

ISLAMIC REPUBLIC OF AFGHANISTAN
Ministry of Mines



REQUEST FOR EXPRESSION OF INTEREST
HAJIGAK IRON DEPOSIT

The Islamic Republic of Afghanistan, through the Ministry of Mines, is offering the mineral rights to the Hajigak Iron Deposit and the surrounding lands exhibiting exploration potential through a Tender Process. The process is expected to culminate in the granting of exploitation and exploration concessions via a Mining Contract..

According to the Afghanistan Geological Survey and the British Geological Survey, the world-class Hajigak iron deposit(s) have an estimated resource base of some 1.8 billion tons at an estimated grade of 62% Fe (using the Russian classification system). These resources occur in 16 ore bodies, as much as 5km in length, 380m wide and more than 550m down, along a zone over 32km in length. Previous feasibility studies indicate that the bodies are amenable to open pit mining methods. Resources of coking coal are available, providing the possibility of creating an integrated iron and steel facility. The deposit is located in the mountainous Bamiyan Province, 130km west of Kabul.

Given that natural resources are a priority for the economic development of Afghanistan, the Ministry is interested in those companies that will commit to development of the Hajigak deposit on an accelerated basis. The eventual operations are expected to include a coal mine, a power generation facility, the iron ore mine/processing facilities and transport assets for iron ore and end products..

Preliminary data about the Hajigak deposit will be available at the Ministry's offices by March 20, 2009 and online on the Ministry's website, <http://mom.gov.af>.

Applicants are expected to be international investors or groups with a proven track record in ownership, financial capability and technical competence in iron ore exploration and development of the mining, processing and marketing of iron, steel and finished products.

To pre-qualify, prospective bidders must submit verifiable evidence of Technical, Managerial and Financial capacity to explore, develop and mine the Hajigak deposit, including, but not limited to:

- Successful investment and technical management of iron ore exploration and development;
- Developing and operating successful mining and mineral processing facilities, in an environmentally responsible manner with positive engagement with all stakeholders; and
- Financial capacity to develop and operate large capital projects.

The Ministry of Mines has identified development objectives for the tender. Award of the Mineral Rights will be to an entity that can provide:

- ✓ Sustainable development of the deposit(s) generating long term royalty and tax revenue;
- ✓ Infrastructure improvements benefiting the mine operations and the country as a whole;
- ✓ Operations emphasizing responsible environmental, social and employment programs;

- ✓ Effective exploration of the exploration concession areas with the goal of identification of new iron resources; and
- ✓ Creative approaches to the project's development are encouraged.

METHOD OF APPLICATION

Interested parties should indicate their interest by providing the following documentation and information in English and/or Dari:

- Full name of company and contact person, postal address, telephone / fax numbers and e-mail address.
- Ownership structure of company;
- Audited financial statements for the past five (5) years and most recent management or annual company reports that summarize company activities and operations;
- Technical and operational capabilities including number of years in iron exploration, iron mine development and processing of iron ore;
- Composition and profile of management and technical team showing qualification and years of experience in iron ore exploration and / or mining, metallurgical processing, and the environmental and social disciplines; and
- Experience with exploration and development of similar size deposits in developing countries.

The applicants are also encouraged to submit an Executive Summary up to five pages in both English and in Dari. Voluminous corporate reporting documentation (10-K, 10-Q, AIF, Annual Reports, etc.) can be submitted in English. An original and five (5) copies of the Expression of Interest in a sealed envelope clearly marked "EOI HAJIGAK TENDER" at the top right hand corner shall be delivered to the address below not later than May 31, 2009. Applicants are advised that typical document courier services require at least 1 calendar week for delivery to Kabul, and that the work week is Saturday through noon on Thursday.

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Upon receipt of the Expressions of Interest from interested parties, the Ministry will evaluate and pre-qualify applicants for the Hajigak deposit. Successful applicants will be notified by the Ministry of Mines on or before June 20, 2009. The list of successful applicants will also be posted on the Ministry's website.

Thereafter, pre-qualified applicants will be issued a Bid Package for the Hajigak deposit. Details of the bidding procedure will be contained in the Bid Package.

Gustavson Associates is the Transaction Advisor to the Ministry of Mines. All applicants are requested to send an email confirmation of submittal of their Expression of Interest that includes date submitted and courier tracking number, if applicable, to hajigaktender@gustavson.com