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Sojitz Corporation

Sojitz to Invest in Sulphate of Potash Fertilizer and Industrial Salt Production Project in Northwestern India

Sales of Sulphate of Potash Fertilizer and Industrial Salt in Asian Markets to Start in 2012

Sojitz Corporation (Sojitz) will invest and participate in a marine chemical project in India for the production of Sulphate of Potash (SOP), a fertilizer, bromine and industrial salt. The project is being implemented by the leading Indian industrial conglomerate, **Archean Group**, in the Kutch district of Gujarat in northwestern India. The marine chemical project (with an investment amount in the first phase of approximately 18 billion yen) is expected to begin operations in 2012. Sojitz is participating in this venture through equity and loan to the extent of 3.5 billion yen. Sojitz will market the SOP and industrial salt outside of India.

The project, the first of its kind in Asia, will use the sub soil natural brine water deposits in the Rann of Kutch to produce SOP, bromine, and industrial salt.



Site of the marine chemical project in the Rann of Kutch, Gujarat

SOP is a fertilizer used for high quality crops including fruits and vegetables. Until now, India has been an importer of SOP, but with the launch of this project, it will become a potassium producer.

Industrial salt is used as a base material in numerous products such as caustic soda, vinyl chloride, soaps, and glass. Approximately 8 million tons of salt is consumed every year in Japan, of which about 7 million tons are used in industry, and nearly the entire quantity is imported.

The first phase of the project, to be completed by 2012, will produce 100,000 tons of SOP and 2 million tons of solar evaporated salt. In the project's second phase (2015), production will be increased up to 400,000 tons of SOP and also include expansion in capacities of industrial salt and bromine.

Opportunity also exists in the future, to construct a wind power or solar power facility next to the expansive salt works to provide the necessary electricity and make the project carbon free and environmental friendly.

• **Outline of the Marine Chemical Project:**

- (1) Development region: Rann of Kutch, Gujarat, in northwestern India
- (2) Operator: Archean Chemical Industries Pvt Ltd.
- (3) Business activities: Production of Sulphate of Potash fertilizer, industrial salt, and bromine
- (4) Development schedule:

Phase 1 (starting in 2012): Production of 100,000 tons of Sulphate of Potash fertilizer, 2 million tons of industrial salt per year and 5,000 MT of Bromine

Phase 2 (starting in 2015): Increase in Production of up to 400,000 tons of Sulfate of Potash fertilizer as well as industrial salt



GUJARAT

