

Ref: RHA007/01/12/BC

GANSU GOLD 1

29th March 2012

An operating underground **GOLD** mine with a total (333) of 4.76t of gold resources is available for sale.

- ASSETS: Mining permit: area(0.35km²); production capacity (4,000tpa); expires (Apr 2013)
 - A 200t/d processing plant
 - Held under a PRC company

RESOURCES: As reported in a 2011 geological study:

• Gold:

Chinese Classification	Ore (t)	Grade (g/t)	Gold (t)
333	1,127,721	4.22	4.76
334	36,434	5.25	0.19
Grand Total	1,164,155	4.25	4.95

- **OPERATION:** Mining within a 300m thick vertical zone underground
 - Mining and processing at 200t/d for 300days per year. At this throughput, the mine life is estimated to be approx. 15 years
 - Advised estimated operating cost is RMB174/t ore or RMB44/g gold at 4g/t
 - Advised estimated annual net profit before tax is RMB64M
- **BENEFICIATION:** A 200t/d carbon-in-leach processing plant
- **INFRASTRUCTURE:** Accessible by road
 - Power and water supply available
- CONSIDERATIONS:
 RMB XXX million

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