

CONTENTS

	Page
Invitation	3
Tender	4-7
Policies	8-11
Fiji - General Information	12-13
Fiji – Geology	14-18
Mount Kasi – Geology	19-21
Exploration History	22-23
Exploration Review	24-26
Legacy Issues	27-28
Bibliography	29-31

Invitation from Minister for Lands & Mineral Resources

The Government of Fiji is keen to promote the mineral potential within its sunny tropical islands in the South Pacific.

Though widely known for its magnificent white sandy beaches and aqua blue waters, Fiji also holds a significant range of minerals that have been explored and mined for over 80 years. Due to its geological characteristics and being in the well-known 'Rim of Fire', the potential for Fiji to host world class gold and copper deposits is indeed vast.

With the recovery of the world economy, Fiji has seen its exploration sector experience historical highs in terms of activity on the ground, expenditure and diversity of mineral prospects.

To further accelerate this surge in the sector, I am pleased to announce the launching of this tender to attract reputable and responsible mining companies to revive Fiji's first gold mine, the Mt. Kasi gold mine on the second largest island of Vanua Levu.

Given its operational successes in the past, the mine is a highly prospective area and the Fiji government invites parties to peruse the document and submit a thorough proposal.

I wish all interested parties the very best in their ventures into Fiji.

.....

Netani Sukunaivalu

Minister for Lands and Mineral Resources

Tender Conditions & Requirements

A. General

1. This invitation to tender is issued by the Government of the Republic of the Fiji Islands inviting interested eligible companies to submit proposals to geologically appraise under a Special Prospecting Licence and bring to commercial production after, if feasible, the various prospects in the Mount Kasi region located on Vanua Levu, the second largest island in the Fiji Island Group.

2. The Mt Kasi mineralised system has been explored to different periods of gold production prior to the issue of this Invitation to Tender Notice. Appraisal to-date following closure of production operations in 1998 has outlined several prospects in the region. Detailed studies have centered upon the Mount Kasi prospects where the most recent estimates suggest geological resource close to 3.4million tonnes @2.2g/t Au for 240,000 oz Au , with a cut-off grade of 0.8 and 1.2g/t Au based on gold prices at time of assessment.

3. A summary description of the tenement area, exploration history, together with a summary of the geology and mineralisation is included as part of this Tender document. A DVD with additional data and contents as per the bibliography is available upon application at a cost of \$US50.

4. **Method of Tendering** is by open international tender on an equal basis.

5. Tenders and all documents relating to the tender shall be written in the English language, or the tender is invalid.

7. A Tenderer may request clarification of points in the tender document in writing. In order to be considered all such requests shall be forwarded to the following address:

The Director
Mineral Resources Department
Private Bag
Suva, FIJI

8. Interested eligible tenderers may obtain further information and/or inspect relevant reports and documents on Mount Kasi at the departmental library at 241 Mead Rd, Nabua, Suva prior to submitting a proposal. Copies of documents in the bibliographic listing attached to this document can be obtained from the above on payment of charges which cover the cost of reproduction together with freight and handling charges.

9. Tenderers wishing to be considered must fully appreciate the desire of the Government of Fiji that evaluation and (if feasible) development of the Mount Kasi Prospects shall proceed within a reasonable time period in a sustainable manner.

10. The successful Tenderer will be required to commit to abide by Fijian legislation, policies and codes regarding environmental impact, consultation with landowners and compensation.

B. Submission of Tender / Closure Date

1. **Closure Date:** The tenders must be received at the following address before 4.30 PM, September 30 2010. Tenderers shall send, or deliver by hand the original and one copy of their tender to:

The Permanent Secretary,
Ministry of Lands and Mineral Resources,
P.O.Box 2222 Government Buildings,
Suva, Fiji.

2. Tenders shall be submitted in one original and a copy in sealed envelopes. The envelopes shall be clearly marked "**Mount Kasi Tender**". The Name and mailing address of tenderer shall also be indicated on the envelopes so that late submissions can be returned unopened.

3. Information provided in the tenderers must be a full and truthful declaration of the information requested from the tenderer.

4. All documents submitted by tenderers shall be treated as confidential. Documents received and opened will not be returned.

C. Tender Contents

Tenderers shall ensure that their tender incorporates detailed information on the strategies proposed to appraise the prospect and all other information necessary to assess their tender.

The information supplied must include but is not restricted to the following:

1. Background of Tenderer

Name of Company

Registered Business Address

Major Shareholding and Ownership of Company

Names and Contact Addresses of Chairman and CEO

The most recent Company Annual Report

Name and contact address of Principal Bankers

2. Technical Proposal

Outline of exploration philosophy

Detailed outline of proposed Exploration Work Program, with options and timetable for the first three years

Clear evidence of technical capability

Proposals for environmental protection

Proposals for recruitment of personnel

Proposals to address legacy issues such as outstanding liabilities

3. Proposed Financing Arrangement

Tenderers are required to include their proposals to finance the project. Evidence must be provided relating to financial capacity and demonstrated access to funds.

D. Evaluation of Tenders

Only Tenders that are determined to be in accordance with the above stated criteria shall be evaluated and ranked technically. Following the technical evaluation, tenders shall be evaluated on the basis of

their financial proposals. It is expected that all Tenderers shall be advised of the decision within 60 days of the date of closure of tenders. If there are a large number of applicants, the timeframe for a decision will be extended and parties will be duly notified.

E. Notification of Award

Communications between the Authority responsible for the tender on the one hand, and Tenderers, shall be sent by post, facsimile transmission or personal delivery, to the appropriate address designated by the parties for this purpose. Following analysis of the tenders the Authority responsible for the Tender shall notify the Successful Tenderers in writing that their tender has been accepted, and will include all necessary forms required to proceed. Upon receipt of notification, the successful tenderers will be expected to respond in writing within 21 days that it has agreed to undertake the work as outlined in its proposal and submit on the appropriate form a formal application.