

## INVESTMENT PROJECT SUMMARY/PROFILE

Geological exploration with subsequent mining of iron within the limits of the manifestation of "Gumas" (nickel)



### *Information about project initiator*

<i>Project initiator</i>	Main Department of Geology under the Government of the Republic of Tajikistan
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<i>Type of ownership</i>	State
<i>Sector</i>	Mining Industry
<i>Main idea of the project</i>	<ul style="list-style-type: none"> <li>- Development of new deposits,</li> <li>- The development of the mining industry,</li> <li>- Increasing the export potential of the country,</li> <li>- Production of competitive products and the creation of jobs.</li> </ul>
<i>Aim/result of project</i>	Meeting the needs of local industrialists and increasing the country's export potential.
<i>Planned production capacity</i>	<p>The contents of the elements on the field of practical interest are:</p> <ul style="list-style-type: none"> <li>• Nickel up to 1% (average 0.77%);</li> <li>• Cobalt to 0.15% (average 0.007%);</li> <li>• Platinum up to 1.6 g / t (average 1.3 g / t);</li> <li>• Palladium to 0.94 g / t (average 0.13 g / t).</li> </ul> <p>Predicted resources in the P2 category at the Rovandsky site are more than:</p> <ul style="list-style-type: none"> <li>• Ore 115 million tons;</li> <li>• Nickel 800 thousand tons;</li> <li>• Copper 400 thousand tons;</li> <li>• Cobalt 80 thousand tons;</li> </ul> <p>Platinum group metals are more than:</p> <ul style="list-style-type: none"> <li>• Ore 130 million tons, including:</li> <li>• Platinum 170 t;</li> <li>• Palladium 15 tons;</li> </ul> <p>For the remaining three sites, the predicted resources of</p>

	<p>category P3 add up to more:</p> <ul style="list-style-type: none"> <li>• Ore 130 million tons;</li> <li>• Nickel 1 million tons;</li> <li>• Copper 4000 thousand tons;</li> <li>• Cobalt 100 thousand tons;</li> <li>• Platinum 150 tons;</li> <li>• Palladium 15 tons;</li> </ul> <p>It is proposed to carry out detailed exploration prospecting in the Lyangar ore zone, as well as to conduct thematic and research works.</p>
<i>Planned export volume, regions (if any)</i>	<p>Iron ore is the main commodity used in the metallurgical industry and its cost is highly dependent on the cost of transportation.</p> <p>The export of iron concentrate will mainly be carried out to steel mills in Kazakhstan, Russia, Uzbekistan and China.</p>
<i>Planned realization period (years)</i>	3 years
<i>Stage of the project (business plan, project documentation, other)</i>	There is documentation on geological exploration carried out on the Barch iron-bismuth deposit. The project needs to conduct a feasibility study and obtain a license.
<i>Project overall cost</i>	10 mln. US\$
<i>Including</i>	<i>Internal funds</i> <span style="float: right;"><i>mln US\$</i></span>
	<i>Required investments</i> <span style="float: right;"><i>10 mln US\$</i></span>
<i>Profitability</i>	22%
<i>Period for payback</i>	18 years
<i>Type of investment</i>	Direct investment
<i>Investor participation form</i>	Creation of a joint venture, Implementation of the project based on investment agreement,
<i>Tax and custom benefits/privileges</i>	<ul style="list-style-type: none"> <li>- Moratorium on inspections of businesses in the areas of production for two years (2018-2020).</li> <li>- A special licensing regime under the investment agreement (including a simplified regime for issuing, re-issuing, renewing licenses provided for by the investment agreement, issuing licenses for a period exceeding the maximum term of the license, full or partial exemption from paying licensing fees and duties).</li> <li>- A special tax regime may be granted in accordance with the investment agreement (including exemption from all taxes, other tax exemptions not provided for by the legislation).</li> <li>- Issuance of a license under a production sharing agreement, within 30 days from the date of its signing, without providing additional documents or obtaining additional approval.</li> <li>- Delivery of products by the investor when executing an agreement on production sharing is exempt from VAT and excise taxes.</li> </ul>

	<ul style="list-style-type: none"> <li>- The investor is exempt from paying income tax upon the implementation of the production sharing agreement.</li> <li>- The importation of production and technological equipment and components to it, forming a single technological kit is exempt from customs duties</li> <li>- Ability to attract foreign workers in the framework of the investment agreement above the established quota.-</li> <li>Attract foreign workers in the framework of the investment agreement above the established quota</li> <li>- With an investment of more than \$ 5 million, the company is exempt from income tax for a period of 5 years.</li> <li>- Other preferences may be negotiated.</li> </ul>
<i>Technical indicators</i>	
<i>Location of project (or realization)</i>	The deposit is located on the northern angles of the Vanch elevation, in the area between the Abdukagor and Chikhokh, the left tributaries of one of the largest rivers of the Western Pamirs, the Vanch River. Absolute elevations of 4000 - 5000 m. Administratively the object is located on the territory of Vanj district. The economic area of work is not mastered, there is no electricity supply, the road needs repair. The object is connected with the Vanch district center by a partially asphalt road 52 km long and 393 km from Dushanbe.
<i>Size of overall necessary production site (land)</i>	50 ha
<i>Production area, ha</i>	35 ha
<i>Planned number of jobs</i>	250
<i>Infrastructure/Communication</i>	
<i>Power supply</i>	Not available, it is planned to conduct a power line and install its own transformer.
<i>Water supply</i>	Not available, planned to built a water line.
<i>Gas supply</i>	None
<i>Other</i>	Availability of own experimental sites
<i>Transport connection</i>	
<i>Road</i>	The object is connected with the district center Vanch by a partially asphalted road 52 km long and 393 km from the city of Dushanbe.
<i>Airport</i>	393 km to Dushanbe International Airport 210 km to Kulyab International Airport
<i>Railway</i>	210 km from the railway station of Kulyab
<i>Other</i>	140 km from the city of Khorog