

Final – Addendum 1 June 11, 2004

Appendix F

Proposal Form

Project Title: BRITANNIA MINE WATER TREATMENT PLANT (“Project”)

Location: Britannia Beach Community, British Columbia, Canada

Submitted to: Her Majesty the Queen in right of the Province of British Columbia, as represented by the Minister of Sustainable Resource Management (“Province”)
 c/o Partnerships British Columbia Inc.
 Suite 1250
 999 West Hastings Street
 Vancouver, B.C. V6C 2W2
Attention: Sue-Anne Fimrite

We, the undersigned (“Proponent”) hereby submit our proposal, including the attachments listed in Section 6 hereof (collectively, the “Proposal”), in response to the request for proposals made by the Province dated May 5, 2004 and all addenda issued to date in respect thereof (collectively, the “RFP”) and the draft project agreement annexed thereto (the “Project Agreement”) in relation to the Project.

1. Definitions

The RFP and the Project Agreement are collectively referred to in the RFP as the “RFP Documents”. Unless a contrary intention is clearly indicated, terms and expressions used in this Proposal and not defined herein but which are defined in the RFP Documents shall have the meanings given to them in the RFP Documents.

2. Proposal Firm and Irrevocable

This Proposal constitutes a firm offer to Province, which we agree is irrevocable, binding on us, and cannot be withdrawn unless it has not been accepted by the Province within 90 days of the date upon which this Proposal has been submitted to the Province (or as such later date as may be extended by Province by Addenda), or until the Project Agreement for the Project is executed and delivered by both Province and another Proponent, whichever is earlier.

The Proponent agrees that if the Proposal is accepted by the Province, the Proponent will deliver the deposit as described in the RFP as security for the obligation of the Proponent to execute the Project Agreement, complete with appropriate contract security requirements other requirements of the Project, as described in the RFP.

The Proponent agrees that if the Proposal is accepted by the Province, the Proponent will negotiate the final form of the Project Agreement in good faith with a view to completing negotiations and finalizing the Project Agreement generally in accordance with the Schedule described in the RFP and within one month of the public announcement by the Province of the “Preferred Proponent” for the Project. If such negotiations are not completed to the satisfaction of the Province during this time period then Proponent agrees and acknowledges that the

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Province is entitled to break off negotiations with the Proponent and make alternative arrangements for the provision of the Project, if the Province so chooses.

3. Performance

We agree to perform all obligations of Operator under the Project Agreement, to the quality, in the manner specified in, and in full compliance with the RFP Documents, and agree to assume all obligations and liabilities imposed upon Proponent by the RFP Documents.

4. Price

We agree:

- a) To perform the Project Agreement and to accept, as full compensation therefore, the applicable Periodic Payments specified in our Proposal.
- b) That the Periodic Payments will subsequently be adjusted by Province to address those options and alternatives (if any) included in our Proposal and which Province at its sole discretion, by notice in writing, accepts within the time periods (if any) for acceptance specified in our Proposal.
- c) That, unless otherwise expressly stipulated in the Project Agreement, we will receive no payment or other compensation under the Project Agreement.

All prices stated in our Proposal and in any submissions included with or incorporated into our Proposal are expressed in Canadian currency and are all-inclusive, including all taxes.

5. Conformance with Mandatory Proposal Requirements for Base Proposal

We represent and confirm that our Proposal, as defined in the RFP, is based on and conforms to all of the mandatory requirements as required by Section 10 of the RFP, including acceptance of the Draft Project Agreement (including the Payment Mechanism), subject only to such qualifications as are consistent with the form and spirit of the Project Agreement and which remain to be negotiated between the Province and the Proponent..

6. Attachments to Proposal

The following documents form an integral part of and are included in this Proposal:

Document/Schedule	Description
_____	_____
_____	_____
_____	_____

7. Professionals to be Engaged

The Proponent hereby declares that the following professionals and personnel will be engaged by the Proponent to design and supervise the project and to provide necessary documents and letters of assurances to the authority having jurisdiction.

Architect: _____

Structural Engineer: _____

Mechanical Engineer: _____

Electrical Engineer: _____

Geotechnical
Engineer: _____

Water Treatment
Designer: _____

Legal: _____

Communications: _____

8. RFP and Project Agreement Provisions Reviewed

We agree that this Proposal is subject to the provisions of the RFP, including all exclusions and limitations of liability in favour of any one or more of Province and Partnerships BC contained in the RFP Documents.

Proponent has notified the Province of any deficiencies in or omissions from any RFP Documents and of any unusual conditions affecting the Site and surrounding area observed prior to the date hereof which may affect the Project.

The Proponent certifies that it has examined and is fully familiar with all of the provisions of the Draft Project Agreement; that it has carefully checked all the facts and figures and all statements made in this Proposal and the Financial Templates in the Proposal of the Proponent; that it has conducted such field investigations and additional design development as are prudent and reasonable in preparing this Proposal, including a thorough review of the Reference Documents; that it has satisfied itself with respect to the actual conditions of the Site and

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surrounding area and the nature and location of the Project, the general and local conditions to be encountered in the performing the Work and the Operations, and all such other matters which may in any way affect the Project or the Financial Templates described in Appendix K of the RFP and included in the Proponent's Proposal.

9. Information in EOIs

We hereby represent, warrant and confirm that all statements made in our original Expression of Interest submitted in response to the Request for Expressions of Interest for this Project are continuing representations and remain true and correct as of the date hereof, save and except only those which are expressly amended in this Proposal, in which case we have clearly identified them in this Proposal as corrections to or departures from the statements made in our Expression of Interest.

10. No Collusion or Conflict

In preparing and submitting this Proposal, we represent, warrant and confirm that we have not discussed or communicated, directly or indirectly, with any other proponent or any employee, agent or representative of any other proponent regarding the content or presentation of their proposals. This Proposal has been submitted without any connection, knowledge, collusion, comparison of figures or arrangement with any other proponent or any employee, agent or representative of any other proponent.

Neither we, nor any of our partners (if we are a partnership) or any of our members (if we are a joint venture or consortium) have any interest whatsoever in the proposal of any other proponent, either directly or indirectly, and we have not entered into any formal or informal arrangement, agreement or understanding before the submission of this Proposal that would have such a result.

11. Joint Ventures and Consortia

If a joint venture or consortium, we represent, warrant, confirm and agree that:

- a) Each of the members of our joint venture or consortium, as applicable, has executed this Proposal by its duly authorized representatives, on behalf of both the joint venture or consortium and on its own behalf, in the same manner and to the same legal force and effect as if it was the only one who was submitting this Proposal.
- b) By executing the Proposal and, if successful, the Project Agreement, each member of our joint venture or consortium, as applicable, is and will be jointly and severally liable to Province for all covenants, obligations and liabilities of the joint venture or consortium, including those contained in this Proposal, the RFP Documents and the Project Agreement.
- c) We agree that if the Proponent is a joint venture or consortium and if any of the members of the Proponent's joint venture or consortium are themselves a joint venture or consortium, then all of the foregoing representations, warranties and confirmations shall be deemed to be given by each and all of those other joint ventures and consortia.

12. Evidence of Authority

By executing this Proposal, each of the undersigned parties and persons represent and warrant that they have full authority to do so and to bind the corporation(s), joint venture(s), consortium

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(consortia) and partnership(s) on whose behalf they have executed this Proposal, and that the Proposal is binding and enforceable against them in accordance with its terms. If required by Province, the undersigned will provide evidence of good standing of the corporation(s), the joint venture or the partnership(s) which constitute the Proponent, together with evidence that the person(s) signing this Proposal on their behalf and on behalf of the Proponent is/are authorized to bind the Proponent (and also each member of any joint venture, consortium or partnership forming the Proponent) to this Proposal and to the Project Agreement contemplated by this Proposal.

IN WITNESS WHEREOF we have executed this Proposal as of the _____ day of _____, 2004.

Proponent:

(Name)

(Street Address or Postal Box Number)

(Apply Seal if Available)

(City, Province & Postal Code)

Authorized Signatory:

Name & Title:

(Please Print or Type)

Witness:

IF THE PROPONENT IS A JOINT VENTURE:

Executed and delivered by

[*NAME OF JOINT VENTURE/CONSORTIUM] by its duly authorized agent, and

by each of its Members:

[*NAME OF PROPONENT]

(Authorized Signatory)

(Authorized Signatory)