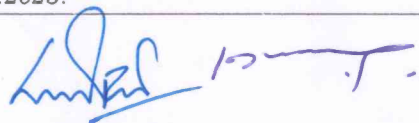


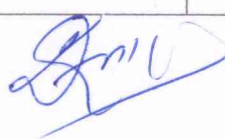
REPLY TO PRE BID QUERIES

OF

KankriyaGara Gold and Associated Mineralization Block, Tehsil Ghatol& District Banswara
Tender No.: MSTC/JPR/Directorate of Mines and Geology Rajasthan, Udaipur/5/Udaipur/24-25/7[426463]

Sl. No.	Bidders Queries	Reply
1	<p>History and Factual background Brief facts (History) about the KankriyaGara Gold Block:</p> <ol style="list-style-type: none">1. Metal Mining India Private Limited (MMIPL) is a wholly owned subsidiary of Indo Gold Pty Ltd (IGPL), which was granted Reconnaissance Permit by Directorate of Geology and Mining (Government of Rajasthan) on 03.09.2004 for Gold, Copper, Lead, Zinc, Nickel and associated minerals.2. Ultimately, application for Prospecting License of MMIPL was rejected vide Rejection order dated 10.08.2018, which was challenged in Rajasthan High Court vide Petition having no. as WPC 13521/2018.3. Rajasthan High Court, on 27.09.2023 dismissed the petition of MMIPL saying that in light of amendment in MMDR Act in 2021 petitioner cannot be granted ML. <p>Reference: IGPL's Treaty Claims mentioned on website: https://www.londonstockexchange.com/news-article/PAT/rajasthan-high-court-decision/16142104 IGPL's investment in Bhukia was expropriated by the actions of Rajasthan and India through multiple acts culminating in the enactment of MMDR2021 and the recent dismissal of MMI's writ petition, contrary to Article 7(1) of Treaty. India has also breached the obligation to accord fair and equitable treatment to IGPL and its investment under Article 3 of the Treaty. IGPL will be seeking damages from India.</p> <p>In light of brief facts mentioned, please clarify as follows:</p> <ol style="list-style-type: none">1. What is the present Status of the matter after case of MMIPL was dismissed by Rajasthan High Court?2. Whether MMIPL has challenged the Order of Rajasthan High Court dated 27.09.2023 in Hon'ble Supreme Court? If yes, what is present status?3. Whether MMIPL has moved to any international Arbitration/Court after pronouncement of Judgement by Rajasthan High Court dated 27.09.2023?	<ol style="list-style-type: none">1. No further appeal has been filed by MMIPL in higher bench.2. The department has no information in this regard. However, a caveat has been already filed in Honourable Supreme Court and Double Bench of Honourable High court.3. Indo Gold, an Australian Company the joint venture partner of MMIPL has sent a notice against breaching the Indo-Australian treaty. The reply of notice has been sent and said claim of the company has been rejected by Government of India.4. Beyond the scope of Tender Document.

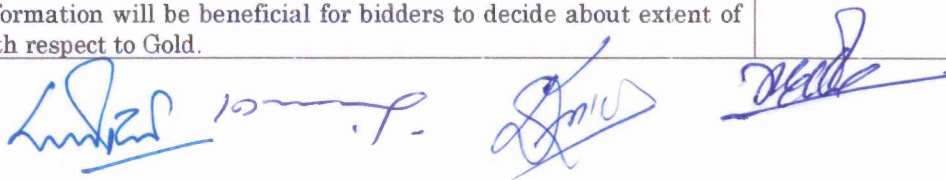







	<p>4. Please provide more information on 'treaty' between the Company (IGPL/MMIPL) and Government?</p> <p>5. What is the possible implication of outcome of any Court settlement or Arbitration award/settlement on process of auction and later on Preferred/Successful bidder with mining lease?</p> <p>This clarification will help bidders to know about any litigation annexed to the Bhukia Gold Blocks and about its implications in future.</p>	
2	<p>Tender Document</p> <p>2.17 "Performance Security" means a bank guarantee in the format as provided in Schedule IV of the Auction Rules or a non-interest bearing security deposit to be provided which is an amount equal to INR 1,88,22,313.00 (Indian Rupees One Crore Eighty-Eight Lakh Twenty-Two Thousand Three Hundred Thirteen Only) payable pursuant to the Auction Rules, 2015 and its subsequent.</p> <p>Please clarify as follows:</p> <ol style="list-style-type: none"> 1. What is value of Estimated Resources? 2. What is the average sale price, declared by Indian Bureau of Mines, taken to arrive resource value? <p>This clarification will help bidders to assess the resource value which is essential parameter for any financial model.</p>	It is calculated as per rules.
3	<p>Part IV A Reporting of Mineral Resources</p> <p>Clause 20; Reporting of Resources</p> <p>Total resources for gold and associated minerals= 1.24 million tons Av. Grade = Gold 0.96 g/t with associated Copper 0.08%, Nickel 107 g/t & Cobalt 109 g/t Metal content = Gold=1.19 tons, copper = 995 tons, Nickel = 133 tons & Cobalt = 135 tons</p> <p>Please clarify as follows:</p> <ol style="list-style-type: none"> 1. Whether resource value of Copper, Nickel and Cobalt is considered while calculating value of Estimated Resources of this block? 2. If yes, what is the average sale price, declared by Indian Bureau of Mines for Copper, Nickel and Cobalt is being taken to arrive resource value? <p>This clarification will help bidders to assess the resource value which is essential parameter for any financial model.</p>	Resources established by GSI and MECL of Gold and Copper has been taken for calculation of VER.

4	<p>MDPA</p> <p>Clause 4.3.1</p> <p>Failure of the Successful Bidder to comply with the Minimum Production Requirement as required under Clause 8.</p> <p>An amount equal to shortfall in Minimum Production as per Schedule E x highest IBM price of that particular year x Final Price offer.</p> <p>Please clarify that why highest IBM price of that particular year is taken while calculating equivalent amount on shortfall quantity of minimum production and dispatch requirement. Instead it should have been taken as average sale price of relevant mineral published by IBM as applicable during the year of shortfall.</p> <p>This clarity will help bidders to know about exact requirement as per statute as it is linked to financial implication.</p>	Tender Document Conditions shall prevail.
5	<p>Tender Document</p> <p>Clause 5 Eligibility;</p> <p>(e) The bidder must comply with section 6 of MMDR Act, 1957. The bidder shall not acquire area more than the prescribed area under prospecting license in MMDR Act including the area of this block. The bidder must ensure that the company or its directors cumulatively does not hold area greater than prescribed area including the area of this block.</p> <p>Reference:</p> <p>A. Two Gold blocks Notified for auction vide NIT dated 6th March 2024 constitute 11.461 Sq. Km area under Mining Lease.</p> <p>B. Section 6 (b) of MMDR Act says that no person shall acquire in respect of any mineral or prescribed group of associated minerals in a State for one or more mining leases covering a total area of more than ten square kilometres.</p> <p>Please clarify as follows:</p> <ol style="list-style-type: none"> 1. How much area limit is exempted under Section 6 of MMDR Act in case of Gold in the State of Rajasthan for Mining Lease? 2. If there is no extra area is exemption than prescribed limit for Gold in the State of Rajasthan for ML under Section 6 of MMDR Act, then, area of two Gold blocks constituting 11.461 Sq. Km under mining lease for a successful bidder will be more than prescribed limit of ten square kilometres area of mining lease. 3. In light of situation mentioned in point no. 2 as above, whether Mining Lease will be granted for both blocks or not? 4. In light of situation mentioned in point no. 2 as above, whether State of Rajasthan will seek necessary approval from Ministry of Mines, Government of India while granting Mining Lease? <p>This information will be beneficial for bidders to decide about extent of area with respect to Gold.</p>	<p>It is as per Section 6(1) of MMDR ACT.</p> <p>Mining lease will be granted as per Section 6(1) of MMDR ACT.</p> <p>Proposal for increasing area limit has sent to Gol.</p>



6	<p>Block Summary</p> <p>Land under "Private" category</p> <p>Please Clarify as follows:</p> <ol style="list-style-type: none"> 1. Procedure for acquisition of private land at the time of mining lease. 2. Charges payable for acquisition of these private land on Hectare basis. <p>These details needed for bidder to know about investment to be made and financial implication involved for this block</p>	The onus of getting consent/purchase/acquisition/surface rights of private land is on the Preferred Bidder.
7	<p>PART-IV-A</p> <p>Reporting of Mineral Resources</p> <p>Host population (local tribes), Human settlements within and nearby the area;</p> <p>The district is predominantly inhabited by tribals mainly Bhils, Bhil Meenas, Damor, Charpotas, Ninamas, etc.</p> <p>Please clarify as follows:</p> <ol style="list-style-type: none"> 1. Whether land under 'Private' category belongs to tribals mainly Bhils, Bhil Meenas, Damor, Charpotas, Ninamas? 2. Whether tribal land in Rajasthan can be acquired for getting surface right for mining lease? 3. What is the process to acquire or making an agreement with these tribal lands? 4. What will be tentative cost per hectare basis? <p>These details needed for bidder to know about transferability/acquisition of tribal land in Rajasthan for getting surface right under mining lease</p>	The onus of getting consent/purchase/acquisition/surface rights of private land is on the Preferred Bidder.
8	<p>Block Summary</p> <p>Land under "Government Land" category</p> <p>Please Clarify as follows:</p> <ol style="list-style-type: none"> 1. Procedure for transfer/acquisition of Government Land at the stage of Mining Lease. 2. Charges payable for acquisition of Government land on Hectare basis. <p>These details needed for bidder to know about investment to be made and financial implication involved for acquiring surface right under this block.</p>	The Transfer/acquisition of Government Land will be as per notification / circulars issued by Revenue Department of Govt. of Rajasthan.

 10-11-11





9	<p>Block Summary Charagah /Pasture Land (*) Please Clarify as follows:</p> <ol style="list-style-type: none"> 1. Whether Charagah land can be diverted for the purpose of mining activities? 2. Whether Charagah land can be part of mining lease or not? 3. What is the meaning / Explanation of a * (Star) which been put in column of Charagah /Posture Land in Block Summary? 4. Procedure for transfer/acquisition of Charagah Land at the stage of Mining Lease. 5. Tentative charges payable for acquisition of Government land on Hectare basis. <p>These details needed for bidder to know about investment to be made and financial implication involved for this block</p>	<ol style="list-style-type: none"> 1. Yes 2. Yes, but after set apart. <p>It will be as per notification / circulars issued by Revenue Department of Govt. of Rajasthan.</p>
10	<p>Block Summary Abadi Land Please Clarify as follows:</p> <ol style="list-style-type: none"> 1. What is the meaning of 'Abadi Land'? 2. Whether Abadi land can be acquired for the purpose of mining activities? 3. Procedure for transfer/acquisition of Abadi Land at the stage of Mining Lease. 4. What is the tentative charges payable for acquisition of Abadi land on Hectare basis. <p>These details needed for bidder to know about investment to be made and financial implication involved for this block</p>	<p>Abadi means land used for residence purpose. The bidder may proceed as deemed fit as per prevailing rules.</p>
11	<p>Block Summary Land undercategory of 'Forest Land' Please clarify as follows:</p> <ol style="list-style-type: none"> 1. Please provide density and type of reserved/protected forest falling in the block area. 2. Please provide charges payable for Compensatory Afforestation (per hectare basis). 3. Please provide charges payable for implementation of Regional Wild Life Management Plan (if any). 4. Please provide details of any other charges payable in Rajasthan while diversion of forest land under Section 2 of the Forest Act. <p>These details needed for bidder to know about investment to be made and financial implication involved for this block</p>	<p>Beyond the scope of Tender Document. It will be as dealt as per Forest Conservation Act 1980</p>

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12	<p>PART-IV-A Reporting of Mineral Resources iv, Socio Demographic profile of the area and nearby; DelwaraLokiya which is near by the KhankriyaGara Gold & associated minerals block is a large village located in Ghatol Tehsil of Banswara district, Rajasthan with total 957 families residing. The DelwaraLokiya village has population of 4353 of which 2132 are males while 2221 are females as per Population Census 2011 Village hutment are seen all along the South Eastern boundary and South-Central part of the block area Please clarify: 1. Can these village hutments be relocated (if required) for optimizing mineral resources? 2. What is the procedure for rehabilitation of these hutments? 3. What is the policy or prevailing Rules for Rehabilitation and Resettlement in the State of Rajasthan and what is the tentative cost involved in relocating these hutments? These details needed for bidder to know about investment to be made and financial implication involved for this block These details also needed for bidder to know about investment of time for such rehabilitation.</p>	The bidder may proceed as deemed fit as per prevailing rules.
13	<p>Tender Document Clause 15.3 "Save and except as provided in this Tender Document, the Bid Security of unsuccessful Bidders will be returned by the State Government, without any interest, as promptly as possible." There should be some time schedule for return of Bid Security as many States stipulated in their tender document that Bid Security shall be returned within four weeks' time from the date of final auction (date of Financial bid) or annulment of auction. This clarity is required as Bank Guarantees of the unsuccessful bidders cannot be hold for indefinite time.</p>	Tender Document Condition shall prevails.
14	<p>Mine Development and Production Agreement Clause No. 19.4.2; The stamp duty payable for this Agreement shall be borne by the Successful Bidder 1. Kindly provide the percentage of Stamp duty and Registration charges applicable for execution of mining lease deed for 50 years. 2. Whether stamp duty is charged on the basis of on market value of the resources or on the basis of annual rent?</p>	The stamp duty payable shall be as per Rajasthan Stamps Act.

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	<p>3. Also elaborate the methodology for arriving such charges. These details needed for bidder to know about investment to be made and financial implication involved for this block. These details also helpful in financial modelling for the block.</p>	
15	<p>Mine Development and Production Agreement Clause No. 19.4.2; The stamp duty payable for this Agreement shall be borne by the Successful Bidder Repeatedly, this question is answered 'As per Govt of Rajasthan Notification dated 21.11.2019.' Kindly elaborate about the said notification and provide methodology for calculation. These details needed for bidder to know about investment to be made and financial implication involved for this block. These details also helpful in financial modelling for the block.</p>	The stamp duty payable shall be as per Rajasthan Stamps Act.
16	<p>Tender Document Clause 14.1.1 (e) <i>"(e) In case of Bidder being a company, duly certified copy of the corporate authorization (notarized), such as board resolution to participate in the tender process and submit a bid."</i> Generally Corporate Authorization in the form of Board Resolution is submitted in original. In that case also notarization of Board Resolution is required? This Clarification needed to prepare technical bid.</p>	Tender Document Condition shall prevails.
17	<p>Tender Document 9. Reserve Price 9.1 The Reserve Price is 4% (Four percent) of Value of Mineral Despatched. The "Value of Mineral Despatched" shall be an amount equal to the product of Please clarify as follows: What is the basis of Keeping Reserve Price as 4% whereas for Gold Blocks it is being kept at 2% in other States? Since base price of mineral for any block is important from Initial Price Point (IPO) of view, it should be clarified to bidders.</p>	As per Rule 8 of Mineral Auction Rule, the onus of deciding reserve price is on State Government.

18	<p>Block Summary and Part IV A</p> <p>Block Summary-Clause 6; Nearest Rail Head</p> <p>Dungarpur (in Rajasthan) is the nearest railway station (approximately 86 km).</p> <p>Part IV A; Clause 5 (ii) Roads, railway track, electric transmission line, telephone line, etc., passing through the area or nearby.</p> <p>The nearest railway station is at Ratlam, Madhya Pradesh, which is approximately 125 km from Bhukia prospect. From Ratlam railway station the area can be approached via Banswara - Ghatol- Narwali metalled road.</p> <p>Please clarify as there are two statement about nearest railway station</p> <p>Clarification will help bidders in getting accessibility about the block</p>	Nearest rail head is Dungarpur in Rajasthan which is approximately 86 km from the block.
19	<p>Geological Report/Summary of Mineral Block</p> <p>There are 12 bore holes information mentioned in the report. All boreholes lithology and assay values are in pdf formats.</p> <p>Provide all 12 boreholes lithology and all elements assay data in Excel format.</p> <p>Please provide all bore holes lithology and all elements assay data in Excel format.</p>	It will be provided to preferred bidder, if he requires.
20	<p>Tender NIT</p> <p>Clause 3.5 The Bidders are expected to conduct due diligence regarding the land to be comprised in the Composite Licence and subsequent Mining Lease and also familiarise themselves with all Applicable Laws relating to acquisition of rights over such land to be comprised in the Composite Licence and subsequent Mining Lease</p> <p>Is it possible to share the georeferenced land map with break up demarcated with proper co- ordinates to extract the land details</p> <p>-</p> <p>To get the georeferenced land details for ease in plotting in the map</p>	There is no provision of providing land status for block proposed for grant of composite license.
21	<p>Tender NIT</p> <p>Clause 4.1 (ii) The estimated mineral resources of minerals found in the identified Concession Area determined pursuant to the Minerals (Evidence of Mineral Content) Rules, 2015 and its subsequent amendments</p> <p>If the successful bidder finds any differences during due diligence of geological study of extractable / mineable reserves in the report with the database provided along with the tender document, will the Government adjust the differential amount of Performance Security?</p> <p>-</p> <p>To protect investor's investment</p>	There is no such provision in Mineral Auction Rule. Further, while bidding the bidder has to take into consideration all the facts and circumstances with his own assessment and wisdom after ground level verification of the block.

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22	<p>Tender NIT</p> <p>Clause 6.1 Pursuant to sub-rule (3) of Rule 9 of the Auction Rules, the Bidders shall be provided a fixed period of 38 days to study the Tender Document and the bidding process shall commence only after such period of 38 days.</p> <p>Requesting to extend the timeline of the bid submission and auction process by one month atleast as 38 days timeline is not sufficient to assess and validate the enormous quantity of exdploration data available with the tender document.</p> <p>-</p> <p>For proper evaluation and assessment of the technical datasets</p>	The bid due date shall not be extended at this point of time.																		
23	<p>Tender NIT</p> <p>Clause 6.3 During such period the Bidders may undertake the site visit to Concession Area at their cost and risk to ascertain for themselves the site conditions, location, communication, climate, availability of power, and any other matter considered relevant by them.</p> <p>Can the bidder collect samples during the visit to site (for testing purposes)? Does DMG provide support of a local host for the bidder to visit the site.</p> <p>-</p> <p>Collection of samples during site visit for initial testing purposes</p>	He may visit site as per Clause 6 of tender document.																		
24	<p>Tender NIT</p> <p>Clause 10.6. (c) (i) a) All the obligations of the holder of the Composite Licence under the tender document, the deed for grant of a mining lease to be executed between the State Government and the successful bidder and/or the MDPA with respect to the Performance Security have been fully paid and its claims satisfied or discharged required under applicable law for commencement of mining operation</p> <p>Does the MDPA accounts for all the metals associated with gold?</p> <p>-</p> <p>MDPA terms of polymetal deposits</p>	The composite license shall be granted for Gold and Associated Mineralization.																		
25	<p>Tender NIT</p> <p>PART-IV-A Technical data Serial no. 1 (i) A total of 3747.30 m of drilling along 12 boreholes was carried out. Seven boreholes (KG-1 to 6 & KG-11) were planned in the northern part of the KhankriyaGara block at 150-200 m strike interval to check the mineralization continuity at 60m vertical depth to intersect the mineralized zone I & II of the Delwara Block of the Bhukia- Jagpura Gold & Associated minerals block.</p> <p>Total 3697.3 m borehole data has been provided along with NIT, instead of 3747.30 m of total drilling</p> <p>-</p> <p>Data gaps in exploratory borehole data</p>	<p>In report of KhankariyaGara block, the details of the drilling in the block is given below-</p> <table><tr><th>Borehole No</th><th>Total depth (m)</th></tr><tr><td>KG-1</td><td>310.8</td></tr><tr><td>KG-2</td><td>339.5</td></tr><tr><td>KG-3</td><td>327</td></tr><tr><td>KG-4</td><td>276.75</td></tr><tr><td>KG-5</td><td>287.7</td></tr><tr><td>KG-6</td><td>351.4</td></tr><tr><td>KG-7</td><td>354</td></tr><tr><td>KG-8</td><td>325.8</td></tr></table>	Borehole No	Total depth (m)	KG-1	310.8	KG-2	339.5	KG-3	327	KG-4	276.75	KG-5	287.7	KG-6	351.4	KG-7	354	KG-8	325.8
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26	<p>Tender NIT PART-IV-A Technical data Serial no. 4 (iii) Cadastral details of the area with land use, area under forest with type of forest. In case the cadastral details are not available an indicative data of breakup of government, private and forest land Mainly Government (partly Protected Forest area) with private agriculture land. Cadastral details may be provided by the State Government - Is it possible to get category wise cadastral digital file for the leasehold area.</p> <p>- Cadastral soft digital copies of the leasehold area to study the land details</p>	There is no provision of providing land status for block proposed for grant of composite license.																																																		
27	<p>Tender NIT PART-IV-A Technical data Serial no. 5(iii) Host population (local tribes), Human settlements within and nearby the area Is there any special schedule in law for the tribal population for land acquisition/ R&R</p> <p>- Any special schedule in law for the tribal population for land acquisition/ R&R</p>	It will be as per notification / circulars issued by Govt. of Rajasthan.																																																		
28	<p>Tender NIT PART-IV-A Technical data Serial no. 8 (ii) Brief detail of the exploration carried out (to be given separately for each agency) All GSI drilled borehole co-ordinates should be provided in UTM too</p> <p>- UTM co-ordinates of all boreholes as a standard practice of reporting boreholes collars</p>	<table><tr><th>S.N</th><th>Borehole location</th><th>Easting (X)</th><th>Northing (Y)</th><th>Collar RL</th></tr><tr><td>1</td><td>KG-1</td><td>436038.6709</td><td>2635572.486</td><td>269.43</td></tr><tr><td>2</td><td>KG-2</td><td>436075.5948</td><td>2635376.011</td><td>277.54</td></tr><tr><td>3</td><td>KG-3</td><td>436121.26</td><td>2635173.51</td><td>271.48</td></tr><tr><td>4</td><td>KG-4</td><td>436176.94</td><td>2634977</td><td>255.62</td></tr><tr><td>5</td><td>KG-5</td><td>436241.87</td><td>2634785.98</td><td>245.00</td></tr><tr><td>6</td><td>KG-6</td><td>436229.25</td><td>2634566.6</td><td>241.89</td></tr><tr><td>7</td><td>KG-7</td><td>436298.5992</td><td>2633728.443</td><td>232.85</td></tr><tr><td>8</td><td>KG-8</td><td>436308.4307</td><td>2633562.701</td><td>238.01</td></tr><tr><td>9</td><td>KG-9</td><td>436220.1987</td><td>2633871.723</td><td>228.61</td></tr></table>	S.N	Borehole location	Easting (X)	Northing (Y)	Collar RL	1	KG-1	436038.6709	2635572.486	269.43	2	KG-2	436075.5948	2635376.011	277.54	3	KG-3	436121.26	2635173.51	271.48	4	KG-4	436176.94	2634977	255.62	5	KG-5	436241.87	2634785.98	245.00	6	KG-6	436229.25	2634566.6	241.89	7	KG-7	436298.5992	2633728.443	232.85	8	KG-8	436308.4307	2633562.701	238.01	9	KG-9	436220.1987	2633871.723	228.61
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29	<p>Tender NIT</p> <p>PART-IV-A Technical data Serial no. 8 (ii)</p> <p>Brief detail of the exploration carried out (to be given separately for each agency)</p> <p>Is it possible to visit the core library of GSI</p> <p>-</p> <p>Core library visit as part of borehole core validation and QAQC</p>	<p>By submitting a formal email through the appropriate channels to the higher authority, the visit to the GSI core library can be arranged.</p>															
30	<p>Tender NIT</p> <p>PART-IV-A Technical data Serial no. 15(i) (c) Check analysis of at least 10% of samples should be analyzed from third party National Accreditation Board for Testing and Calibration Laboratories (NABL) accredited or Department of Science and Technology (DST) or Bureau of Indian Standards (BIS) recognized laboratories or government laboratories for assessing the acceptable levels of accuracy.</p> <p>Third party check analysis not done- Whereas check analysis of borehole samples are necessary for any standard exploration program</p> <p>-</p> <p>Check analysis of borehole samples</p>	<p>All the samples have been analysed in the GSI lab. Rechecking of samples was also carried out time of analysis of the samples.</p>															
31	<p>Tender NIT</p> <p>PART-IV-A Technical data Serial no. 17 Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</p> <p>Based on the number of specific gravity measurements of gold zones/ lode intersected in different boreholes drilled in adjoining blocks of Bhukia gold prospect, the average tonnage factor is taken as 3.00.</p> <p>Kindly provide bulk density of associated rock types (non- mineralized rock types)</p> <p>-</p> <p>For resource validation</p>	<p>Based on the number of specific gravity measurements of gold zones/ lodes intersected in different boreholes drilled in adjoining blocks of Bhukia gold prospect, the average tonnage factor is taken as 3.00.</p> <p>Bulk density for the mineralized zone was only calculated in most of the reports.</p>															
32	<p>MDPA</p> <p>Clause 7.1.1 Payments: The Successful Bidder shall make monthly payments on the Final Price Offer (the "Monthly Payment"). The Monthly Payment shall be composed on the basis of value of the Mineral Dispatched or the value of minimum production requirement as specified in Clause 8, whichever is higher.</p> <p>Minimum production requirement has been furnished in Schedule E which is on annual basis. This minimum production requirement on</p>	<p>Please refer to Rule 13 of Mineral Auction Rules.</p>															

Imperial Mining - Kailash

	<p>annual basis cannot be used to determine monthly payments to State Government.</p> <p>Accordingly, we understand that, reconciliation of actual production with respect to minimum production requirement will be on annual basis and Successful Bidder will pay any shortfall into the amount with respect to minimum annual production on annual basis. Kindly confirm. Accordingly, Monthly Payment shall be on the basis of Value of Mineral Dispatched during the month. Kindly confirm.</p> <p>-</p> <p>Monthly payment on the basis of mineral dispatched</p>	
33	<p>MDPA & Tender Document</p> <p>Clause 10.7 - Provided that no Mining Lease Deed shall be executed on expiry of a period of three years from the date of the letter of intent, and the letter of intent shall be invalidated leading to annulment of the entire process of auction with forfeiture of equivalent amount of bid security from available performance security.</p> <p>Provided further that the State Government may allow a further period of two years for execution of the Mining Lease Deed if the reasons for delay were beyond the control of the preferred bidder. Clause 3.1 The State Government may allow a further period of two years for execution of the Mining Lease Deed if the reasons are beyond the control of the preferred bidder.</p> <p>If the delay incurs due to approval, permits or clearances from the Govt. Authority the Mining Lease can be extended to the no. of days delayed from the authority up to maximum of 2 years.</p> <p>Clause 10.7 - Provided that no Mining Lease Deed shall be executed on expiry of a period of three years from the date of the letter of intent, and the letter of intent shall be invalidated leading to annulment of the entire process of auction with forfeiture of equivalent amount of bid security from available performance security.</p> <p>Provided further that the State Government may allow a further period of two years for execution of the Mining Lease Deed if the reasons for delay were beyond the control of the preferred bidder.</p> <p>Further, in case of non-execution of Mining Lease during above period and thereby invalidation of letter of intent, due to reasons not attributable to and beyond the control of Preferred Bidder, then bid security from available performance security will not be forfeited and Performance Security will be returned to Preferred Bidder.</p> <p>Any penal action should not be imposed on account of any delay in execution of Mining Lease due to reasons not attributable to and beyond the control of Preferred Bidder.</p> <p>Accordingly, modifications are requested.</p>	<p>Tender document condition shall prevail.</p>

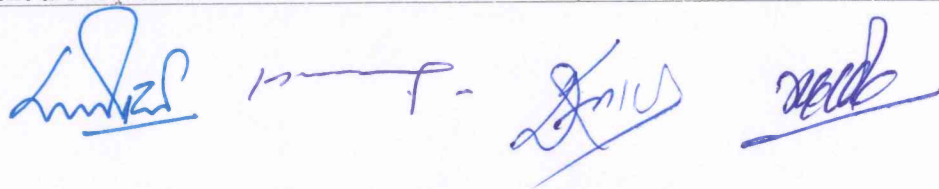
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34	<p>MDPA</p> <p>Clause 4.2.2 - Provided however that in the event an Appropriation Event has occurred solely on account of an Event of Force Majeure which could not have been mitigated by the Successful Bidder through Good Industry Practice as provided in Clause 17, then the Performance Security shall not be appropriated for such specific Appropriation Event. The clause should be amended as mentioned in the suggested text for amendment section</p> <p>4.2.2 - Provided however that in the event an Appropriation Event has occurred solely on account of an Event of Force Majeure or any event not attributable to and beyond the control of Successful Bidder which could not have been mitigated by the Successful Bidder through Good Industry Practice as provided in Clause 17, then the Performance Security shall not be appropriated for such specific Appropriation Event. In the event an Appropriation</p>	Tender document condition shall prevail.
35	<p>Tender Document</p> <p>Clause 12- Provided that on expiry of a period of one year from the date of the letter of intent, no Prospective License Deed of Composite License shall be executed, and the letter of intent shall be invalidated leading to annulment of the entire process of auction. Provided further that the State Government may allow a further period of six months for execution of the Prospective License Deed if the reasons for delay were beyond the control of the preferred bidder. The clause should be amended as mentioned in the suggested text for amendment section</p> <p>Clause 12: Provided that on expiry of a period of one year from the date of the letter of intent, no Prospective License Deed of Composite License shall be executed, and the letter of intent shall be invalidated leading to annulment of the entire process of auction. Provided further that the State Government may allow a further period of six months for execution of the Prospective License Deed if the reasons for delay were beyond the control of the preferred bidder.</p> <p>Further, if delay incurred due to reasons not attributable and beyond the control of Preferred Bidder, then bid security from available performance security will not be forfeited.</p> <p>Any penal action should not be imposed on account of any delay due to reasons not attributable to and beyond control of the Preferred Bidder. Accordingly, modifications are requested.</p>	Tender document condition shall prevail.



36	<p>MDPA</p> <p>Clause 13.2 – Periodic Payments</p> <p>A holder of mining lease shall make such payments as specified in Rule 13 of the Auction Rules. It is clarified that, the holder of mining lease shall pay the applicable payments quoted under Rule 8 of Auction Rules with respect to the Value of Mineral Despatched or the minimum production requirement, as specified in the MDPA.</p> <p>The clause should be amended as mentioned in the suggested text for amendment section</p> <p>A holder of mining lease shall make such payments as specified in Rule 13 of the Auction Rules. It is clarified that, the holder of mining lease shall pay the applicable payments quoted under Rule 8 of Auction Rules with respect to the Value of Mineral Despatched or the minimum production requirement, as specified in the MDPA.</p> <p>The lessee shall pay only fifty per cent of the amount quoted under rule 8 of the Auction Rules, for the quantity of mineral produced and dispatched earlier than the scheduled date of commencement of production as given in the tender document.</p> <p>It is proposed to insert provision to incentivise the Successful Bidder in case mineral produced and dispatched earlier than the scheduled date of commencement of production as given in the tender document.</p>	Tender document condition shall prevail.
37	<p>Tender Document</p> <p>Clause 12 - Time table - S. No. 14, 16 and sl. no. 3 after T1 date. MDPA - Clause 3.1 - Condition for grant of Mining Lease</p> <p>MDPA - Clause 4.3- Table 4.3.1 - Point no. 1</p> <p>The clause should be amended as mentioned in the suggested text for amendment section</p> <p>It is proposed that</p> <p>First instalment of Upfront Payment should be paid after approval of Mining Plan.</p> <p>Second instalment of Upfront Payment should be paid within 28 days of execution of MDPA.</p> <p>Third instalment of Upfront Payment should be paid within 30 days of execution of Mining Lease Deed.</p> <p>According to above schedule, clause 3.1 & 4.3 - Table 4.3.1 - Point no. 1 of MDPA may also please be changed.</p> <p>Objective of Upfront Payment is to ensure security against the material to be extracted.</p> <p>As such, Upfront Payment should be paid before start of production.</p> <p>However, proposed timeline in the Tender document is very onerous. Therefore, we request you to adopt proposed timelines for payment of Upfront Payment which will meet very objective and also help to Preferred Bidder in managing cash flow.</p>	Tender document condition shall prevail.

MDPA

Jurisdiction and Dispute Resolution clause missing
Amicable resolution in case of any dispute in executive the MDO agreement should be the emphasis and then referring the dispute to arbitration is suggested

This Agreement and all questions of its interpretation shall be construed in accordance with the laws of India, without regard to its principles of conflicts of laws.

Any dispute, controversy or claim arising out of or relating to or in connection with the Agreement including a dispute as to the validity or existence of this Agreement, or any breach or alleged breach thereof, shall be settled through mutual discussions between the Parties. In this regard, the Successful Bidder shall nominate an officer not below the rank of a director to participate in the discussions on its behalf.

In the event that the Successful Bidder fails to nominate an officer in the manner required above; or the Parties are unable to resolve any dispute in accordance with the above clause within a period of [30] Business Days starting from the date on which the first notice of dispute was provided by either Party, such dispute shall be resolved in accordance with the Arbitration and Conciliation Act of India.

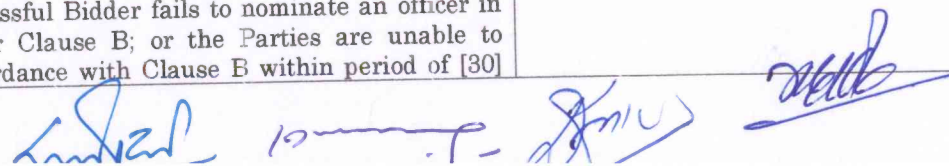
In the event that the Successful Bidder fails to nominate an officer in the manner required under Clause B; or the Parties are unable to resolve any dispute in accordance with Clause B within period of [30] Business Days stating from the date on which the first notice of dispute was provided by either Party, such dispute shall be referred to arbitration by in accordance with Clause E. Such arbitration shall be subject to the provisions of the Arbitration and Conciliation Act, 1996. The venue of such arbitration shall be Delhi, and the language of arbitration proceedings shall be English.

There shall be a 3 (three) arbitrators, of whom each Party shall select 1 (one), and the third arbitrator shall be appointed by the 2 (two) arbitrators so selected, and in the event of disagreement between the two arbitrators, the appointment shall be made in accordance with the Arbitration Rules. The arbitrators' award (the "Award") shall be final and binding on the Parties as from the date it is made, and the Parties agree and undertake to carry out such Award without delay. This Agreement and the rights and obligations of the Parties shall remain in full force and effect, pending the Award in any arbitration proceedings hereunder.

The Parties agree that an Award may be enforced against them and their assets wherever situated.

[In the event that the Successful Bidder fails to nominate an officer in the manner required under Clause B; or the Parties are unable to resolve any dispute in accordance with Clause B within period of [30]

Tender document condition shall prevail.



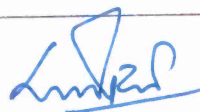
	<p>Business Days stating from the date on which the first notice of dispute was provided by either Party, such dispute shall be taken by either Party for resolution.</p> <p>It is expressly agreed between the Parties, that any existence of a dispute shall not affect in any manner any of the rights of the Nominated Authority under this Agreement, including without limitation the right to appropriate Performance Security or terminate this Agreement, until a final determination in this regard is made.</p> <p>Emphasis should be on Amicable solution as it will help in effective and efficient running of mine. Another effective way is to refer the matter to Arbitration as it is an effective and speedy process. Civil Courts have no timelines to arrive at solution.</p>	
39	<p>MDPA</p> <p>We request to incorporate the clause specifying the criteria related to Change in Control or Transfer of Mine by Successful Bidder prior to grant of Mining Lease in the Agreement.</p> <p>-</p> <p>We propose to include the clause for change in control or transfer of Mine clause prior to obtaining the Mining Lease in the Agreement.</p>	It will be dealt as per rules.
40	<p>MDPA</p> <p>Clause 17.1 - Events of Force Majeure acts of God, flood, drought, earthquake or other natural disaster; epidemic or pandemic; terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations; nuclear, chemical or biological contamination or sonic boom; collapse of buildings/mines, fire, explosion or accident; or any labour or trade dispute, strikes, industrial action or lockouts (other than those solely affecting Successful Bidder claiming the same as an Event of Force Majeure and attributable to such Successful Bidder's policies regarding labour, compensation or employment or labour related conditions).</p> <p>The clause should be amended as mentioned in the suggested text for amendment section</p> <p>17.1 - Events of Force Majeure acts of God, flood, drought, earthquake or other natural disaster; epidemic or pandemic; terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations; nuclear, chemical or biological contamination or sonic boom; collapse of buildings/mines, fire, explosion or accident; or</p>	Tender document condition shall prevail.

Amended 10 - *Amended* *Amended*

	<p>any labour or trade dispute, strikes, industrial action or lockouts (other than those solely affecting Successful Bidder claiming the same as an Event of Force Majeure and attributable to such Successful Bidder's policies regarding labour, compensation or employment or labour related conditions).</p> <p>unlawful or unauthorized or without jurisdiction, revocation of, or refusal to renew or grant without valid cause, any clearance, license, permit, authorization, no objection certificate, consent, approval or exemption required by the Successful Bidder to perform their respective obligations under this Agreement and the Project Agreements; provided that such delay, modification, denial, refusal or revocation did not result from the Successful Bidder's inability or failure to comply with any condition relating to grant, maintenance or renewal of such clearance, license, authorization, no objection certificate, exemption, consent, approval or permit;</p> <p>viii) Any change in law or government policy making the performance of obligations under this Agreement impossible.</p> <p>We request to insert point no. (vii) as Force Majeure event which is a fair preposition, and this clause is standard in most of the Mining Agreements executed with various Government Authorities.</p>	
41	<p>Tender Document</p> <p>General</p> <p>Please confirm whether a mining lease or prospecting license in relation to the Block has been granted to any other person previously and/or if any application for prospecting license/mining lease had been filed in respect of this Block.</p> <p>Kindly confirm if any such applications are currently pending with the State Government.</p> <p>-</p> <p>-</p>	No such, application is pending with State Govt.
42	<p>General Query</p> <p>Access Roads</p> <p>In greenfield blocks, access roads are challenging to build and may lead to unanticipated delays.</p> <p>In cases, where such delay is affecting the Lessee to perform its obligations under MDPA due to reasons not attributable to Lessee, kindly confirm if any waivers and time schedule extensions would be given to the Bidder.</p> <p>What support is to be expected from the Department to facilitate the Bidder in establishing access to the deposit?</p> <p>-</p> <p>-</p>	The State Govt. will help to the extent possible.

Amal K. Singh *Shiv* *Sub*

43	<p>General Query General</p> <p>We understand that for any services rendered by Central Government, UT or State by way of assignment of right to use any natural resources where such right to use was assigned by the Central, State Govt., UT or Local Authority will also attract GST. GST applicable in such cases is 18%.</p> <p>We seek clarification that whether Monthly Payment paid to State Government (which is bidding parameter) would attract GST or not?</p> <p>-</p> <p>-</p>	It will be as per norms.
44	<p>MDPA Clause 4.3.2:</p> <p>"In the event of a part or total appropriation of the Performance Security, the Successful Bidder shall be required to: (i) rectify the Appropriation Event; and (ii) [top-up the bank guarantee constituting the Performance Security] OR [deposit additional amount towards security deposit] within [seven] days of receipt of a notice under Clause 4.3.1</p> <p>The cure period of seven (07) days' is not sufficient to rectify the Appropriation Event and top-up the bank guarantee constituting the Performance Security or deposit additional amount towards security deposit. Hence, sufficient time should be given to the Successful Bidder. This clause to be modified as follows:</p> <p>"In the event of a part or total appropriation of the Performance Security, the Successful Bidder shall be required to: (i) rectify the Appropriation Event; and</p> <p>(ii) top-up the bank guarantee constituting the Performance Security OR deposit additional amount towards security deposit within seven Thirty [30] days of receipt of a notice under Clause 4.3.1 or such extended period as may be agreed."</p> <p>The Successful Bidder should be provided a sufficient cure period to rectify the Appropriation Event and top- up the bank guarantee.</p>	Tender document condition shall prevail.
45	<p>Stamp Paper for BG</p> <p>-</p> <p>Kindly confirm Stamp Paper Details as mention below:</p> <p>e-Stamp Paper: Rs. 25000</p> <p>Purchased By: Name of the Bidder Description of Document (Article):</p> <p>Article 32 Letter of Guarantee</p> <p>Description: Bank Guarantee First Party: Name of the Bidder Second Party: Name of the Bank</p> <p>Stamp Duty paid byName of the Bidder</p>	Please refer to tender document.

 10-11-18



