

# *Mining Projects Bidding Procedure*

- Once the Mexican Geological Survey (MGS) has completed the exploration and the project economic potential examination, the MGS recommends to The Mexican Economy Secretary transferring the Mining Property rights through a tender or competitive bidding, which may participate in any person or entity duly accredited.
- The Ministry of Mexican Economy Secretary, through the Federation Official Journal (DOF), invites all interested parties to participate in the competition or bidding.
- Over a period of 40 working days, counted from the date of publication, the Secretariat is now selling the procedural rules governing the contest or tender.
- To participate in the contest or competition, it is essential to acquire the basics and register with the Directorate General of Mining Regulation, wherein the request accompanied by documents evidencing have met the requirements to which the art is concerned. 35 of the Mining Act. Everyone who registers shall be constituted in accordance with Mexican laws, according to the provisions of Article 11 of the Mining Law.
- All duly registered participants will be admitted to the competition. The winner will be chosen based on the best deal on the mining concession by way of monetary compensation from the minimal basis set by the Secretariat.
- The Government of Mexico will grant rights to the mining concession to winner, effective 50 years renewable for an equal period, provided it complies with the obligations under the contest rules and mining legislation.
- If the examination determines subsequent positive results and mineral production is generated, the project of the bankrupt dealer is obliged to pay the Mexican Geological Service discovery premium or royalty on the net liquidation value of the goods or billing beneficiaries.
- Failure to meet the payment will be one of the causal enough concession will be canceled.
- The concession does not grant any rights over the land surface.