



**DECCAN GOLD
MINES LIMITED**

(CIN : L51900MH1984PLC034662)

Corporate Office & Correspondence Address

No.1285, 5th Main, 7th Sector, HSR Layout, Bengaluru - 560102. Tel . : +91 80 45384000 Fax : +91 80 45384001 Email : info@deccangoldmines.com Website : www.deccangoldmines.com

July 23, 2023

Corporate Relationship Department
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai 400001.
(BSE Scrip Code: 512068)

Dear Sir

Sub: Update on Company operations – Jonnagiri Gold Mining Project
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We are pleased to present an Update on the Jonnagiri Gold Mining Project of Geomysore Services (India) Private Limited (“**Geomysore**”) which is located in Andhra Pradesh, India.

1. Funding:

1.1 Key shareholders of Geomysore viz., Thriveni Earth Movers Pvt Ltd (“**Thriveni**”) and Deccan Gold Mines Limited (“**DGML**”) have agreed to infuse INR 60 Cr of Equity Capital into Geomysore by the end of August, 2023.

1.2 Thriveni has already invested INR 15 Cr with the balance INR 25 Cr expected by the end of August, 2023. DGML is also committed to infuse a further INR 20Cr in the month of August, 2023.

1.3 Proceeds of this investment will be used for land acquisition, ordering the equipment and commencement of civil work for the processing plant and the water pipeline.

2. Land Acquisition:

2.1 120 acres of key land has been already acquired in Jonnagiri. Efforts are on to acquire another 130 acres of land by the end of this quarter. Thus, by the end of the current quarter, a total of 250 acres is expected to be in the possession of Geomysore, which is required to build the processing plant, water reservoir and tailing dam. It is planned to acquire additional 100 acres would be acquired in the next 2 quarters.



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3. Pilot Plant:

3.1 A 20 Tonnes Per Day (“TPD”) gravity circuit based Pilot plant is currently operating and the process flow is being fine-tuned. The capacity is going to be enhanced to 40 TPD which can potentially produce 1 kg of gold per month. This plant will be operational till the full scale plant is commissioned.

4. Mining:

4.1 Open pit mining in the East Block of the Jonnagiri Mining Lease area is under progress. About 800 TPD of gold ore is being currently extracted. This would be enhanced to 1200 to 1500 TPD in the coming months. Extracted ore is stored, which is to be used once processing plant is commissioned. A small quantity of the ore is fed into the existing Pilot plant.

5. Full Capacity Processing Plant:

5.1 Process flow has been finalized. Detailed civil and structural engineering has been completed by Tanka Engineers, who have been awarded with the EPC contract for the Project. Civil work for 1000 Tonnes Per Day processing plant is anticipated to commence in September 2023. Orders for long lead equipment eg., ball mill and elution system have been finalized. Orders will be placed within the current quarter.

6. Power and Water Infrastructure:

6.1 33KV line with 11 KV Power supply has been established and is charged. This Power will be utilised for the construction of the processing plant. Government of Andhra Pradesh has already accorded permission to withdraw water from a nearby Canal. Water pipeline routing has been finalized and Survey work is going on.

7. Exploration and Drilling:

7.1 Further exploration to enhance the overall resource in West and South Blocks is under progress. 2 drill rigs will be deployed in August, 2023, which will continue to drill in both the blocks. A contract to carry out detailed geophysics to identify deep seated targets has been awarded to Steiger Geoscience. They will commence work by first week of August, 2023.



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8. By way of background, shareholders may note that the Company had acquired a significant stake in GMSI under a share swap arrangement which was completed during March, 2023. For more details, shareholders are encouraged to refer to our earlier Updates in this regard.
9. We request the BSE to take the above Update on record and oblige.

Yours truly

**SUNDARAM
SUBRAMANIAM**

Digitally signed by SUNDARAM SUBRAMANIAM
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4d17686b1a3563ab7d7ce1, cr=SUNDARAM SUBRAMANIAM
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Subramaniam S
Company Secretary
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