Date : 30th November 2017

Ref : MJTD/O/17-11-631

ANNOUNCEMENT OF MERCURY DETECT IN WATER IN THILAWA SEZ

We would like to announce that our regular water analysis showed the mercury was excess of our target value in Thilawa SEZ Zone-A which is stipulated in MJTD's Environmental Impact Assessment (EIA).

In addition, the figures of the mercury outside of Thilawa SEZ Zone-A were and are under the value of National Emission Quality Guideline (NEQG) which is national standard of the Republic of the Union of Myanmar enacted in 29th December 2015.

While the figure of the mercury in the water is currently under our target value and the value of NEQG in Thilawa SEZ Zone-A.

Mercury is an accumulation related substance, thus this above event is not causing neighboring environment and health and is also not causing adverse impact because this event was transient and the water quality level is below NEQG outside of Thilawa SEZ (downstream of creek).

1. Water Analysis Result

Sampling Date: 27 th June 2017,	Result Received Date: 14th July 2017		
Location	Result (mg/l)	NEQG Standard (0.01mg/l)	MJTD EIA Zone-A Target value (0.005mg/l)
Inside Thilawa SEZ Zone-A			
Retention Pond	0.006	Not Excess	Excess
Retention Canal	0.008	Not Excess	Excess
Outside Thilawa SEZ Zone-A Downstream of Creek	≤ 0.002	Not Excess	Not Excess

Sampling Date: 21st July 2017, Result Received Date: 28th July 2017				
Location	Result (mg/l)	NEQG Standard (0.01mg/l)	MJTD EIA Zone-A Target value (0.005mg/l)	
Inside Thilawa SEZ Zone-A				
Retention Pond	0.004	Not Excess	Not Excess	
Retention Canal	0.03	Excess	Excess	
Outside Thilawa SEZ Zone-A Downstream of Creek	≤ 0.002	Not Excess	Not Excess	

Sampling Date: 31st July 2017, Result Received Date: 7th August 2017			
Location	Result (mg/l)	NEQG Standard (0.01mg/l)	MJTD EIA Zone-A Target value (0.005mg/l)
Inside Thilawa SEZ Zone-A			
Retention Pond	-	-	-
Retention Canal	0.068	Excess	Excess
Outside Thilawa SEZ Zone-A Downstream of Creek	-	-	-

Sampling Date: 1st August 2017, Result Received Date: 11th August 2017			
Location	Result (mg/l)	NEQG Standard (0.01mg/l)	MJTD EIA Zone-A Target value (0.005mg/l)
Inside Thilawa SEZ Zone-A			
Retention Pond	≤ 0.002	Not Excess	Not Excess
Retention Canal	0.034	Excess	Excess
Locator Drainage	0.026	Excess	Excess
Outside Thilawa SEZ Zone-A Downstream of Creek	0.008	Not Excess	Excess

Sampling Date: 25 th August 2017, Result Received Date: 8 th September 2017			
Location	Result (mg/l)	NEQG Standard (0.01mg/l)	MJTD EIA Zone-A Target value (0.005mg/l)
Inside Thilawa SEZ Zone-A			
Retention Pond	≤ 0.002	Not Excess	Not Excess
Retention Canal	≤ 0.002	Not Excess	Not Excess
Locator Drainage	≤ 0.002	Not Excess	Not Excess
Outside Thilawa SEZ Zone-A Downstream of Creek	≤ 0.002	Not Excess	Not Excess

Sampling Date: 8 th September 2017, Result Received Date: 22 nd September 2017			
Location	Result (mg/l)	NEQG Standard (0.01mg/l)	MJTD EIA Zone-A Target value (0.005mg/l)
Inside Thilawa SEZ Zone-A			
Retention Pond	≤ 0.002	Not Excess	Not Excess
Retention Canal	≤ 0.002	Not Excess	Not Excess
Locator Drainage	≤ 0.002	Not Excess	Not Excess
Outside Thilawa SEZ Zone-A Downstream of Creek	≤ 0.002	Not Excess	Not Excess

Sampling Date: 22 nd September 2017, Result Received Date: 12 th October 2017			
Location	Result (mg/l)	NEQG Standard (0.01mg/l)	MJTD EIA Zone-A Target value (0.005mg/l)
Inside Thilawa SEZ Zone-A			
Retention Pond	≤ 0.002	Not Excess	Not Excess
Retention Canal	≤ 0.002	Not Excess	Not Excess
Locator Drainage	≤ 0.002	Not Excess	Not Excess
Outside Thilawa SEZ Zone-A Downstream of Creek	≤ 0.002	Not Excess	Not Excess

2. Taken Action

- We reported to Thilawa SEZ Management Committee (TSMC) immediately once we found the excess of the target value on 14th July 2017.
- We reported to locators that the mercury detects in water on 31st July 2017.
- We increased 23 sampling locations (2 points are outside of Thilawa SEZ Zone-A and 21 points are inside of Thilawa SEZ Zone-A) and sampling frequency is around once per 2 weeks. The monitoring results of mercury in August and September were not excess of MJTD EIA Zone-A target value and much lower than the results of first-time monitoring in June when mercury level was exceeded.
- We visited at the site of locators which are along retention canal and check construction activities, operation status, waste management, chemical and material storage, pest control activities to find the pollution sources.
- TSMC has instructed 4 locators who exceed the MJTD EIA Zone-A target value of mercury to analyze their drainage water 23rd August 2017.
- We have tested the soil analysis inside Thilawa SEZ Zone-A on 29th, 30th August 2017 and all of the samples were below the standards in ASEAN countries (Thailand and Vietnam) and Japan.
- We currently suspect that the one of the most probable reasons is chemical which using in the locators such as pesticide, repellent for ants, weed killer and others.
- We have hired external environmental experts for investigation of the reason of detect the mercury. The environmental experts are under investigation to find the reason of detected mercury and the source of the mercury. As of November 2017, the hired external experts pointed out that impacts on mercury to human health, aquatic life, crops at downstream areas are not expected because only one sampling time outside of the Thilawa SEZ Zone-A exceeded the EIA target value and its concentration level is very low to cause any impacts to human health and surrounding environment.



3. Future Action

- We will continue to monitor the water quality periodically.
- We will continue to investigate the reason of detect the mercury and source of the mercury.

Tomoyasu Shimizu

President and CEO

Myanmar Japan Thilawa Development Limited