



ZCCM Investments Holding Plc.,
Incorporated in the Republic of Zambia

Prequalification Document

for

Diamond Drilling Exploration Works in
the following Licence Areas:

- i. Rufunsa District of Lusaka Province
- ii. Serenje District (Kabundi Area) of Central
Province
- iii. Masaiti District of Copperbelt Province

ZCCM-IH/1000/2026

4TH March 2026

Summary Description

This Standard Procurement Document (SPD) consists of the Prequalification Procedures for Procurement of Diamond Drilling Exploration Works. A brief description of this document is given below.

Prequalification Document for Diamond Drilling Exploration Works

PART 1 – PREQUALIFICATION PROCEDURES

Section I. Instructions to Applicants (ITA)

This Section specifies the procedures to be followed by Applicants in the preparation and submission of their Applications for Prequalification (AFPs). Information is also provided on opening and evaluation of AFPs. **Section I contains provisions that are to be used without modification.**

Section II. Prequalification Data Sheet (PDS)

This Section consists of provisions that are specific to each prequalification and supplement the information or requirements included in Section I, Instructions to Applicants.

Section III. Qualification Criteria and Requirements

This Section contains the methods, criteria, and requirements to be used to determine how Applicants shall be prequalified and later invited to bid.

Section IV. Application Forms

This Section contains the forms for the Application Submission Form and all the forms required to be submitted with the Application.

Section V. Eligible Countries

This Section states the country eligibility policy of the Zambia, and provides lists of ineligible countries

PART 2. TERMS OF REFERENCE

Section VI. Terms of Reference for Diamond Drilling Exploration Works

This Section includes a summary description of the Terms of Reference for Diamond Drilling Exploration Works subject of this prequalification.

PROCUREMENT DOCUMENTS

Prequalification Document for

Procurement of

Diamond Drilling Exploration Works

Issued on: 6th March 2026

Invitation for Prequalification

No.: ZCCM-IH/1000/2026

Employer: ZCCM Investments Holdings Plc.

Country: Zambia

Contents

PART 1 – Prequalification Procedures	1
Section I. Instructions to Applicants	3
Section II. Prequalification Data Sheet	17
Section III. Qualification Criteria and Requirements.....	20
Section IV. Application Forms	25
Section V. Eligible Countries.....	39
PART 2 – Services Requirements	1
Section VI. Terms of Reference	2

PART 1 – Prequalification Procedures

Section I. Instructions to Applicants

Table of Clauses

A. General	1-4
1. Scope of Application	1-4
2. Source of Funds	1-4
3. Corrupt Practices	1-4
4. Eligible Applicants	1-6
5. Eligible Goods and Related Services	1-8
B. Contents of the Prequalification Document	1-9
6. Sections of Prequalification Document	1-9
7. Clarification of Prequalification Document	1-10
8. Amendment of Prequalification Document	1-10
C. Preparation of Applications	1-10
9. Cost of Applications	1-10
10. Language of Application	1-10
11. Documents Comprising the Application	1-11
12. Application Submission Form	1-11
13. Documents Establishing the Eligibility of the Applicant	1-11
14. Documents Establishing the Qualifications of the Applicant	1-11
15. Signing of the Application and Number of Copies	1-12
D. Submission of Applications	1-12
16. Sealing and Identification of Applications	1-12
17. Deadline for Submission of Applications	1-12
18. Late Applications	1-13
19. Opening of Applications	1-13
E. Procedures for Evaluation of Applications	1-13
20. Confidentiality	1-13
21. Clarification of Applications	1-13
22. Responsiveness of Applications	1-13
23. Domestic Bidder Price Preference	1-13
24. Subcontractors	1-14
F. Evaluation of Applications and Prequalification of Applicants	1-14
25. Evaluation of Applications	1-14
26. Employer's Right to Accept or Reject Applications	1-14
27. Prequalification of Applicants	1-15
28. Notification of Prequalification	1-15
29. Invitation to Bid	1-15
30. Changes in Qualifications of Applicants	1-15

Section I. Instructions to Applicants

A. General

1. **Scope of Application**
 - 1.1 In connection with the Invitation for Prequalification indicated in Section II, Prequalification Data Sheet (PDS), the Employer, as defined in the **PDS**, issues this Prequalification Document (PQD) to applicants interested in bidding for the services described in Section VI, Scope of Services. The number of contracts and the name and identification of each contract, and the International Competitive Bidding (IFB) number corresponding to this prequalification, are provided in the **PDS**.

2. **Source of Funds**
 - 2.1 The Borrower or Recipient (hereinafter called "Borrower") indicated in the **PDS** has applied for or received financing (hereinafter called "funds") from own sources towards the cost of the project named in the **PDS**. The Borrower intends to apply a portion of the funds to eligible payments under the contract(s) resulting from the bidding for which this prequalification is conducted.

3. **Fraud and Corruption**
 - 3.1 It is the Bank's policy to require that Borrowers (including beneficiaries of Bank loans), as well as bidders, suppliers, and contractors and their subcontractors under Bank-financed contracts, observe the highest standard of ethics during the procurement and execution of such contracts.¹ In pursuance of this policy, the Bank:
 - (a) defines, for the purposes of this provision, the terms set forth below as follows:
 - (i) "corrupt practice"² is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
 - (ii) "fraudulent practice"³ is any act or omission,

¹ In this context, any action taken by a bidder, supplier, contractor, or a sub-contractor to influence the procurement process or contract execution for undue advantage is improper.

² "another party" refers to a public official acting in relation to the procurement process or contract execution]. In this context, "public official" includes World Bank staff and employees of other organizations taking or reviewing procurement decisions.

³ a "party" refers to a public official; the terms "benefit" and "obligation" relate to the procurement process or contract execution; and the "act or omission" is intended to influence

- including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (iii) "collusive practice"⁴ is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
 - (iv) "coercive practice"⁵ is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
 - (v) "obstructive practice" is
 - (aa) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or
 - (bb) acts intended to materially impede the exercise of the Bank's inspection and audit rights provided for under sub-clause 3.1 (e) below.
- (b) will reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the contract in question;

the procurement process or contract execution.

⁴ "parties" refers to participants in the procurement process (including public officials) attempting to establish bid prices at artificial, non competitive levels.

⁵ a "party" refers to a participant in the procurement process or contract execution.

- (c) will cancel the portion of the loan allocated to a contract if it determines at any time that representatives of the Borrower or of a beneficiary of the loan engaged in corrupt, fraudulent, collusive, or coercive practices during the procurement or the execution of that contract, without the Borrower having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur;
- (d) will sanction a firm or individual, including declaring ineligible, either indefinitely or for a stated period of time, to be awarded a Bank-financed contract if it at any time determines that the firm has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for, or in executing, a Bank-financed contract; and
- (e) will have the right to require that a provision be included in bidding documents and in contracts financed by a Bank loan, requiring bidders, suppliers, and contractors and their sub-contractors to permit the Bank to inspect their accounts and records and other documents relating to the bid submission and contract performance and to have them audited by auditors appointed by the Bank.

4. Eligible Applicants

- 4.1 An Applicant shall be a private, public or government owned legal entity, subject to ITA 4.8, or any combination of them in the form of association(s) including Joint Venture (JV) with the formal intent, as evidenced by a letter of intent), to enter into an agreement or under an existing agreement. In the case of a JV, unless otherwise specified in the **PDS**, (i) all parties shall be jointly and severally liable, and (ii) there shall be no limit on the number of partners.
- 4.2 The eligibility criteria listed in this Clause 4 shall apply to the Applicant, including the parties constituting the Applicant, i.e., its proposed partners, subcontractors or suppliers for any part of the Contract including related services.

- 4.3 An Applicant may have the nationality of any country, subject to the restrictions pursuant to sub clause 4.11. An Applicant shall be deemed to have the nationality of a country if the Applicant is a citizen, or is constituted, incorporated or registered and operates in conformity with the provisions of the laws of that country, as evidenced by its Articles of Incorporation or Documents of Constitution, and its Registration Documents.
- 4.4 Applicants and all parties constituting the Applicant shall not have a conflict of interest. Applicants shall be considered to have a conflict of interest, if they participated as a consultant in the preparation of the design or technical specifications of the Services that are the subject of this prequalification. Where a firm, or a firm from the same economic or financial group, in addition to consulting, also has the capability to manufacture or supply goods or to provide analytical services, that firm, or a firm from the same economic or financial group, cannot normally be a supplier of goods or provider of analytical services, if it provided consulting services for the contract corresponding to this prequalification, unless it can be demonstrated that there is not a significant degree of common ownership, influence or control.
- 4.5 An Applicant shall submit only one application in the same Prequalification process, either individually as an Applicant or as a partner of a joint venture. No Applicant can be a subcontractor while submitting an application individually or as a partner of a joint venture in the same Prequalification process. A Subcontractor in any application may participate in more than one application, but only in that capacity. An Applicant who submits, or participates in, more than one application will cause all the applications in which the Applicant has participated to be disqualified.
- 4.6 A firm that has been determined to be ineligible by the Bank in relation to the Bank Guidelines On Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants shall be not be eligible to be awarded a contract.

- 4.7 An Applicant that is under a declaration of ineligibility by the Zambia Public Procurement Authority (ZPPA) in accordance with ITA 3, at the date of submission of the application or thereafter, shall be disqualified. ZPPA maintains a list of firms and individuals that have been sanctioned by ZPPA pursuant to Sub-Clause 3.1 (c) and are not eligible to participate in government financed procurement. The list is regularly updated; its address is specified in the **PDS**.
 - 4.8 Government-owned entities in the Employer's Country shall be eligible only if they can establish that they are legally and financially autonomous, and operate under commercial law, and that they are not dependent agencies of the Employer.
 - 4.9 Applicants shall not be under execution of a Bid-Securing Declaration in the Employer's Country.
 - 4.10 Applicants and all parties constituting the Applicant shall provide such evidence of their continued eligibility satisfactory to the Employer, as the Employer shall reasonably request.
 - 4.11 Applicants from an eligible country may be excluded if, (a) as a matter of law or official regulations the Borrower's country prohibits commercial relations with that country, provided that the Bank is satisfied that such exclusion does not preclude effective competition for the supply of goods or the contracting of services required; or (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's country prohibits any import of goods or contracting of services or services from that country, or any payments to persons or entities in that country. Section VI, Eligible countries provide lists of ineligible countries pursuant to this Sub Clause 4.11.
- 5. Eligible Goods and Related Services**
- 5.1 All goods and related services to be supplied under the Contract to be financed by the Bank shall have as their origin in any country in accordance with Section V, Eligible Countries.

B. Contents of the Prequalification Document

6. Sections of Prequalification Document

- 6.1 The document for the prequalification of Applicants (hereinafter - "prequalification document") consists of parts 1 and 2 which comprise all the sections indicated below, and should be read in conjunction with any Addendum issued in accordance with ITA 8.

PART 1 Prequalification Procedures

- Section I. Instructions to Applicants (ITA)
- Section II. Prequalification Data Sheet (PDS)
- Section III. Qualification Criteria and Requirements
- Section IV. Application Forms
- Section V. Eligible Countries

PART 2 Services Requirements

- Section VI. Scope of Services

- 6.2 The "Invitation for Prequalification Applications" issued by the Employer is not part of the prequalification document. A sample form is provided as an attachment to this Prequalification Document for information only.
- 6.3 The Employer accepts no responsibility for the completeness of the prequalification document and its addenda unless they were obtained directly from the Employer.
- 6.4 The Applicant is expected to examine all instructions, forms, and terms in the Prequalification Document and to furnish all information or documentation required by the Prequalification Document.

- 7. Clarification of Prequalification Document**
- 7.1 A prospective Applicant requiring any clarification of the Prequalification Document shall contact the Employer in writing at the Employer's address indicated in the **PDS**. The Employer will respond in writing to any request for clarification provided that such request is received no later than fourteen (14) days prior to the deadline for submission of applications. The Employer shall forward copies of its response to all applicants who have acquired the prequalification document directly from the Employer including a description of the inquiry but without identifying its source. Should the Employer deem it necessary to amend the prequalification document as a result of a clarification, it shall do so following the procedure under ITA 8 and in accordance with the provisions of ITA 17.2.
- 8. Amendment of Prequalification Document**
- 8.1 At any time prior to the deadline for submission of applications, the Employer may amend the Prequalification Document by issuing addenda.
- 8.2 Any addendum issued shall be part of the Prequalification Document and shall be communicated in writing to all who have obtained the prequalification document from the Employer.
- 8.3 To give prospective Applicants reasonable time to take an addendum into account in preparing their applications, the Employer may, at its discretion, extend the deadline for the submission of applications.

C. Preparation of Applications

- 9. Cost of Applications**
- 9.1 The Applicant shall bear all costs associated with the preparation and submission of its application. The Employer will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the prequalification process.
- 10. Language of Application**
- 10.1 The application as well as all correspondence and documents relating to the prequalification exchanged by the Applicant and the Employer, shall be written in the language specified in the **PDS**. Supporting documents and printed literature that are part of the application

may be in another language, provided they are accompanied by an accurate translation of the relevant passages in the language specified in the **PDS**, in which case, for purposes of interpretation of the application, the translation shall govern.

- 11. Documents Comprising the Application**
- 11.1 The application shall comprise the following:
- (a) Application Submission Form, in accordance with ITA 12;
 - (b) documentary evidence establishing the Applicant's eligibility to prequalify, in accordance with ITA 13;
 - (c) documentary evidence establishing the Applicant's qualifications, in accordance with ITA 14; and
 - (d) any other document required as specified in the **PDS**.
- 12. Application Submission Form**
- 12.1 The Applicant shall prepare an Application Submission Sheet using the form furnished in Section IV, Application Forms. This Form must be completed without any alteration to its format.
- 13. Documents Establishing the Eligibility of the Applicant**
- 13.1 To establish its eligibility in accordance with ITA 4, the Applicant shall complete the eligibility declarations in the Application Submission Form and Forms ELI (eligibility) 1.1 and 1.2, included in Section IV, Application Forms.
- 14. Documents Establishing the Qualifications of the Applicant**
- 14.1 To establish its qualifications to perform the contract(s) in accordance with Section III, Qualification Criteria and Requirements, the Applicant shall provide the information requested in the corresponding Information Sheets included in Section IV, Application Forms.

15. Signing of the Application and Number of Copies

- 15.1 The Applicant shall prepare one original of the documents comprising the application as described in ITA 11 and clearly mark it "ORIGINAL". The original of the application shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Applicant.
- 15.2 The Applicant shall submit copies of the signed original application, in the number specified in the **PDS**, and clearly mark them "COPY". In the event of any discrepancy between the original and the copies, the original shall prevail

D. Submission of Applications**16. Sealing and Identification of Applications**

- 16.1 The Applicant shall enclose the original and the copies of the application in a sealed envelope that shall:
- (a) bear the name and address of the Applicant;
 - (b) be addressed to the Employer, in accordance with ITA 17.1; and
 - (c) bear the specific identification of this prequalification process indicated in the PDS 1.1.
- 16.2 The Employer will accept no responsibility for not processing any envelope that was not identified as required.

17. Deadline for Submission of Applications

- 17.1 Applicants may always submit their applications by mail or by hand. When so specified in the **PDS**, applicants shall have the option of submitting their applications electronically, in accordance with electronic application submission procedures specified in the **PDS**. Applications shall be received by the Employer at the address and no later than the deadline indicated in the **PDS**. A receipt will be given for all applications submitted.
- 17.2 The Employer may, at its discretion, extend the deadline for the submission of applications by amending the Prequalification Document in accordance with ITA 8, in which case all rights and obligations of the Employer and the Applicants subject to the previous deadline shall

thereafter be subject to the deadline as extended.

18. Late Applications

18.1 Any application received by the Employer after the deadline for submission of applications prescribed in accordance with ITA 17 will be treated as indicated in the **PDS**.

19. Opening of Applications

19.1 Any specific electronic application opening procedures required if electronic submission of applications is permitted pursuant to Sub Clause 17.1 shall be as specified in the **PDS**. Employer shall prepare a record of the opening of applications that shall include, as a minimum, the name of the Applicant. A copy of the record shall be distributed to all Applicants.

E. Procedures for Evaluation of Applications

20. Confidentiality

20.1 Information relating to the evaluation of applications, and recommendation for prequalification, shall not be disclosed to Applicants or any other persons not officially concerned with such process until the notification of prequalification is made to all Applicants.

20.2 From the deadline for submission of applications to the time of notification of the results of the prequalification in accordance with ITA 28, any Applicant that wishes to contact the Employer on any matter related to the prequalification process, may do so but only in writing.

21. Clarification of Applications

21.1 To assist in the evaluation of applications, the Employer may, at its discretion, ask any Applicant for a clarification of its application which shall be submitted within a stated reasonable period of time. Any request for clarification and all clarifications shall be in writing.

21.2 If an Applicant does not provide clarifications of the information requested by the date and time set in the Employer's request for clarification, its application may be rejected.

22. Responsiveness of Applications

22.1 The Employer may reject any application which is not responsive to the requirements of the prequalification document.

23. Domestic Bidder Price

23.1 Unless otherwise specified in the **PDS**, a margin of preference for domestic bidders shall not apply in the

- Preference** bidding process resulting from this prequalification.
- 24. Subcontractors**
- 24.1 Applicants planning to subcontract any of the key activities indicated in Section III, Qualification Criteria, shall specify the activity(ies) or parts of the services to be subcontracted in the Application Submission Form. Applicants shall clearly identify the proposed specialist subcontractors in Forms ELI-1.2 and EXP (experience)-4.2(b) in Section IV. Such proposed specialist subcontractor(s) shall meet the corresponding qualification requirements specified in Section III, Qualification Criteria and Requirements.
- 24.2 At this time, the Employer does not intend to execute certain specific parts of the Services by subcontractors selected in advance by the Employer (Nominated Subcontractors) unless otherwise stated in the **PDS**.

F. Evaluation of Applications and Prequalification of Applicants

- 25. Evaluation of Applications**
- 25.1 The Employer shall use the factors, methods, criteria, and requirements defined in Section III, Qualification Criteria and Requirements to evaluate the qualifications of the Applicants. The use of other methods, criteria, or requirements shall not be permitted. The Employer reserves the right to waive minor deviations in the qualification criteria if they do not materially affect the capability of an Applicant to perform the contract.
- 25.2 Only the qualifications of subcontractors that have been identified in the application may be considered in the evaluation of an Applicant. However, the general experience and financial resources of subcontractors may not be added to those of the Applicant for purposes of prequalification of the Applicant.
- 25.3 In case of multiple contracts, the Employer shall prequalify each Applicant for the maximum number and types of contracts for which the Applicant meets the appropriate aggregate requirements of such contracts, as specified in Section III, Qualification Criteria and Requirements.
- 26. Employer's**
- 26.1 The Employer reserves the right to accept or reject any

- Right to Accept or Reject Applications** application, and to annul the prequalification process and reject all applications at any time, without thereby incurring any liability to Applicants.
- 27. Prequalification of Applicants** 27.1 All Applicants whose applications have met or exceeded ("passed") the specified threshold requirements will, to the exclusion of all others, be prequalified by the Employer.
- 28. Notification of Prequalification** 28.1 Once the Employer has completed the evaluation of the applications it shall notify all Applicants in writing of the names of those applicants who have been prequalified.
- 29. Invitation to Bid** 29.1 Promptly after the notification of the results of the prequalification the Employer shall invite bids from all the Applicants that have been prequalified.
- 29.2 Bidders may be required to provide a Bid Security or a Bid Securing Declaration acceptable to the Employer in the form and an amount to be specified in the Bidding Documents, and the successful Bidder shall be required to provide a Performance Security to be specified in the Bidding Documents.
- 30. Changes in Qualifications of Applicants** 30.1 Any change in the structure or formation of an Applicant after being prequalified in accordance with ITA 27 and invited to bid shall be subject to a written approval of the Employer prior to the deadline for submission of bids. Such approval shall be denied if as a consequence of the change the Applicant no longer substantially meets the qualification criteria set forth in Section III, Qualification Criteria and Requirements, or if in the opinion of the Employer, a substantial reduction in competition may result. Any such changes shall be submitted to the Employer not later than 14 days after the date of the Invitation for Bids.

Section II. Prequalification Data Sheet

A. General

ITA 1.1	The Employer is: ZCCM Investments Holdings Plc, ZCCM-IH Office Park, Stand No. 16806, Alick Nkhata Road, Mass Media Complex Area, Lusaka.
ITA 1.1	The list of contracts is: Not Applicable
ITA 1.1	PQD name and number are: Diamond Drilling Exploration Works in ZCCM-IH Licence Areas, PQD No.: ZCCM-IH/1000/2026
ITA 2.1	The name of the Borrower is: Not Applicable.
ITA 2.1	The name of the Project is: Diamond Drilling Exploration Works in ZCCM-IH Licence Areas
ITA 4.1	(i) The parties in a JV <i>shall</i> be jointly and severally liable. (ii) Maximum number of partners in the JV shall be: 2
ITA 4.7	A list of firms debarred from participating in Government-financed projects is available at http://www.ppa.org.zm

B. Contents of the Prequalification Document

ITA 7.1	<p>For clarification purposes, the Employer's address is: same as in 1.1 above</p> <p>Attention: Gift Zulu (Mr.) – Procurement Manager</p> <p>Address: Stand No. 16806, Alick Nkhata Road, Mass Media Complex Area City: Lusaka Country: Zambia</p> <p>Telephone: +260-211-388000 Electronic mail address: gift.zulu@zccm-ih.com.zm; ernest.mukuka@zccm-ih.com.zm</p>
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C. Preparation of Applications	
ITA 10.1	The language of the application as well as of all correspondence is: English.
ITA 11.1 (d)	<p>The Applicant shall submit with its application, the following additional documents:</p> <ul style="list-style-type: none"> i) Company Certificate of Incorporation; ii) Valid Tax Clearance Certificate iii) Valid NAPSA Compliance Certificate iv) Valid Workers' Compensation Fund Control Board Compliance Certificate v) Tax Registration Certificate vi) 2026 Engineering Institution of Zambia (EIZ) Practising Certificate vii) Valid National Construction Council (NCC) Certificate of Registration, Grade 4 and higher viii) Written Power of Attorney signed by the official duly authorized. ix) Proof of possessing minimum of three (3) years of work experience and successfully drilled in three (3) diamond drilling projects with at least 1500 meters drilled in each project. The said proof must be in form of Purchase Orders and/or signed contracts x) Information regarding any Litigation, current or during the last three years in which the bidder is involved, the parties concerned, and disputed amount.
ITA 15.2	In addition to the original, the number of copies to be submitted with the application is: Three (03)
D. Submission of Applications	
ITA 17.1	<p>Applicants shall not have the option of submitting their applications electronically.</p> <p>For application submission purposes only, the Employer's address is the same as that indicated in 1.1</p>
	<p>The deadline for application submission is:</p> <p>Date: Friday, 20th March 2026</p> <p>Time: 10:00 hours local time</p>

ITA 18.1	Late applications will be returned unopened to the Applicants.
ITA 19.1	If electronic submission of applications shall be permitted, electronic application opening procedures are: Not Applicable.
E. Procedures for Evaluation of Applications	
ITA 23.1	A margin of preference shall not apply for eligible domestic bidders.
ITA 24.2	At this time the Employer does not intend to execute certain specific parts of the Works by subcontractors selected in advance (Nominated Subcontractors).

Section III. Qualification Criteria and Requirements

This Section contains all the methods, criteria, and requirements that the Employer shall use to evaluate applications. The information to be provided in relation to each requirement and the definitions of the corresponding terms are included in the respective Application Forms.

Contents

1. Eligibility	1-21
2. Historical Contract Non-Performance	1-22
3. Financial Situation	1-23
4. Experience	1-24

Eligibility and Qualification Criteria				Compliance Requirements			Documentation
No.	Subject	Requirement	Single Entity	Joint Venture			Submission Requirements
				All Parties Combined	Each Partner	One Partner	
1. Eligibility							
1.1	Nationality	Nationality in accordance with ITA Sub-Clause 4.2	Must meet requirement	Existing or intended JV must meet requirement	Must meet requirement	N/A	Forms ELI – 1.1 and 1.2, with attachments
1.2	Conflict of Interest	No conflicts of interest in ITA Sub-Clause 4.4	Must meet requirement	Existing or intended JV must meet requirement	Must meet requirement	N/A	Application Submission Form
1.3	ZPPA Ineligibility	Not having been declared ineligible by ZPPA, as described in ITA Sub-Clause 4.7	Must meet requirement	Existing JV must meet requirement	Must meet requirement	N/A	Application Submission Form
1.4	Government Owned Entity	Applicant required to meet conditions of ITA Sub-Clause 4.8	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Forms ELI – 1.1 and 1.2, with attachments
1.5	United Nations resolution or Borrower's country law	Not having been excluded as a result of the laws of Zambia or official regulations, or by an act of compliance with UN Security Council resolution, in accordance with ITA 4.11	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Forms ELI – 1.1 and 1.2, with attachments

Eligibility and Qualification Criteria		Compliance Requirements			Documentation		
No.	Subject	Requirement	Single Entity	Joint Venture			Submission Requirements
				All Parties Combined	Each Partner	One Partner	
2. Historical Contract Non-Performance							
2.1	History of Non-Performing Contracts	Non-performance of a contract did not occur within the last three (03) years prior to the deadline for application submission based on all information on fully settled disputes or litigation. A fully settled dispute or litigation is one that has been resolved in accordance with the Dispute Resolution Mechanism under the respective contract and where all appeal instances available to the applicant have been exhausted.	Must meet requirement by itself or as partner to past or existing JV	N/A	Must meet requirement by itself or as partner to past or existing JV	N/A	Form CON-2
2.2	Failure to Sign Contract	Not being under execution of a Bid Securing Declaration pursuant to Sub-Clause 4.9 for three (03) years	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Application Submission Form
2.3	Pending Litigation	All pending litigation shall in total not represent more than fifty (50) % , of the Applicant's net worth and shall be treated as resolved against the Applicant	Must meet requirement by itself or as a partner to past or existing JV	N/A	Must meet requirement by itself or as a partner to past or existing JV	N/A	Form CON – 2

Eligibility and Qualification Criteria		Compliance Requirements				Documentation	
No.	Subject	Requirement	Single Entity	Joint Venture			Submission Requirements
				All Parties Combined	Each Partner	One Partner	
3. Financial Situation							
3.1	Financial Performance	Submission of audited balance sheets or if not required by the law of the Applicant's country, other financial statements acceptable to the Employer, for the last three (03) years to demonstrate: (a) the current soundness of the applicant's financial position and its prospective long term profitability, and (b) capacity to have a cash flow amount of US\$ Not Applicable equivalent	Must meet requirement (a) Must meet requirement (b) Must meet requirement	N/A (a) N/A (b) Must meet requirement	Must meet requirement (a) Must meet requirement (b) N/A	N/A (a) N/A (b) N/A	Form FIN – 3.1 with attachments
3.2	Average Annual Construction Turnover (Not Applicable)	Minimum average annual construction turnover of US\$ N/A , calculated as total certified payments received for contracts in progress or completed, within the last N/A years.	Must meet requirement	Must meet requirement	Must meet <i>[insert number] %</i> , <i>[insert percentage in words]</i> of the requirement	Must meet <i>[insert number] %</i> , <i>[insert percentage in words]</i> of the requirement	Form FIN – 3.2

Eligibility and Qualification Criteria			Compliance Requirements			Documentation	
No.	Subject	Requirement	Single Entity	Joint Venture			Submission Requirements
				All Parties Combined	Each Partner	One Partner	
4. Experience							
4.1	General Construction Experience (Not Applicable)	Experience under construction contracts in the role of contractor, subcontractor, or management contractor for at least the last <i>[insert number]</i> years prior to the application submission deadline, and with activity in at least nine (9) months in each year.	Must meet requirement	N/A	Must meet requirement	N/A	Form EXP – 4.1
4.2 (a)	Specific Experience	Participation as contractor, management contractor or subcontractor, in at least two (02) contracts within the last three (03) years , each with a value of at least ZMW3,000,000.00 or equivalent , that have been successfully and substantially completed and that are similar to the proposed works. The similarity shall be based on physical size, complexity, methods/technology or other characteristics as described in Section VI, Scope of Works	Must meet requirement	Must meet requirement	N/A	Must meet require for one contract (can be a specialist subcontractor)	Form EXP 4.2(a)

Section IV. Application Forms

Table of Forms

Application Submission Form	1-26
Applicant Information Form.....	1-28
Applicant's Party Information Form	1-29
Historical Contract Non-Performance	1-30
Financial Situation	1-32
Average Annual Construction Turnover	1-34
General Construction Experience.....	1-35
Similar Construction Experience	1-37
Construction Experience in Key Activities	1- Error! Bookmark not defined.

Application Submission Form

Date: *[insert day, month, year]*

IFB No. and title: *[insert IFB number and title]*

To: *[insert full name of Employer]*

We, the undersigned, apply to be prequalified for the referenced IFB and declare that:

- (a) we have examined and have no reservations to the Prequalification Documents, including Addendum(s) No(s)_, issued in accordance with Instructions to Applicants (ITA) Clause 8: *[insert the number and issuing date of each addendum]*.
- (b) we, including any subcontractors or suppliers for any part of the contract resulting from this prequalification process, have nationalities from eligible countries, in accordance with ITA Sub-Clause 4.2: *[insert the nationality of the Applicant, including that of all partners in case of a Joint Venture, and the nationality of each already identified subcontractor and supplier of related services, if applicable]*;
- (c) we, including any subcontractors or suppliers for any part of the contract resulting from this prequalification, do not have any conflict of interest, in accordance with ITA Sub-Clause 4.4;
- (d) we, including any subcontractors or suppliers for any part of the contract resulting from this prequalification, have not been declared ineligible by the Bank, or under the Employer's country laws, official regulations, or under execution of a Bid Securing Declaration in the Employer's Country, or by an act of compliance with a decision of the United Nations Security Council, in accordance with ITA Sub-Clauses 4.7, 4.9 and 4.11;
- (e) *[insert either "we are not a Government owned entity" or "we are a Government entity, and we meet the requirements of ITA Sub-Clause 4.8]*;
- (f) we, in accordance with ITA Sub-Clause 24.1, plan to subcontract the following key activities and/or parts of the services:

[insert any of the key activities identified in Section III- 4.2 (b) which the Applicant intends to subcontract]
- (g) we declare that the following commissions, gratuities, or fees have been

paid or are to be paid with respect to the prequalification process, the corresponding bidding process or execution of the Contract:

<u>Name of Recipient</u>	<u>Address</u>	<u>Reason</u>	<u>Amount</u>
<i>[insert full name for each occurrence]</i>	<i>[insert street/number/city/country]</i>	<i>[indicate reason]</i>	<i>[specify amount in US\$ <u>equivalent</u>]</i>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

[If none has been paid or is to be paid, indicate "none".]

- (h) We understand that you may cancel the prequalification process at any time and that you are neither bound to accept any application that you may receive nor to invite the prequalified applicants to bid for the contract subject of this prequalification, without incurring any liability to the Applicants, in accordance with ITA Clause 26.

Signed *[insert signature(s) of an authorized representative(s) of the Applicant]*

Name *[insert full name of person signing the application]*

In the Capacity of *[insert capacity of person signing the application]*

Duly authorized to sign the application for and on

behalf of: Applicant's Name *[insert full name of*

Applicant] Address *[insert street number/town or city/country address]*

Dated on *[insert day number]* day of *[insert month]*, *[insert year]*

Form ELI -1.1

Applicant Information Form

Date: *[insert day, month, year]*

IFB No. and title: *[insert IFB number and title]*

Page *[insert page number]* of *[insert total number]* pages

Applicant's legal name <i>[insert full legal name]</i>
In case of Joint Venture (JV), legal name of each partner: <i>[insert full legal name of each partner in JV]</i>
Applicant's Actual or Intended country of constitution: <i>[indicate country of Constitution]</i>
Applicant's actual or Intended year of constitution: <i>[indicate year of Constitution]</i>
Applicant's legal address in country of constitution: <i>[insert street/ number/ town or city/ country]</i>
Applicant's authorized representative information Name: <i>[insert full legal name]</i> Address: <i>[insert street/ number/ town or city/ country]</i> Telephone/Fax numbers: <i>[insert telephone/fax numbers, including country and city codes]</i> E-mail address: <i>[indicate e-mail address]</i>
Attached are copies of original documents of <ul style="list-style-type: none"> <input type="checkbox"/> Articles of Incorporation or Documents of Constitution, and documents of registration of the legal entity named above, in accordance with ITA 4.2. <input type="checkbox"/> In case of JV, letter of intent to form JV or JV agreement, in accordance with ITA 4.1. <input type="checkbox"/> In case of Government owned entity, documents establishing legal and financial autonomy and compliance with commercial law, in accordance with ITA 4.8.

Form ELI -1.2

Applicant's Party Information Form

[The following form shall be filled in for the Applicant's parties including partner(s) of a joint venture, subcontractors, suppliers and other parties]

Date: *[insert day, month, year]*

IFB No. and title: *[insert IFB number and title]*

Page *[insert page number]* of *[insert total number]* pages

JV applicant legal name: <i>[insert full legal name]</i>
Applicant's Party legal name: <i>[insert full legal name of Applicant's Party]</i>
Applicant's Party country of registration: <i>[indicate country of registration]</i>
Applicant Party's year of constitution: <i>[indicate year of constitution]</i>
Applicant Party's legal address in country of constitution: <i>[insert street/ number/ town or city/ country]</i>
Applicant Party's authorized representative information Name: <i>[insert full legal name]</i> Address: <i>[insert street/ number/ town or city/ country]</i> Telephone/Fax numbers: <i>[insert telephone/fax numbers, including country and city codes]</i> E-mail address: <i>[indicate e-mail address]</i>
Attached are copies of original documents of <input type="checkbox"/> Articles of Incorporation or Documents of Constitution, and Registration Documents of the legal entity named above, in accordance with ITA 4.2. <input type="checkbox"/> In case of a Government owned entity, documents establishing legal and financial autonomy and compliance with commercial law, in accordance with ITA 4.8.

Form CON – 2

Historical Contract Non-Performance

[The following table shall be filled in for the Applicant and for each partner of a Joint Venture]

Applicant's Legal Name: *[insert full name]*

Date: *[insert day, month, year]*

Joint Venture Party Legal Name: *[insert full name]*

IFB No. and title: *[insert IFB number and title]*

Page *[insert page number]* of *[insert total number]* pages

Non-Performing Contracts in accordance with Section III, Qualification Criteria and Requirements			
<input type="checkbox"/> Contract non-performance did not occur during the <i>[number]</i> years specified in Section III, Qualification Criteria and Requirements, Sub-Factor 2.1.			
<input type="checkbox"/> Contract(s) not performed during the <i>[number]</i> years specified in Section III, Qualification Criteria and Requirements, requirement 2.1			
Year	Non performed portion of contract	Contract Identification	Total Contract Amount (current value, US\$ equivalent)
<i>[insert year]</i>	<i>[insert amount and percentage]</i>	Contract Identification: <i>[indicate complete contract name/ number, and any other identification]</i> Name of Employer: <i>[insert full name]</i> Address of Employer: <i>[insert street/city/country]</i> Reason(s) for non performance: <i>[indicate main reason(s)]</i>	<i>[insert amount]</i>
Pending Litigation, in accordance with Section III, Qualification Criteria and Requirements			
<input type="checkbox"/> No pending litigation in accordance with Section III, Qualification Criteria and Requirements, Sub-Factor 2.2.			
<input type="checkbox"/> Pending litigation in accordance with Section III, Qualification Criteria and Requirements, Sub-Factor 2.2 as indicated below.			

Year	Outcome as Percentage of Total Assets	Contract Identification	Total Contract Amount (current value, US\$ equivalent)
<i>[insert year]</i>	<i>[insert percentage]</i>	Contract Identification: [indicate complete contract name, number, and any other identification] Name of Employer: <i>[insert full name]</i> Address of Employer: <i>[insert street/city/country]</i> Matter in dispute: <i>[indicate main issues in dispute]</i>	<i>[insert amount]</i>

Form FIN – 3.1 Financial Situation

[The following table shall be filled in for the Applicant and for each partner of a Joint Venture]

Applicant's Legal Name: *[insert full name]*
year]

Date: *[insert day, month,*

Applicant's Party Legal Name: *[insert full name]*

IFB No. and title: *[insert IFB number and title]*

Page *[insert page number]* of *[insert total number]* pages

1. Financial data

Financial information in (US\$ equivalent in 000s)	Historic information for previous <i>_[insert number]</i> years, <i>[insert in words]</i> (US\$ equivalent in 000s)				
	Year 1	Year 2	Year 3	Year ...	Year n
Information from Balance Sheet					
Total Assets (TA)					
Total Liabilities (TL)					
Net Worth (NW)					
Current Assets (CA)					
Current Liabilities (CL)					
Information from Income Statement					
Total Revenue (TR)					
Profits Before Taxes (PBT)					

2. Financial documents

The Applicant and its parties shall provide copies of the balance sheets and/or financial statements for the last **three (03)** years pursuant Section III, Qualifications Criteria and Requirements, Sub-factor 3.1. The financial statements shall:

- (a) reflect the financial situation of the Applicant or partner to a JV, and not sister or parent companies.
 - (b) be audited by a certified accountant.
 - (c) be complete, including all notes to the financial statements.
 - (d) correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).
- Attached are copies of financial statements (balance sheets, including all related notes, and income statements) for the *[number]* years required above; and complying with the requirements

Form FIN - 3.2 Average Annual Turnover

[The following table shall be filled in for the Applicant and for each partner of a Joint Venture]

Applicant's/Joint Venture Partner's Legal Name: *[insert full name]*

Date: *[insert day, month, year]*

Applicant's Party Legal Name: *[insert full name]*

IFB No. and title: *[insert IFB number and title]*

Page *[insert page number]* of *[insert total number]* pages

Annual turnover data (construction only)		
Year	Amount and Currency	US\$ equivalent
<i>[indicate year]</i>	<i>[insert amount and indicate currency]</i>	<i>[insert amount in US\$ equiv.]</i>
Average Annual Construction Turnover *		

* Average annual construction turnover calculated as total certified payments received for work in progress or completed, divided by the number of years specified in Section III, Qualification Criteria and Requirements, Sub-Factor 3.2.

Form EXP - 4.1 General Construction/Drilling Experience

[The following table shall be filled in for the Applicant and for each partner of a Joint Venture]

Applicant's/Joint Venture Partner's Legal Name: *[insert full name]*

Date: *[insert day, month, year]*

Applicant JV Party Legal Name: *[insert full name]*

IFB No. and title: *[insert IFB number]*

Page *[insert page number]* of *[insert total number]* pages

[Identify contracts that demonstrate continuous construction work over the past [number] years pursuant to Section III, Qualification Criteria and Requirements, Sub-Factor 4.1. List contracts chronologically, according to their commencement (starting) dates.]

Starting Month / Year	Ending Month / Year	Contract Identification	Role of Applicant
<i>[indicate month/ year]</i>	<i>[indicate month/ year]</i>	Contract name: <i>[insert full name]</i> Brief Description of the Services performed by the Applicant: <i>[describe services performed briefly]</i> Amount of contract: <i>[insert amount in US\$ equivalent]</i> Name of Employer: <i>[indicate full name]</i> Address: <i>[indicate street/number/town or city/country]</i>	<i>[insert "Contractor" or "Subcontractor" or "Contract Manager"]</i>
		Contract name: <i>[insert full name]</i> Brief Description of the Services performed by the Applicant: <i>[describe services performed briefly]</i> Amount of contract: <i>[insert amount in US\$ equivalent]</i> Name of Employer: <i>[indicate full name]</i> Address: <i>[indicate street/number/town or city/country]</i>	<i>[insert "Contractor" or "Subcontractor" or "Contract Manager"]</i>
		Contract name: <i>[insert full name]</i>	<i>[insert</i>

		Brief Description of the Services performed by the Applicant: <i>[describe services performed briefly]</i> Amount of contract: <i>[insert amount in US\$ equivalent]</i> Name of Employer: <i>[indicate full name]</i> Address: <i>[indicate street/number/town or city/country]</i>	"Contractor" or "Subcontractor" or "Contract Manager"
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Form EXP - 4.2(a) Similar Drilling and Exploration Experience

[The following table shall be filled in for contracts performed by the Applicant, each partner of a Joint Venture, and specialist sub contractors]

Applicant's/Joint Venture Partner's Legal Name: *[insert full name]*

Date: *[insert day, month, year]*

JV Party Name: *[insert full name]*

IFB No. and title: *[insert IFB number and title]*

Page *[insert page number]* of *[insert total number]* pages

Similar Contract No. <i>[insert number] of [insert number of similar contracts required]</i>	Information		
Contract Identification	<i>[insert contract name and number, if</i>		
Award date	<i>[insert day, month, year, i. e., 15 June,</i>		
Completion date	<i>[insert day, month, year, i.e., 03 October,</i>		
Role in Contract <i>[check the appropriate box]</i>	Contractor <input type="checkbox"/>	Management Contractor <input type="checkbox"/>	Subcontractor <input type="checkbox"/>
Total Contract Amount	<i>[insert total contract amount in local currency]</i>		US\$ <i>[insert total contract amount in US\$ equivalent]</i>
If partner in a JV, or subcontractor, specify participation in total contract amount	<i>[insert a percentage amount]</i>	<i>[insert total contract amount in local currency]</i>	<i>[insert total contract amount in US\$ equivalent]</i>
Employer's Name:	<i>[insert full name]</i>		

Address:	<i>[indicate street / number / town or city / country]</i>
Telephone/fax number	<i>[insert telephone/fax numbers, including country and city area codes]</i>
E-mail:	<i>[insert telephone/fax numbers, including country and city area codes]</i>
Similar Contract No. <i>[insert number] of [insert number of similar contracts required]</i>	Information
Description of the similarity in accordance with Sub-Factor 4.2(a) of Section III:	
1. Amount	<i>[insert amount in US\$ in words and in Figures]</i>
2. Physical size	<i>[insert physical size of activities]</i>
3. Complexity	<i>[insert description of complexity]</i>
4. Methods/Technology	<i>[insert specific aspects of the methods/technology involved in the contract]</i>
5. Other Characteristics	<i>[insert other characteristics as described in Section V, Scope of Services]</i>

Section V. Eligible Countries

Eligibility for the Provision of Goods, Services and Services in Bank-Financed Procurement

1. In accordance with Para 1.8 of the Guidelines: Procurement under IBRD Loans and IDA Credits, dated May 2004, the Bank permits firms and individuals from all countries to offer goods, services and services for Bank-financed projects. As an exception, firms of a Country or goods manufactured in a Country may be excluded if:

Para 1.8 (a) (i): as a matter of law or official regulation, the Borrower's Country prohibits commercial relations with that Country, provided that the Bank is satisfied that such exclusion does not preclude effective competition for the supply of the Goods or Services required, or

Para 1.8 (a) (ii): by an Act of Compliance with a Decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's Country prohibits any import of goods from that Country or any payments to persons or entities in that Country.

2. For the information of borrowers and bidders, at the present time firms, goods and services from the following countries are excluded from this bidding:

(a) With reference to paragraph 1.8 (a) (i) of the Guidelines:

None

(b) With reference to paragraph 1.8 (a) (ii) of the Guidelines:

None

PART 2 – Works Requirement

Section VI. Terms of Reference

TERMS OF REFERENCES FOR DIAMOND DRILLING EXPLORATION WORKS

1. Diamond Drilling Works in Rufunsa Area Covering Licence No. 25796-HQ-SEL in Rufunsa District of Lusaka Province of Zambia

1. Introduction

ZCCM-IH is a company incorporated under the Companies Act and is an investment holding company with significant interests in the Zambian mining and energy sectors. The Company has a rich heritage in the Zambian mining sector which spans over 50 years. ZCCM Investments Holdings Plc is an investment holding company which has most of its investments held in the copper mining sector of Zambia. ZCCM-IH's majority shareholders are the Industrial Development Corporation (IDC) with 60.3%, Government of the Republic of Zambia (GRZ) with 17.3% shareholding, National Pensions Scheme Authority (NAPSA) with 15% and other shareholders with 7.4%.

The company has a primary listing on the Lusaka Securities Exchange and secondary listings on the Paris Euronext (Euronext) and London Stock Exchanges under ISIN number ZM0000000037.

The Company currently occupies a unique and strategic position as it holds key interests across the mining industry in Zambia.

In its 2023 to 2026 strategic plan ZCCM-IH plans to focus on mining, expand its participation in the mining value chain and continually interact with all mining entities.

ZCCM-IH is currently engaged in several mineral exploration projects, and it has been mandated to identify and acquire new exploration licences in addition to the ones currently in its portfolio. With GRZ plans to achieve 3 million tons per annum of copper production in next 10 years, ZCCM-IH is positioning itself strategically through acquisition of new exploration licences as well as through joint venture (JV) partnerships with licence holders.

2. Background

ZCCM Investments Holdings Plc (ZCCM-IH) Strategic Plan focuses on mining. ZCCM-IH is exploring for minerals such as copper, cobalt, gold, silver, and manganese from its licences in various locations within the Republic of Zambia. In addition, ZCCM-IH has been mandated to increase its footprint in exploration for battery minerals, thereby increasing possibilities of discovering new deposits.

ZCCM-IH owns a small-scale mining licence (SML) in Rufunsa District of Lusaka Province of Zambia. ZCCM-IH intends to undertake multi-stage exploration works to establishing economic mineralization in the area.

The Licence 36213-HQ-SML is located approximately 160km north-east of the capital city of Zambia, Lusaka. Access to the licence area is via the T4 tarred road. After initial early-stage exploration works, ZCCM-IH intends to undertake diamond drilling to ascertain the extent of the identified mineralized areas within the licence.

ZCCM-IH is therefore looking for a Diamond drilling company to execute this assignment.

3. Location and Access

The License 36213-HQ-SML is located approximately 160km north-east of the central business district of Lusaka and approximately 20km away from Mpanshya Mission Hospital in Rufunsa. Access to the licence area is via an all-weathered gravel road that crosses the Rufunsa River.

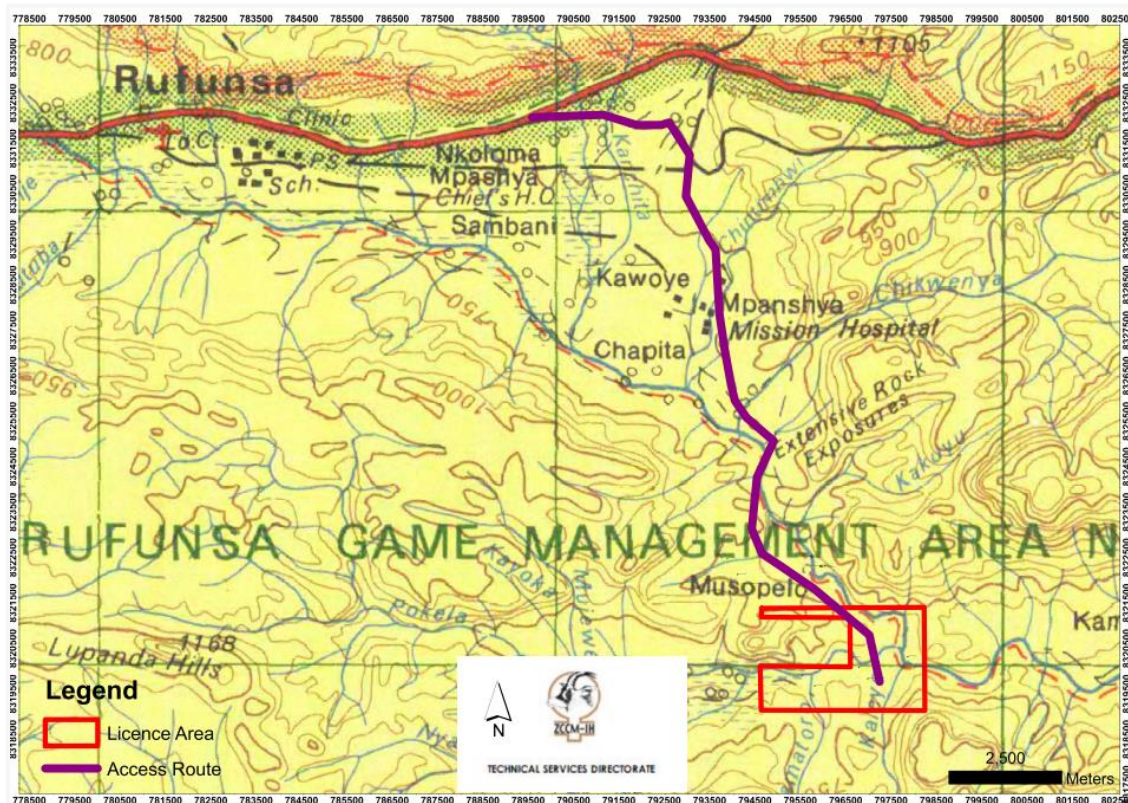


Figure 1. Location of the ZCCM-IH owned Rufunsa license 36213-HQ-SML

4. Overall Objectives

ZCCM-IH through its Technical Directorate wishes to engage the services of a drilling company with reputable experience in executing diamond drilling works on both greenfield and brownfield exploration projects.

The objective of the works is to conduct **test drilling** through diamond drilling, the main aim is to test the geochemical and geophysics anomalies that have been identified from the early-stage exploration works.

5. Scope And Specifications Of Service

- The Company anticipates that the Work will consist of drilling up to **4,000** meters but depending on the geological formation that will be encountered, ZCCM-IH may decide to reduce or increase the initial planned **4,000** (Four Thousand) meters of drill core.
- The Contactor will supply a minimum of two crawler mounted drill rigs together with all necessary associated equipment, diamond drill bits and labour to perform the work at the rates set out in Annexure 1 hereof, and upon the other terms and conditions of this Agreement. The drill rig and related equipment to be supplied by the Contractor shall have the ability to drill inclined holes of up to 200 meters in depth of **PQ and HQ size core**. No further cost of mobilization will be chargeable to the Company should alternate equipment be required. All equipment must meet all requirements of the Mines and Minerals Act as certified by the Mines Safety Department.
- The Contractor shall supply labour required for conducting of all the work and shall bear all the costs of diamond drill bit wear and loss and any other operating expenses incurred in carrying out the works. ZCCM-IH will not be liable for any loss of downhole equipment such as drill rods, downhole survey equipment, casings etc. The Contractor is to ensure that all their equipment is appropriately insured enough to cover any loss or damage that may occur on site whilst executing the works.
- The Contractor will, throughout the execution of the Work, ensure that its drill crews consist of fully qualified and competent workers and, prior to commencement of the Work, will provide the Company with evidence of that:

- Of the qualifications and experience of the drilling supervisor and other key personnel.
 - The drill crews have Basic First Aid Certification; and
 - Have attended a Basic Emergency Evacuation Course at the Contractor's cost.
- The Contractor will upon mobilization and from time to time thereafter, when changes in personnel occur, provide the Company with a list of the persons and each of their resumes showing relevant experience of the Drill Crew members. Switching of key personnel like the drilling supervisor and driller/s without consultation with the contract manager/client will be considered as breach of contract. ZCCM-IH will reserve the right to vet all key personnel to work on the project and may upon notice request personnel deemed incompetent to be removed from the project.
- Drilling will comprise a series of inclined holes and the work shall be completed by the Contractor as per the mutually agreed time schedule.

6. Broadly, the work shall comprise the following:

Diamond Drilling – surface exploration

WORK SITE	SERVICES REQUIRED	
Rufunsa, Kamwasha	Total Diamond Drilling Meters	Approx. Hole depth Diameters
Target	4,000 m	80m PQ size 120m HQ size

7. Schedule of Rates

7.1 Mobilization and Demobilization

ZCCM-IH will pay a single charge to be determined by the Contractor to cover all the Contractor's costs to move its drill rigs and related equipment, supplies and personnel from its base of operations to the truck unloading point at the work site

(Rufunsa) and, on completion of the work to return the same from the work site truck loading point to its base of operations. Once mobilisation and demobilisation costs are agreed upon between the Contractor and Client, there shall be no cost adjustment to the agreed contract value.

All the equipment and tools to be mobilised to site shall be in perfect working order.

7.2 Setup and Teardown

Setup from first mobilization and teardown to point at mobilization and from the last point of demobilization for the entire project will be covered in the cost of mobilisation and demobilisation.

7.3 Movements Between Holes

Movements between drill pad setups are at the Contractor's cost and included in the cost per meter rate.

7.4 Surveys

The contractor shall conduct downhole survey and downhole orientation, and the cost of these surveys shall be at a fixed cost. Following the completion of the hole, a multi-shot survey will be carried out every 50m. Drill hole deviation will be minimised by the contractor.

Drilling related charges like grouting and cementing of holes will in the cost of drilling per meter.

7.5 Core

The drilling shall be conducted to provide maximum core recovery with every reasonable precaution taken to prevent crushing or grinding of core and deviation of hole.

7.6 Material obtained from drilling

All core recovered by the Contractor shall be delivered to ZCCM-IH Kalulushi Office, at the Mawe Complex on Maina Soko Road, upon completion of the drilling exercise.

The core will initially be delivered to the ZCCM-IH Rufunsa Exploration Camp by the Contractor, carefully packed, washed, and placed in core boxes provided by the Contractor. The boxes will be clearly marked as to hole number and footage as well as marker blocks clearly showing the given depth at the end of a drill run as well as providing markers for lost core, or gaps in drill core, etc. The

location and extent of faults, water and any other unusual condition must also be clearly recorded on the daily shift report.

All core boxes at site shall be stored safely, once handed over to ZCCM-IH. ZCCM-IH will be responsible for the safety and security of core boxes.

7.8 Core Recovery

The core recovery is the essence of this service agreement. The Contractor shall use state of the art technology to achieve near 100% core recovery. Core length measurement and core recovery calculation will be done for each hole. However, in the case of overburden / soil cover / weathered zone, fractured or faulted subsurface formations, removal of water table resulting in hole instability, other ground conditions, a Force Majeure Event, or events beyond the reasonable control of the Contractor, and if agreed by ZCCM-IH (together called the "Adverse Drilling Conditions" payment shall not be linked to recovery. Adverse Drilling Conditions and Core Recovery to be mutually agreed, certified, and signed off daily. In the case of holes where a combination of non-core and core drilling will be done, for initial non-core drilling, payment shall not be linked with core recovery for the length covered by non-core drilling.

7.9 Casing

Costs for casing each drill hole shall be included in the cost of drilling per meter. Up to 60m HQ casing will be used to stabilize the hole, from collar. This will basically depend on the adherent ground condition; this can only be determined during drilling as one cannot assume the ground condition below surface just by looking with the naked eye.

7.10 Drill Tools

ZCCM-IH will not be liable for drill rods, core barrels, core bits, reaming shells, casing shoes and other down-hole tools lost or damaged in the drill holes. No form of compensation or payment will be considered. The Contractor shall be expected to insure all their equipment on site which should include the drilling casings, drilling rods, core bits, casing shoes etc.

7.11 Hole Direction and Completion

A layout design sheet with written instruction and a typical section, hole number depth, azimuth and direction and any specific instructions will be provided to the Driller/Foreman. These sheets will be signed by both ZCCM-IH and the Contractor.

ZCCM-IH representative will be called upon to check the hole location and Azimuth and dip before each new hole is started. Under no circumstances will the Contractor be permitted to change the location, azimuth, and depth without the prior written permission from a ZCCM-IH representative. Any meterage drilled in error by the Contractor will not be paid for by ZCCM-IH and the Contractor shall cover those costs.

ZCCM-IH shall check the angle and direction of each hole to ensure that the hole is being started at the required angle and in the required direction. The Contractor assumes no responsibility for any deviation that may occur in a hole beyond the collar other than by the utilization of equipment that is good mechanical condition and good drilling practices.

The measurement of all holes shall be taken from the top of the casing or standpipe.

In the event that cavities or loose caving materials or artesian water are encountered of a nature as to prevent the successful completion of any hole, the Contractor does not, under such conditions, guarantee to drill to a predetermined depth, and in the event that it becomes necessary to abandon the hole, ZCCM-IH agrees to pay for such uncompleted holes at that rate herein specified for all meterage completed.

Upon completion of drilling a particular drill hole, the contractor shall rehabilitate the drill site, plug the drill hole and label the hole with, hole ID and end of hole depth to the satisfaction of the client.

7.12 Hole Stabilization

The use of a hexagonal core barrel is included in cost per meter. The stabilization of any hole of caves shall be covered in the cost of drilling per meter.

Lubricants, greases, chemical additives, and mud supplied and used by the Contractor as in-the-hole additives will be charged at cost per meter rate.

Oils and grease used in lubrication of the drills and pumps is included in the cost per meter rate.

Delays to the drilling operation in connection with reaming through casing, cementing other than grouting or cementing completed holes or delays in connection with the encounter of artesian water will be covered in the drilling cost rates.

7.13 Resetting Holes

If the resetting of a hole is due to a design change signed by ZCCM-IH representative, all time to reset a hole will be charged at field cost rates for crew and drill.

If resetting of a hole is due to error or negligence on the part of the Contractor, all resulting costs are for the Contractor's account.

8. Daily Travel

Daily travel to and from the Work site will be at the Contractor's own expense.

9. Room and Board

The Contractor will supply room and board for its crew, if required, at no charge to ZCCM-IH.

10. Work Schedule

The Contractor will operate two (2) shifts, eleven (11) hours per day each, seven days per week.

11. Standby

Standby time will be charged to ZCCM-IH for each no-operational hour due to instructions issued by ZCCM-IH representative.

12. Security

The Contractor will not disclose to any person any information regarding the drill results, nor permit any person, other than ZCCM-IH accredited representative, access to any drill core, except with the prior written permission of ZCCM-IH representative.

The Contractor and each of its employees will sign the form of confidentiality agreement supplied by ZCCM-IH. No employee of the Contractor will be permitted access to the Work site unless he has signed ZCCM-IH required form of confidentiality agreement.

13. Discipline

The Contractor shall always enforce strict discipline and maintain good order among its employees and shall not retain on the work any unfit person or anyone not skilled in the work assigned him.

Any employee of the Contractor who is objectionable or unsatisfactory to ZCCM-IH shall be removed from the Work and replaced by an employee satisfactory to ZCCM-IH.

14. Insurance

The Contractor shall, during the performance of this Contract, maintain insurance that will protect it and ZCCM-IH from all claims of damage for personal injury, including death resulting therefrom, and from claims for property damage resulting from activities of the Contractor under this contract. The Contractor shall ensure that all its owned and non-owned motor vehicles and equipment that come on the Work site are insured against liability for personal injury and property damage.

The Contractor shall be always liable for damage to or destruction of the Contractor's materials and supplies, regardless of how such damage or destruction occurs. ZCCM-IH shall be under no liability or obligation to reimburse the Contractor for any such loss.

The Contractor will prior to commencing the Work provide ZCCM-IH with an insurance cover note or other proof of insurance naming ZCCM-IH as an additional insured under the Contractor's general liability insurance policy.

15. Workers' Compensation

The Contractor shall and covenants to pay all levies, premiums and assessments required to maintain itself in good standing with the Workers' Compensation Fund Control Board and with respect to all its employees engaged in carrying out the Work to be performed under this Agreement.

The Contractor shall indemnify and render ZCCM-IH harmless from any claims, suits, or demands of any other person for loss or damage arising out of the Contractor's activities under this Agreement.

The Contractor warrants that there are no monies due and owing to the said Board and shall provide ZCCM-IH, prior to commencing the Work and thereafter upon request and from time to time when required, with a letter of good standing from the said Board certifying that there are no monies due and owing to the said Board by the Contractor in respect of work performed or to be performed under this Agreement.

16. Sanitation and Environment

During the work, the Contractor shall always keep the work site free from any accumulation of waste material and rubbish, and upon completion of the work, shall remove all tools, surplus materials and rubbish and leave the work site in a clean condition.

17. Dispute Resolution

In the event the Contractor disputes a ruling or decision of the ZCCM-IH representative concerning any technical issue involving costs more than \$1,000, the Contractor may, by notice in writing specifying the exact nature and details of the matter in dispute, require the issue to be referred to an independent professional engineer ("referee") mutually acceptable to the Contractor and ZCCM-IH.

17.1 The referee shall render his/her decision to the parties in writing within 14 days of receiving the reference together with a statement of his/her account for services.

17.2 The decision of a referee shall be binding on both parties.

17.3 The cost of a referee will be shared equally between the parties.

18. Termination

18.1 ZCCM-IH may terminate this Agreement at any time upon written notice, in which case ZCCM-IH shall be liable to pay the Contractor only for that part of the work satisfactorily completed works to the date of termination as aforesaid.

18.2 The Contractor may terminate this Agreement should its fulfilment be rendered impossible because of the unavailability of materials and supplies or inability to secure labour due to restrictions or causes beyond the Contractor's control, provided that in such case the Contractor shall not be liable for any loss or damage directly or indirectly suffered by ZCCM-IH by reason of exercise of such right or termination.

19. Assignment

The Contractor shall not assign its rights or obligations under this Agreement without the prior written consent by ZCCM-IH.

20. Force Majeure

If either party shall be prevented or delayed from performing any of the obligations to be performed hereunder by reason of force majeure, that is to say, by reason of Act of God, strike, threat of imminent strike, fire, riot, mob violence, or requirement or regulation of government which cannot be overcome by reasonable and lawful means and the use of the facilities normally employed in performing such obligation, then and in any such event, and so often as the same shall occur, any such failure to perform shall not be deemed a breach of this Agreement and the performance of any such obligation shall be suspended during the period of disability, it being understood that if such situation persists more than 14 days, either party may thereupon terminate this Agreement. The parties agree to use all due diligence to remove such causes of disability as may occur from time to time.

21. Invoicing and Payment for Work

- 21.1** Each invoice of the Contractor shall be supported by copies of the Contractor's daily record for each day's drilling included in the invoice (Payment will be strictly based on meters drilled and acceptable core recoveries by ZCCM-IH).

- 21.2** The contractor agrees to provide a daily record of the previous day's drilling. The Contractor's daily record for each 24 hours drilling period shall contain a detailed description of all footage drilled, faults, water and other problems encountered and be signed by ZCCM-IH representative.

- 21.3** ZCCM-IH representative will forthwith on receipt review and, if in order, sign the Contractor's shift reports, which will form the basis for payment.

- 21.4** Failure of the Contractor to provide a daily record will result in failure of payment for the period in question pending investigation and resolution.

21.5 Prior to commencing the Work, the Contractor will provide ZCCM-IH a specimen of the Contractor's standard form of daily record.

22. Time of Essence

Time shall be of the essence in this Agreement and no extensions of time granted by ZCCM-IH to the Contractor shall be construed as a waiver of this provision unless expressly stated in writing to be such.

The Contractor undertakes to complete the Works as per Completion Schedule prepared on a milestone basis specified in schedule 24 hereto subject to certain extensions as may be allowed in the Contract, failing which the Contractor shall be liable to pay Liquidated Damages as deemed by ZCCM-IH.

ZCCM-IH reserves the right to terminate this service agreement within ten working days of notice to the Contractor, for the following reason:

- i. Poor safety performance
- ii. Poor Core Recovery. In this regard "Poor Core Recovery" means failure to achieve a minimum core recovery of 80% over the average of 4 consecutive weeks other than due to wet weather or Adverse Drilling Conditions.
- iii. Poor condition of drilling equipment and accessories that might lead to accidents or failure to achieve the required core recovery of 80% minimum.
- iv. Failure by the Contractor to execute the works within the agreed timeframe. If the contract is terminated, the Contractor will only be paid based on the meters drilled.

23. Contractors' Obligations

- Contractor's acknowledgement
 - Inspected site and satisfied
 - Understanding the information provided by ZCCM-IH of the adherent rock formation and agrees that they are capable of drilling and avoiding core loss.
 - The Contractor will take all reasonable steps to prevent loss of hole.
 - The Contractor will provide equipment for site clearance and access road clearance

- Upon completion of drilling at each pad/drill hole site, the contractor will rehabilitate the site, cap the hole, put a concrete slab around the drill hole and label it
- Security
 - The Contractor will be responsible for the security of its properties and equipment
- Safety
 - Site Operations and Safety Regulations
 - Health and Safety Records and Reports
 - Health and Safety Precautions
- Contractor's Equipment
 - Will make available all the equipment and tools for inspection by the Client prior to mobilisation

24. Statutory Requirements

- Compliance with applicable laws. The Contractor shall ensure all the equipment is certified and cleared by Mines Safety Department prior to mobilisation

25. Drilling

- The drilling is anticipated to take up to three (03) months
- The Rig Operation Activities are defined as being when the rig is in operation mode (engine running) and support equipment is in use.

26. Work Time Rate per hour

Works time costs will be included in the cost of drilling per meter.

If the drilling works commence during the rainy season, the Drilling Contractor will make adequate provisions to conduct the drilling under such conditions.

If for any reason the drill rig or support gear is immovable because of weather conditions or terrain conditions on site, ZCCM-IH shall NOT incur any standby charges.

27. Water Supply

Cost for the water supply shall be a one-off charge which will be agreed upon between the Contractor and Client.

28. Site Access

The Drilling Contractor shall provide drill pads, sumps and suitable access for their DRILLING equipment and agents to the work sites [including but not limited to the opportunity to perform the services described in the scope of works] on the applicable commencement date and during the Term of the scope of work. The contractor will be required to rehabilitate all drill sites and also put standpipes on completed drill holes, concrete around the stand pipe with labelling of drill hole ID, date started, date completed and maximum depth of drill hole.

29. Consumption of Drilling Chemicals

The cost per meter drilling rates shall include the cost of the drilling chemicals

30. Slow Drilling and Core recovery

The Drilling Contractor will ensure it deploys suitably experienced drill rig operators, maintain the drill rigs in the agreed working condition, use the recommended drilling tools/chemicals and its best expertise.

The Slow Drilling shall be applied when drilling conditions are dictated by the ground conditions to ensure maximum core recovery.

Any foreseeable extreme ground conditions to be encountered by the Drilling Contractor shall be discussed with ZCCM-IH representative on site.

31. Occupational Health and Safety

The DRILLING CONTRACTOR shall ensure that its drilling equipment, employees, and agents comply with the provisions of the Zambian Mining Regulations and any other applicable laws when providing the Services.

Notwithstanding the Services Drilling Contractor's Safety, Health, Community relations & Quality policy, the DRILLING CONTRACTOR shall, in the presence ZCCM-IH representative, induct all drilling personnel on site safety requirements prior to commencement of any drilling works and any new staff being introduced shall be inducted accordingly.

32. Drilling proceeds

The DRILLING CONTRACTOR shall ensure that the drill core is correctly packed and clearly labelled in the core trays and that accurate core depth markings are applied. All the drill core packing facilities (core trays, core depth blocks, permanent markers, etc.) will be supplied by the Drilling Contractor.

ZCCM-IH will monitor and check the core packing and depth marking and should ZCCM-IH find that either the packing and/or depth marking was done incorrectly, the Drilling Contractor shall re-drill the entire drill hole at the Drilling Contractor's own cost.

33. Reporting

The Drilling Contractor shall design and deliver to the ZCCM-IH representative daily, drilling reports as to the progress of the drilling on which invoices will be based. The reports will include details on the depths drilled in each of the holes, ancillary charges, and any other relevant information. The Client's representative on site shall check and sign the DRILLING CONTRACTOR's daily drilling reports at the end of every shift and append comments about the day's activities accordingly.

34. Drilling Contractor's Qualification and Experience

The Drilling Contractor should have a minimum of three (3) years of work experience and successfully drilled in three (3) diamond drilling projects with at least 1500 meters drilled in each project.

35. Composition of Key Personnel

Prior to submitting the proposal, the Drilling Contractor should at least have /or be willing to engage the following personnel with the stipulated minimum work experience:

- a) Team Leader should have;
 - Grade twelve certificate
 - a Crafts Certificate or any Certificate related to drilling
 - A minimum 3 years work experience in supervisory positions in diamond drilling works
 - Demonstrated having been a team leader on similar nature of projects in 3 successful contracts

- b) Other Key Personnel (X4)

- i. Drilling supervisor - at least holds
 - Grade 12 Certificate or any certificate in related field
 - Minimum of three (3) years' work experience in a supervisory role in diamond drilling.
- ii. Drillers – (X4)
 - Three (3) years continuous work experience
 - Basic knowledge in mechanics; being highly safety conscious will be an added advantage
- iii. Safety Officer (X1) - Must have relevant training in safety, health, and environment
 - Basic First Aid certificate
 - Grade twelve Certificate
 - Certificate SHE

36. Drilling Contractors' Responsibility

The contractor shall be responsible for:

- i. Ensuring that all drilling equipment which shall be used at the project is certified by the Mines Safety Department.
- ii. Transport, accommodation, and other necessary logistical requirements to ensure the exercise are conducted smoothly.
- iii. Gathering own shortfalls as deemed relevant to the project.
- iv. Support equipment, PPE, and other relevant necessities to its own staff.
- v. Stationery and other related materials for producing reports for the assignment.
- vi. Provide drill pads, access roads, standpipes, concrete around standpipe labelled with hole ID, date started, date completed, end of hole depth and rehabilitate all drill pads upon completion of drilling.

37. ZCCM-IH's Responsibility

The company undertakes that it shall:

- i. Facilitate site visits to all potential bidders upon fulfilment of all necessary requirements.
- ii. Give guidance to the drilling company, where necessary.
- iii. Provide a representative who will be on site during the entire period of the drilling (the "Project Manager").
- iv. Identify the source of water for core drilling.

- v. Review each deliverable in detail and approve.
- vi. Supervise the execution of the drilling program.

38. Duration of Assignment

The duration of the assignment is 14 weeks to include mobilization, drilling and demobilization

39. Deliverables

The Contractor is expected to deliver the following reports:

- Inception Report
- A daily drilling record report showing individual drilling runs, individual runs core recovery and.
- A survey report of each drill hole from the collar and at prescribed intervals with representatives from both the Client and the Contractor.
- A daily drilling materials usage and/or charge report
- Draft Report in soft copy
- Final Report in one soft copy and three hard copies

40. Mode of Delivery

The Contractor is expected to deliver detailed reports of the Diamond Drilling data and interpretations to include among other things the subsurface structures. The reports and invoices shall be submitted in hard and soft copies in suitable formats to the Project Manager

2. Diamond Drilling Works in Kabundi Area Covering

1. Introduction

ZCCM-IH is a company incorporated under the Companies Act and is an investment holding company with significant interests in the Zambian mining and energy sectors. The Company has a rich heritage in the Zambian mining sector which spans over 50 years. ZCCM Investments Holdings Plc is an investment holding company which has most of its investments held in the copper mining sector of Zambia. ZCCM-IH's majority shareholders are the Industrial Development Corporation (IDC) with 60.3%, Government of the Republic of Zambia (GRZ) with 17.3% shareholding, National Pensions Scheme Authority (NAPSA) with 15% and other shareholders with 7.4%.

The company has a primary listing on the Lusaka Securities Exchange and secondary listings on the Paris Euronext (Euronext) and London Stock Exchanges under ISIN number ZM0000000037.

The Company currently occupies a unique and strategic position as it holds key interests across the mining industry in Zambia.

In its 2023 to 2026 strategic plan ZCCM-IH plans to focus on mining, expand its participation in the mining value chain and continually interact with all mining entities.

ZCCM-IH is actively working on a number of mineral exploration projects and has also been tasked with identifying and acquiring new exploration licences in addition to those already in its portfolio. With GRZ intentions to achieve 3 million tons per annum of copper production in the next five years, the company has strategically been positioning itself to be a key player in the exploration and mining space.

2. Background

ZCCM Investments Holdings Plc (ZCCM-IH) Strategic Plan focuses on mining. ZCCM-IH is exploring for minerals such as copper, cobalt, gold, silver, and manganese from its licences in various locations within the Republic of Zambia. In addition, ZCCM-IH has been mandated to increase its footprint in exploration for battery minerals, thereby increasing possibilities of discovering new deposits.

ZCCM-IH holds a large-scale exploration licence in Serenje district of Central province. The licence covers a surface area of 358.31 square kilometer and

lies to the northwest of Serenje town. Access to the licence area is via the all-weather gravel road that branches off from the T2 Kapiri Mposhi - Nakonde tarred road. Alternative access is via the dry-weather gravel road that runs from Serenje Post Office all the way through to Kabundi area.

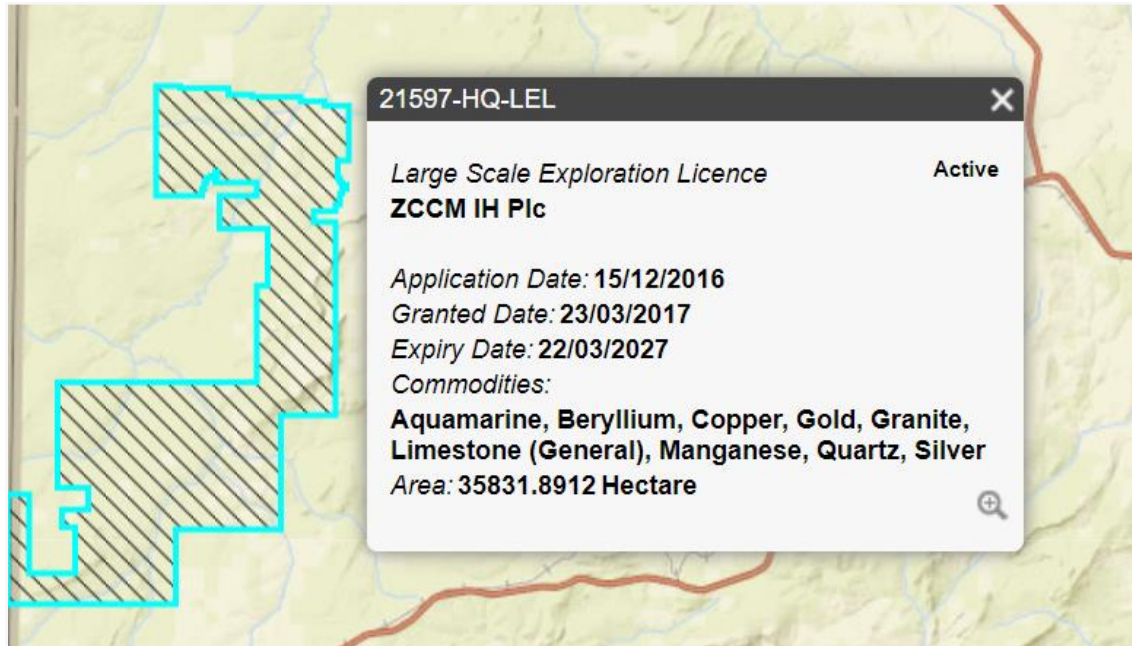


Figure 1: Locality map for licence No. 21597-HQ-LEL

3. Overall Objectives

ZCCM-IH through its Technical Directorate wishes to engage the services of a drilling company with reputable experience in executing diamond drilling works on both greenfield and brownfield exploration projects.

The objective of the works is to conduct follow-up step-out drilling through diamond drilling; the main aim is to test the geochemical and geophysics anomalies that have been identified from the early-stage exploration works as well as follow through on areas which had interesting mineralisation intersections from the 2025 drilling campaign.

4. SCOPE AND SPECIFICATIONS OF SERVICE

- 4.1** The Company anticipates that the work will consist of drilling up to **5,000** meters but depending on the geological formation and mineralization intersection that will be encountered, ZCCM-IH

may decide to reduce the initial planned **5,000** (five thousand thousand) drilling meters. Overall, the drilling works are **meter-based**, implying each listed item in **Annexure-1**, is tied to the 5,000 meters. No separate charges or invoice shall be issued without achieving any drilling meters.

- 4.2** The Contactor shall supply a minimum of two crawler mounted and one truck/trailer mounted drill rigs together with all necessary associated equipment (**see Annexure-2**), sufficient drilling rods, diamond drill bits and labour to perform the work at the rates set out in **Annexure 1** hereof, and upon the other terms and conditions of this Agreement. The drill rig and related equipment to be supplied by the Contractor shall have the capacity to drill vertical and inclined holes up to the depth of **2000 meters**, using either of the core sizes **PQ, HQ or NQ** respectively. No further cost of mobilization will be chargeable to the Company should alternate equipment be required.

All equipment shall meet all the requirements as stipulated by the Mines and Minerals Act and all equipment shall be certified by the Mines Safety Department (MSD) of the Ministry of Mines and Minerals Development (MMMD).

- 4.3** The Contractor shall supply skilled and qualified labour required for conducting of the all the drilling works and shall bear all the costs of diamond drill bit wear, drilling rods, equipment wear and loss, and any other operating expenses incurred in carrying out the works.

ZCCM-IH shall not be liable for any loss of downhole equipment such as drill rods, core barrel, downhole survey equipment, casings, damage to drilling equipment, damage to drilling support equipment or any other equipment/tools that will be used in the execution of the drilling works.

The Contractor shall ensure that all their equipment and personnel are appropriately insured enough to cover any losses/damage/injury that may occur on site whilst/during the execution of the drilling works.

- 4.4** The Contractor will, throughout the execution of the Work, ensure that its drill crews consist of fully qualified and competent workers and, prior to commencement of the Work, will provide the Company with evidence of that:
- 1) Of the qualifications and experience of the drilling supervisor and other key personnel;
 - 2) The drill crews have Basic First Aid Certification; and
 - 3) Have attended a Basic Emergency Evacuation Course at the Contractor's cost.
- 4.5** The Contractor will upon mobilisation and from time to time thereafter, when changes in personnel occur, provide the Company with a list of the persons and each of their resumes showing relevant experience of the Drill Crew members. Switching of key personnel like the drilling supervisor and driller/s without consultation with the Contract manager/client will be considered as breach of contract. ZCCM-IH will reserve the right to vet all key personnel to work on the project and may upon notice request personnel deemed incompetent to be removed from the project.
- 4.6** The minimum daily drilling performance for the Contractor shall be 15 meters per shift per drill rig, with a minimum acceptable daily drilling target of 30 meters per drill rig. In the event that the driller does not achieve the stipulated minimum daily drilling target of 15 meters per shift per drill rig for a consecutive period of 14 days, ZCCM-IH shall consider this as poor performance and this will result in termination of the Contract. Driller shall ensure that breakdowns and any other challenges that are faced are resolved in the soonest possible time to avoid delays.
- 4.7** Drilling will comprise a series of inclined and vertical holes and the work shall be completed by the Contractor as per the mutually agreed time schedule.

5. Broadly, the work shall comprise the following:

Diamond Drilling – surface exploration

WORK SITE	SERVICES REQUIRED	
Serenje, Kabundi	Total Diamond Drilling Meters	Approx. Hole depth Diameters
Target	Minimum 1,500m Maximum 3500m based on findings	~ 100m PQ size ~ 100 - 500m HQ/NQ size > 400m NQ

Total number of meters to be drilled is not fixed and will be dependent on the geology and assay results as the drilling works progress. Minimum number of meters anticipated to be drilled shall be 1500 meters for the test drilling. Cumulative total number of meters shall not exceed 5,000 meters.

Upon achieving 1500m, ZCCM-IH may request the drilling Contractor to halt the drilling operations for a period not exceeding 60 days. Contractor shall be expected to remain on site awaiting further instructions from ZCCM-IH/Project Manager on whether drilling will continue or alternatively request the driller to demobilise if the results do not warrant any further drilling. Cost for the standby time during the waiting period shall be included in the cost of drilling per meter.

6. Schedule of Rates

6.1 Mobilization and Demobilization

ZCCM-IH will pay a single charge to be determined by the Contractor to cover all the Contractor's costs to move its drill rigs and related equipment, supplies and personnel from its base of operations to the truck unloading point at the work site (Serenje) and, on completion of the work to return the same from the work site truck loading point to its base of operations. Once mobilization and demobilization costs are agreed upon between the Contractor and ZCCM-IH, there shall be no cost adjustment to the agreed contract value.

All the equipment and tools to be mobilized to site shall be in perfect working order. Prior to mobilisation, a pre-mobilisation equipment inspection exercise

shall be conducted by the Project Manager and his team, this will be done to ensure that all the equipment being mobilised to site is in perfect working condition. Upon full approval by the inspection team, only then will the Contractor be allowed to commence with the mobilisation.

Refer to **Annexure-2** for the minimum mandatory required equipment and tools.

6.2 Site Preparation and Rehabilitation

Contractor shall set-up access routes to all drilling sites during the entire period of the drilling program including preparation of respective drill sites via site clearing. In the event that the site to be prepared/cleared requires use of machinery like an excavator/TLB, contractor will ensure prior arrangements are made for such equipment to be readily available so as to avoid delays.

After completion of each drill hole, contractor shall be expected to undertake a full rehabilitation of the drill site, ensuring all waste is cleared and disposed, and the site restored to its original state. Refer to Annexure 1 for access route, site preparation and site rehabilitation cost.

6.3 Setup and Teardown

Setup from first mobilization and teardown to point at mobilization and from the last point of demobilization for the entire project will be covered in the cost rate of drilling per meter.

6.4 Movements Between Holes

Movements between drill pad setups are at the Contractor's cost and shall be included in the cost of drilling per meter rate.

6.5 Downhole Surveys and Core Orientation

Downhole survey and core orientation marking costs shall be a single one-off fixed charge for the entire drilling program. In the event that the Contractor does not complete the works within the agreed period and requests for an extension, no additional costs/charges shall be charged on ZCCM-IH for the extension on the use of downhole survey and orientation equipment. The Contractor shall bear the costs of hiring the downhole survey and downhole orientation tools for the extended period.

Since downhole survey equipment and the orientation tools are hired from third parties, extension for the use of these pieces of equipment/tools beyond

the planned 22 weeks shall be discussed and approved by the Project Manager. This will mainly apply in the event that ZCCM-IH decides to extend the number of meters to be drilled, thereby increasing the number of days for the hiring period for the survey tools. First set of downhole survey equipment and orientation tool shall be respectively made available by the Contractor on commencement of the drilling works. The second set of equipment shall only be mobilised as and when required and upon written approval by the Project/Contract Manager.

Drill Core Recovery

The drilling shall be conducted to provide maximum core recovery with every reasonable precaution taken to prevent crushing or grinding of core and deviation of hole.

6.7 Material Obtained from drilling

The drill core shall be carefully packed, washed, and placed in core boxes provided by the Contractor. The boxes will be clearly marked with the hole number/ID and footage as well as marker blocks clearly showing the given depth at the end of each drill run. Other information on core losses or gains, or gaps in drill core, etc. will also be highlighted on the core blocks. All shift drilling activities will be captured on the on the shift drilling report.

At the end of each drilling shift, all the drilled core from the current drilling site shall then be initially delivered to the ZCCM-IH Serenje/Kabundi Exploration Camp by the Contractor, for geological and geotechnical logging. All the core boxes containing core at the drilling site shall be stored and secured by the Contractor. ZCCM-IH will only be responsible for the safety and security of core boxes once delivered to the ZCCM-IH Kabundi Exploration Camp. Upon delivery on to the ZCCM-IH Kabundi Exploration Camp, the drill core will be accompanied by a delivery note which will highlight the number of core trays, hole ID, total number of meters and name of driver/persons in charge delivering the core. The delivery note shall be signed by both parties as proof of delivery.

Upon completion of all the drilling works or on instruction from the Project Manager, all drilled core by the Contractor stored at the ZCCM-IH Exploration Camp shall be delivered to the ZCCM-IH Offices, in Kalulushi. During the dispatch, the drill core shall be accompanied by a dispatch note which will

give details of the dispatched core and the dispatch note shall be signed off by both parties which act as proof of handover to the Contractor, for dispatch to Kalulushi.

6.8 Core Recovery

Core recovery is the essence of this Agreement. The Contractor shall therefore use state of the art technology to achieve near 100% core recovery. The Contractor shall ensure that core length measurement and core recovery calculation are conducted on each hole. In the event of overburden, soil cover, weathered zone, fractured or faulted subsurface formations, removal of water table resulting in hole instability, other ground conditions, a Force Majeure Event, or events beyond the reasonable control of the Contractor, and if confirmed, verified, agreed to and signed off by ZCCM-IH (together called the "Adverse Drilling Conditions"), payment shall not be linked to recovery. Adverse Drilling Conditions and Core Recovery shall be mutually agreed to, certified, and signed off daily. In the case of holes, where a combination of non-core and core drilling will be done, for initial non-core drilling, payment shall not be linked to core recovery for the length covered by non-core drilling.

6.9 Casing

Costs for casing each drill hole shall be included in the cost of drilling per meter.

6.10 Drill Tools

ZCCM-IH will not be liable for drill rods, core barrels, core bits, reaming shells, casing shoes and other down-hole tools lost or damaged in the drill holes. No form of compensation or payment will be considered. The Contractor shall be expected to **insure** all their equipment on site which should include the drilling casings, drilling rods, core bits, casing shoes, survey equipment, orientation tool e.t.c.

6.11 Hole Direction and Completion

A layout design sheet with written instruction and a typical section, hole number depth, azimuth and direction and any specific instructions will be provided to the Driller/Foreman. These sheets will be signed by both ZCCM-IH and the Contractor. ZCCM-IH representatives will be called upon to check the

hole location and Azimuth and dip before drilling on each new hole is commenced. Under no circumstances will the Contractor be permitted to change the location, azimuth, and depth without the prior written permission from a ZCCM-IH representative. Any meterage drilled in error by the Contractor will not be paid for by ZCCM-IH and the Contractor shall cover such costs when and if incurred.

ZCCM-IH shall check the angle and direction of each hole to ensure that the hole is being started at the required angle and in the required direction.

The measurement of all holes shall be taken from the top of the casing or standpipe.

In the event that cavities or loose caving materials or artesian water are encountered of a nature as to prevent the successful completion of any hole, the Contractor does not, under such conditions, guarantee to drill to a predetermined depth, and in the event that it becomes necessary to abandon the hole, ZCCM-IH agrees to pay for such uncompleted holes at that rate herein specified for all meterage completed.

Upon completion of drilling a particular drill hole, the contractor shall rehabilitate the drill site, plug the drill hole and label the hole with a hole ID and end of hole depth to the satisfaction of the client.

6.12 Hole Stabilization

The use of a hexagonal core barrel is included in cost per meter.

The stabilization of any hole of caves shall be covered in the cost of drilling per meter.

Lubricants, greases, chemical additives, and mud supplied and used by the Contractor as in-the-hole additives will be charged at cost per meter rate.

Oils and grease used in lubrication of the drills and pumps is included in the cost per meter rate.

Delays to the drilling operation in connection with reaming through casing, cementing other than grouting or cementing completed holes or delays in

connection with the encounter of artesian water will be covered in the drilling cost rates.

6.13 Resetting Holes

If resetting of a hole is due to error or negligence on the part of the Contractor, all resulting costs to rectify such error shall be borne by the Contractor.

7. Daily Travel

Daily travel to and from the Work site will be at the Contractor's own expense.

8. Room and Board

The Contractor will supply room and board for its crew, if required, at no charge to ZCCM-IH.

9. Work Schedule

The Contractor will operate two (2) shifts, eleven (11) hours per day each, seven days per week. Change shift breaks shall be as and when agreed with the Project Manager/Contract Manager. Periodic rig maintenance shall be undertaken as and when agreed with the Project/Contract Manager.

10. Standby

No standby shall be charged, standby costs shall be included in the cost of drilling per meter.

11. Security

The Contractor will not disclose to any person any information regarding the drill results, nor permit any person, other than ZCCM-IH accredited representative, access to any drill core, except with the prior written permission of ZCCM-IH representative.

The Contractor and each of its employees will sign the form of confidentiality agreement supplied by ZCCM-IH. No employee or third party of the Contractor shall be permitted to access to the licence area or work site without written and approved consent from ZCCM-IH.

12. Discipline

The Contractor shall always enforce strict discipline and maintain good order among its employees and shall not retain on the worksite any unfit person or anyone not skilled in the work assigned him.

Any employee of the Contractor who is objectionable or unsatisfactory to ZCCM-IH shall be removed from the Worksite and the Contractor shall ensure that such employee is replaced by an employee deemed satisfactory by ZCCM-IH.

13. Insurance

The Contractor shall, during the performance of this Contract, maintain insurance that will protect it and ZCCM-IH from all claims of damage for personal injury, including death resulting therefrom, and from claims for property damage resulting from activities of the Contractor under this contract, in an amount of \$500,000 inclusive for all liabilities for any one accident or occurrence. The Contractor shall ensure that all its owned and non-owned motor vehicles and equipment that come on the Work site are insured against liability for personal injury and property damage for a minimum of \$200,000 such insurance coverage.

The Contractor shall be always liable for damage to or destruction of the Contractor's materials and supplies, regardless of how such damage or destruction occurs. ZCCM-IH shall be under no liability or obligation to reimburse the Contractor for any such loss.

The Contractor will prior to commencing the Work provide ZCCM-IH with an insurance cover note or other proof of insurance naming ZCCM-IH as an additional insured under the Contractor's general liability insurance policy.

14. Workers' Compensation

The Contractor shall and covenants to pay all levies, premiums and assessments required to maintain itself in good standing with the Workers' Compensation Fund Control Board and with respect to all its employees engaged in carrying out the Work to be performed under this Agreement.

The Contractor shall indemnify and render ZCCM-IH harmless from any claims, suits, or demands of any other person for loss or damage arising out of the Contractor's activities under this Agreement.

The Contractor warrants that there are no monies due and owing to the said Board and shall provide ZCCM-IH, prior to commencing the Work and thereafter upon request and from time to time when required, with a letter of good standing from the said Board certifying that there are no monies due and owing to the said Board by the Contractor in respect of work performed or to be performed under this Agreement.

15. Sanitation and Environment

During the work, the Contractor shall at all times keep the work site free from any accumulation of waste material and rubbish, and upon completion of the work, shall remove all tools, surplus materials and rubbish and leave the work site in a clean condition.

Contractor shall ensure 100% compliance to the Zambian Environmental Management Act No. 12 of 2011 (and Amendment Act No. 8 of 2023).

16. Dispute Resolution

In the event the Contractor disputes a ruling or decision of the ZCCM-IH representative concerning any technical issue involving costs amounting to more than \$1,000, the Contractor may, by notice in writing specifying the exact nature and details of the matter in dispute, require the issue to be referred to an independent professional engineer ("referee") mutually acceptable to the Contractor and ZCCM-IH.

- 16.1** The referee shall render his decision to the parties in writing within 14 days of receiving the reference together with a statement of his account for services.
- 16.2** The decision of a referee shall be binding on both parties.
- 16.3** The cost of a referee will be shared equally between the parties.

17. Termination

- 17.1** ZCCM-IH may terminate this Agreement at any time upon giving 30 days' written notice, in which case ZCCM-IH shall be liable to

pay the Contractor only for that part of the work satisfactorily completed at the date of termination as aforesaid.

- 17.2** The Contractor may terminate this Agreement should its fulfilment be rendered impossible because of the unavailability of materials and supplies or inability to secure labour due to restrictions or causes beyond the Contractor's control, provided that in such case the Contractor shall not be liable for any loss or damage directly or indirectly suffered by ZCCM-IH by reason of exercise of such right or termination.

18. Assignment

The Contractor shall not assign its rights or obligations under this Agreement without the prior written consent by ZCCM-IH.

19. Force Majeure

If either party shall be prevented or delayed from performing any of the obligations to be performed hereunder by reason of force majeure, that is to say, by reason of Act of God, strike, threat of imminent strike, fire, riot, mob violence, or requirement or regulation of government which cannot be overcome by reasonable and lawful means and the use of the facilities normally employed in performing such obligation, then and in any such event, and so often as the same shall occur, any such failure to perform shall not be deemed a breach of this Agreement and the performance of any such obligation shall be suspended during the period of disability, it being understood that if such situation persists more than 14 days, either party may thereupon terminate this Agreement. The parties agree to use all due diligence to remove such causes of disability as may occur from time to time.

20. Invoicing and Payment for Work

- 20.1** Each invoice of the Contractor shall be supported by copies of the Contractor's daily record for each day's drilling included in the invoice (Payment will be strictly based on meters drilled and acceptable core recoveries by ZCCM-IH).
- 20.2** The contractor agrees to provide a daily record of each day's drilling. The Contractor's daily record for each 24 hours drilling period

shall contain a detailed description of all footage drilled, faults, water and other problems encountered and be signed by ZCCM-IH representative.

- 20.3** ZCCM-IH representative will forthwith on receipt review and, if in order, sign the Contractor's shift reports, which will form the basis for payment.
- 20.4** Failure of the Contractor to provide a daily record will result in failure of payment for the period in question pending investigation and resolution.
- 20.5** Prior to commencing the Work, the Contractor will provide ZCCM-IH a specimen of the Contractor's standard form of daily record.

21. Time is of the Essence

Time shall be of the essence in this Agreement and no extensions of time granted by ZCCM-IH to the Contractor shall be construed as a waiver of this provision unless expressly stated in writing to be such.

The Contractor undertakes to complete the Works as per Completion Schedule prepared on a milestone basis specified in schedule 24 hereto subject to certain extensions as may be allowed in the Contract, failing which the Contractor shall be liable to pay Liquidated Damages as deemed by ZCCM-IH.

ZCCM-IH reserves the right to terminate this service agreement within ten working days of notice to the Contractor, for the following reason:

- i. Poor safety performance.
- ii. Poor drilling performance due to poor state of drilling equipment and tools or poor logistical planning which may result in delays in completing the drilling works on time;
- iii. Poor Core Recovery. In this regard "Poor Core Recovery" means failure to achieve a minimum core recovery of 80% over the average of two (02) consecutive weeks other than due to wet weather or adverse drilling conditions;

- iv. Poor drilling skills or unskilled drilling personnel which results in poor recoveries and downhole challenges, which result in delays in the progression of works;
- v. Poor condition of drilling equipment and accessories that might lead to accidents or failure to achieve the required core recovery of 80% minimum; and
- vi. Failure by the Contractor to execute the works within the agreed timeframe and expected performance. If the contract is terminated, the Contractor will only be paid based on the meters drilled.

22. Contractors' Obligations

22.1 The Contractor acknowledges the following:

- Inspected site and satisfied
- Prepare access routes to each drilling site
- Prepare drilling pad for each drilling site
- The Contractor will take all reasonable steps to prevent loss of hole.
- Ensure experienced drilling supervisor and drillers with proven track record are engaged in the execution of the drilling works.
- Rehabilitate each respective drilling site after completion of the drill hole.

22.2 Security

- The Contractor will be responsible for the security of its properties and equipment
- Clearance and rehabilitation of the drilling sites

22.3 Safety

- Site Operations and Safety Regulations
- Health and Safety Records and Reports
- Health and Safety Precautions

22.4 Contractor's Equipment

- Shall provide detailed inventory of equipment and tool to be used in the works (see **Annexure-2** for minimum equipment required)

- Shall make available all the equipment and tools for physical inspection by the Client during the engagement process and prior to mobilization
- Loss or Damage to Contractor's Equipment
- Maintenance of Contractor's equipment

23. Statutory Requirements

- The Contractor shall ensure all the equipment is certified and cleared by Mines Safety Department prior to mobilization
- Indemnity

24. Drilling

24.1 Drilling

Phase-1 which will involve drilling of 1500 meters whereas phase-2 will involve 3500 meters, with both phases anticipated to take up to 22 weeks from the day of mobilisation; projected average meters to be drilled per day will be 30m.

Project Manager may request the Contractor to mobilise the second rig to ensure quick turnaround time. Therefore, Contractor should be prepared to make available the second rig and associated equipment on request (see **Annexure-2** for summary of minimum equipment requirements).

The Rig Operation Activities are defined as being when the rig is in operation mode (engine running) and support equipment is in use.

24.2 Work Time Rate per hour

Works time costs shall be included in the cost of drilling per meter.

If the drilling works commence or spill over into the rainy season, the Drilling Contractor shall make adequate provisions to conduct the drilling works under such conditions.

If for any reason the drill rig or support gear/equipment is immovable because of weather conditions or terrain conditions on site, ZCCM-IH shall NOT incur any standby charges or any other costs due to these delays.

24.3 Water Supply

Cost for the water supply shall be a one-off charge which will be agreed upon between the Contractor and ZCCM-IH, and the one-off water supply charge shall cover the entire period of the drilling program.

24.4 Site Access

The Contractor shall provide drill pads, sumps and suitable access to its drilling equipment and agents to the work sites including but not limited to the opportunity to perform the services described in the scope of works on the applicable commencement date and during the Term of the Scope of Work.

24.5 Consumption of Drilling Chemicals

The drilling rates shall include the cost of the drilling chemicals. Also, drilling related charges like grouting and cementing of holes will be included in the cost of drilling per meter.

24.6 Slow Drilling and Core Recovery

The Drilling Contractor will ensure it deploys suitably experienced drill rig operators, maintain the drill rigs in the agreed and acceptable working condition, use the recommended drilling tools/chemicals and its best expertise.

The Slow Drilling shall be applied when drilling conditions are dictated by the ground conditions to ensure maximum core recovery.

Any foreseeable extreme ground conditions to be encountered by the Drilling Contractor shall be discussed with ZCCM-IH representative on site.

24.7 Occupational Health and Safety

The Contractor shall ensure that its drilling equipment, employees, and agents comply with the provisions of the Zambian Mining Regulations and any other applicable laws when providing the Services.

Notwithstanding the Contractor's Safety, Health, Community Relations & Quality policy, the Contractor shall, in the presence ZCCM-IH representative, induct all drilling personnel on site safety requirements

prior to commencement of any drilling shift and any new staff being introduced shall be inducted accordingly.

24.8 Drilling Proceeds

The Contractor shall ensure that the drill core is correctly packed and clearly labelled in the core trays and that accurate core depth markings are applied. All the drill core packing facilities (core trays, core depth blocks, permanent markers, etc.) will be supplied by the Contractor.

ZCCM-IH will monitor and check the core packing and depth marking and should ZCCM-IH find that either the packing and/or depth marking was done incorrectly, the Contractor shall re-drill the entire drill hole at the Contractor's own cost.

24.9 Reporting

The Contractor shall deliver to the ZCCM-IH representative daily/shift drilling reports at the end of two 11 hour shifts. The report shall highlight the progress of the drilling in each shift, and these reports shall form the basis of the invoicing. The reports will include details on the depths drilled in each of the holes, ancillary charges, and any other relevant information. The Client's representative on site shall check and sign the Drilling Contractor's daily drilling reports at the end of every shift and append comments about the day's activities accordingly.

25. Drilling Contractor's Qualification and Experience

The Drilling Contractor should have a minimum of ten (10) years of diamond drilling experience and should have successfully completed at least eight (8) diamond drilling projects/ yearly tasks of similar scope and size, with a minimum of at least 3500 meters drilled in each project or per year. Contractor shall be expected to provide **traceable proof** of experience in executing works of similar scope and size for the past five (5) years.

26. COMPOSITION OF KEY PERSONNEL

Prior to submitting the proposal, the drilling contractor shall at least have /or be willing to engage the following personnel with the stipulated minimum work experience:

- c) Team Leader should have;
- Grade Twelve School Certificate;
 - Crafts Certificate or any Certificate related to drilling;
 - A minimum of 10 years work experience in supervisory positions in diamond drilling works.
 - Demonstrated having been a team leader on a project of similar nature in 5 successful contracts.
- d) Other Key Personnel
- Drilling supervisor (X1) - Should hold at least: Grade 12 School Certificate;
 - Minimum of five (5) years' work experience in a supervisory role in diamond drilling.
 - Drillers – (X4)
 - Three (3) years continuous work experience;
 - Basic knowledge in mechanics; and possess high safety consciousness will be an added advantage
- i. Safety Officer (X1)
- Must have relevant knowledge and training in safety, health, and environment;
 - Basic First Aid certificate ;
 - Grade Twelve School Certificate; and
 - Certificate in Safety, Health and Environment.

As part of the downstream benefit of Zambians and in compliance to section 14 of the Employment Code Act No. 3 Cap 268; the team leader, the drilling supervisor, at least two drillers, the safety officer/s and all other support staff **shall be** NRC holding Zambian nationals. Expatriates shall only be considered/accepted unless it is **materially proven** otherwise i.e. that no Zambian nationals are capable of executing such work.

27. Drilling Contractors' Responsibility

The Contractor shall be responsible for:

- i. Ensuring that all drilling equipment which will be used at the project is certified by the Mines Safety Department;
- ii. Transport, accommodation, and other necessary logistical requirements to ensure the exercise are conducted smoothly;
- iii. Gathering own shortfalls as deemed relevant to the project;

- iv. Support equipment (see **Annexure-2**), PPE, and other relevant necessities to its own staff;
- v. Stationery and other related materials for producing reports for the assignment; and
- vi. Provide drill pads, access roads, and rehabilitate all drill pads upon completion of drilling.

28. ZCCM-IH's Responsibility

The company undertakes that it shall:

- i. Facilitate site visits to all potential bidders upon fulfilment of all necessary requirements.
- ii. Give guidance to the drilling company, where necessary.
- iii. Provide a representative who will be on site during the entire period of the drilling (the "Project Manager").
- iv. Identify the source of water for core drilling.
- v. Review each deliverable in detail and approve.
- vi. Supervise the execution of the drilling program.

29. Duration of Assignment

The duration of the assignment is 22 weeks.

The Contractor shall be expected to complete the works within fourteen (22) weeks and requests for Contract period extensions will only be granted in the event that the Contractor's performance is acceptable and conforms to Annexure-1 (item No.4).

30. Deliverables

The Contractor is expected to deliver the following reports:

- Inception Report;
- A daily drilling record report showing individual drilling runs, individual runs core recovery;
- A survey report of each drill hole from the collar and at prescribed intervals with representatives from both the Client and the Contractor;
- A daily drilling materials usage and/or charge report;
- A daily safety report;
- Draft Report in soft copy; and
- Final Report in one soft copy and three hard copies.

31. Mode of Delivery

The Contractor is expected to deliver detailed reports of the Diamond Drilling data and interpretations.

ANNEXURE-1: GUIDELINES

SERENJE PROSPECTING LICENCE DIAMOND DRILLING PROJECT

No	DESCRIPTION	COMMENT
1	Minimum Project Meters	1500m
2	Maximum Project Meters	5000m
3	Inclination of the Drill Holes	Inclined & vertical
4	Acceptable meters per shift/rig	15 meters
5	Estimated maximum Hole depth	2000 meters/hole
6	Anticipated Drilling Time	22 weeks
7	Drill Core Size	PQ, HQ and NQ
8	Minimum Recovery per run	95%
9	Acceptable Recovery in Bad Conditions	80%
10	Drilling & Drilling Chemicals	Per Meter
11	Inter hole Movement	Covered in (Cost/Per Meter)
12	Applicable Work Rate	Covered in (Cost/Per Meter)
13	Standby Time	Covered in (Cost/Per Meter)
14	Reaming Charges	Covered in (Cost/Per Meter)
15	Down Hole Survey	Fixed Charge
16	Core Orientation	Fixed Charge
17	Water supply and Borehole	Fixed Charge
18	Access, site preparation and Site rehabilitation	Per Site
19	Core transportation	Fixed charge

ANNEXURE-2: MINIMUM EQUIPMENT REQUIREMENT

SERENJE PROSPECTING LICENCE DIAMOND DRILLING PROJECT

No	DESCRIPTION	Quantity	COMMENT
1	Crawler mounted DD Rig	02	Mandatory requirement
2	Truck/Trailer-mounted DD Rig	01	Optional requirement
3	four wheel drive (4X4) support truck (6 tonnes or above). Rig carrier	02	Mandatory requirement (shall include a rig carrier for site movement of drill rig)
4	10,000 litres water bowser	01	Mandatory requirement
5	6-8hp diesel powered water pump	02	Mandatory requirement
6	Drill rods (PQ) – new or almost new	240	Minimum mandatory requirement
7	Drill rods (HQ) – new or almost new	360	Minimum mandatory requirement
8	Drill rods (NQ) – new or almost new	600	Minimum mandatory requirement
9	4X4 pick-up van	04	Mandatory requirement
10	4X4 eight seater vehicle – crew transport vehicle	01	Mandatory requirement
11	Generator set (above 10 kva)	02	Mandatory requirement
12	Fully equipped Mobile workshop	01	Mandatory requirement
13	Camping equipment		Mandatory requirement

3. Diamond Drilling Works in Masaiti Area Covering Licence No. 23137-HQ-LEL, Located in Masaiti District of Copperbelt province, Zambia

32. Introduction

ZCCM Investments Holdings Plc (ZCCM-IH) is an investment holding company with significant interests in Zambia's mining and energy sectors. The majority shareholders of ZCCM-IH include the Industrial Development Corporation (IDC), which holds 60.3%, the Government of the Republic of Zambia (GRZ) with 17.3%, the National Pensions Scheme Authority (NAPSA) with 15%, and other shareholders who collectively own 7.4%. The company has a primary listing on the Lusaka Securities Exchange and secondary listings on the Paris Euronext and London Stock Exchanges under ISIN number ZM0000000037.

In alignment with its 2023–2026 strategic plan and the Zambian government's goal to increase national copper production to 3 million tons per annum by 2031, ZCCM-IH is strategically positioning itself by acquiring new exploration licenses and forming joint venture (JV) partnerships with license holders. The company is advancing a portfolio of exploration assets and partnerships to mitigate risks and develop promising licenses.

33. Background

ZCCM-Investment Holdings Plc (ZCCM-IH), through its Technical Directorate and Base Metals & Legacy Section, intends to undertake a diamond drilling programme within Masaiti District, Copperbelt Province, Zambia, under Exploration Licence No. 23137-HQ-LEL. The licence area is considered prospective for base metal mineralisation, particularly copper and associated minerals, based on previous desktop studies, reconnaissance mapping, geochemical investigation and Geophysical survey.

The proposed drilling programme forms part of ZCCM-IH's ongoing strategy to systematically evaluate, de-risk, and advance its mineral assets towards potential resource definition and development. In this context, ZCCM-IH seeks to engage a competent and experienced drilling contractor to

undertake approximately 2,000 metres of diamond drilling in a safe, efficient, and technically compliant manner.

The licence area covers an area of 15 square kilometres and lies approx. 12km East of Ndola accessed via Ndola-Masaiti main road with gravel access tracks leading east to the Bwana Mkubwa license area

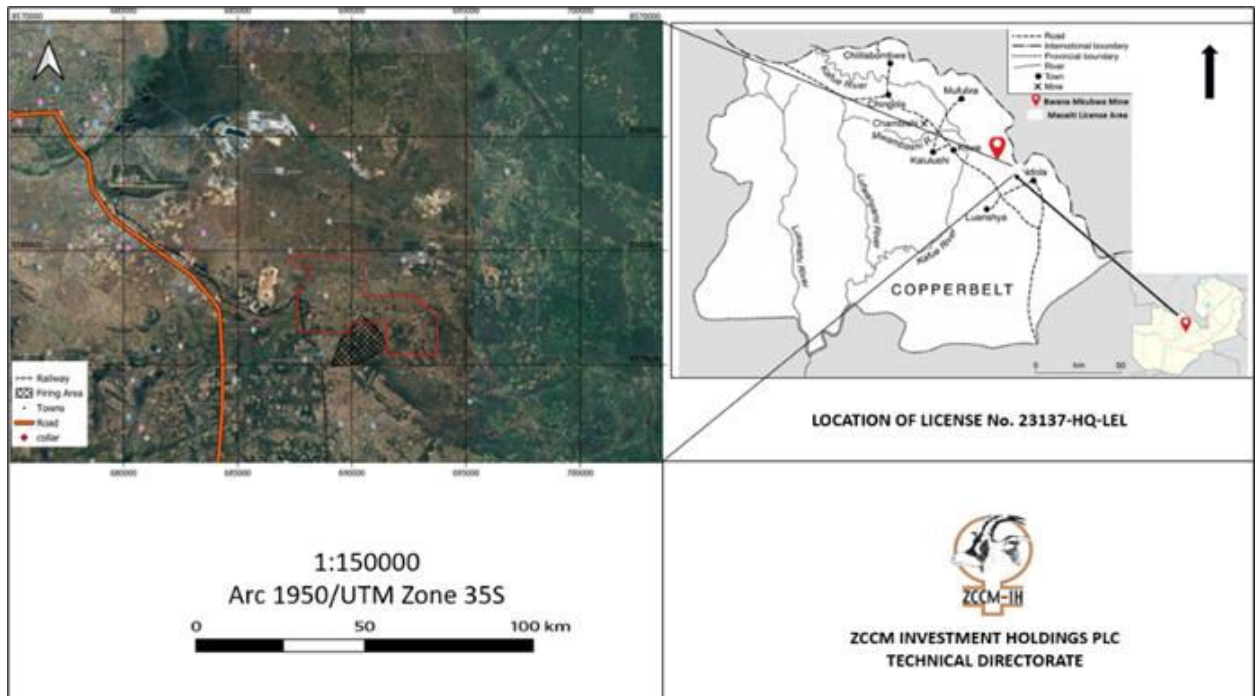


Figure 1: Locality map for licence No. 23137-HQ-LEL

34. Overall Objectives

The planned drilling will involve surface diamond drilling of inclined and, where applicable, vertical holes. The goal is to test geochemical and geophysical anomalies while enhancing our understanding of lithology, structure, alteration, and the controls on mineralization. The program is intended to cover approximately 2,000 meters and will be executed in phases, depending on the results and budget. The following objectives should be accomplished:

- Obtain high-quality diamond core (PQ/HQ/NQ, as specified) with high recovery rates and preserved core integrity.

- Generate reliable drilling records, downhole survey data, and daily operational logs that are suitable for technical reporting.
- Mitigate risks associated with priority targets and inform further exploration efforts, including potential resource definition work.

35. Scope and Specifications of Service

ZCCM-IH requires a competent drilling contractor to execute approximately 2,000 metres of surface diamond drilling within Licence No. 23137-HQ-LEL. The Contractor shall provide a minimum of two crawler-mounted diamond drill rigs and all associated equipment, personnel, supervision, consumables and support services necessary to complete the Works safely, efficiently and to the technical standards specified herein. The Client may increase or reduce meterage subject to geological results, budget and performance.

4.1 Programme Phased

The programme may be executed in two phases for decision control and cost containment:

Phase 1 (minimum): 1,000 m of test drilling to validate targets.

Phase 2 (conditional): up to a further ~1,000 m based on results from Phase 1.

Cumulative total shall not exceed 2,000 m without written approval.

A 60-day review break may be implemented between phases to allow interpretation and planning. Standby during any review break shall be avoided. Where a break is required, the Contractor shall either (i) demobilise to minimise cost, or (ii) remain on site only on the basis of a pre-agreed and expressly priced arrangement. Any cost of remaining on site shall, as far as practicable, be amortised within all-inclusive metre rate to prevent later variation claims.

4.2 Rigs, Capability and Core Sizes

The Contractor shall provide a minimum of two crawler-mounted drill rigs capable of drilling inclined holes up to 1000m depth and producing PQ/HQ/NQ core. Core size selection will be instructed by the Client based on target depth and ground conditions (typical: PQ upper section, HQ/NQ at depth). The Contractor shall demonstrate capacity to control deviation and to undertake oriented drilling and routine downhole surveying as required for exploration drilling.

WORK SITE	SERVICES REQUIRED	
Masaiti	Total Diamond Drilling Meters	Approx. Hole depth Diameters
Target	Minimum of 1,000m Further 1000m based on findings in initial drilling.	50m PQ size 150m HQ size >150m HQ & NQ

4.3 Standard Scope

To minimise variation costs and disputes, the contract shall be priced primarily on a single all-inclusive rate per drilled metre for or fixed rate standard scope. The Contractor shall include all items listed below in the metre rate (deemed included whether explicitly stated in the Contractor's BOQ):

Mobilization, demobilization, setup and teardown of rigs and support equipment (unless the Client elects separate fixed charges in the Price Schedule).

All inter-hole movements and rig move within the licence area, including drill pad set-up, sumps and routine access preparation for the Contractor's equipment.

All labor and supervision (drill crews, supervisors, mechanics and HSE support) and routine standby required for normal operations under the agreed work schedule.

Fuel, lubricants, oils and greases for drilling rigs and contractor support equipment; routine maintenance, spares and workshop support to keep rigs operational.

Standard diamond drilling consumables and wear items (bits, rods, reaming shells, core barrels, casing shoes) and normal use of drilling fluids/muds/additives.

Casing supply and installation required for normal hole construction and stabilization to achieve target depth, including reaming through casing and standard hole-stabilization practices.

Routine downhole surveys (single/multi-shot) and core orientation marking at intervals instructed by the Client (specialized tools are Variation Order (VO) only).

Core handling: washing, packing into contractor-supplied core boxes/trays, depth blocks/markers for lost core, correct labelling (hole ID and depth intervals), and safe stacking at the designated on-site core area.

Rehabilitation of drill pads and disturbed access caused by the Contractor; plugging and labelling of completed holes (hole ID and end-of-hole depth) to Client satisfaction.

Contractor accommodation, room and board, daily travel, communications and internal logistics at no charge to ZCCM-IH.

4.4 Technical Control:

Hole design control is mandatory. ZCCM-IH will provide collar instruction sheets for each hole (hole ID, coordinates, azimuth, dip, target depth and specific instructions). Under no circumstances may the Contractor change the collar location, azimuth, dip or depth without prior written approval. Any metreage drilled in error is non-payable and shall be corrected at the Contractor's cost.

Core recovery is central to the service. The Contractor shall apply best-practice drilling techniques to maximise recovery and prevent crushing/grinding of core. Expected minimum recovery per run is 95% under normal conditions. Where adverse drilling conditions are encountered e.g. (highly fractured/faulted ground, cavities, unstable weathered zones, artesian water, or events beyond reasonable control), the parties shall mutually agree, record and sign off the adverse conditions daily; only then may recovery-linked requirements be relaxed, but the Contractor shall still be required to apply best practice to maximise recovery.

4.5 Core Custody, Storage and Delivery

All recovered cores shall be delivered initially to the Client's designated on-site core area/camp, carefully packed, washed and placed in core boxes provided by the Contractor. Core boxes shall be clearly marked with hole number and depth interval, and marker blocks shall indicate the depth at the end of each run and mark lost core/gaps. Faults, water inflows and unusual conditions shall be recorded on the daily report.

The Contractor shall erect a temporary on-site core storage shed at a location prescribed by the Contract Manager and shall transport core to the ZCCM-IH Kalulushi Office (Mawe Complex, Maina Soko Road) when instructed. Any fixed charges for core shed erection and core transportation shall be explicitly priced; otherwise, these are deemed included in the metre rate.

4.6 Strictly Controlled VO-Only Variation Items

Only the following items may be claimed as variations, and only where they are (i) pre-approved in writing through a signed Variation Order (VO) before execution, (ii) referenced by VO number in the daily drilling report, and (iii) supported by evidence attached to the invoice. Any other costs are deemed included in all-inclusive metre rate and are not payable:

Specialized downhole surveys beyond routine single/multi-shot surveys (e.g., gyro, televiewer) where explicitly instructed by the Client.

Client-directed hole redesign requiring re-setting/re-drilling that is not due to Contractor error.

Client-caused standby due to a written stop-work instruction (contractor-caused downtime is not payable).

Extraordinary ground-condition remediation, beyond normal best practice (e.g., major cementing campaigns for severe losses) were explicitly instructed by the Client and evidenced.

Variation cap: Total VO-approved variations shall not exceed the agreed cap recommended 10–15% of the base contract value without written approval by the Client's authorised signatories. The Contractor shall maintain a weekly Variation Register.

36. Schedule of Rates

5.1 Mobilization and Demobilization

ZCCM-IH will pay a single charge to be determined by the Contractor to cover all the Contractor's costs to move its drill rigs and related equipment, supplies and personnel from its base of operations to the truck unloading point at the work site (Masaiti) and, on completion of the work to return the same from the work site truck loading point to its base of operations. Once mobilisation and demobilisation costs are agreed upon between the Contractor and Client, there shall be no cost adjustment to the agreed contract value.

All the equipment and tools to be mobilised to site shall be in perfect working order.

5.2 Setup and Teardown

Setup from first mobilization and teardown to point at mobilization and from the last point of demobilization for the entire project will be covered in the cost rate of drilling per meter.

5.3 Movements Between Holes

Movements between drill pad setups are at the Contractor's cost and included in the cost of drilling per meter rate.

5.4 Surveys

Downhole survey and co-orientation marking costs shall be single one-off fixed charge for the entire drilling programme.

Drilling related charges like grouting and cementing of holes will in the cost of drilling per meter.

5.5 Core

The drilling shall be conducted to provide maximum core recovery with every reasonable precaution taken to prevent crushing or grinding of core and deviation of hole.

5.6 Material obtained from drilling

All core recovered by the Contractor shall be delivered to ZCCM-IH Kalulushi Office, at the Mawe Complex on Maina Soko Road, upon completion of the drilling exercise.

The core will initially be delivered to the ZCCM-IH Serenje Exploration Camp by the Contractor, carefully packed, washed, and placed in core boxes provided by the Contractor. The boxes will be clearly marked as to hole number and footage as well as marker blocks clearly showing the given depth at the end of a drill run as well as providing markers for lost core, or gaps in drill core, etc. The location and extent of faults, water and any other unusual condition must also be clearly recorded on the daily shift report.

All core boxes at site shall be stored safely, once handed over to ZCCM-IH. ZCCM-IH will be responsible for the safety and security of core boxes.

5.7 Core Recovery

The core recovery is the essence of this service agreement. The Contractor shall use state of the art technology to achieve near 100% core recovery. Core length measurement and core recovery calculation will be done for

each hole. However, in the case of overburden / soil cover / weathered zone, fractured or faulted subsurface formations, removal of water table resulting in hole instability, other ground conditions, a Force Majeure Event, or events beyond the reasonable control of the Contractor, and if agreed by ZCCM-IH (together called the "Adverse Drilling Conditions" payment shall not be linked to recovery. Adverse Drilling Conditions and Core Recovery to be mutually agreed, certified, and signed off daily. In the case of holes where a combination of non-core and core drilling will be done, for initial non-core drilling, payment shall not be linked with core recovery for the length covered by non-core drilling.

5.8 Casing

Costs for casing each drill hole shall be included in the cost of drilling per meter.

5.9 Drill Tools

ZCCM-IH will not be liable for drill rods, core barrels, core bits, reaming shells, casing shoes and other down-hole tools lost or damaged in the drill holes. No form of compensation or payment will be considered. The Contractor shall be expected to insure all their equipment on site which should include the drilling casings, drilling rods, core bits, casing shoes etc.

5.10 Hole Direction and Completion

A layout design sheet with written instruction and a typical section, hole number depth, azimuth and direction and any specific instructions will be provided to the Driller/Foreman. These sheets will be signed by both ZCCM-IH and the Contractor. ZCCM-IH representative will be called upon to check the hole location and Azimuth and dip before each new hole is started. Under no circumstances will the Contractor be permitted to change the location, azimuth, and depth without the prior written permission from a ZCCM-IH representative. Any meterage drilled in error by the Contractor will not be paid for by ZCCM-IH and the Contractor shall cover those costs.

ZCCM-IH shall check the angle and direction of each hole to ensure that the hole is being started at the required angle and in the required direction. The Contractor assumes no responsibility for any deviation that may occur

in a hole beyond the collar other than by the utilization of equipment that is good mechanical condition and good drilling practices.

The measurement of all holes shall be taken from the top of the casing or standpipe.

In the event that cavities or loose caving materials or artesian water are encountered of a nature as to prevent the successful completion of any hole, the Contractor does not, under such conditions, guarantee to drill to a predetermined depth, and in the event that it becomes necessary to abandon the hole, ZCCM-IH agrees to pay for such uncompleted holes at that rate herein specified for all meterage completed.

Upon completion of drilling a particular drill hole, the contractor shall rehabilitate the drill site, plug the drill hole and label the hole with, hole ID and end of hole depth to the satisfaction of the client.

5.11 Hole Stabilization

The use of a hexagonal core barrel is included in cost per meter.

The stabilization of any hole of caves shall be covered in the cost of drilling per meter.

Lubricants, greases, chemical additives, and mud supplied and used by the Contractor as in-the-hole additives will be charged at cost per meter rate.

Oils and grease used in lubrication of the drills and pumps is included in the cost per meter rate.

Delays to the drilling operation in connection with reaming through casing, cementing other than grouting or cementing completed holes or delays in connection with the encounter of artesian water will be covered in the drilling cost rates.

5.12 Resetting Holes

If resetting of a hole is due to error or negligence on the part of the Contractor, all resulting costs are for the Contractor's account.

5.13 Core Storage and Transportation

Contractor shall erect a temporal core storage shed on site at a location to be prescribed by ZCCM-IH/Contract manager. All the drilled core shall be transported to the temporal shed for logging and meter marking, thereafter all the drilled core shall be transported to the Kalulushi core yard upon instruction from the Contract Manager.

A one-off fixed charge shall be paid for the temporal core shed erection and for drill core transportation.

37. Daily Travel

Daily travel to and from the Work site will be at the Contractor's own expense.

38. Room and Board

The Contractor will supply room and board for its crew, if required, at no charge to ZCCM-IH.

39. Work Schedule

The Contractor will operate two (2) shifts, eleven (11) hours per day each, seven days per week.

40. Standby

No standby will be charged, standby costs shall be included in the cost of drilling per meter.

41. Security

The Contractor will not disclose to any person any information regarding the drill results, nor permit any person, other than ZCCM-IH accredited representative, access to any drill core, except with the prior written permission of ZCCM-IH representative.

The Contractor and each of its employees will sign the form of confidentiality agreement supplied by ZCCM-IH. No employee of the Contractor will be permitted access to the Work site unless he has signed ZCCM-IH required form of confidentiality agreement.

42. Discipline

The Contractor shall always enforce strict discipline and maintain good order among its employees and shall not retain on the work any unfit person or anyone not skilled in the work assigned him.

Any employee of the Contractor who is objectionable or unsatisfactory to ZCCM-IH shall be removed from the Work and replaced by an employee satisfactory to ZCCM-IH.

43. Insurance

The Contractor shall, during the performance of this Contract, maintain insurance that will protect it and ZCCM-IH from all claims of damage for personal injury, including death resulting therefrom, and from claims for property damage resulting from activities of the Contractor under this contract, in an amount of \$500,000 inclusive for all liabilities for any one accident or occurrence. The Contractor shall ensure that all its owned and non-owned motor vehicles and equipment that come on the Work site are insured against liability for personal injury and property damage for a minimum of \$200,000 such insurance coverage.

The Contractor shall be always liable for damage to or destruction of the Contractor's materials and supplies, regardless of how such damage or destruction occurs. ZCCM-IH shall be under no liability or obligation to reimburse the Contractor for any such loss.

The Contractor will prior to commencing the Work provide ZCCM-IH with an insurance cover note or other proof of insurance naming ZCCM-IH as an additional insured under the Contractor's general liability insurance policy.

44. Workers' Compensation

The Contractor shall and covenants to pay all levies, premiums and assessments required to maintain itself in good standing with the Workers' Compensation Fund Control Board and with respect to all its employees engaged in carrying out the Work to be performed under this Agreement.

The Contractor shall indemnify and render ZCCM-IH harmless from any claims, suits, or demands of any other person for loss or damage arising out of the Contractor's activities under this Agreement.

The Contractor warrants that there are no monies due and owing to the said Board and shall provide ZCCM-IH, prior to commencing the Work and thereafter upon request and from time to time when required, with a letter of good standing from the said Board certifying that there are no monies due and owing to the said Board by the Contractor in respect of work performed or to be performed under this Agreement.

45. Sanitation and Environment

During the work, the Contractor shall at all times keep the work site free from any accumulation of waste material and rubbish, and upon completion of the work, shall remove all tools, surplus materials and rubbish and leave the work site in a clean condition.

46. Dispute Resolution

In the event the Contractor disputes a ruling or decision of the ZCCM-IH representative concerning any technical issue involving costs more than \$1,000, the Contractor may, by notice in writing specifying the exact nature and details of the matter in dispute, require the issue to be referred to an independent professional engineer ("referee") mutually acceptable to the Contractor and ZCCM-IH.

- 15.1 The referee shall render his decision to the parties in writing within 14 days of receiving the reference together with a statement of his account for services.
- 15.2 The decision of a referee shall be binding on both parties.
- 15.3 The cost of a referee will be shared equally between the parties.

47. Termination

- 16.1 ZCCM-IH may terminate this Agreement at any time upon written notice, in which case ZCCM-IH shall be liable to pay the Contractor only for that part of the work satisfactorily completed works to the date of termination as aforesaid.
- 16.2 The Contractor may terminate this Agreement should its fulfilment be rendered impossible because of the unavailability of materials and supplies or inability to secure labour due to restrictions or causes beyond the Contractor's control, provided that in such case the Contractor shall not be

liable for any loss or damage directly or indirectly suffered by ZCCM-IH by reason of exercise of such right or termination.

48. Assignment

The Contractor shall not assign its rights or obligations under this Agreement without the prior written consent by ZCCM-IH.

49. Force Majeure

If either party shall be prevented or delayed from performing any of the obligations to be performed hereunder by reason of force majeure, that is to say, by reason of Act of God, strike, threat of imminent strike, fire, riot, mob violence, or requirement or regulation of government which cannot be overcome by reasonable and lawful means and the use of the facilities normally employed in performing such obligation, then and in any such event, and so often as the same shall occur, any such failure to perform shall not be deemed a breach of this Agreement and the performance of any such obligation shall be suspended during the period of disability, it being understood that if such situation persists more than 14 days, either party may thereupon terminate this Agreement. The parties agree to use all due diligence to remove such causes of disability as may occur from time to time.

50. Invoicing and Payment for Work

- 19.1 Each invoice of the Contractor shall be supported by copies of the Contractor's daily record for each day's drilling included in the invoice (Payment will be strictly based on meters drilled and acceptable core recoveries by ZCCM-IH).
- 19.2 The contractor agrees to provide a daily record of the previous day's drilling. The Contractor's daily record for each 24 hours drilling period shall contain a detailed description of

all footage drilled, faults, water and other problems encountered and be signed by ZCCM-IH representative.

- 19.3 ZCCM-IH representative will forthwith on receipt review and, if in order, sign the Contractor's shift reports, which will form the basis for payment.
- 19.4 Failure of the Contractor to provide a daily record will result in failure of payment for the period in question pending investigation and resolution.
- 19.5 Prior to commencing the Work, the Contractor will provide ZCCM-IH a specimen of the Contractor's standard form of daily record.

51. Time is of the Essence

Time shall be of the essence in this Agreement and no extensions of time granted by ZCCM-IH to the Contractor shall be construed as a waiver of this provision unless expressly stated in writing to be such.

The Contractor undertakes to complete the Works as per Completion Schedule prepared on a milestone basis specified in schedule 24 hereto subject to certain extensions as may be allowed in the Contract, failing which the Contractor shall be liable to pay Liquidated Damages as deemed by ZCCM-IH.

ZCCM-IH reserves the right to terminate this service agreement within ten working days of notice to the Contractor, for the following reason:

- vii. Poor safety performance
- viii. Poor Core Recovery. In this regard "Poor Core Recovery" means failure to achieve a minimum core recovery of 80% over the average of two (02) consecutive weeks other than due to wet weather or adverse drilling conditions.
- ix. Poor condition of drilling equipment and accessories that might lead to accidents or failure to achieve the required core recovery of 80% minimum.
- x. Failure by the Contractor to execute the works within the agreed timeframe. If the contract is terminated, the Contractor will only be paid based on the meters drilled.

52. Contractors' Obligations

- Contractor's acknowledgement
 - Inspected site and satisfied
 - Not liable in any way for Adverse Drilling Conditions that are different from the information provided by ZCCM-IH
 - The Contractor will take all reasonable steps to prevent loss of hole.
 - Ensure experienced drilling supervisor and drillers with proven track record are engaged in the execution of the drilling works.
- Security
 - The Contractor will be responsible for the security of its properties and equipment
 - Clearance of site
- Safety
 - Site Operations and Safety Regulations
 - Health and Safety Records and Reports
 - Health and Safety Precautions
- Contractor's Equipment
 - Will make available all the equipment and tools for inspection by the Client prior to mobilisation
 - Loss or Damage to Contractor's Equipment
 - Maintenance of Contractor's equipment

53. Statutory Requirements

- Compliance with applicable laws. The Contractor shall ensure all the equipment is certified and cleared by Mines Safety Department prior to mobilisation
- Indemnity

54. Drilling

- Phase one which will involve drilling of 1000m is anticipated to take up to 40 days from the day of mobilisation; projected average

meters to be drilled per day will be 50 m. The 40 days has an allowance of 20 days for eventualities like breakdowns etc.

- For phase two, which will involve drilling of 1000 meters, is anticipated to take up another 40 days.
- The Rig Operation Activities are defined as being when the rig is in operation mode (engine running) and support equipment is in use.

54.1. Work Time Rate Per Hour

Works time costs will be included in the cost of drilling per meter.

If the drilling works commence during the rainy season, the Drilling Contractor will make adequate provisions to conduct the drilling under such conditions.

If for any reason the drill rig or support gear is immovable because of weather conditions or terrain conditions on site, ZCCM-IH shall NOT incur any standby charges.

54.2. Water Supply

Cost for the water supply shall be a one-off charge which will be agreed upon between the Contractor and the Client, and the one-off water supply charge shall cover the entire period of the drilling program.

54.3. Site access

The drilling contractor shall provide drill pads, sumps and suitable access for their DRILLING equipment and agents to the work sites [including but not limited to the opportunity to perform the services described in the scope of works] on the applicable commencement date and during the Term of the scope of work.

54.4. Consumption of drilling chemicals

The drilling rates shall include the cost of the drilling chemicals

54.5. Slow drilling and core recovery

The Drilling Contractor will ensure it deploys suitably experienced drill rig operators, maintain the drill rigs in the agreed working condition, use the recommended drilling tools/chemicals and its best expertise.

The Slow Drilling shall be applied when drilling conditions are dictated by the ground conditions to ensure maximum core recovery.

Any foreseeable extreme ground conditions to be encountered by the Drilling Contractor shall be discussed with ZCCM-IH representative on site.

54.6. Occupational health and safety

The DRILLING CONTRACTOR shall ensure that its drilling equipment, employees, and agents comply with the provisions of the Zambian Mining Regulations and any other applicable laws when providing the Services.

Notwithstanding the SERVICES DRILLING CONTRACTOR'S Safety, Health, Environmental, Community relations & Quality policy, the DRILLING CONTRACTOR shall, in the presence ZCCM-IH representative, induct all drilling personnel on site safety requirements prior to commencement of any drilling shift and any new staff being introduced shall be inducted accordingly.

54.7. Drilling proceeds

The DRILLING CONTRACTOR shall ensure that the drill core is correctly packed and clearly labelled in the core trays and that accurate core depth markings are applied. All the drill core packing facilities (core trays, core depth blocks, permanent markers, etc.) will be supplied by the DRILLING CONTRACTOR.

ZCCM-IH will monitor and check the core packing and depth marking and should ZCCM-IH find that either the packing and/or depth marking was done incorrectly, the DRILLING CONTRACTOR shall re-drill the entire drill hole at the DRILLING CONTRACTOR's own cost.

54.8. Reporting

The DRILLING CONTRACTOR shall design and deliver to the ZCCM-IH representative daily, drilling reports as to the progress of the drilling on which

invoices will be based. The reports will include details on the depths drilled in each of the holes, ancillary charges, and any other relevant information. The Client's representative on site shall check and sign the DRILLING CONTRACTOR's daily drilling reports at the end of every shift and append comments about the day's activities accordingly.

55. Drilling contractor's qualification and experience

The drilling contractor should have a minimum of three (3) years of work experience and successfully drilled in three (3) diamond drilling projects with at least 1500 meters drilled in each project.

56. Composition of key personnel

Prior to submitting the proposal, the drilling contractor should at least have /or be willing to engage the following / with the stipulated minimum work experience:

- e) Team Leader should have.
 - Grade twelve certificates
 - a Crafts Certificate or any Certificate related to drilling
 - A minimum 5-year work experience in supervisory positions in diamond drilling works
 - Demonstrated having been a team leader on similar nature of projects in 3 successful contracts

- f) Other Key Personnel (X4)
 - ii. Drilling supervisor - at least holds
 - Grade 12 Certificate or any certificate in related field
 - Minimum of five (5) years' work experience in a supervisory role in diamond drilling.
 - iii. Drillers – (X4)
 - Three (3) years continuous work experience
 - Basic knowledge in mechanics; being highly safety conscious will be an added advantage
 - iv. Safety Officer (X1) - Must have relevant training in safety, health, and environment
 - Basic First Aid certificate
 - Grade twelve Certificate
 - Certificate SHE

57. Drilling contractors' responsibility

The contractor shall be responsible for:

- vii. Ensuring that all drilling equipment which shall be used at the project is certified by the Mines Safety Department.
- viii. Transport, accommodation, and other necessary logistical requirements to ensure the exercise are conducted smoothly.
- ix. Gathering own shortfalls as deemed relevant to the project.
- x. Support equipment, PPE, and other relevant necessities to its own staff.
- xi. Stationery and other related materials for producing reports for the assignment.
- xii. Provide drill pads, access roads, and rehabilitate all drill pads upon completion of drilling.

58. ZCCM-IH responsibility

The company undertakes that it shall:

- vii. Facilitate site visits to all potential bidders upon fulfilment of all necessary requirements.
- viii. Give guidance to the drilling company, where necessary.
- ix. Provide a representative who will be on site during the entire period of the drilling (the "Project Manager").
- x. Identify the source of water for core drilling.
- xi. Review each deliverable in detail and approve.
- xii. Supervise the execution of the drilling program.

59. Duration of assignment

The duration of the assignment is 12 weeks

60. Deliverables

The Contractor is expected to deliver the following reports:

- Inception Report
- A daily drilling record report showing individual drilling runs, individual runs core recovery
- A survey report of each drill hole from the collar and at prescribed intervals with representatives from both the Client and the Contractor.
- A daily drilling materials usage and/or charge report
- A daily safety report

- Draft Report in soft copy
- Final Report in one soft copy and three hard copies

61. Mode of delivery

The Contractor is expected to deliver detailed reports of the Diamond Drilling data and interpretations to include among other things the subsurface structures. The reports and invoices shall be submitted in hard and soft copies in suitable formats to the Project Manager or his designate to the following address:

Project Manager
ZCCM-IH Technical Services Directorate
Mawe Complex
Plot 27 of Farm 1937 Maina Soko Road
P.O Box 260497
Kalulushi

ANNEXURE1: GUIDELINES

MASAITI PROSPECTING LICENCE DIAMOND DRILLING PROJECT

No	DESCRIPTION	COMMENT
1	Minimum Project Meters	1000m
2	Maximum Project Meters	2000m
3	Inclination of the Drill Holes	Inclined & vertical
4	Estimated maximum Hole depth	1000 meters/hole
5	Anticipated Drilling Time	12 Weeks
6	Drill Core Size	PQ, HQ and NQ
7	Minimum Recovery per run	95%
8	Acceptable Recovery in Bad Conditions	80%
9	Mobilisation & demobilisation	Fixed Charge
10	Drilling, Drilling Chemicals & muds	Per Meter
11	Inter hole Movement	Covered in (Cost/Per Meter)
12	Applicable Work Rate	Covered in (Cost/Per Meter)
13	Standby Time	Covered in (Cost/Per Meter)
14	Reaming Charges	Covered in (Cost/Per Meter)
15	Down Hole Survey	Fixed Charge
16	Core Orientation	Fixed Charge
17	Water	Fixed Charge
18	Access and site preparation	Covered in (Cost/Per Meter)
19	Site rehabilitation	Covered in (Cost/Per Meter)
20	Onsite core shed and core transportation	Fixed charge

ANNEXURE 2: PRICE SCHEDULE (Base Rate)

Bidders shall complete the price schedule below. ZCCM-IH prefers a single all-inclusive rate per metre or fixed that includes all standard scope items in Section 6.3. Any fixed charges and VO-only items must be clearly stated and justified. Provide rates in both USD and ZMW (state exchange rate used).

Item	Description	Unit	Qty	Rate (ZMW)	Amount (ZMW)	Notes (Inclusions/VO-only)
1	Diamond drilling – standard scope (all-inclusive per Section 6.3)	m	2,000			Mandatory all-inclusive
2	Routine downhole survey & core orientation (state Included or rate)	m	2,000			Prefer included
3	Mobilisation & demobilisation (only if priced separately)	LS	1			Prefer amortised in rate
4	Water supply (only if priced as fixed charge)	LS	1			Prefer fixed one-off if required
5	Temporary core shed erection & core transportation (if priced separately)	LS	1			Fixed one-off only
6	VO-only variations rates per					Not to exceed cap of 15% of base charge

ANNEXURE 2: VO-ONLY VARIATION UNIT RATES (Contingency)

Only items listed below may be claimed as variations subject to a signed VO. All other costs are deemed included in all-inclusive metre rate.

VO Item	Description (VO-only)	Unit	Trigger/Condition	Rate (ZMW)	Amount (ZMW)
V1	Specialised downhole surveys (gyro/televiwer) beyond routine surveys	per run/day	Client instruction + signed VO		
V2	Client-caused standby (written stop-work)	hour	Signed VO + daily report reference		
V3	Client-directed redesign requiring re-setting/re-drilling (not contractor error)	hour or m	Design change + signed VO		
V4	Extraordinary cementing/grouting (severe losses) beyond normal best practice	hour/LS	Client instruction + signed VO		