

## Press Release

### The Negotiations between “Saknakshiri” and the United Trade Union Are Underway

The working meetings between “Saknakshiri GIG” and the United Trade Union are underway. The consultations with the purpose of moderation have been attended by the representative of Ministry of Health as well. The negotiations are about the labor contracts, labor rights and security of miners.

During the regular consultations all the issues have been discussed in detail. New labor contracts have been reviewed clause by clause. The meeting ended with agreement on important issues of mutual concern. The draft agreement will be introduced to “Saknakshiri” staff in the next few days. The remarks and comments of the miners will be taken into consideration and then the process of signing will begin.

The scheduled technical re-equipment and repair work is carried out in Tkibuli. The company has already bought technologies required for labor safety - a new machine which will eliminate the use of explosives; the old one has been repaired and new locomotives have been purchased. The company has acquired additional self-rescuers. The transport has been designated for the night shift and the night-shift kitchen has been operated. In the near future the conveyer belt for removal of coal from the shaft will be put into operation. The rehabilitation work on the administrative building of the Dzidziguri Mine, its roofing, improvement are in progress. The ventilation and wiring systems are being updated.

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Founded in April 2006, “Saknakshiri” (GIG) Ltd is wholly owned by GIG with the operations focused on coal mining activities, including coal extraction and enrichment. A solely owner of economically important coal mining assets, Saknakshiri is a premier coal mining company in Georgia and only provider of locally mined coal. Dzidziguri and Mendeli mines, where current operations are taking place, represent the key production assets.

The company owns a coal reserve amounted to 331 million tons in Tkibuli-Shaori region, while in Vale mineshafts (currently the mine is shut down), Saknakshiri owns brown coal reserves of 76 million tons. David Bezhuashvili is the founder of Georgian Industrial Group.

