

NOTICE 347 OF 2004**COMPETITION COMMISSION****APPLICATION FOR AN EXEMPTION**

Notice is hereby given in terms of section 10 (6) (a) of the Competition Act, No. 89 of 1998 (the "Act"), that TRANSNET LIMITED, a public company duly incorporated in accordance with the Companies Act, 1973, under Registration Number 90/00900/06, trading as SOUTH AFRICA PORT OPERATIONS DIVISION ("herein referred to as SAPOD") has applied to the Competition Commission in terms of section 10 (1) (a) of the Act for an exemption from certain provision of Chapter 2 of the Act. SAPOD manages the Dry Bulk Terminal within the Port of Richards Bay, KwaZulu-Natal.

In its application SAPOD has requested that it be permitted to continue to enforce the provisions of a Memorandum of Agreement ("MOA") entered into with two companies active in the export of woodchip, Central Timber Co-operative (CTC) and Mondi Limited, trading as Silvacel (herein collectively referred to as "CTC and Silvacel") until 30 June 2012.

The most important features of the MOA is that it provides for the following:

1. A separate conveyor belt (herein referred to as "the link") would be constructed in the Dry Bulk Terminal within the port of Richards Bay, to transfer woodchips from the terminal transfer tower into the S belt gallery.
2. The link would prevent woodchip destined for export from being contaminated by other cargo.
3. The link would be for exclusive use for the conveyance of woodchip.
4. The link would be for exclusive use of CTC and Silvacel.
5. CTC and Silvacel would load all of its woodchips from its mills in Richards Bay through the link.

The practices contained in the MOA are prohibited in terms of sections 5 (1), 8 (b) and 8 (c) of the Act.

The application is based on the premises that the MOA is required to maintain and/or promote exports of woodchip from South Africa [section 10 (3) (b) (i)].

Interested parties may within 20 business days from the date of notice, make written representations to the Commission why the exemption should not be granted.

Such representation may be directed to the Manager: Enforcement and Exemptions, Competition Commission, Private Bag X23, Lynnwood Ridge, 0040, or by facsimile to (012) 482-9118.

(Case Number: 2004Feb865).