

Based on the Action Plan for the restructuring of RTB Bor Group, adopted by the Resolution of the Government of the Republic of Serbia 05 No. 023-4382/2008-1 as of October 23, 2008 and the Restructuring Program of RTB Bor Group, the Privatization Agency (hereinafter the “**Agency**”) and RTB Bor Group Mining and Smelting Complex Bor d.o.o. in restructuring (**RTB**), Mining and Smelting Complex Bor – Group Copper Mines Bor d.o.o. in restructuring (**RBB**), Mining and Smelting Complex Bor – Group Copper Mine Majdanpek d.o.o. (**RBM**), and Mining and Smelting Complex Bor – Group Smelter and Refinery d.o.o. in restructuring (**TIR**) – (hereinafter collectively the “**Companies**”), hereby issue a:

**PUBLIC INVITATION  
FOR PARTICIPATION IN THE PUBLIC TENDER FOR SELECTION OF A STRATEGIC  
PARTNER FOR RTB BOR GROUP**

Tender Code: **RTB 01/08**

**1. Subject of the Public Tender**

Subject of the Public tender is selection of a strategic partner that is to acquire by way of capital increase 67% of the capital of a legal entity which is to be established via merger by foundation of the Companies (hereinafter: the “NewCo”).

**2. Minimum amount and purpose of the Capital Increase**

The minimum pecuniary amount of the capital increase for acquisition of 67% of the capital of the NewCo is **USD 300,000,000** (three hundred million US Dollars), which shall be used for the purpose of implementation of the investment program, including investments related to environmental protection, as well as for settlement of creditors.

**3. Information about the Companies**

More details about the Companies are available at:

[http://www.priv.rs/pregled\\_preduzeca/pdf/e-teaser\\_387.pdf](http://www.priv.rs/pregled_preduzeca/pdf/e-teaser_387.pdf)

**4. Right on submission of the final Bid has:**

A) Interested bidder that has purchased the Tender Documents and that cumulatively fulfils the following conditions (hereinafter the “Tender Qualification Criteria”):

- a) that it has been engaged in production and/or processing and/or trade of copper or copper products or non-ferrous metals for the last three years, as of the date of this Public Invitation, and
- b) in the business year 2007, it generated annual revenue in excess of USD 500,000,000 (five hundred million US Dollars).

B) If the interested bidder is a Consortium it is necessary that it cumulatively fulfils the following conditions:



- All Consortium members passed the decision on organizing and entering into the Consortium;
- All Consortium members have executed written Consortium Agreement and such Agreement is notarized either by the Court or by other relevant body (in case of foreign legal entities and natural persons);
- Any and all Consortium members undertake joint and several liability for any and all obligations arising out of or in connection with the Tender – Tender code RTB 01/08 pursuant to the Consortium Agreement;
- The Consortium Agreement specifies each member's percentage in the Consortium whereas one member of the Consortium must have at least 51% stake in the Consortium (hereinafter the "Consortium Leader");
- All Consortium members have signed the notarized power of attorney for the member representing the Consortium;
- All Consortium members have signed the Confidentiality Agreement;
- At least one Consortium member has purchased the Tender Documents; and
- The Consortium Leader fulfills the Tender Qualification Criteria.

## **5. Tender Documents**

Tender Documents are available to all interested bidders (hereinafter "the Eligible Bidders") that:

- demonstrate the ability to fulfill the Tender Qualification Criteria
- sign the Confidentiality Agreement;
- submit proof of payment of the Tender Documents fee in the amount of USD 15,000 (fifteen thousands US Dollars) (hereinafter the "Fee").

The Tender Documents will be available to the Eligible Bidders starting from **November 17, 2008**.

The Agency has appointed UniCredit Markets & Investment Banking, Deloitte and Harrison's Solicitors to act as the advisors in the tender procedure (hereinafter "the Advisor").

The request for participation in the Tender (the "Request for Participation") and the documents demonstrating the ability to fulfill the Tender Qualification Criteria shall be submitted to the Advisor by mail or by e-mail or facsimile, to the addresses stated in the clause 9 of this Public Invitation, and shall clearly display the reference "Request for participation in the Tender – Tender Code RTB 01/08". The Requests shall be received at latest fourteen (14) days prior to the bid submission date stated in the clause 6 of this Public Invitation.

Upon receipt of the Request for Participation the Advisors will, subject to the terms of this Invitation, forward to the applicants the information whether they acquired the status of an Eligible Bidder.

The Confidentiality Agreement and invoice for payment of the Fee shall be sent only to the Eligible Bidders.

Upon receipt of the duly signed Confidentiality Agreement and proof of payment of the Fee, the Advisors shall provide the Eligible Bidder with the Tender Documents, by mail or e-mail. The Advisor, Agency and/or Companies shall not be held liable in case of loss or delay that may occur in the delivery of any document in relation to this Public Invitation.

## **6. Submission of final binding Bids**

Deadline for submission of the final binding bids for selection of a strategic partner in line with the clause 1 of this Public Invitation is **January 30, 2009 by 4:30pm Belgrade time**.



## **7. Bid Bond**

Prerequisite for consideration of the bids is submission of the Bid Bond in the amount USD 15,000,000 (fifteen million US Dollars).

## **8. Amendments to the Public Invitation**

The Agency reserves the right to amend all or any element of this Public Invitation, if necessary.

## **9. Inquiries and additional clarifications**

All questions relating this Public Invitation should be directed to the Advisor at the addresses below:

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