

## **CHAPTER X**

### **COST ESTIMATE**

The cost estimate is established based on the prevailing documents on norm and unit prices (with minimum salary of VND 650,000).

In addition, the cost estimate is based on the working norm in geological investigation. In case of unspecified norms, the cost estimate will be based on the corresponding norm and unit prices, for example BLEG sampling.

Furthermore, other rationale for cost estimate is comparison of investigated areas and corresponding types of minerals.

Due to lack of terrains favorable for geological investigation, the cost estimate will be based on the developed projects. The cost estimate hereby will be commonly conducted based on 01 km<sup>2</sup> area and corresponding investigation cost of 46,563.44 USD/km<sup>2</sup>, not mentioning areas subjected to preliminary prospecting-investigation.

Total estimated budget is USD 4,227,004.87 for follow-up geological investigations. The annual budgeted will be defined based on the above estimate.

Budgets for investigation of areas subjected to prospecting and detailed prospecting will be shown in detail in each specific proposal for each area.

## **CONCLUSION**

Given results of preliminary prospecting and investigation at 1/25,000 scale in the first working step, the determination of areas needed to be prospected in detail based on various levels is essential for development of follow-up steps. Following is our recommendations and conclusions:

1) The determination and division of scientific and appropriate working steps for preliminary exploration areas will result in the cost effectiveness. In addition, it is necessary to select and prioritize proper areas to make the best of favorable conditions for follow-up works. These will contribute to maintaining sufficient resources for mining and processing activities in the Vang Tat mine area.

2) Define areas needed to be further investigation for determination of mineral potential, including areas subjected to detailed prospecting or preliminary prospecting-investigation. The investigation and prospecting over areas will be conducted at the same time to define another potential areas for Vang Tat Nhay region.

3) On the basis of analyzing and interpreting available data, we would like to request the Department of Geology and Minerals, Ministry of Energy and Mining of Lao P.D.R. to allow for expansion of the invested area to the Northern Au ranges No. II and III for our continuous investigation of their mineral potentials.

***Viet Lao Mineral Joint-Stock Company***