

## **A staged approach to the acquisition of strategic mining properties**

### **Stage 1**

#### **A first-pass review to answer basic questions**

- How near is the deposit to development?
- Where is the deposit located and how will this affect its development?
- Does this deposit have a strategic advantage (eg from deposit style, ease of mining/processing, existing knowledge etc)
- What potential constraints (environmental, topographical, community etc) exist?
- What are the major risks to profitable development?

### **Stage 2**

#### **A High level analysis of major technical project risks.**

*These are the show stoppers which could prevent project development, or cause a near total loss of project value once developed*

- Geological, geotechnical, metallurgical or other technical factors
- Environmental, permitting and social factors
- External factors such as price, market and exchange rates.

Are these factors currently poorly known? If so, will they become better understood and manageable with further work? Or will the risks remain major risks throughout the project life?

### **Stage 3**

#### **A detailed project risk assessment and analysis of the foreseeable risks**

This assessment would include a look at the risks associated with managing:

- government approvals
- operational aspects
- expectations in terms of resources and reserves
- capital costs
- natural disasters
- permitting
- the political environment
- environmental issues

- transport and infrastructure issues
- community involvement
- project development
- mine operating costs

At the end of each assessment **Stage**, we cease work and discuss with you the outcomes of our assessment. We can then help you to decide as to whether your project warrants progression to the next assessment stage. This will help you **manage and control risk**.

In addition to **Technical Due Diligence**, we also undertake the following:

- market studies for new project development
- assessment of newly granted licences, upcoming tender areas and projects already underway
- project technical valuations
- literature reviews of available exploration data for new projects, mergers and acquisitions
- licence applications, renewals and transfers in all states of Australia
- liaison with state governments on project development issues
- assessment of joint ventures, options and access agreements.

***As we have competent persons in a wide range of commodities, we can also help you to find projects that will add value to your portfolio.***