

Pursuant to the Decision of the Board of the Copper Mine Bor d.o.o. in restructuring no. I/XXIII-2 dated 21.12.2006 and the Contract of Power of Attorney no. II Cer. no. 3043/06 dated 22.12.2006 concluded between the Copper Mine Bor d.o.o. in restructuring and the Privatization Agency,

The Privatization Agency announces:

PUBLIC INVITATION
FOR PARTICIPATION IN THE PUBLIC BIDDING
FOR PURCHASE OF THE SHARE OF THE ASSETS of the Limited Liability Company, Copper
Mine Bor d.o.o. in restructuring

i.e.

Department of Survey and Diamond Crowns

AS FOUND

Sale Code: 130207-R-1849

Subject of Sale:

The subject of sale comprises movable and real estate owned by **Limited Liability Company, Copper Mine, Bor d.o.o. in restructuring** i.e. Department of Survey and Diamond Crowns, that is, construction facilities in the area of 7.040 m², on the cadastre lots no. 2128, 2130, 2139-3 registered in the possession document no. 3266 K.O. Bor and on the cadastre lots no. 4400/12 and 4400/17 registered in the temporary possession document 864 K.O. Bor, together with production and supporting equipment, according to the content of the Sale Documents. The foregoing real estate of the Survey Department covers the area of 980 m² and comprises Electric upkeep facility, Survey workshop, directorate and Survey Department, Administrative buildings – Directorate 2 of Survey Department, buildings for manufacture of diamond crowns and other subsidiary facilities, and the real estate of Diamond Crown Department in the area of 618 m² comprising plant hall, administrative building and doorman's booth.

The foregoing assets are sold as found, without possibility of further complaints.

Mandatory Terms of Sale:

The initial price at the public bidding amounts to **USD 1,419,360**.

The purchase price is to be paid **AT ONCE**.

Means of payment for the purchase price can be **SOLELY** in domestic currency or foreign convertible currency.

If the declared buyer is a domestic legal entity or natural person, the purchase price can be in CSD equivalent calculated according to the official average rates NBS on the payment day.

Participation Requirements:

Participation in the public bidding is open to all entities and individuals that have:

purchased the bidding documents,
signed the Confidentiality Agreement,
submitted the application for participation in the bidding;
paid the public bidding deposit amounting to **USD 425.808**, or in CSD equivalent calculated according to the official average rate of NBS on the day of the Public Invitation's announcement or that have submitted, along with the application for participation, the bid bond amounting to **USD 425.808**, or in CSD equivalent calculated according to the official average rate of NBS on the day of the Public Invitation's announcement, and
that have been registered for the participation in the public bidding.

The bidding participant may also be a consortium of domestic and/or foreign legal entities and/or individuals (hereinafter: Consortium). The Consortium Agreement shall give authorization to one Consortium member to represent the Consortium (hereinafter: Authorized representative of the Consortium) and to act on behalf and for the Consortium. The Consortium Agreement must stipulate unlimited joint and several liabilities of all Consortium members.

The Consortium Agreement has to be submitted together with the application for participation in the public bidding.

Sale (Bidding) Documents:

Sale Documents include:

- Confidentiality Agreement,
- Application form for participation in the public bidding;
- Draft Property Sale Agreement,
- Rules of the public bidding procedure – Instructions to Participants in the public bidding,
- Relevant property–legal documents,
- A copy of the Public Invitation for participation in the public bidding.

Interested parties can purchase the sale documents at the price of CSD 40.000 without VAT.

Upon submitting the payment evidence, the sale documents can be collected at the following address: Privatization Agency, Belgrade, 23 Terazije St., 5th floor, Room 511.

The funds paid for the purchase of the sale documents are not refundable.

Sale Documents shall be available to the interested parties starting from 27 December 2006 to 29 December 2006, and from 8 January 2007 to 5 February 2007, from 09:00 to 16:00.

Visits to the subject of sale shall be available to the parties that have purchased the sale documents and signed the Confidentiality Agreement.

The periods of the visits to the subject of the public sale shall be determined in accordance with the Rules of public bidding procedure – Instructions to Participants in public bidding.

Contact Person:

Vuk Perić

Auction Center

tel: +381-11-3020 895, 3020 803, 3020 842

fax: +381-11- 3029 985

E-mail: vperic@priv.yu

Other data on the subject of sale are available at the Internet address:
www.priv.yu

Submission of Applications for Participation in the Public Bidding:

The applications shall be submitted directly to the Privatization Agency Belgrade, Terazije 23, 5th Floor, office 511, in a sealed envelope marked with:

Auction Sale Code: **130207-R-1849**

APPLICATION FOR PARTICIPATION IN PUBLIC BIDDING
Privatization Agency of the Republic of Serbia
Terazije 23/V, office 511
Belgrade

The Deadline for submission of application for participation in the public bidding is 6 February 2007 at 17:00.

The application for participation in the public bidding shall be completed in a separate form, which is an integral part of the Bidding Documents. Along with the application for participation in the public bidding, it is mandatory to submit Draft Purchase and Sale Agreement and the deposit payment receipt, that is, the bid bond.

Incomplete and late applications will not be taken into consideration.

The Commission for the conduct of the public bidding will inform the applicants on the approval of their applications no later than one day prior to the date of the public bidding.

The participants whose applications for participation in the public bidding have been approved, but who have not been registered, lose the right to be returned the deposit, i.e. the bid bond. Even the participants who have been registered for the public bidding, but who have not attended the bidding, lose the right to be returned the deposit, i.e. the bid bond.

Public Bidding:

The public bidding for the purpose of public sale will be held on 13 February 2007, at 14.00, at the address the Privatization Agency, Belgrade, 23 Terazije St., 2nd floor, Large Hall.

Registration of the participants in the public bidding will be held on **13 February 2007 at the same address**, from 12.30 to 13:50.

The method of public bidding is described in detail in the Rules of public bidding procedure.

The deposit, i.e. the bid bond, is to be returned to the participants not having been declared a buyer within the period of 10 working days after the conclusion of the public sale, except for the participant having bid the second best offer at the public bidding.

Conclusion of Property Sale Agreement:

The text of the Property Sale Agreement cannot be changed.

The participant having been the first to bid the highest offer at the public bidding and having been declared a buyer, shall sign the Property Sale Agreement.

The participant having been the first to bid the highest offer at the public bidding, and having submitted the bid bond to the Agency, along with the application for participation in the public bidding, is obliged to pay the amount of the deposit into the account of the Agency two days after the public bidding has been held at the latest.

If the declared buyer refuses to sign the public bidding minute or the Property Sale Agreement or does not pay the purchase price within the stipulated period, it loses the right to be returned the deposit, i.e. the bid bond is to be cashed.

If the declared buyer refuses to sign the public bidding minute or the Property Sale Agreement or does not pay the purchase price within the stipulated period, and there were other offers, the Property Sale Agreement is to be concluded with the participant having bid the second best offer at the price offered by that participant.

If the participant which has bid the second best offer at the public bidding refuses to sign the public bidding minute or the Property Sale Agreement or does not pay the purchase price within the stipulated period, it loses the right to be returned the deposit, i.e. the bid bond is to be cashed.

Right to Amend Public Invitation:

The Privatization Agency and the Limited Liability Company, Copper Mines Bor d.o.o. in restructuring reserve the right to change dates, deadlines and/or terms of this public invitation, and shall bear no liability for potential costs or damages suffered by potential participants in the public bidding as a result of such amendments.

Potential participants will be informed on the amendments to the Public Invitation no later than by the date of the public bidding.