

Mineral Processing Plants



"When You're Finished Mining....We're Just Beginning...."

INFORMATION MEMORANDUM:

LICHKVAZ 1-1.3 MTPA CIP GOLD PLANT

*Under Instructions from
TAMAYA RESOURCES LIMITED
(Receivers and Managers Appointed)*

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1.0 INTRODUCTION

This Information Memorandum has been prepared by Minasco Australia Pty Ltd (Minasco) in its capacity as exclusive agents for the vendors, Tamaya Resources Ltd (Receivers and Managers Appointed) (Tamaya).

The Memorandum is provided as a guide for prospective purchasers providing background information and technical details relating to the 1-1.3 MTPA Gold Processing Plant assets offered for sale by Tamaya. Its content and descriptions **do not form any part of subsequent documentation that would arise from purchase of the plant and other assets.**

Whilst every care has been taken in preparation of the Memorandum, it is the responsibility of intending purchasers to ensure to their own satisfaction, by on-site inspection and verification, the accuracy of the information provided. No responsibility or liability is accepted by the vendors, Minasco or their staff for the accuracy of the information provided. Inspecting parties will be offered every assistance at inspection and access to all relevant documentation to assist in their evaluation of the plant. We would be pleased to provide answers to any queries that may arise.

2.0 GENERAL INFORMATION

Tamaya are offering the Lichkvaz CIP Gold Plant to the market as a complete package for immediate delivery due to Tamaya deciding not to proceed with development of the Lichkvaz Gold Project in Armenia. Subsequently Tamaya went into voluntary administration in October 2008 due to falling copper prices. The Administrator, Taylor Woodings, appointed Minasco to undertake worldwide marketing and realisation of the assets.

The 1-1.3 MTPA Gold Processing Plant has recently been dismantled, extensively refurbished and suitably prepared and packed for transport to a new local project or shipment worldwide from the east coast of Australia. The majority of the equipment, from the front end crushing and grinding sections of the plant, is currently stored at the Port of Townsville in Queensland. The balance of equipment from the CIP and gold recovery sections is stored in Parkes New South Wales adjacent to a freight rail siding that has highway and rail access to the several international shipping ports.

The complete plant comprises circuits removed from two previously operating gold plants as follows:

1. The 3 Stage Crushing and Screening, 2 Stage Ball Milling and Gravity Gold Recovery Circuits that operated at Rishton Gold Mine in Charters Towers, Queensland, Australia through until decommissioning in 2007.
2. The CIP, Gold Recovery, Tailings and Reagents Circuits that operated at Northparkes Mine in Parkes, New South Wales, Australia after being commissioned new in 1993 then shutdown at the end of 1995 after approximately 2.5 years of operation.



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The two plants were subsequently engineered into a single 1MTPA CIP Gold Plant for the Lichkvaz Gold Project in Armenia including completion of engineering and process design and drawings. We have provided flow sheets of the plant in Attachment A to this document.

The plant package also includes a demountable office complex (approx. 200m²), laboratory building and equipment, a road weighbridge, other demountable type buildings and several critical equipment spares.

The location, scope of equipment, extent of matchmarking and refurbishment works completed and conventional process design will allow for ease of relocation and installation to any new project. A pre-emptive logistical package will ensure the plant can be delivered worldwide on a cost effective basis. Minasco can assist with all aspects of plant relocation from shipping through to commissioning if required.

Potential purchasers will have an adequate due diligence period to assess the plant's suitability for their project under consideration. Engineering design and drawings, technical and match marking documentation and other intellectual property form part of the package providing considerable time cost benefits to new projects.

Logistical support in relocation of the plant from the Townsville or Parkes sites and/or international shipping is available through logistics providers; see Section 5.0 for contact details.

2.1 Ex-Rishton Plant Sections

The Rishton gold plant was decommissioned in April 2007 having only operated for 12 months after completion of extensive refurbishment and major upgrade works, including the addition of a new gravity (Knelson concentrator) circuit and cyclones. The secondary mill was also fully refurbished and never put back into service. Once decommissioned, the Rishton plant was immediately placed on an industry standard care and maintenance program which included frequent and systematic running of all drives.

Dismantling commenced early January 2008 with a majority of site work completed by the end of March 2008. During the dismantling process, all structural members were repaired as needed and then the whole plant sandblasted and repainted. This included structural members, plate work, platforms and most mechanical and electrical equipment.

All equipment was thoroughly inspected during the dismantling process and refurbished where required. Major refurbishment works were completed to the Jaw and Cone crushers, conveyor pulleys, gearboxes, pumps and electric motors. Extensive repairs were also undertaken to the ROM bin, chutes, screens, etc.

The plant was fully disassembled and suitably packed into 40 foot shipping containers, with larger items being packed as "break-bulk". The shipping containers are owned by Tamaya and included as part of the sale.



2.2 Ex-Northparkes Plant Sections

The Northparkes CIP and Gold Recovery plant was commissioned new in 1993 then shutdown at the end of 1995 after approximately 2.5 years of operation as it was no longer required for gold recovery. After the plant was decommissioned it had been placed on an industry standard care and maintenance programme. The general condition of equipment was excellent due to the non-corrosive site conditions and sound operational maintenance procedures which were evidenced in the residual life of component units.

The Northparkes CIP plant had previously operated up to 1.3MTPA and producing gold dore from the oxide deposits in parallel with the copper processing facility. This was a Warman Engineering designed CIP plant with a plated process capacity of 1.2MTPA.

Dismantling commenced early January 2008 with a majority of site work completed by end of March 2008. During the dismantling process, all equipment was thoroughly inspected and refurbished where required. This included refurbishment of all eleven agitator drives (motors and gearboxes) and tailings pumps (4-off units), purchase of a new screen that was missing and inspection/testing of all electric motors with certificates available. All structural members and platework were observed in very good condition with only minimal corrosion.

The plant was fully disassembled and suitably packed into 40 foot shipping containers, with larger items being packed as "break-bulk". The shipping containers are owned by Tamaya and included as part of the sale.

2.3 Lichkvaz Metallurgical Data Summary

The plant design throughput of 1MTPA was based on the initial mine scoping model for the development of the Lichkvaz Gold Mine and subsequent metallurgical test work completed by AMMTEC Laboratories, Perth in 2006.

Soon after Tamaya Resources Limited gained control of the Lichkvaz Gold Project, ore samples were taken of the freshly exposed Lichkvaz ore at the open pit box cut, the underground stoping section on 16-Level, and the 24-Level stoping section.

The initial results of the metallurgical testing of the fresh ore samples showed the following:

- Gold recovery under normal cyanidation conditions were 45-65% for fresh Lichkvaz material, which is significantly lower than expected from previous tests on older Soviet era dump and tailings material at 90%.
- The Work index (WI) was lower than expected (17 – 19) compared to 23 – 25.
- The average grade of all the samples was extremely high (60 – 70 g/t gold) compared to the expected grade of 4.0 – 6.5 g/t gold.
- Cyanide leach kinetics was an order of magnitude faster than expected (12 – 15 hours) compared with 24 – 36 hours.



2.4 Intellectual Property

The scope of intellectual property available with the plant offers an opportunity to purchase the plant as a fully engineered operational entity, ready for immediate relocation and re-erection in minimal timeframe, providing potential buyers with considerable time and cost saving benefits in bringing a new project online. Potential buyers should note that all intellectual property, provided as part of the sale, will be subject to indemnification of Tamaya under the Terms and Conditions of Agreement.

All available intellectual property is included as part of the sale, including but not limited to:

- Original engineering drawings.
- Re-engineered drawings for the Lichkvaz plant.
- Flow sheets.
- Equipment schedules.
- Operating manuals.
- Maintenance manuals.
- Matchmarking and re-assembly documentation.
- Shipping packing lists and other information.
- Plant photographs taken before, during and after dismantling and refurbishment.

The above documentation is available in various formats including hard copies, AutoCAD drawing files, MS Word documents, Excel spreadsheets, PDF files and other miscellaneous files copies. Comprehensive re-assembly manuals are available for the complete plant in electronic format linking relevant drawings, photos and shipping manifest details.

A DVD data disc, containing a comprehensive package of the above information, is available on request from Minasco.

2.5 Equipment List

A detailed equipment list, defining the scope of assets available, photos and summary of refurbishment works carried out on the plant, is provided in Attachment B to this document.

2.6 Dismantling Summary Report

A summary report of the dismantling works, covering matchmarking and dismantling procedures, scope of equipment dismantled, packing and transport and items not dismantled or to be refurbished/replaced, is provided in Attachment C to this document.

3.0 INSPECTION

Inspection is **strictly by appointment only through Minasco** due to restricted access to the current storage locations. Minasco will require advance notice from enquiring parties to obtain access the plant and a mutually convenient time for inspection will be arranged to ensure appropriate personnel are available to facilitate your inspection requirements. Entry



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to the storage sites need to be pre-scheduled in advance and can generally be arranged with a minimum 3 days notice for basic inspection of the plant.

All queries in relation to and arising from equipment inspection should be directed to Minasco.

4.0 OFFERS

Offers are invited for purchase of the complete Lichkvaz plant as a **single parcel lot** and should be forwarded to Minasco for consideration. Offers are on a first in basis and will be considered at the time of receipt.

The plant is offered in condition “as is where is” for removal from the current storage locations and a complete logistical package can be provided for a local or international destination. All costs associated with ongoing storage and logistics required for relocation of the plant after transfer of title are to the purchaser’s expense and shall be carried out in accordance with the terms and conditions of Agreement, statutory legislation and regulations and the policies and procedures of Tamaya where applicable.

This procedure is not a tender and parties making offers to purchase the plant will have the opportunity to negotiate their offer to a level acceptable to Tamaya.

Parties who have inspected the plant and intend to submit an offer should consider the following points when structuring and presenting their offer:

1. The offer should provide a lump sum price, in United States or Australian Dollars exclusive of any taxes, to purchase the package of equipment and assets specified in this documentation.
2. The offer submitted should be done so on a “best price” basis. We advise that a party submitting an offer at a level acceptable to both Minasco and Tamaya will be given first right to negotiate a position to purchase the plant.
3. The offer should detail any discrepancies observed in relation to the scope of equipment on offer, any terms and conditions the purchase may be subject to and an anticipated timeframe for removal of the equipment from its current location. In assessing offers consideration will be given to the terms of offer in addition to the offered price.
4. The payment terms relating to sale would be based on the following:
 - Payment of a non-refundable 20% deposit upon acceptance of offer and signing of a Purchase Agreement.
 - Payment of the remaining 80% prior to commencing any works associated with removal of equipment from the storage sites or 1 month from signing of a Purchase Agreement, whichever is earlier.



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5. Upon receipt of payment in full of the purchase price by Tamaya, ownership and property in the plant would pass from the Tamaya to the purchaser. At such time all risk and liability in the plant would transfer to the purchaser.
6. All offers should be made in writing (on company letterhead and signed by the appropriate authority) and submitted by fax, email or courier to:

Tamaya Resources Limited
(Receivers and Managers Appointed)
RE: Lichkvaz CIP Gold Plant
C/- Minasco Australia Pty Ltd
PO Box 20 (69 Evans St)
Sunbury, 3429
Victoria, Australia

AND an original forwarded as above.

Minasco Australia Contacts:

Sales and Marketing:

Geoff Fields

Mobile: +61-419-377 939

Geoff.Fields@minasco.com.au

Technical:

Robert Fields

Mobile: +61-439-321 476

Robert.Fields@minasco.com.au

Phone: +61-3-9740 8933

Fax: +61-3-9740 9211

E-mail: enquiries@minasco.com.au

Information relating to this project is also available on our website at: www.Minasco.com.au

5.0 STORAGE, TRANSPORT AND SHIPPING

The location of the equipment at Townsville Port and in Parkes allows a broad scope of competitive transport or shipping possibilities with readily available road transport, regular liner services from Queensland and New South Wales to most international ports as well as the opportunity of charters to destinations worldwide. Minasco can assist with all aspects of the plant relocation, tailored to the buyer's individual requirements.

Ongoing arrangements for storage of the plant at its current locations are available to the purchaser, however, any ongoing storage costs would be to the purchasers account.

To assist buyers with logistical requirements we recommend the DHL Industrial Projects, as their organisation is well experienced in shipment of mining equipment and complete plants worldwide. DHL are familiar with this plant having been undertaken supply of containers,



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packing verification, transportation and manifest preparation in anticipation of export to the Lichkvaz Project.

Please feel free to contact them for a preliminary proposal and further discussion on shipping and logistics matters as follows:

Shawn Holmes

Project Development Manager
Australasia and Oceania

DHL Industrial Projects

23 O'Riordan St, Alexandria NSW 2015

DDI: +61 2 9333 0040

Tel: +61 2 9333 0000

Fax: +61 2 9527 4534

Mob: +61 419 540 663

Email: shawn.holmes@dhl.com

Web: www.dhl.com

Detailed shipping packing lists, detailing container contents and break bulk items, are available on request from Minasco.

A summary of the shipping packing lists put together by DHL, with break bulk and container details, is provided in Attachment D to this document.

6.0 ATTACHMENTS

- ***Attachment A – FLOW SHEETS***
- ***Attachment B – EQUIPMENT LIST AND PHOTOS***
- ***Attachment C – DISMANTLING SUMMARY REPORT***
- ***Attachment D – SHIPPING PACKING LIST SUMMARY***