

TIMMINS ECONOMIC DEVELOPMENT CORPORATION

REQUEST FOR PROPOSAL

ON

**“GEOLOGICAL STUDY OF GOLD MINERALIZATION AND IOCG
OCCURANCES”**

IN THE

MATACHEWAN SHININGTREE AREAS, NORTHERN ONTARIO

FOR

DISCOVER ABITIBI INITIATIVE

**A project of innovation, cooperation and revitalization in the Abitibi region
Northern Ontario**



Preliminary Notes

- The contract for the Au/IOCG Study will be with the Timmins Economic Development Corporation (TEDC) and will be directed by personnel from the Discover Abitibi Initiative.
- The contract shall be governed by the all laws covering contracts in Ontario and shall comply with all federal, provincial and municipal laws and By-Laws
- The contractor shall provide a Workplace Safety and Insurance clearance certificate before the final awarding of the contract.
- The personnel employed in the completion of this contract shall be members or equivalents of the Association of Geoscientists of Ontario (APGO)
- The RFP for the project is located on the Discover Abitibi Initiative website and the contractor must demonstrate their understanding of the size and requirement of the RFP
- Correspondence can be directed to the project manager as follows:

Robert Calhoun, P.Geo.
Project Manager
Discover Abitibi Initiative
12 Elm Street, North
Timmins, Ontario P4N 6A1
Tel 705-360-2600 ext 7085, Fax 705-360-2679
Email: rcalhoun@timmins.ca
Website: www.discoverabitibi.com

- **The proposals shall be directed to Robert Calhoun and consist of three bound copies and one cd containing the complete proposal in Microsoft word format. Figures should be in universally readable format.**
- **Proposals are due by 4:00pm, December 10, 2010**

Special Note

The awarding of the final contract shall be at the sole discretion of the Timmins Economic Development Corporation and the Discover Abitibi Initiative management committee. The TEDC reserves the right to reject any or all proposals or to accept any proposal should it be deemed in the interest of the Corporation to do so and, in particular, if only one proposal is received, the Corporation reserves the right to reject it or any proposal.

REQUEST FOR PROPOSAL - RFP

The Timmins Economic Development Corporation, known here after as “**TEDC**”, is requesting proposals for a “GEOLOGICAL STUDY OF GOLD MINERALIZATION AND IOCG OCCURANCES”.

1/ INTRODUCTION

Specifications relating to: the Technical Proposal; Personnel; Deliverables; Budget; Quality Assurance/Quality Controls, Economic Benefits, Time Frame; Project Management; Data Management; Intellectual Property; etc. are outlined below.

Bidders shall prepare a proposal **addressing all requirements of this RFP**

The proposal should be concise. Each proposal will be evaluated solely on its own content. The restatement of the technical requirements with a statement to the effect of – “Intent to perform” will not be satisfactory. Specific details of “where, what, how and why” must be provided to ensure a clear indication of the **Bidder**’s understanding of the tasks involved and of their ability to carry them out. Any costs in preparing the RFP are solely at the **Bidder**’s expense

2/ DETAILS OF THE TECHNICAL PROPOSAL

Gold mineralization in the Matachewan area occurs along western extension of the Kirkland Lake – Larder Lake Break. Historical gold production at the Young Davidson and Matachewan Consolidated mines is from Temiskaming-age syenite intrusions with added production from mafic volcanic rock. Mineralization is hosted by structures along the break. The setting of gold mineralization in the Shining Tree area is less well known. Some occurrences occur along the Houston Lake - Tyrrell Break, others are associated with iron formations, while a third group is associated with intermediate to subalkalic porphyritic intrusive rocks as stockworks and sheeted veins.

Field and literature study of Proterozoic IOCG type occurrences in the Matachewan area. Documentation and verification of the model occurring in the Matachewan area could stimulate exploration for this type of deposit across the entire Abitibi GB

2.1 Project Scope

The objectives of the proposed gold research are:

- (1) To determine the structural, lithogeochemical, and geochronological controls on gold mineralization in the Shining Tree and Matachewan areas.
- (2) To characterize the alteration styles and pathfinder metals associated with these occurrences in order to assist mineral exploration away from known occurrences.
- (3) To determine the possible source, pressure, temperature, and composition of the mineralizing fluids.
- (4) To test for possible links between intrusion-related and shear-hosted gold mineralization.
- (5) To develop model interpretation for gold mineralization in these two areas.

The overall purpose of the project is to develop guidelines that would help mineral exploration companies to identify new ore zones at known deposits or to find new gold occurrences in the Shining Tree and Matachewan areas.

The second part of this study would be to tie together new information from ongoing exploration programs, historical data on similar occurrences in the area and a structural analysis of the Timiskaming rift and associated structures to illustrate the viability of exploring for this deposit model in the Matachewan area as well as in the entire Abitibi GB. Although the study would focus on Proterozoic occurrences, it might also shed some light on the possibility of Archean IOCG deposits in the AGB.

The end result will be to develop exploration targeting parameters to more effectively explore for as yet undiscovered base and precious metal deposits in these parts of the Abitibi but could provide targeting parameters for the entire AGB. This could include providing specific and refined 3D exploration models to allow for precise targeting of unknown deposits.

The project will involve a fieldwork component with laboratory studies being those necessary to support/confirm the field data.

The project will require the involvement of highly qualified professionals who will carry out the fieldwork. These individuals will have particular expertise in various areas of specialization:

- Stratigraphy
- Structure
- Volcanology
- Litho geochemistry
- Felsic, mafic and ultramafic igneous rocks
- Alteration
- Metamorphism
- Geochronology
- Integrating geophysical data

If graduate students are involved, then a high ratio of field and laboratory supervision by the Principal Investigators will have to be guaranteed.

The proposal should provide details of the specific locations of the field study areas and will explain why these have been chosen and what, how and why specific data will be generated at each location.

2.2 Generation of refined deposit models and specific exploration guidelines

The generation of new base and precious metal exploration targets is the **key goal** of this project hence the proposal will explain how the field/laboratory studies will aid in the targeting and discovery of new deposits.

3/ DATA MANAGEMENT, INTEGRATION, ARCHIVING

The proposal will provide specific details on how:

3.1 Existing data will be incorporated into the project.

Within the Abitibi there already exists a data set with regard to: rock types, structure, alteration, geochronology, isotopes, litho geochemistry, geophysics, etc. How will this data (i) be screened for “Quality”; (ii) how will it be captured, organized and incorporated into the project in order to produce equal and

complete coverage throughout the Abitibi, and (iii) how will it be used as the basis of a “gap analysis” to highlight where/what critical data is currently missing in the Project area?

- 3.2 New data, originating from the project, will be “seamlessly” added to the “existing” data?
- 3.3 How the many different data sets produced by the various methodologies involved, and obtained at a wide variety of scales throughout the entire Abitibi will be integrated into maps and reports?
- 3.4 How all the data sets will be “archived” but also will be available and easy to access and use in any subsequent project

4/ QUALITY ASSURANCE / QUALITY CONTROL (QA / QC)

The proposal will provide specific details on how QA/QC will be achieved for the various technical components:

- 4.1 in the field
- 4.2 in the laboratory
- 4.3 by subcontractors
- 4.4 in reports and datasets
- 4.5 in the archived material
- 4.6 against the project timetable

5/ DELIVERABLES

The proposal will provide specific details of the form, scales, content, and timing of the deliverables in relation to the scope of work described in Section 2, the Technical Proposal. A clear distinction should be made between factual (reproducible) data sets and interpretation data sets.

An important aspect of the proposed work is to generate local, Abitibi-based follow-up. Hence “workshops” in the Abitibi area to initiate a “hands on” delivery of the new results/new interpretations to Timmins/Kirkland Lake explorationists should be considered as a component of the deliverables.

The deliverables shall include but are not restricted to the following table:

- Overall Project deliverables
- Quarterly progress reports (Project Coordinator)
- Summary of Field work reports (Project coordinator & PIs)
- Final map(s) in OGS P map format & report in OGS Open File format (Project coordinator & PIs). Details of completion available upon request.

6/ INTELLECTUAL PROPERTY

The “Intellectual Property” resulting from the proposal belongs to **TEDC**; however, the ability of the **Bidder** to publish, give presentations etc. will not unreasonably be withheld by **TEDC** but prior to publishing/presentations the **Bidders** first must have written authorization from the **TEDC**.

7/ INFORMATION ON THE BIDDERS: Personnel/Staffing:

Details of the Project coordinator; address, phone, fax, email

Details of Principal Investigators: with addresses, phone, fax, email

Resumes should be provided giving full names; citizenship; education and/or professional qualifications with years and granting institution; languages spoken; employment record, including employers, years and places of employment, type of work performed; and the extent of previous experience relevant to the function to be delegated in this project.

Management, relationship between the above Individuals

An organization chart for this project (with names and functions) should be provided showing the reporting responsibilities of the personnel involved.

Information should be provided on **Project Experience, Current Work load, Capacity to undertake this Project**

Information should be provided on the relationship of the **Bidders** to any other analogous projects that they are currently involved with:

- Similar projects recently undertaken, Either in the Ontario Abitibi, or, on parallel topics elsewhere, but occurring in the same time frame as this proposal; including location, size, budget, date, client, contact name and telephone number.

- Capacity, particularly in terms of current workload, flexibility in term of being able to cope with workload variations, any overlapping capabilities of personnel should be discussed.

The **Bidder** certifies that all statements made with regard to the education and the experience of the individuals proposed to participate in and complete this project is accurate and factual. **TEDC** reserves the right to verify any information provided in this regard and that untrue statements may result in the proposal being declared non compliant. Should verification by **TEDC** disclose untrue statements, **TEDC** shall have the right to treat any contract resulting from this Bid as being in default and terminate it accordingly.

8/ SUBCONTRACTORS

If the **Bidders** propose to sub-contract any of the work within the bid (e.g. High Precision Geochronology, Multi element analyses of Litho geochemistry samples, etc.) then the division of work and delineation of responsibilities must be described in detail. The **Bidders** shall act as the prime contactor and shall negotiate, sign all contracts and take full responsibility for the project. For all sub-contracts, an acknowledgement letter from the sub-contractor, with details of the proposed arrangement, must accompany the proposal.

The **Bidders** should explain their relationship to subcontractors, if any are going to be involved in the project:

If subcontractors are to be used in the Project **full details** of their expertise, experience, capabilities to carry out the delegated work must be provided.

If the **Bidder** has proposed a person (or persons) to fulfill any portion of this project who is not a Principal Investigator, or who is not directly supervised by a Principal Investigator the **Bidders** should provide written permission from such person (persons) (i.e. a Subcontractor) to provide the services designated in relation to the work to be performed in fulfillment of this project.

9/ TIME FRAME / TIME TABLE

The proposal will provide specific details of how the project will be organized in relationship to the total proposed time frame and will also provide a detailed timetable for each technical component, and also a detailed timetable for project completion, report

writing and the presentation of the final deliverables. **The project fieldwork and report writing should be complete by December 31, 2011 to allow publication by the OGS publication Branch by March 31, 2012.**

10/ ESTIMATED COSTS

The proposal will provide specific details of the costs to carry out the Technical Proposal described in Section 2.

10.1 The Estimated Costs will provide full details by Technical component, e.g. Personnel, Salaries, travel/room/board; number of lithochemical analyses; number of high precision geochronology determinations, etc.

10.2 The proposal will also provide an indication of the flow of funds required for the project, **through time**, in order to establish the basis of “cash calls” from *TEDC* and payment schedule should be included.

These costs must be the “**Total All Inclusive Project Costs** (excluding GST). The *Bidder* must bear in mind that **no payments other than the Total All Inclusive Project Costs** will be made to the *Bidder* by the *TEDC*.

10.3 *TEDC* will withhold 10% of the total final approved budget until full and complete delivery of all data, reports, maps etc. in an acceptable format is complete.

11/ PROJECT MANAGEMENT

The proposal will indicate the reporting relationship between the Project Team and the *TEDC*, the Project Manager of Discover Abitibi, and/or the Technical Steering Committee of Discover Abitibi.

The proposal will provide specific details on how coordination between the Principal Investigators, any graduate students and any subcontractors will be achieved.

The proposal will contain details of how the projects’ progress will be monitored, with specific milestones and performance measures being outlined.

13/ RESPONSIBILITIES OF THE *BIDDER*

The HSE, insurance, Workmen’s Compensation aspects of all field operations are the responsibility of the *Bidder*, as is egress to any land where the *Bidder* will require the express written permission of both the surface and mineral rights holders.

The bidder must provide a statement of insurance coverage, saving harmless TEDC from any event held to be in the Contractor's area of responsibility during the period of any contract developing out of a bid made by the contractor. The successful consultant will submit proof of liability insurance coverage of a minimum of \$2,000,000.00 (job specific coverage).

All contractual arrangements for lease of vehicles, instruments, use of laboratories, etc. are the responsibility of the *Bidder*.

14/ LEGAL ENTITY AND CORPORATE NAME

The *Bidder* should provide a statement as to whether it is a sole proprietorship, partnership or corporate entity, indicating the laws under which the partnership or corporate entity was registered or formed, together with the registered or corporate name. Also, the *Bidder* should provide a statement identifying the country where the controlling interest/ownership (name if applicable) of its organization is located.

15/ INSURANCE

The bidder must provide a statement of insurance coverage, saving harmless TEDC from any event held to be in the Contractor's area of responsibility during the period of any contract developing out of a bid made by the contractor.

The successful consultant will submit proof of liability insurance coverage of a minimum of \$2,000,000.00 (job specific coverage) and that the firm is in good standing with the W.S.I.B;

16/ MISCELLANEOUS ELEMENTS

A complete copy of the proposal should be delivered to the project at the following location:

Robert Calhoun, Project Manager

12 Elm Street North

Timmins, Ontario P4N 6A1

A full description should be provided of any omissions or deviations from the requirements set forth in this RFP. Any additional elements should be clearly outlined and cost estimates presented separately so that the subcommittee may consider the value added and distinguishes such elements from the required elements of the RFP. The effect of any omission on the total cost shall also be included. If there are no omissions or deviations from this RFP, the respondent shall state the following: "This proposal contains no omissions or deviations from the RFP."

No payment will be made to a consultant for the preparation and submission of a proposal.

The lowest or any tender will not necessarily be accepted.

A detailed outline of the firm's per diem rates and a breakdown of subcontractor rates.

All prices must be quoted in Canadian dollars, to include all applicable taxes.

Conditional bids will not be accepted.

Adjustments to the proposal by telephone, fax, telegram, e-mail will not be accepted.

The person signing on behalf of the organization submitting a proposal must initial erasures, overwriting or strikeouts.

Proposal submissions constitute a firm offer and if successful will constitute part of the agreement.

The consultant must have a clause in their proposal that indicates that prices are open for ninety (90) days from the proposal closing date

All consultants shall comply with all the legislation and regulations, which may be applicable to completing this proposal.

All proposals must be complete, legible and signed in ink by an authorized official.

Should a consultant find discrepancies or omissions from the RFP prior to the closing date, the Project Manager is to be contacted as soon as possible in order that a written instruction or an addendum can be issued.

Any proposals received after the above referenced deadline or received by facsimile or by email will not be considered for this project and will be returned to the consultant unopened.

The Project Management Team will review qualifying proposals. The preferred candidate for this project will then be recommended to the TEDC Board for engagement of services.

A formal contract will then be entered into between the TEDC and the successful firm as per the Request for Proposal to the satisfaction of the TEDC and executed as required.

The TEDC reserves the right to ultimately select, in its own best judgment, which firm it deems most qualified to undertake this project. The TEDC may select any proposal or reject all proposals and is not bound to accept the proposal with the lowest price.

In addition, firms are advised that the awarding of any contract relating to this project is contingent upon confirmation of partnership funding in support of this project.

Consultants wishing to respond to the RFP must register by e-mail no later than December 3, 2010. A brief e-mail confirming your intentions to submit a response and a key contact should be identified. We require complete mailing address, telephone and e-mail address. Questions regarding the project will be answered via e-mail and sent to all firms.

Please register with: Mr. Robert Calhoun
Project Manager
Timmins Economic Development Corporation
12 Elm Street North
Timmins, ON
P4N 6A1

Tel: 705-360-2600 ext 7085
Fax: 705-360-2679
E-mail: rcalhoun@timmins