

ISLAMIC REPUBLIC OF AFGHANISTAN
Ministry of Mines



REQUEST FOR EXPRESSION OF INTEREST
AYNAK COPPER DEPOSIT

The Islamic Republic of Afghanistan, through the Ministry of Mines, is offering the mineral rights to the Aynak Copper 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 Mineral Agreement in February, 2007.

According to the Afghanistan Geological Survey and the British Geological Survey, the Aynak copper deposit consists of 240 million tons of material with a grade of 2.3% copper in the central portion of the deposit. Further resources are present in the western portion of the deposit but are less well defined. The copper mineral deposit outcrops at the surface where portions of the deposit are amenable to open pit mining methods. The deposit is located 35 km south of Kabul at the northern end of Logar province.

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 Aynak deposit on an accelerated basis.

Preliminary data about Aynak deposit will be available at the Ministry's offices by September 25, 2006 and online on the Ministry's website, <http://www.bgs.ac.uk/afghanminerals>.

Applicants are expected to be international investors or groups with a proven track record in ownership, financial capability and technical competence in copper exploration and development/ or the mining, processing and marketing concentrates, blister or refined copper.

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

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

The Ministry of Mines has the following development objectives for the tender:

- Award of the Mineral Rights 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; and
 - Effective exploration of the exploration concession areas with the goal of identification of new copper resources.
- 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 copper exploration, copper mine development and processing of copper ore;
- Composition and profile of management and technical team showing qualification and years of experience in copper 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 AYNAK TENDER**" at the top right hand corner shall be delivered to the address below not later than October 28, 2006. Submitters 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.

Afghanistan Ministry of Mines and Industry
Mr Hafiz Afzaly
Executive Officer of Project Implementation Unit

Pashtoonistan Watt
Across from Ministry of Finance
Kabul, Afghanistan
Tel: +93 202 100 309
FAX: +93 202 934 420 Email: mmiafg@gmail.com

Upon receipt of the Expressions of Interest from interested parties, the Ministry shall evaluate and pre-qualify applicants for the Aynak deposit. Successful applicants will be notified by the Ministry of Mines on or before November 14, 2006. 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 Aynak deposit. Details of the bidding procedure will be contained in the Bid Package.

Gustavson Associates has been retained as 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 Aynak_Tender@gustavson.com