

GOODWOOD MANAGEMENT CORPORATION LIMITED

REF: OGC-0092-JKJ-GWMC

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volume, the plant has commercial possibilities both as a commodity product and for home components such as ceilings and interior walling.

5. PVC Plant.

This was reported to be in full commercial production up to the time operations were suspended and the former plant manager states that it could be returned to full operation within one week. If it can be competitive with other PVC pipe producers in the private sector, it could be a profit centre within the complex.

6. Lightweight Concrete Plant. (Swedish "Ytong" process.)

According to the former plant manager, NHC was able to sell 100% of the plant output during the heyday of luxury hotel construction but the product subsequently gained very limited acceptance in the housing market. Its cost on a square meter basis is higher than traditional hollow block construction and builders failed to take into account the offsetting cost savings achievable because of its strength, lightness and ease of installation.

Another problem was the distance from the source of the basic raw material, silica sand. The delivered cost of this may make the product uncompetitive. If a less distant source of supply can be developed and a successful education/marketing program mounted with the home building industry, there is a possibility the plant could be reactivated. However, I rank it the lowest in terms of potential profitability.

The foregoing is intended only as a general overview of alternate strategies for the NHC plant. As such, I trust you find it of some assistance in formulation of a workable policy on disposal of this asset. If I can be of further assistance please feel free to call on me.

Sincerely,

J.K. JACKSON

CC: Mr. Alex Santos, HUDC