



DECCAN GOLD

MINES LIMITED

(CIN : L51900MH1984PLC034662)

Corporate & Correspondence Address

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April 29, 2018

Corporate Relationship Department
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai 400 001

(BSE Scrip Code : 512068)

Dear Sirs,

Sub: Update on Company operations

(1) Ganajur Gold Project – payment of 40% acquisition cost to KIADB

We are very pleased to report that as noted in our earlier Update of April 4, 2018, our subsidiary Deccan Exploration Services Private Limited (DESPL) has paid an amount of Rs. 6.82 crore (inclusive of 10% of processing fee) to Karnataka Industrial Areas Development Board (KIADB).

By way of background, it may be noted that KIADB would be facilitating the land acquisition process on behalf of DESPL and had determined the total acquisition cost of 200 acres of land (which includes the ML area of 72 acres) for the proposed mine, processing plant and infrastructure at Ganajur at Rs. 17 crores (approx). Further, KIADB had advised us to remit 40% of the tentative cost of land as advance.

(2) Ganajur Gold Project – payment of initial advance to farmers (landowners):

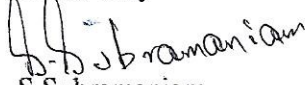
As noted in our earlier Update of April 4, 2018, DESPL has completed the process of payment of initial advance @ Rs. 40,000/- per acre on a pro rata basis to the farmers who own land within the Mining Lease (ML) area of 72 acres.

It may be noted that DESPL has been carrying out its mineral exploration activities on these lands under lease agreement (s) with the land owners which are being renewed annually and has been paying lease rentals to them under those agreement (s).

This initial advance amount will be adjusted against the final price payable per acre provided that the same is paid within a maximum period of 15 months from the date of the Agreement. Such final price will be determined in accordance with the provisions of Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 and be deposited with KIADB who will facilitate the land acquisition as noted above.

We are also happy to report that the farmers (landowners) have assured us of their support for the development of the Ganajur Gold Project and are keen to have their lands acquired for this purpose at the earliest.

Yours truly


S. Subramaniam
Company Secretary



Registered Office

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