

PROFILE OF MINING CONCESSION DISTRICT MIANWALI



DIRECTORATE GENERAL MINES AND MINERALS PUNJAB

Profile Summary

Lease Title	ML-MLI-Bentonite-Muhammad Shah-1
Mineral	Bentonite
Reserve Status	Proved.
Acreage	209.64 acres
Location	Near Muhammad Shah, District Mianwali.
Proposed base price	Rs. 58,00,000/-

TECHNICAL DATA

a. Area description

It is submitted a cancelled prospecting area is available near Trimu Waha. The said block is approachable from Musa Khel to Moza Bazar to Muhammad Shah (Trimu Wahan).

b. Previous Prospecting / Development in the area

It is submitted that previously a prospecting license of fireclay bearing No. PL-MLI-Fireclay- 148 over an area of 439.69 acres was granted to Mr. Muhammad Khan S/o Sultan Muhammad Khan through application mode. The licensee filed conversion application, on inspection of the area by the **Deputy Director Small Scale Mining Khushab on 24.05.2014 wherein they reported that the clay associated with Sardhai Formation of Permian age are being excavated as fireclay which are actually Bentonitic in nature and cannot be treated as fireclay and not recommended for conversion into mining lease.** The case was placed before the mines committee held on 17.07.2019 whereby the committee rejected the conversion application and treated the prospecting license as expired/ cancelled with immediate effect. Against the decision of mines committee, the ex-licensee filed an appeal before the Appellate Authority whereby the authority after hearing both sides and constituted a committee with the mandate to report on type of mineral, in order to ascertain nature of clay, a scientific study of area. The technical committee inspected the area on 02.03.2024 alongwith representative of appellant/ ex-licensee and collected samples for lab analysis to ascertain nomenclature of mineral. The technical committee submitted its report alongwith lab report of PCSIR on 16.05.2024. **As per lab report the mineral identified as Bentonite.** On the basis the nature of mineral, the appeal was declined by the Appellant Authority vide order dated 20.01.2025. **During the grant of license area as fireclay, the ex-licensee reported almost 7177.00 M.Tons of production from Aug-2004 to Sep-2019.** A new block of bentonite has been carved out from the cancelled prospecting license which comprises over an area of 209.64 acres.

c. Present status of the area

The area of the subject block of Bentonite is available for Open Auction as Mining lease under Rule-187 of the Punjab Mining Concession Rules, 2002.

d. Future Prospects of the area with respect to its geology

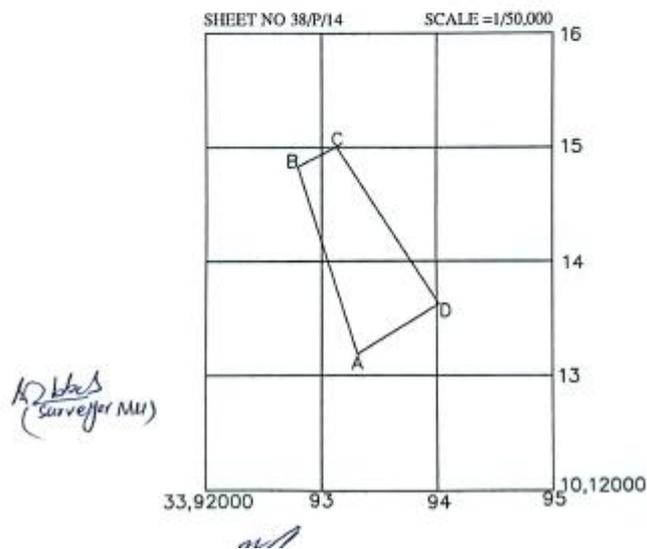
As per geological Dr. Gee Sheet, the area has Sardhai Formation (Nila Wahan Group) of Permian Age, Zaluch Group with disturbed geology and also have exposure of salt range formation as well.

e. **Geographical Information (Coordinates)**

PLAN SHOWIN THE AREA OF MINING LEASE FOR
BENTONITE NEAR MUHAMMAD SHAH IN DISTRICT
MIANWALI.

BLOCK NAME ML-MLI BENTONITE MUHAMMAD SHAH (1)

POINTS	EASTING (Yds)	NORTHING (Yds)
A	33,93306.00	10,13186.00
B	33,92790.00	10,14830.00
C	33,93128.46	10,15002.62
D	33,94025.20	10,13621.38
TOTAL AREA = 209.64 ACRES		



f. **Proposed Reserve Price of Mining Concession**

The proposed reserve price of area has been calculated approximately as Rs. 58,00,000/-. The calculation has been made on the basis of factors i.e. acreage of mineral bearing area, bed thickness, future potential, existing development and already done exploratory work. For further details, please refer to (**Annexure-A**).

ANNEXURE-A**PROFOMA FOR CALCULATION OF RESERVE PRICE OF BENTONITE
MINING LEASE**

Title:- ML-MLI-BENTONITE-MUHAMMAD SHAH-1			
Location:- Near Muhammad Shah			
District:- Mianwali			
1	Total Acreage of Mining Lease		209.64
2	Approximate Mineral Formation Bearing Area		Acres 83.86
	40%	% of Total Area	
3	Proposed Base Price per acre = (Royalty rate of Mineral x 200)		Rs. 40000
4	Proposed Base Price of total mineral area (Price per acre x approximate mineral area)		Rs. 3,354,240

Sr. No	Factors	Maximum Weightage (%)	Weightage Assigned (%)	Calculated Amount(Rs.)
1	Overburden Factor	100%	12%	402,509
2	Availability of Infrastructure, Roads , water, Electricity etc.	100%	12%	402,509
3	Availability of Consumption Market.	100%	12%	402,509
4	Availability of labor facilities.	100%	12%	402,509
5	Seam/bed thickness	100%	12%	402,509
6	Future Potential	100%	12%	402,509
Total Contributing Factors		600%	72%	2,415,053

Proposed Base Price Rs.	3,354,240
Total Contributing Factors	2,415,053
Estimated Reserve Price of Mining Lease (Proposed Base Price+Total Contributing Factors) Rs.	5,769,293
Proposed Reserve Price of Mining Lease Rs.	58,00,000/-

Note:-

The Approximate mineral bearing area is estimated on the inferred basis from the geology of the area keeping in view the sub surface extension of the source rock formation. However, it may not be necessarily 100% mineral bearing formation for the reasons that the factors including structure behavior of the area and depositional environment of the mineral may change within the formation from place to place. It is worth to mention here that subject to approval of technical expert committee for reserve prices, there may be a bare minimum price of any area for purpose of auction.

**Deputy Director
Mines & Minerals, Mianwali**