



DECCAN GOLD

MINES LIMITED

(CIN : L51900MH1984PLC034662)

Corporate & Correspondence Address

No. 5, 19th Main Road, 4th Sector HSR Layout, Bengaluru-560102 Tel : +91 80 67155700 Fax : +91 80 67155701 Email : info@deccangoldmines.com Web : www.deccangoldmines.com

November 20, 2017

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's operations

We present here under an update on the Company's operations.

(1) Ganajur Gold Project – Issue of Grant Notification Letter

From our follow-up and discussions with the Law Department, Government of Karnataka, we are very pleased to inform that the Deputy Secretary / Senior Civil Judge responsible for providing opinion on matters that are referred to the Law Department, has finalised his opinion on the Ganajur Mining Lease (ML) file. The opinion will now be forwarded to the Additional Secretary and the Principal Law Secretary of the Law Department for their review and clearance post which the same would be forwarded to the Commerce & Industries Department, Government of Karnataka (C & I).

By way of background, in our last update dated October 10, 2017 we had intimated that the Ganajur ML file has been referred by the C&I to the Law Department, Government of Karnataka for its opinion / confirmation that the Ganajur ML application is in compliance with the relevant Rules & Regulations of Mines & Minerals (Development & Regulation) Act 1957.

Independent legal opinions earlier taken on the matter by the Company (including one from a Retired Supreme Court Judge) have opined that the Ganajur ML application is in compliance with the relevant Rules & Regulations of Mines & Minerals (Development & Regulation) Act 1957.



Registered Office

Parinee Crescenzo, 803, 8th Floor, opp. MCA, C38-C39, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.
Tel : +91 022 33040797 Fax : +91 022 33040779 Email : info@deccangoldmines.com Website : www.deccangoldmines.com

(2) Progress on Hutti Civil Appeals being heard before the Hon'ble Supreme Court:

Post our last update on October 10, 2017, the matter was listed for hearing on November 14, 15 & 16, 2017 before Court No.4 (comprising Justice Mr Madan Lokur and Justice Mr Deepak Gupta). However, our matter did not come up for hearing since a lengthy hearing was underway in another case which is still continuing.

Being a matter awaiting final hearing and disposal, our matter appears in the weekly list for the period November 21 to 23 as item no 27 before Court no 4.

Our legal counsels are actively following up the Court proceedings and are ready to present our case before the Hon'ble Supreme Court at the next available opportunity.

We shall update the shareholders of further developments in this regard.

(3) Induction of new Director

At its meeting held on November 20, 2017 the Nomination and Remuneration Committee of the Company has unanimously recommended the induction of Mr Govind Subhash Samant to the Board of the Company.

Mr Govind Subhash Samant is an entrepreneur based out of Thailand and is a long-term shareholder of the Company holding a significant stake as on date. Mr Govind has a keen understanding and appreciation of the business model of exploration and mining companies.

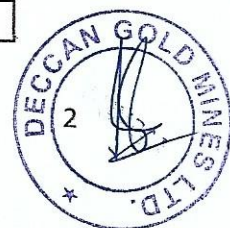
At this juncture, when the Company is planning to raise funds to progress the Ganajur Gold Project and the Company's long-term development, Mr Govind's inputs as a shareholder on the Board, would be valuable in terms of ascertaining the future strategic direction of the Company.

The induction of Mr Govind will be formalised by the Board at its next meeting scheduled during December, 2017.

(4) Other key mineral concession applications

Apart from Ganajur, the other key mineral concession applications now under process are as under:

Sl. No.	Name of the Block / District / State	Area (in sq kms.)	Prospecting Licence (PL) / Mining Lease (ML)
1	Mangalagatti, Dharwad District, Karnataka	4	PL
2	Bhavihal, Dharwad District, Karnataka	1.5	PL
3	Kulavalli, Belgaum District, Karnataka	2	PL
4	Lakkikoppa, Haveri District, Karnataka	5	PL
5	Ganajuru Extension, Haveri District, Karnataka	8	PL
6	Turkara-Sigehalli, Belgaum District, Karnataka	1.7	PL
7	Karajgi, Haveri District, Karnataka	2.8	ML



The Department of Mines & Geology, Government of Karnataka (DMG) has now started processing the PL files in terms of its internal checklists / SoP notified recently for progression of cases from Reconnaissance Permit (RP) to Prospecting Licence (PL). As part of the process, the DMG has requested the Regional Controller of Mines, Indian Bureau of Mines, Goa (IBM) to furnish comments under Part-IIA of the said SoP. We are actively following up with IBM to expedite their processing.

As regards the Karajgi Mining Lease (ML) application, IBM has already given its opinion to the DMG in terms of the SoP. In our last update, we had noted that the DMG has started to process this ML application in terms of the SoP for cases progressing from PL to ML. Karajgi ML application comprises all the satellite prospects that surround the Ganajur ML application.

All the above PL and ML applications are protected under Section 10A(2)(b) of the MMDR Act 1957 as amended in 2015.

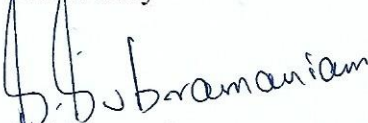
(5) Ganajur Gold Project - Other infrastructure

We are also making progress on infrastructure front for the Ganajur Gold Project. We have signed an agreement with the South Western Railways, Mysore for laying the pipe line below the railway track near Ganajur village. We will be laying pipe line for pumping water from Varada river to the processing plant site. We are also negotiating with the engineering firm who are experts in laying pipe line and erection of jack well.

Subsequent to the approval received from Karnataka Power Transmission Corporation Ltd (KPTCL) for tapping 5 MW power from Basavanakatti Sub Station located at a distance of 13.25 kms from the proposed plant site, our Contractor has submitted his preliminary survey report as advised by KPTCL. Now, we are happy to inform that KPTCL has approved the preliminary survey report following which we have also submitted the detailed survey report for laying the power line to KPTCL for its approval.

We request the BSE to take the update on record and oblige.

Yours truly



S. Subramaniam
Company Secretary

