Nacala?

CCS JV seeks to reinforce the consolidation area. This could increase efficiency and reduce logistics costs. There is currently no plan to establish logistic bases outside the DUAT area, in Afungi.

16. Regarding the supply of earthmoving aggregates (stone and sand), is there any preference for the point to be extracted and delivered?

The acquisition of aggregates is not part of Zagope's supply plan, because the solution is already defined through the exploration of its own quarry in Chomba. Either way, offers are welcome as we are always open to opportunities. In this case, there would be a preference for delivery in Afungi, but if there is a point to look for the aggregate it may also be an optional solution to be presented. The more solutions offered, the greater the chances of an opportunity becoming viable.

17. I would like to know with ZAGOPE, from Mr. Rodrigo Tardeli, the stage of the tender for the supply of electrical cables, since it was first scheduled for the second quarter of 2020?

This tender faced some setbacks and is yet to be concluded. As soon as possible we will share any new developments.

18. Who will be the company contracted to manufacture the modular structure for the LNG plant? Will CCS JV be responsible for the entire installation system (e.g. MQ Channels or steel fabrication) or they will hire a sub-contractor? Still to be defined.

We will share the response once available.

Thank You