

MANAGEMENT AGREEMENT

THIS AGREEMENT is made as of this 24 day of July 2003, with effect as of August 1st, 2003.

AMONG:

THE REPUBLIC OF GUYANA, a Sovereign State organized in such territory, on such principles and according to such rules as are described in its constitution proclaimed into operation as of October 6, 1980, said party being represented for the purposes hereof by its Government;

(hereinafter referred to as "Guyana" as represented herein by the "Government")

AND:

LINDEN MINING ENTERPRISES, LTD., a company incorporated and existing under the laws of Guyana with its registered office located at Washer Pond Road, Mackenzie, Linden and wholly-owned by Guyana;

(hereinafter referred to as "Linmine")

AND:

OMAI GOLD MINES LIMITED, a company incorporated and existing under the laws of Guyana with its registered office located at 176-D Middle Street, South Cummingsburg, Georgetown;

(hereinafter referred to as "OGML")

WHEREAS Linmine is commercially exploiting bauxite deposits in and around the town of Linden, Guyana and, in connection with such exploitation, (i) is the exclusive holder of mining licences, prospecting licenses, mining leases and other mining rights, interests and permits relating to such deposits (collectively, the "Mining Rights"), and (ii) is the sole owner and operator of surface rights, buildings, facilities, equipment and other assets located in or around the town of Linden (collectively, the "Mining Assets");

WHEREAS, over the past years, Linmine's exploitation of bauxite has experienced various problems which mainly translated into declining production and sales as well as a challenging financial condition;

WHEREAS the Government is desirous of privatizing the whole or certain of the Mining Rights and the Mining Assets, and of improving the management of Linmine's activities with a view to remediating the aforesaid problems until Linmine's privatization is completed;

[Handwritten signatures and initials]

WHEREAS Linmine has concluded an agreement (the "Mining Agreement") dated December 10, 2002 whereby OMAI Bauxite Company Inc. ("OBC"), an Affiliate (as defined herein) of OGML, provides mining, operational and technical services for the overburden stripping and mining operations on the Property;

WHEREAS OGML owns and, since 1993, has commercially exploited the Omai gold mine in Guyana in a manner which was publicly commended by Guyana's Prime Minister who publicly declared, on June 27, 2003, that the Government found OGML "to be a responsible corporate citizen which has successfully developed in Guyana in recent times effective and efficient large mine operations";

WHEREAS, in light of the foregoing, the Government wishes to assign, on a contractual basis, the overall management of Linmine as described herein to OGML and OGML is prepared to assume such management in accordance with the provisions hereof, and subject to the terms and conditions set forth hereinafter;

NOW, THEREFORE, THIS AGREEMENT WITNESSES that, in consideration of the premises and mutual covenants herein contained, and with a view to ensuring the efficient, effective and orderly management of Linmine's operations other than overburden stripping and mining, the parties hereto hereby agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Throughout this Agreement, unless something in the subject matter or context is inconsistent therewith, the following terms shall have the meanings set forth below:

"Administration" means, collectively, all activities, tasks and work relating to:

- (i) accounting and clerical work such as, without restricting the generality of the foregoing, the maintenance of books of account, the preparation of periodic financial statements, managing the relationship with outside accountants and auditors, and the preparation, computation and filing of tax returns;
- (ii) the payment of all general office expenses such as office stationary, light, telephone, telecopier, letter paper and the like;
- (iii) human resources management and pay; and
- (iv) all ancillary activities relating to the foregoing.

"Affiliate" means any Person who or, as applicable, which directly or indirectly controls, is controlled by, or is under common control with, a Party. For the purposes of the preceding sentence, **"control"** means possession, directly or indirectly, of the power to direct or cause direction of management and policies through ownership of voting securities, contract voting trust or otherwise and ownership of more than 50% of the voting securities of a corporate entity will constitute control.

"Agreement" means this Management Agreement, including all amendments and modifications thereof, and all Schedules, which are incorporated herein by this reference; **"hereof"**, **"herein"**, **"hereto"**, **"hereunder"** and similar expressions mean and refer to this Agreement as a whole and not to any particular part, and include any agreement or instrument supplementary or ancillary hereto.

"Applicable Law" means, collectively, any and all laws, statutes, regulations, ordinances, rules, guidelines, policies, notices, orders and directions or other requirements of any Government Authority applicable to the Parties, this Agreement, the Operations, the Property, the Mining Rights and the Mining Assets.

"Board" means the current board of directors of Linmine and as may constituted from time to time.

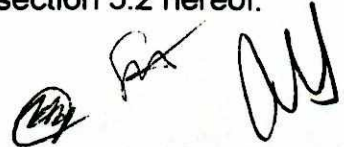
"Effective Date" means August 1st, 2003.

"Government Authority" means any government or governmental, quasi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity and any other authority delegated by the Government under this Agreement.

"LIBOR", in respect of any day, means the annual rate of interest commonly referred to as the London Interbank Offered Rate and published from time to time in the Financial Times of London (or, failing such publication, in any other publication of general circulation) as the reference rate of interest for U.S. Dollar loans between or among banks which are due in 30 days and, in respect of any month or part thereof, means the LIBOR on the first business day of such month.

"Lien" means any mortgage, deed of trust, pledge, security interest, encumbrance, lien, charge of any kind or any other preferential arrangement in the nature of an encumbrance or security interest, including, without limitation, any agreement to give any of the foregoing, any conditional sale or title retention agreement and any lease in the nature thereof.

"Marketing" means those activities which are described in section 5.2 hereof.



"Operations" means all activities carried out under this Agreement or any act ancillary thereto and including, for greater certainty but without limitation, Administration, Marketing and Processing.

"Parties" or **"Party"** means, respectively, the parties or a party to this Agreement.

"Person" means any individual, corporate entity, voluntary association, partnership, joint venture, trust or unincorporated organization.

"Processing" means all activities or work that may reasonably be required for the production of Products from any mineral resources extracted from any mineral deposit located on the Property, including but not limited to, the operation of the delivery system, wash plant, kilns, dryers, shops, loading facilities and the ancillary equipment, machinery and buildings, and excluding, for greater certainty, all activities and work covered by the Mining Agreement and performed by OBC thereunder.

"Products" means all ores, minerals, metals and concentrates and any other mineral resources produced from the Property.

"Property" means, collectively, all parcels of land covered by the Mining Rights.

"Remuneration Costs" means, as regards OGML, the aggregate of:

- (i) the salaries and wages of its employees assigned to Operations on a part-time or full-time basis, including any and all incentive/bonus payments;
- (ii) its costs of holiday, vacation, sickness, and disability benefits and other customary allowances paid to its employees assigned to Operations, and in the case of those employees only a *pro rata* portion of their working hours are dedicated to Operations, not more than the same *pro rata* portion of the benefits and allowances as herein provided for shall be charged to and payable by Linmine;
- (iii) expenditures or contributions made pursuant to assessments imposed by any Government Authority which are applicable in respect of employees assigned to Operations;
- (iv) reasonable personal expenses of those employees assigned to Operations, and for which expenses such employees are reimbursed under OGML's usual policies and practices; for greater certainty, such

expenses include transportation and travel costs as well as costs of lodging; and

- (v) the cost of established plans for the relevant employees' group life insurance, hospitalization, pension, retirement, stock purchase, thrift, and other benefit plans of a like nature, if any.

1.2 Terms defined in the preamble shall carry the same meanings in this Agreement. Any words or expressions otherwise defined herein shall have the meanings respectively ascribed to them notwithstanding that such definitions do not appear in section 1.1.

1.3 In this Agreement:

- (a) unless something in the subject matter or context is inconsistent therewith, words and expressions importing the singular number shall include the plural and *vice versa*, and words and expressions importing the use or any gender shall include the masculine, feminine and neuter genders;
- (b) reference to "articles" refer to articles of this Agreement; references to "sections" and "subsections" refer to sections and subsections of this Agreement; references to "paragraphs" and "subparagraphs" refer to paragraphs and subparagraphs of this Agreement; and
- (c) the division of this Agreement into articles, sections, subsections, paragraphs, subparagraphs and other portions and the insertion of headings are for convenience only and shall not affect or be taken into account in construing or interpreting this Agreement.

1.4 The following Schedule is annexed hereto and form part hereof:

Schedule "A" - Template of Contract of Employment for the Designated Employees.

2. PRIOR ACTIONS AND COVENANTS

2.1 The Government and Linmine hereby declare that they have terminated the employment of all employees of Linmine at the latest on July 31, 2003.

2.2 OGML hereby declares its intention to cause Linmine to:



- (a) hire back certain of the Terminated Employees it will select (the "Designated Employees"), in its sole discretion acting reasonably, as per a list to be communicated to Linmine prior to the Effective Date; and
- (b) sign with each Designated Employee, promptly as and from the Effective Date, a temporary employment contract in the form and substance set forth in Schedule "A".

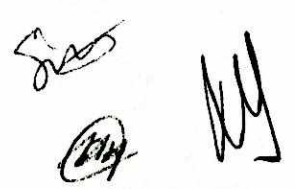
3. REPRESENTATIONS AND WARRANTIES

3.1 Each Party represents and warrants to the others that:

- (a) save and except for Guyana, it is a body corporate duly incorporated and in good standing in its jurisdiction of incorporation and it is qualified to do business and is in good standing in those jurisdictions where necessary in order to carry out the purposes of this Agreement;
- (b) it has the capacity and authority to enter into and perform this Agreement and all transactions contemplated herein and all corporate and other actions required to authorize it to enter into and perform this Agreement have been properly taken;
- (c) it will not breach any other agreement, or any undertaking, security or arrangement by entering into or performing this Agreement; and
- (d) this Agreement has been duly executed and delivered by it and is valid and binding upon it in accordance with its terms and the person executing this Agreement on its behalf is duly authorized to do so.

3.2 Guyana and Linmine hereby declare and confirm to OGML that all representations and warranties made to Cambior Inc., OGML's parent company, pursuant to sections 2.1 and 2.2 of that certain Restructuring Agreement made and effective as of June 6, 2002, as amended are in full force and effect, as at the Effective Date and shall extend to, and apply in favor of OGML throughout the duration of this Agreement. For greater certainty, this Agreement shall be construed as containing the provisions of sections 2.1 and 2.2, with all such provisions being included in favour of OGML, *mutatis mutandis*.

3.3 Guyana and Linmine hereby jointly and severally represent and warrant to OGML that, as of the date hereof:



- (a) neither the Government nor Linmine has entered into any agreement or arrangement, or has made any material commitment, which may materially adversely affect the rights of OGML as manager hereunder and/or the performance of its duties in such capacity;
- (b) Linmine is not in default under any agreement, arrangement or commitment, which default might affect the rights of OGML as manager hereunder and/or the performance of its duties in such capacity;
- (c) the business and operations relating to the Mining Rights and the Mining Assets have been and are being carried in substantial compliance with Applicable Law, save and except for any event, circumstances or situation where and exemption or a discharge from compliance was provided or consented to by the Government;
- (d) in addition to the Mining Rights themselves, Linmine has all necessary licenses, permits and other governmental approvals, authorizations and consents in order to carry on its current activities, save and except for any situation where the Government has exempted Linmine from obtaining such permits, licenses, approvals, authorizations or consents; and all such additional licenses, permits, approvals, authorizations and consents are sufficient, current and in full force and effect and shall allow and entitle OGML to exercise its rights and perform its duties as manager hereunder; and
- (e) save and except as communicated to OGML in writing, there is no judgment, decree, injunction, ruling or order of any court, governmental department, commission, agency, instrumentality or arbitrator and no claim, suit, action, litigation, arbitration or governmental proceeding in progress, pending or threatened against or relating to, which may affect the rights of OGML as manager hereunder and/or the performance of its duties in such capacity.

For greater certainty, Linmine's management and operating practices and standards prior to the Effective Date are hereby deemed to have received from the Government all appropriate and relevant exemptions from compliance with Applicable Law, and Linmine is hereby deemed to have received from the Government all appropriate and relevant discharges in that respect.

- 3.4 Guyana and Linmine hereby jointly and severally represent and warrant to OMGL that Linmine has fully complied with all of its statutory, contractual and, if applicable, other obligations and liabilities as regard the termination of employment with Linmine of all Terminated Employees.



- 3.5 All representations and warranties made in this Agreement and the liabilities of the Parties with respect thereto, shall survive Effective Date and shall expire and terminate upon the second anniversary of this Agreement's termination, it being hereby agreed that (i) any action thereafter to enforce or recover any amounts with respect to the breach of any representation and warranty shall be barred, and (ii) the Party making such representation and warranty shall be released from all obligations and liabilities hereunder in respect of such representations and warranties, except with respect to any claims made by any other Party in writing prior to the expiration of such period. Notwithstanding the foregoing, the liability of a Party in any case where a breach of any representation and warranty made hereunder arises from a situation involving fraud, shall not be subject to any time limitation.

4. MANAGEMENT OF OPERATIONS

- 4.1 The Government and Linmine hereby retain OGML to manage Operations and OGML hereby agrees to manage Operations in accordance with the provisions hereof and subject to the terms and conditions set forth herein.
- 4.2 For greater certainty:
- (a) Linmine retains (i) all right, title and interest in and to the Mining Assets as well as the Mining Rights, (ii) possession of the Property, and (iii) all liabilities, obligations and responsibilities ensuing therefrom including, for greater certainty but without limitation, all environmental, occupational health and safety and social liabilities, obligations and responsibilities; and
 - (b) all overburden stripping and mining activities are performed pursuant to the Mining Agreement and OGML's powers and duties set forth in sections 5.1 and 5.2 shall not extend to such activities which shall be under the authority, supervision and monitoring of the Board.

5. SCOPE AND EXTENT OF MANAGEMENT

- 5.1 OGML, as manager of Administration and Processing, shall have the following powers and duties:
- (a) upon request by the Government or, as applicable, the Board, it shall prepare all budgets, plans, programs, schedules and timetables relating to Processing, shall determine goals, methods, objectives and targets in

- respect thereof, and shall submit all of the foregoing to the Board for approval;
- (b) it shall have full authority and discretion for the day-to-day implementation of the aforesaid plans, programs, schedules, timetables, goals, methods and objectives;
 - (c) provided that all of Linmine's bank accounts remain under Linmine's name and subject to subsection 5.1(j), it shall have control over cashing operations in general, and disbursements; in that respect, it shall cause Linmine to incur and pay for all costs and expenditures necessary to perform Operations;
 - (d) it shall cause Linmine to (i) purchase or otherwise acquire all material, supplies, equipment, water, utility and transportation services required for Operations; (ii) obtain such customary warranties and guarantees as are available in connection with such purchases and acquisitions; and (iii) keep all Mining Assets and Mining Rights free and clear of any Lien subsequent to the Effective Date;
 - (e) it may conduct such title examinations and cause Linmine to cure such title defects as may be advisable in its reasonable judgment;
 - (f) it shall cause Linmine to (i) make all payments and work required by the Mining Rights and, if applicable, other licenses, permits, contracts and other agreements relating to the Property and the Mining Assets; (ii) pay all taxes, assessments and like charges on Operations, the Property and the Mining Assets; it may cause Linmine, if applicable, to contest in the courts or otherwise, the validity or amount of any taxes, assessments or charges if it deems them to be unlawful, unjust, unequal or excessive, or cause Linmine to undertake such other steps or proceedings as it may deem reasonably necessary to secure a cancellation, reduction, readjustment or equalization thereof; it shall see that Linmine is not allowed to let Mining Rights lapse without the approval of the Board; and it shall see that Linmine performs all other acts reasonably necessary to maintain the Mining Rights in good standing and maintain the Mining Assets in good working condition except for normal wear and tear;
 - (g) it shall cause Linmine to apply for all material permits, licenses and approvals other than Mining Rights and which are required for Operations under Applicable Law;

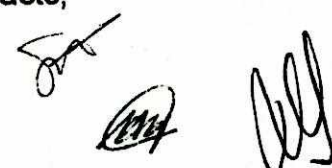


- (h) it shall cause Linmine to comply, in all material respects, with Applicable Law in conducting Operations and in using all Mining Assets, save and except for any event, circumstances or situation where an exemption or a discharge from compliance was provided or consented to by the Government; it shall notify the Board of any allegations of substantial violation thereof within a reasonable delay of becoming aware of such allegations; OGML shall not be in breach of this provision if a violation has occurred in spite of OGML's good faith efforts to comply, and if OGML has caused Linmine to timely cure, commence to cure (and diligently pursues) or dispose of such violation through performance, or payment of fines and penalties;
- (i) it shall see that Linmine prosecutes and defends all litigation or administrative proceedings arising out of Operations;
- (j) it may cause Linmine to dispose of Mining Assets or Mining Rights, whether by abandonment, surrender or transfer in the ordinary course of business; however, without prior authorization from the Board, Linmine shall not dispose of any of the Mining Assets or Mining Rights;
- (k) it shall have the right to carry out its responsibilities hereunder through agents, Affiliates and independent contractors, provided that OGML shall not, without the prior approval of the Board, engages any Affiliate or make arrangements so that any Affiliate provides services required hereunder to Linmine, in which case, it shall do so on terms no less favourable than would be the case with unrelated persons in arm's-length transactions;
- (l) it shall see that adequate data, information and records of the management are properly kept and that all required accounting and financial records are maintained in accordance with Applicable Law;
- (m) it shall cause Linmine to keep the Government advised of all Operations by submitting in writing to it, monthly reports in form and substance satisfactory to the Government, acting reasonably;
- (n) to the extent such coverage is available at a reasonable cost, it may elect, in its discretion, to cause Linmine to obtain and maintain such types and levels of property and liability insurance coverage with respect to the Property and Mining Assets it shall consider necessary from time to time;
- (o) it shall promptly advise the Government of (1°) any material accident or occurrence resulting in a serious damage to, or the destruction of any property, or (2°) of any serious harm or injury to any Person;

- (p) it shall undertake all other activities reasonably necessary to fulfill the foregoing; and
- (q) at all reasonable times, it shall see that Linmine provides duly authorized representatives of the Government or any member of the Board, (i) with access to, and the right to inspect and copy reports, records and other information relating to Operations, and (ii) with the right, at the relevant Persons' sole risk and expense, during normal business hours and subject to reasonable safety regulations, to inspect the Mining Assets, the Property and the conduct of Operations, so long as such inspection does not unreasonably interfere with Operations.

5.2 OGML, as manager of Marketing hereunder, shall have the following powers and duties:

- (a) upon request by the Government or, as applicable, the Board, it shall prepare all budgets, plans, programs, schedules and timetables relating to Marketing, shall determine goals, methods, objectives and targets in respect thereof, and shall submit all of the foregoing to the Board for approval;
- (b) it shall have full authority and discretion for the day-to-day implementation of the aforesaid plans, programs, schedules, timetables, goals, methods and objectives;
- (c) provided that all of Linmine's bank accounts remain under Linmine's name, it shall have control over the receipt of proceeds from sales of Products and, subject to subsection 5.1(j), cashing operations in general, and disbursements; in that respect, it shall cause Linmine to incur and pay for all costs and expenditures necessary to perform Marketing;
- (d) it shall cause Linmine to enter into transportation and sales contracts (collectively, "Marketing Contracts"), and shall manage and administer the Marketing Contracts as it sees fit; as regards Marketing Contracts entered into by Linmine prior to the Effective Date (the "Current Marketing Contracts"), OGML shall not be bound by management decisions made prior to the Effective Date by Linmine in that respect and, for greater certainty, it shall have sole discretion to determine, over time, which Current Marketing Contracts should be maintained without changes, amended, extended (with or without changes), supplemented or terminated, subject only to Applicable Law and to the terms, conditions and restrictions set forth in the Current Marketing Contracts;



- (e) it shall ascertain that the marketing, sale and transportation of Products comply with Applicable Law;
- (f) it shall cause Linmine to perform all of its obligations pursuant to Current Marketing Contracts and, if applicable, Marketing Contracts to be entered into during the term of this Agreement;
- (g) it shall keep good relations with customers, by providing them with information and notifications relating to Products and, upon request, by delivering certificates of origin;
- (h) it shall keep and maintain books of accounts and such other records pertaining to the transportation and other marketing activities; duly authorized representatives of the Government or any member of the Board shall be given reasonable access, at their own expense and during normal business hours, to all such books of accounts and records;
- (i) to the extent such coverage is available at a reasonable cost, it may elect, in its discretion, to cause Linmine to keep and maintain sufficient insurance coverage with respect to activities carried out pursuant to this section 5.2;
- (j) it shall cause Linmine to rent, purchase, or acquire such machinery, equipment, material, supplies and other facilities and retain services of experts and consultants as OGML may deem advisable or necessary; and
- (k) it may engage Affiliates to carry out any or all of obligations hereunder provided that it shall do so on terms no less favourable to it than would be the case with unrelated persons in arm's-length transactions.

6. PERFORMANCE OF MANAGEMENT AND ROLE OF THE BOARD

6.1 In order to exercise its powers and fulfil its duties as manager of Operations as per sections 5.1 and 5.2, OGML may:

- (a) provide itself, on a full-time as well as part-time basis, the services of its employees;
- (b) cause Linmine, as early as possible from the Effective Date, to offer employment to all Designated Employees, as per a temporary employment contract in the form and substance similar as that of

Schedule "A" and, more generally, on terms and conditions determined by OGML in its sole discretion; and

- (c) in addition to its own employees as per subsection 6.1(a) and the Designated Employees hired pursuant to subsection 6.1(b), cause Linmine to hire Persons to adequately respond to its needs at any time during this Agreement's term, for positions and on terms and conditions determined by OGML in its sole discretion.

6.2 For the orderly management of Linmine, OGML shall report to the Board in accordance with this Agreement. Specifically, the Board's approval shall be required for the following:

- (a) all budgets for the Operations and capital expenditure of Linmine and any changes thereto;
- (b) payments to OGML in excess of sums allowed under this Agreement or any amount previously approved under the budget by the Board;
- (c) any related party transaction, payments or contracts in excess of any sums allowed under this Agreement or budgeted by the Board;
- (d) any change in policy;
- (e) any transaction not in the normal course of business or of an unusual or extraordinary nature;
- (f) any legal settlements;
- (g) changes in the period of employment of any Designated Employee; and
- (h) any changes in the approved budget for OGML services.

7. STANDARD OF CARE AND INDEMNIFICATION

7.1 In exercising its rights and carrying out its duties and obligations hereunder, OGML hereby undertakes to act in a good workmanlike and efficient manner.

7.2 OGML will see that its employees involved in the management of Operations as well as the Designated Employees comply with the undertaking set forth section 7.1 hereof, diligently devote such time and efforts as are reasonably



required to the Operations and act conscientiously, efficiently and to the best of their abilities.

7.3 Notwithstanding the termination of this Agreement, the Government and Linmine hereby agree to jointly and severally indemnify and hold OGML, its Affiliates together with its own and its Affiliates' directors, officers and employees completely harmless from and against any action, suit, debt, claim, demand, loss, cost, expense, damage or liability (including, without limitation, reasonable attorneys' fees, and other expenses incurred in defending against litigation, either threatened or pending) arising out of or based upon:

- (a) any damages done to the Property or the Mining Assets during the term of this Agreement;
- (b) damages caused to or incurred by third parties, resulting or ensuing directly or indirectly from OGML's performance or non-performance of its duties and obligations hereunder;
- (c) the termination by Linmine of the employment of the Terminated Employees;
- (d) any breach by the Government and/or Linmine of a representation and warranty made in article 3;
- (e) the implementation by OGML, as manager, of any plan, program, schedule, timetable or method approved, authorized and/or directed by the Board;
- (f) any event or circumstance caused by, or resulting from, directly or indirectly, the general condition of the Property and of the Mining Assets to the extent such general condition is attributable to any and all activities that occurred on the Property prior to the Effective Date; and
- (g) as regards all environmental, occupational health and safety and social aspects of Linmine's activities, the continuing performance, subsequent to the Effective Date, of Operations in accordance with the rules, guidelines, standards and practices that were in force and effect prior to the Effective Date and were maintained in force and effect thereafter.



8. PAYMENT OF COSTS INCURRED

8.1 Subject to the terms of this Agreement, Linmine shall pay for all the costs and expenses incurred in relation to the performance of Operations as follows:

- (a) for the services of OGML employees as set forth in subsection 6.1(a), Linmine shall pay to OGML a sum being the equivalent of:
 - (i) the full amount of Remuneration Costs for its employees performing services hereunder on a full-time basis, or
 - (ii) such portion of Remuneration Costs for its employees performing services on a part-time basis, calculated on a pro rata basis, on the proportion of time devoted to perform services hereunder relative to the overall working time of such OGML employees;

the aggregate being within the preliminary budget of Linmine in the sum of forty-five thousand United States Dollars (U.S. \$45,000) per month, including a ten percent (10%) variance, provided that any positive variance greater than ten percent (10%) shall be subject to the Board's prior approval. The aforementioned figure excludes marketing costs which shall be subject to approval by the Linmine Board.

- (b) Linmine shall pay to OGML a sum corresponding to the full amount of expenses it incurred for services of Affiliates, consultants and contractors and, more generally, expenses it incurred in favour of third parties, if applicable; and
- (c) Linmine shall reimburse OGML for any additional insurance costs that OGML or, as applicable, Cambior Inc., its parent company, may incur as a result of OGML exercising its rights and performing its duties and obligations as manager hereunder.

8.2 Upon the effective date of this Agreement, OGML shall issue to Linmine a request for funds ("Cash Calls") to meet the estimated cash requirements for the first two months of OGML's service costs provided for under section 8.1 above. The following Cash Calls shall be issued prior to the last day of each month and shall include estimated cash requirements for the second following month. Promptly after receipt of each Cash Call, Linmine shall advance to OGML the estimated amount. Time is of the essence for payment of such Cash Calls.



9. INVOICING AND PAYMENT

- 9.1 OGML shall invoice Linmine on a monthly basis, the first day of the subsequent month, for all its costs and expenses hereunder. The amount of any Cash Call made during any given month, if applicable, pursuant to section 8.2, shall be deducted from the amount invoiced by OGML for the relevant month. Payment of each such invoice shall be made by Linmine no later than fifteen (15) days after the receipt thereof.
- 9.2 If Linmine defaults in making payments pursuant to section 9.1, OGML may advance the necessary sums to Linmine. Such advances shall be treated as a loan to be evidenced by a promissory note payable in favour of OGML on demand, and bearing interest at a rate equal to LIBOR plus 2%, calculated from the date of default.

10. DURATION OF THE AGREEMENT

- 10.1 This Agreement shall be effective as and from the Effective Date to the 31st of December, 2003 or for such further period as may be agreed between the Parties. For the purposes of this section 10.1, Linmine and the Government shall be considered as one and the same Party.
- 10.2 Notwithstanding section 10.1, OGML may terminate this Agreement:
- (a) at any time and in its sole discretion by means of a 90-day prior written notice; or
 - (b) immediately, without notice and in its sole discretion, under the following circumstances:
 - (i) Linmine and/or the Government are in default hereunder, provided that Linmine and/or the Government have been given notice by OGML of their breach and the opportunity to cure same within one week of receipt of the notice;
 - (ii) a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for a substantial part of Linmine's assets is appointed and such appointment is neither made ineffective nor discharged within 30 days after the making thereof, or such appointment is consented to, requested by, or acquiesced in by Linmine; or



- (iii) Linmine commences a voluntary case under any applicable bankruptcy, insolvency or similar law now or hereafter in effect; or consents to the entry of an order for relief in an involuntary case under any such law or to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or other similar official of any substantial part of its assets; or makes a general assignment for the benefit of creditors or makes an arrangement with creditors; or fails generally to pay its debts as such debts become due; or takes corporate or other action in furtherance of any of the foregoing; or
- (iv) entry is made against Linmine of an order for relief affecting a substantial part of its assets by a court of competent jurisdiction in an involuntary case commenced under any applicable bankruptcy, insolvency or other similar Applicable Law of any jurisdiction now or hereafter in effect;

without incurring any cost, obligation or liability to the Government or Linmine by reason of such termination.

- 10.3 Linmine and/or the Government may terminate this Agreement if of the view that Linmine is not financially sustainable to justify its continued operation or OGML is in material or substantial breach of its duties and obligations hereunder, provided that Linmine and the Government shall, before exercising this right, seek OGML's opinion as to the financial sustainability of Linmine where same is the issue or notified OGML of its breach/s and afforded OGML reasonable time to cure same.

11. CONFIDENTIALITY

- 11.1 OGML hereby acknowledges that, in connection with managing Operations hereunder, it may receive access and may in the future continue to have access to certain proprietary and confidential information of Linmine or of third parties to whom Linmine owes or will owe an obligation of confidentiality ("Confidential Information").
- 11.2 OGML hereby recognizes the proprietary and sensitive nature of the Confidential Information and hereby agrees to preserve and maintain all the Confidential Information in strict confidence during the term of this Agreement.
- 11.3 OGML hereby undertakes to restrict disclosure of the Confidential Information only to those of its officers, employees, managers or agents, and

those of its Affiliates, as may reasonably need to know, and will advise such Persons of the strict obligations of confidentiality hereunder.

12. FORCE MAJEURE

- 12.1 OGML's obligations hereunder, including those of any of its Affiliates, shall be suspended to the extent and for the period that performance is prevented by any cause, whether foreseeable or unforeseeable, beyond its reasonable control, including, without limitation, labor disputes (however arising and whether or not employee demands are reasonable or within the power of OGML or the relevant Affiliate, as applicable, to grant); acts of God; laws, regulations, orders, proclamations, instructions or requests of any Government Authority, judgments or order of any court; inability to obtain on reasonably acceptable terms any public or private license, permits or other authorizations, curtailment or suspension of Operations to remedy or avoid an actual or alleged, present or prospective active violation of Guyana environmental standards; acts of war or conditions arising out of attributable to war, whether declared or undeclared, riot, civil strife, including threats (perceived or actual) to employees of OGML, of any of OGML's Affiliates or of Linmine, insurrection or rebellion; fire, explosion, earthquake, storm, flood, sink holes, drought or other adverse weather conditions; delay or failure by suppliers or transporters of materials, parts, supplies, services or equipment or by contractors' or sub-contractors' shortage of, or inability to obtain labor, transportation, materials, machinery, equipment, supplies, utilities or services; accidents; breakdown of equipment, machinery or facilities; or any other cause similar to the foregoing (collectively, a "Force Majeure Event").
- 12.2 OGML shall promptly give notice to Linmine and the Government of the Force Majeure Event stating therein the nature of the suspension, the reasons therefor, and the expected duration thereof. OGML shall see that performance is resumed as soon as reasonably possible.
- 12.3 OGML shall use all reasonable diligence to remedy the Force Majeure Event as quickly as practicable. However, this requirement of reasonable diligence shall not require the settlement of strikes, lock-outs or other labor difficulties by OGML or by any Affiliate of OGML, as applicable, on terms not acceptable to it. The manner of dealing with any such labor difficulty shall be entirely within the discretion of OGML or that of any of its Affiliates, as applicable.

13. DISPUTE RESOLUTION AND APPLICABLE LAW



- 13.1 If any dispute or conflict, whether contractual or not in nature, arises in connection with this Agreement or the breach, termination, validity, performance or interpretation thereof, or in connection with the management of Operations (a "Dispute"), the Parties shall resolve the Dispute in accordance with the provisions of this article 13. For the purposes of this article 13, the Government and Linmine shall be considered as one and the same Party and, if the Dispute involves any of OGML's Affiliates, OGML and such Affiliate shall be considered as one and the same other Party.
- 13.2 A Party may commence proceedings under this article 13 by convening a meeting between or among OGML's general manager (or other high-ranking representatives of OGML or, if applicable, any relevant OGML Affiliate), and the Government's Minister responsible for Mining and/or the Chairman or Commissioner of the Guyana Geology and Mines Commission (or other Government high-ranking representatives). Such group shall meet within 30 days from the date of the notice convening the meeting and shall use their best efforts to achieve a negotiated settlement to the Dispute.
- 13.3 Any Dispute which is not resolved pursuant to section 13.2 or otherwise, shall be referred for determination to final and binding arbitration, to the exclusion of all courts of any State and other like forums, under the Rules of the London Court of Arbitration (the "Court") applicable as of the date hereof. Notwithstanding the foregoing, the arbitration shall be conducted in accordance with the following provisions:
- (a) each Party shall be entitled to appoint a qualified person to act as arbitrator and the Court shall appoint a third arbitrator to complete the tribunal, and the person so appointed by the Court shall act as chairman of the tribunal;
 - (b) the place of arbitration shall be Georgetown, Guyana or any other location agreed upon by the Parties; all arbitration proceedings shall be conducted in the English language; and
 - (c) each Party shall participate in any arbitration proceedings at its own expense, and expenses of arbitration shall be borne equally by the opposing Parties; in the case of an award of monetary damages, the tribunal shall be entitled to award interest thereon from the earlier of the date on which proceedings are instituted or the date on which the relevant obligation became exigible, at LIBOR.
- 13.4 The Parties may, but need not, refer a dispute to the Court for purposes of attempting a conciliation or mediation thereof, in which event the rules and

practices of the Court relating to conciliation or mediation shall apply. The failure to attempt or complete conciliation or mediation proceedings shall in no event prevent a Party from instituting arbitration proceedings in accordance with section 13.3 hereof.

- 13.5 The failure by a Party to participate in arbitral proceedings shall not constitute valid grounds for rejecting the jurisdiction of the tribunal or the validity and enforceability of any of its awards. Each Party hereby undertakes to execute any arbitral award rendered against it in accordance with its terms, in full, voluntarily and without delay and hereby waives any entitlement to invoke any ground of immunity in respect of the jurisdiction of the tribunal or in respect of any award made by it or its enforcement. Judgment on the award may be entered and enforced in any court of competent jurisdiction. The provisions of the *Arbitration Act* (Laws of Guyana, CAP. 7:03) or of any other written law of Guyana relating to arbitration shall not apply to this Agreement, and the Parties hereby exclude the application of same for all purposes hereunder.
- 13.6 Subject to section 13.5 *in fine*, this Agreement shall be governed by and construed in accordance with the laws of the Republic of Guyana.

14. MISCELLANEOUS AND FINAL PROVISIONS

- 14.1 In the event that a court of competent jurisdiction determines that any term, part or provision of this Agreement is unenforceable, illegal, or in conflict with any laws to which this Agreement is subject, the Parties intend that the court reform the term, part, or provision within the limits permissible under Applicable Law in such manner as to approximate most closely the intent of the Parties; provided that, if the court cannot make such reformation, then that term, part or provision shall be considered severed from this Agreement. The remaining portions of this Agreement shall not be affected, and this Agreement shall be construed and enforced as if it did not contain that term, part or provision.
- 14.2 Any notice, payment or other required communications hereunder shall be given in writing and delivered by hand, registered air mail, telefax or other electronic communication or by overnight courier. Any such notice shall be given to each of the Parties at their following addresses:



TO THE GOVERNMENT
AND LINMINE:

Dr. Samuel Hinds
Prime Minister and Minister
Responsible for the Bauxite Industry

Cc: Winston Brassington
Executive Director, National Industrial and
Commercial Investments Ltd.

(Information on Linmine's Representative
to be provided.)

TO OGML:

OMAI GOLD MINES LIMITED
176-D Middle Street
South Cummingsburg, Georgetown
Guyana
Tel: (592) 225-4588
Fax: (592) 226-6468

Attention: Senior Vice President

or to any other addresses that any Party may at any time designate by written notice to the other Parties.

All notices shall be effective and shall be deemed delivered (i) if by hand, or by overnight courier, on the date of delivery if delivered during normal business hours, and, if not delivered during normal business hours, on the next business day following delivery, (ii) if by telefax or other electronic communication, on the next business day following receipt of the electronic communication, and (iii) if by mail, on the next business day after actual receipt.

- 14.3 Each Party shall take from time to time such actions and execute such deeds and additional instruments as may be reasonably necessary or desirable to carry out the intent and purpose of this Agreement.
- 14.4 This Agreement shall enure to the benefit of and be binding upon the respective successors and permitted assigns of the Parties.
- 14.5 The failure of a Party to insist on the strict performance of any provision of this Agreement or to exercise any right, power or remedy upon a breach hereof shall not constitute a waiver of any provision of this Agreement or limit the Party's right thereafter to enforce any provision or exercise any right.

- 14.6 No modification or amendment to this Agreement shall be valid unless made in writing and duly executed by the Parties.
- 14.7 There are no implied covenants contained in this Agreement other than those of good faith and fair dealing.
- 14.8 This Agreement may be executed in one or more original counterparts, all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first above written.

THE REPUBLIC OF GUYANA

LINDEN MINING ENTERPRISES, LTD.

Per. 

Dr. Samuel Hinds
Honourable Prime Minister &
Minister Responsible for the
Bauxite Industry

Per. 

Mr. Horace James
Chief Executive Officer

OMAI GOLD MINES LIMITED

Per. 

Mr. Rejean Gourde
Senior Vice President

SCHEDULE "A"

**TEMPLATE OF CONTRACT OF EMPLOYMENT
FOR THE DESIGNATED EMPLOYEES**

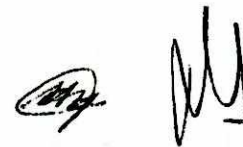
See the next two pages

LINDEN MINING ENTERPRISE LIMITED

CONDITIONS OF EMPLOYMENT TEMPORARY/ CONTRACT EMPLOYEE

The following shall form the conditions of employment for persons being hired on a temporary or contracted period with Linden Mining Enterprise Limited.

1. It is understood that any Temporary/Contract Employee employed by Linmine during the period effective 1st August to 31st December, 2003 is hired for a period of five months ending 31st December or shorter period.
2. Linden Mining Enterprise Limited is entitled to terminate the contract of employment of any Temporary/Contract Employee with two weeks notice.
3. That you shall be hired for such Temporary period and shall perform such duties and hours of work as agreed upon.
4. That you shall adhere to the Rules, Regulations, Policies and Procedures of Linden Mining Enterprise Limited or its delegated Contract Management Team/Company in an effort to continuously improve on the efficiency of the operations.
5. At the end of the Temporary Contract, the employee will be paid Terminal Benefit of 8% of his/her Gross Earnings for the period worked (such payment shall be in lieu of vacation and any other benefit due to the employee.
6. It is understood that this contract of employment with Linden Mining Enterprise Limited does not entitle you to any benefits and conditions previously enjoyed or accrued prior to July 31, 2003.
7. At its sole discretion of Linmine offers to extend the Temporary/Contract Employee's contract of employment.



I, MR/MS _____ of _____
NAME ADDRESS

Date of Birth: Day _____ Month _____ Year _____

hereby agree to be employed as a Casual/Temporary Employee under the above-mentioned Terms and Conditions of Employment and to perform the under mentioned job in keeping with the agreed rate/salary per hour/month.

Department: _____

Nature of Job (Duties to be performed): _____

Classification: _____

Rate/salary per hour/month: _____

\$

Date of employment: _____

Duration of this request: _____

In case of Accident/Death notify: _____

I have read the above information and I am satisfied and understand the Terms and Conditions of this Casual/Temporary Employment.

Signature: _____
Temporary/Contract Employee

Date: _____

Department Head

**Personnel Officer
Linmine Mining Enterprise Limited**



OMAI GOLD MINES LIMITED

Mining With The Environment in Mind



September 20, 2004

Honorable Samuel Hinds
Prime Minister and Minister Responsible
For the Bauxite Industry
The Republic of Guyana
Office of the Prime Minister
Wight's Lane
Georgetown

Conrad Plummer
Chairman of the Board of Directors
Linden Mining Enterprise, Ltd.
Washer Pond Road
Mackenzie, Linden, Guyana

RE: MANAGEMENT AGREEMENT

Gentlemen:

Reference is made to the Management Agreement made the 24th of July 2003 between The Republic of Guyana, Linden Mining Enterprises, Ltd., and Omai Gold Mines Ltd. whereby the Government and Linden Mining Enterprises, Ltd. (Linmine) retain Omai Gold Mines, Ltd (OGML) to manage operations at Linmine.

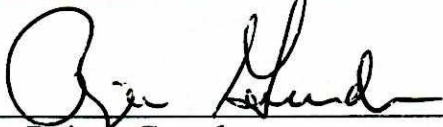
Whereas, this agreement is effective until September 30, 2004 or for such further period as may be agreed between the Parties having been once extended by a document dated December 11, 2003, having been further extended by a document dated March 25, 2004, and having been further extended by a document dated June 21, 2004.

OGML proposes that each party once again agree to extend the duration of the agreement for three months. This extension would make the agreement effective through December 31, 2004. All other provisions of the agreement shall remain in full force and effect.

The above, having satisfactorily reflected the expression of our mutual understanding, is confirmed by the signatures of the parties' representatives below. There are three original copies of this document, one for each party.

Sincerely,

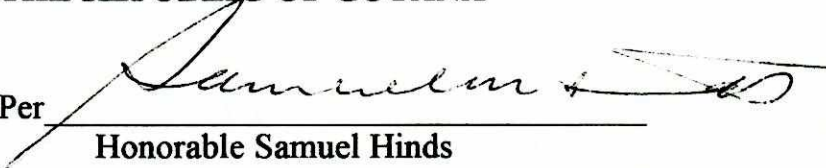
OMAI GOLD MINES, Ltd

Per 
Rejean Gourde
Senior Vice President, Guyana Shield

Acknowledged and agreed this 23 day of SEPTEMBER, 2004

The other Parties signify their agreement with the above by signing below.


THE REPUBLIC OF GUYANA

Per 
Honorable Samuel Hinds
Prime Minister and Minister Responsible for the Bauxite Industry

2004-09-23

Acknowledged and agreed this ___ day of _____, 2004

LINDEN MINING ENTERPRISE, Ltd.

Per 
Linden Mining Enterprise, Ltd.
Duly Authorized Representative

Acknowledged and agreed this 23rd day of September, 2004

cc: Winston Brassington, Privatization Unit



OMAI GOLD MINES LIMITED

Miner With The Environment in Mind



June 21, 2004

Honorable Samuel Hinds
Prime Minister and Minister Responsible
For the Bauxite Industry
The Republic of Guyana
Office of the Prime Minister
Wight's Lane
Georgetown

Conrad Plummer
Chairman of the Board of Directors
Linden Mining Enterprise, Ltd.
Washer Pond Road
Mackenzie, Linden, Guyana

RE: MANAGEMENT AGREEMENT

Gentleman:

Reference is made to the Management Agreement made the 24th of July 2003 between The Republic of Guyana, Linden Mining Enterprises, Ltd., and Omai Gold Mines Ltd. whereby the Government and Linden Mining Enterprises, Ltd. (Linmine) retain Omai Gold Mines, Ltd (OMGL) to manage operations at Linmine.

Whereas, this agreement is effective until June 30, 2004 or for such further period as may be agreed between the Parties having been once extended by a document dated December 11, 2003 and having been further extended by a document dated March 25, 2004.

OMGL proposes that each party once again agree to extend the duration of the agreement for three months. This extension would make the agreement effective through September 30, 2004. All other provisions of the agreement shall remain in full force and effect.



OMAI GOLD MINES LIMITED

Mining With The Environment in Mind



March 24, 2004

Honorable Samuel Hinds
Prime Minister and Minister Responsible
For the Bauxite Industry
The Republic of Guyana
Office of the Prime Minister
Wight's Lane
Georgetown

Conrad Plummer
Chairman of the Board of Directors
Linden Mining Enterprise, Ltd.
Washer Pond Road
Mackenzie, Linden, Guyana

RE: MANAGEMENT AGREEMENT

Gentleman:

Reference is made to the Management Agreement made the 24th of July 2003 between The Republic of Guyana, Linden Mining Enterprises, Ltd., and Omai Gold Mines Ltd. whereby the Government and Linden Mining Enterprises, Ltd. (Linmine) retain Omai Gold Mines, Ltd (OMGL) to manage operations at Linmine.

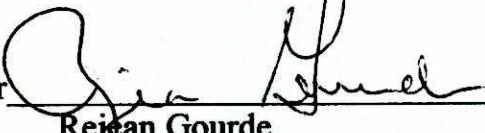
Whereas, this agreement is effective until March 31, 2004 or for such further period as may be agreed between the Parties having been once extended by a document dated December 11, 2003.

OMGL proposes that each party once again agree to extend the duration of the agreement for three months. This extension would make the agreement effective through June 30, 2004. All other provisions of the agreement shall remain in full force and effect.

The above, having satisfactorily reflected the expression of our mutual understanding, is confirmed by the signatures of the parties' representatives below. There are three original copies of this document, one for each party.

Sincerely,


OMAI GOLD MINES, Ltd

Per 
Rejean Gourde
Senior Vice President, Guyana Shield

Acknowledged and agreed this 25th day of March, 2004

The other Parties signify their agreement with the above by signing below.

THE REPUBLIC OF GUYANA

Per 
Honorable Samuel Hinds
Prime Minister and Minister Responsible for the Bauxite Industry

Acknowledged and agreed this 25th day of March, 2004

LNN DEN MINING ENTERPRISE, Ltd.

Per 
Linden Mining Enterprise, Ltd.
Duly Authorized Representative

Acknowledged and agreed this 25th day of March, 2004

cc: Winston Brassington, Privatization Unit

Q



OMAI GOLD MINES LIMITED

Mining With The Environment in Mind



December 11, 2003

Honorable Samuel Hinds
Prime Minister and Minister Responsible
For the Bauxite Industry
The Republic of Guyana
Office of the Prime Minister
Wight's Lane
Georgetown

Conrad Plummer
Chairman of the Board of Directors
Linden Mining Enterprises, Ltd.
Washer Pond Road
Mackenzie, Linden, Guyana

RE: MANAGEMENT AGREEMENT

Gentleman:

Reference is made to the Management Agreement made the 24th of July, 2003 between The Republic of Guyana, Linden Mining Enterprises, Ltd., and Omai Gold Mines Ltd. whereby the Government and Linden Mining Enterprises, Ltd. (Linmine) retain Omai Gold Mines, Ltd (OMGL) to manage operations at Linmine.

Whereas, this agreement is effective until December 31, 2003 or for such further period as may be agreed between the Parties.

OMGL proposes that each party agree to extend the duration of the agreement for three months to March 31, 2004. All other provisions of the agreement shall remain in full force and effect.

The above, having satisfactorily reflected the expression of our mutual understanding, is confirmed by the signatures of the parties'

Management Agreement

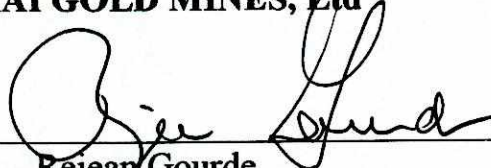
December 11, 2003

- 2 -

representatives below. There are three original copies of this document, one for each party.

Sincerely,

OMAI GOLD MINES, Ltd

Per 
Rejean Gourde
Senior Vice President, Guyana Shield

Acknowledged and agreed this 18th day of December, 2003

The other Parties signify their agreement with the above by signing below.

THE REPUBLIC OF GUYANA

Per 
Honorable Samuel Hinds
Prime Minister and Minister Responsible for the Bauxite Industry

Acknowledged and agreed this 18th day of December, 2003

LNN DEN MINING ENTERPRISES, Ltd.

Per 
Linden Mining Enterprises, Ltd.
Duly Authorized Representative


Acknowledged and agreed this 18th day of December, 2003

cc: Winston Brassington, Privatization Unit

The above, having satisfactorily reflected the expression of our mutual understanding, is confirmed by the signatures of the parties' representatives below. There are three original copies of this document, one for each party.

Sincerely,

OMAI GOLD MINES, Ltd

Per 
Rejean Gourde
Senior Vice President, Guyana Shield

Acknowledged and agreed this 21st day of JUNE, 2004


The other Parties signify their agreement with the above by signing below.

THE REPUBLIC OF GUYANA

Per 
Honorable Samuel Hinds
Prime Minister and Minister Responsible for the Bauxite Industry

Acknowledged and agreed this 21 day of June, 2004

LINDEN MINING ENTERPRISE, Ltd.

Per 
Linden Mining Enterprise, Ltd.
Duly Authorized Representative

Acknowledged and agreed this 21st day of June, 2004

cc: Winston Brassington, Privatization Unit