

TENDER ENQUIRY NO : TE 123/2023

MINAS DE BENGGA, LDA (MBL)

TETE, MOZAMBIQUE

Volume 2 of 4

SCOPE OF WORK

FOR

Setting up of a Tailings Beneficiation Plant on BOO
Basis

AT THE BENGGA MINE

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1. INTRODUCTION - BACKGROUND OF THE COMPANY:

Minas de Benga, Lda (MBL) is a company registered under the laws of Mozambique. The company owns an opencast coal mine in Benga Locality, Moatize District, Tete Province, Mozambique, namely Benga coal mine. MBL is the ultimate subsidiary of International Coal Ventures Pvt. Ltd. (ICVL India), a New Delhi (India) based company registered under the laws of India. ICVL India is a Joint Venture company promoted by some of the largest steel/ mining sector public companies of India, namely Steel Authority of India Limited (SAIL), Rashtriya Ispat Nigam Limited (RINL) and NMDC Ltd.

2. BENGAL MINE OPERATIONS – AN OVERVIEW:

The Benga Coal Mine is an open-cast mine in operation since late 2012. It includes a state-of-the-art Coal Handling & Processing Plant (CHPP) with a designed capacity of 5.3 MTPA ROM coal. The mine holds proven coal reserves of 236 million tonnes.

The CHPP processes ROM coal to produce three coal products: Hard Coking Coal (HCC) with 10% to 13.5% ash, Thermal Coal (TC) with 27.5% to 28% ash, and Low Heat Value Coal (Power Grade Coal) with 50% to 60% ash. Additionally, Tailings with good heat value are generated from the CHPP.

The products of CHPP Hard Coking Coal (13.5% Ash), Thermal Coal, and Low Heat Value Coal are ideally produced in the ratio of 35:10:50, with generation of average 8% as Tailing Coal. Coking Coal with 13.5% ash is exported to India for consumption by the promoter companies (SAIL, NMDC, and RINL) in steel plants.

3. TAILINGS BENEFICIATION:

Over 2.3 million tons of solid tailings have been deposited in Tailings Storage Facilities 1, 2 and 3 (commonly known as TC1, TC2 & TC3) since the commencement of operations in 2012. Currently, TC 1 & 2 are full, and TC 3 is nearly at capacity. Additionally, we are currently producing tailings at a rate of 339,200 tons per year, which constitutes approx. 8% of the annual plant feed.

The quality parameter of tailings at TC 1 & 2 and the washability report is attached at Annexure A. However, the bidders are free to take samples for analysis at their own cost. MBL will arrange access to bidder's men and equipment, on prior information.

4. TAILING EXTRACTION AND PROCESSING REQUIREMENT:

It shall primarily include the extraction of 648,000 Tonne per year (+/- 15%) of Tailings, its processing to produce Coking Coal of specified quality, supplying it to coking product conveyor 804 and transporting the dry reject coal, after processing, to the reject conveyor 702 along with the associated activities. Monthly capacity of the tailings which shall be fed in the beneficiation plant will be 54,000 T of Tailings.

5. SCOPE OF WORK:

5.1 SCOPE OF THE CONTRACTOR:

- 5.1.1 Contractor will ensure to Build, Own and Operate (BOO) the Tailings Beneficiation Plant of adequate size commensurate with the plans for the extraction of tailings, processing of tailings, production of coking coal and transportation of coking coal & reject coal to destined places throughout the Contract period and including creating necessary operating facilities of workshops, stores & offices as well as applicable labor, vehicles etc.
- 5.1.2 Contractor will ensure to recover the tailings (tailings from TC3 at present and from TC1 and TC2 in the future as decided by MBL) without causing any damage to the dam. In case of any damage, repair will be carried out at the bidder's cost.
- 5.1.3 **Contractor will ensure the continuous supply of coking coal to MBL without disruption with a monthly average yield of 36 % of coking coal.**
- 5.1.4 The Coking coal of desired quality and quantity has to be transferred to product conveyor CV 804 (already operated by MBL). In case of non-operation of CV 804, the coking coal from beneficiation plant has to be stocked at stockpile area indicated by MBL. The dry reject cakes generated after processing of coking coal should be transferred to reject conveyor CV 702 (also operated by MBL).
- 5.1.5 The contractor shall ensure that the CHPP (Coal Handling & Processing Plant) does not stop or its production is adversely affected due to non-operation or wrong operation of Tailings Beneficiation Plant which affects the minimum output of coking coal volumes.
- 5.1.6 Contractor will ensure that all necessary licenses, permits, consents and approvals necessary to perform the activities under this document and the contract.
- 5.1.7 Contractor will ensure that land clearing and grubbing of all areas necessary to complete the activities under this tender and the contract and disposal of vegetative and related matter.
- 5.1.8 Contractor will ensure that all activities associated with clearing, grubbing and top soil management shall be in compliance with the applicable Mozambican Laws, Environmental Management Plan and Environmental License for the Benga Mine Project and any other applicable rules and regulations.
- 5.1.9 Contractor will ensure the induction, medical checkup and training of all the persons engaged at various stages of projects.
- 5.1.10 Contractor will ensure the conduct of operations in such a way as that the amount of waste and coal loss as waste to minimum.

- 5.1.11** Contractor will ensure the dewatering of the working area; water control, drainage, pumping of water and flood management at it's own cost by constructing dams, sumps installing suitable capacity pumps for drainage of water to ensure that the production continues at stipulated rate. Water usage, drainage, dams, etc., shall be constructed and operated in compliance with the Environmental Management Plan and Mozambican water and mining legislation.
- 5.1.12** Contractor will ensure management of Site water run-off control.
- 5.1.13** Contractor will ensure suppression, prevention & control of dust emissions using water or any other suitable product at their site.
- 5.1.14** Contractor will ensure prevention of dirty water exiting the Site in an uncontrolled manner and strict control of all water into the relevant clean and dirty categories.
- 5.1.15** Contractor will ensure Fire prevention and control in the area of operations.
- 5.1.16** Contractor will ensure proper illumination, fencing and provision of civil amenities.
- 5.1.17** Contractor will ensure adequate expertise, supervision and labor for the operation and maintenance of equipment, vehicles, tools and tackles.
- 5.1.18** Contractor will ensure to fulfill all the obligations in respect of the local employees as well as the permitted expatriate employees as are required by the Mozambican labor law and immigration legislation.
- 5.1.19** Contractor will ensure open book administration and record keeping of the services and will produce to MBL as and when asked for.
- 5.1.20** Contractor will ensure storage, retention, collection, recycling and disposal (including transport wherever applicable) of all used oil, and grease, disposable filters and other waste liquids etc., as per environmental policies & procedures, environment Management Plan and Environment License & environmental regulations, waste management regulations and other applicable legislations.
- 5.1.21** Contractor will ensure for adequate security within the mine precincts including the HEMM, Tailings Beneficiation Plant, etc.
- 5.1.22** Contractor will ensure that the cost or expense of any adjustment or relocation of any infrastructure and for provision to be required for the operation of Tailings Beneficiation Plant shall be borne by them.
- 5.1.23** Contractor will provide the time line for entire project from inception to start of production/operation and will strictly adhere to it. Contractor will also provide the proposed layout of beneficiation plant including equipment, pipeline, conveyors, electrical layout with safety and environmental protection facilities to MBL before start of project. Contractor is also required to outline a statement of the operating methodology it proposes to carry out the activities under this tender and the Contract.
- 5.1.24** Contractor shall be responsible for all the travel, accommodation, cleaning, messing & retrenchment formalities of its personnel.

- 5.1.25** Contractor will ensure the working hours as per Mozambique law and the same will be subject to approval by MBL.
- 5.1.26** Contractor will ensure to formulate concrete comprehensive management plan for all visitors, independent contractors and agents entering the site, to be approved by MBL.
- 5.1.27** Contractor will ensure daily reporting to MBL in electronic form of details of all tasks undertaken by all items of Plant and Personnel for both operational and maintenance performance tracking and Daily Production & Stock report as per agreed format.
- 5.1.28** Contractor will ensure to maintain clean and safe working environments.
- 5.1.29** Contractor will ensure will be responsible for mobilization and demobilization of the extraction and processing equipment and other equipment with prior approval of MBL.
- 5.1.30 Progress of the Works:** MBL may in its absolute discretion and from time-to-time issue instructions to the Contractor in connection with the following and such instructions shall be complied with by the Contractor forthwith:
- a. The method or manner of the execution, doing or performance of the Work under the Contract generally and each part thereof;
 - b. The suspension of the Work under the Contract or any part thereof;
 - c. The time or times within which the Work or any part thereof is to be commenced and/or completed;
 - d. The time or times when and the manner in which the Work under the Contract is to be done or performed or is not to be done or performed;
 - e. Any written records data and information which MBL requires the Contractor to keep and maintain and which shall be available for inspection and copying by MBL at the Site at all reasonable times.
 - f. The Contractor shall at its own cost and expense and with all reasonable expedition re-perform or remedy any part of the work which, in the opinion of MBL, is defective or is not executed in accordance with the Contract and/or MBL instructions and MBL shall be under no obligation to make any payment to the Contractor for any such re-performance or remedial Work.
- 5.1.31 Licenses, Permits, Consents and Approvals:** Contractor shall be responsible for acquiring and maintaining all licenses, permits, consents and approvals. This includes all necessary permits for the storage and use of explosives, if any.
- All costs associated with meeting the Contractor's requirements for licenses, permits, consents and approvals under this clause shall be the responsibility of the Contractor and no additional charges will be made by the Contractor on MBL.
- 5.1.32 Supervision by the Contractor:** The Contractor will provide adequate supervision of the Work at all times as approved by MBL.

5.1.33 Planning: MBL will provide necessary plan and give instruction as far as the area of tailings dam is concerned, where from the Tailings shall be extracted and also where the process rejects shall be dumped.

5.1.34 Daily Reports: The Contractor shall, prior to 0900 hours (9 a.m.) on each day during the Contract term, submit a full and accurate report in respect of the work performed by the Contractor on the previous working day including, on a shift-by-shift basis, without limitation:

- a. Details of the extraction and processing activities of the Contractor.
- b. Loading units employed by the Contractor.
- c. Day works.
- d. Any identified hazards
- e. Any accidents or incidents occurring in the course of the performance of the Work under this tender and the Contract, whether involving lost time or otherwise.
- f. Other information which may impact on the current or future performance of the work under the contract.
- g. Statistics on utilization, efficiencies, scheduled hours, work hours and effective production hours by equipment item and equipment productivities.
- h. Equipment maintenance report on all equipment noting the availability, downtime, reason for downtime, planned services, expected date and time of release from workshop.
- i. Other information as requested by MBL either, on a regular basis or, from time to time.

5.1.35 Monthly Reports:

- a. Production summary covering all items in the daily report described above.
- b. All information required for the effective processing of the monthly claim.
- c. Any and all reports required by the statutory authorities.
- d. Equipment maintenance report summarizing major and minor maintenance incurred on all equipment and a summary of the main work carried out on each machine.
- e. Maintenance plans including the forecast shutdown maintenance.
- f. Safety report including a separate summary and status of each incident and accident that occurred during the month.
- g. Rehabilitation and environmental compliance report, including a summary and status of each incident and accident that occurred during the month.

- h. Other information as requested by MBL either, on a regular basis or, from time to time; and other information which may impact on the current or future performance of the work under the Contract.

5.1.36 Project Progress Report: As portions of the Work under the Contract are completed and if considered appropriate by MBL, the Contractor shall submit to MBL, within thirty (30) days of completion of the portion of the work under the Contract, relevant documentation justifying completion

5.1.37 Security: The Contractor shall comply at all times with the Site security guidelines as determined by MBL.

5.1.38 Contractors Sub Contractors: The Contractor shall be required to formulate a comprehensive management plan for all independent contractors, visitors or agents entering the Site. The Contractor shall supply, initially and from time to time, documentation to MBL identifying potential risk areas with an emphasis on how the Contractor's management plan/system will ensure compliance with all Site policies and procedures.

It is the Contractor responsibility to ensure that sub-contractors follow all Site approved policies and procedures. Failure to do so may lead to refusal of Site entry for non-compliant sub-contractors.

The Contractor is required to indicate the sub-contractors whom the Contractor intends to subcontract any part of the Work under the Contract.

5.1.39 Sites rules and Procedures : The Contractor shall ensure that all persons employed by it and all persons brought onto the Site by it, agree to be bound and will comply, without reservation, with the applicable rules and procedures of MBL including, without limiting the generality of the foregoing, security rules, safety, health and environment systems, standards, insurance of equipment & labour (occupational illness, accident in the work place etc.), public liability insurance rules and procedures and any other Site regulations and the directions and requests of the MBL pursuant to any such rules and regulations. It is the Contractor's responsibility to ensure that all suppliers and visitors to the Contractor follow all Site approved policies and procedures. Failure to do so may lead to refusal of Site entry for non-compliant suppliers or visitors.

5.1.40 Mobilization and De-mobilization:

- a. **Mobilization:** The contractor shall be responsible for mobilization to the site of the all the equipment, the Contractor's personnel, the Contractor's plant and facilities, and all other items/services required to be supplied or provided by the Contractor to complete the work under the Contract, including but not limited to support equipment, light vehicles, initial material, consumables, stocks and spares. Only approved machinery is to be permitted on site. The Contractor shall ensure that all mobile equipment is clean. The equipment should be in good running condition inspected and approved by MBL. All equipment must comply with the mining legislation and in particular mine safety regulation.

Prior to the mobilization of any equipment to Site, the Contractor must inform the MBL in writing of the type, specification and condition of the equipment. Only approved machinery is to be permitted on Site.

Prior to commissioning on Site, all equipment, plant, facilities and other items required to be supplied by the Contractor to complete the Work under the Contract must be inspected and approved by MBL. The inspection shall include but not be limited to checks of the general suitability and safe working condition of the equipment. With prior approval from MBL and provided that the costs and expenses are born by the Contractor, the inspection may be scheduled to take place off site before the equipment is dispatched to Site. This will enable the Contractor to make any modifications or changes to the equipment that may be necessary, in a more amenable environment than perhaps exists initially at the Site.

- b. Demobilization:** All activities associated with any type of demobilization (including equipment but not limited to support equipment, light vehicles, initial materials, consumables, stocks and spares, apart from those items specifically approved in writing beforehand as remaining on Site upon completion of the Work under the Contract) shall be the responsibility of the Contractor, including all associated costs, taxes and customs duties.

Only those spare parts, maintenance materials and consumable supplies owned by the Contractor are to be removed by the Contractor at any time during or at the end of, the Contract.

No items of plant or equipment shall be de-mobilized from Site without approval of MBL. One (1) month prior notice of an intention to demobilize equipment shall be given. Acceptance of the demobilization shall be at the discretion of MBL.

The Contractor shall be responsible for de-mobilization of the Contractor's equipment, the Contractor's personnel, the Contractor facilities and all other items supplied or provided by the Contractor upon completion of the Work under the Contract.

- c. Additional Mobilization and Demobilization:** If the Contractor is to replace any item it shall obtain the prior concurrence from MBL.

5.1.41 Earthworks, Roads and Windrows:

Road Construction:

- a.** While some site roads required for the Contract term will be in existence at the Contract Execution Date, several access roads and haul roads will require to be progressively constructed. The construction will be responsibility of the Contractor.
- b.** All existing light and heavy vehicle access and haul roads at the site shall be maintained in good working condition to the required width for the safe and

efficient operation of the Contractor's Equipment and MBL vehicles or as specified by MBL. Such maintenance will include regular grading and watering for dust suppression. Such roads include, but are not limited to, from the Pits to the Waste Dumps, ROM coal Facility area, surface facilities and stockpiles.

- c. Any new roads constructed during the course of the work under the Contract will also be the responsibility of the Contractors.
- d. The material for the road construction shall be sourced by the Contractors and shall be spread, watered and compacted to a standard approved by MBL and suitable for all weather use by the Contractors Equipment.

5.1.42 MAINTENANCE OF ROAD, LIGHTING AND OTHER AMENITIES:

- a. The Contractor is required to maintain all roads within the site to a reasonable and safe standard including regular grading and watering for dust suppression. As a minimum all site roads will be graded each month with provision of suitable road sheeting material.
- b. The provision of suitable lighting for safe working condition and statutory requirement with all civil amenities shall be arranged by the Contractor;
- c. All existing light should be maintained in good condition.

5.1.43 Dust Suppression: It will be the responsibility of the Contractor to arrange for the dust suppression in the working area. Water required for the dust suppression will be arranged by the Contractor from Zambeze river. Dust levels will be continuously monitored by MBL to ensure compliance with environmental standards. The Contractor will be required to have effective dust suppression to avoid exceeding these dust limits.

Dust in the work areas shall be adequately suppressed by water trucks of a suitable capacity fitted with spray bars or other methods of water dispensing for effective dust control as approved in writing by MBL.

5.1.44 Fire Prevention: The Contractor shall take all possible precautions to prevent fires of any nature in the general vicinity of his operations, including but not limited to the stockpile, and shall be responsible for all damages from fire due directly or indirectly to his own activities or to those of his employees or to the activities of its agents or its employees.

5.1.45 Management Of the Site Water Control & Prevention from Flooding: The Contractor shall make provisions for effective water control, drainage, transferring of water and flood management by providing dams, sumps, installing suitable capacity pumps for drainage of water so that the production should continue at given rate at all time.

5.1.46 Facility and Services:

- a. The Contractor shall supply, erect, commission and maintain facilities required for storage, processing, production and stockpiling. The removal of

all the facilities after completion of the job will be the responsibility of the Contractor.

- b. The Contractor shall be responsible of any adjustment or relocation of any infrastructure and for provision to be required for the operation of Tailings facility.
- c. The Contractor shall be responsible for completion of the work under the Contract and shall be responsible for all necessary plant, equipment, and facilities as approved by MBL to carry out the work under the Contract. This shall include, without limitation, the supply of material, plant, labor, supervision, spare parts, tools, drawings and data, services and each and every item necessary for the delivery of coking coal from Tailings dam to CHPP conveyor belt.
- d. MBL has in place an energy conservation policy which the Contractor is required to follow. This is designed to minimize waste of energy, and all power consumed to provide supporting services to the Contractor Facilities.

5.1.47 Activities: The Contractor shall at all times endeavor to obtain all necessary pumps, pipes and pipe fittings in a timely manner and be responsible for the day-to-day installation, operation and maintenance of the transfer pumps (including refueling and daily service checks) of all dewatering infrastructure.

5.1.48 Operator Licenses: The Contractor shall ensure that all Equipment operators hold appropriate licenses and /or site proficiency pass outs for the operation of the Equipment and have been tested and approved to operate by way of competency testing.

5.1.49 Collection and disposal of all waste material: The Contractor shall be responsible to arrange for all his waste oils to be stored, retained and collected for recycling as per the environmental policies and procedures of MBL, the Benga mine Project Environment Plan and License and environmental regulations, waste management regulations and other applicable legislation. Waste grease and disposable filters must be transported offsite for recycling or re-use, using an approved transport company.

5.1.50 Management: All activities associated with management, supervisory, service and clerical personnel, off-site personnel support, tools, equipment & service vehicles, computing, communication equipment and infrastructure maintenance are in responsibility of Contractor.

5.1.51 Land Clearing and Grubbing: Land clearing and grubbing will be the responsibility of the contractor.

5.2 OTHER RESPONSIBILITIES AND LIABILITIES OF THE SUCCESSFUL BIDDER:

- a. To ensure and guarantee that the Plant shall have a minimum life of 7 (seven) years of operation.
- b. To ensure and guarantee that the plant shall be made operational in a period of 8 (eight) months after the issuance of the LOI ("Letter of Intent").

- c. If the contracting party is not a Mozambican company, then any adjudication is conditional and subject to the timely registration of a company in Mozambique, as well as its tax, labor, operating license and other required registrations.
- d. To obtain all necessary permits, consents and approvals necessary for executing the Service Contract with MBL, including any Investment Authorization from the Government of Mozambique as well as any license required to comply with the Environmental Management Plan and all other regulatory requirements of the Environmental License.

The contractor shall be accountable for the non-performance and/or the non-compliance of any of the activities, timings, tasks, obligations, duties and other actions and/or omissions stated in **clauses 5.1 and 5.2 above.**

5.3 SCOPE OF MBL:

MBL will facilitate the availability of the following services:

- a. MBL will indicate the land for proposed beneficiation plant near the existing tailing dams and CHPP.
- b. Water for construction and production has to be sourced from Zambeze river. MBL may arrange water through its existing nearest pipeline, on request, on chargeable basis however, responsibility and costing of laying pipeline from tap point to beneficiation plant lies with contractor.
- c. Electricity of 22KV (responsibility however will lie with the contractor to get the same from the existing source to the site, including the construction of any power lines).

MBL will facilitate the availability of water and electricity, the cost of which shall be fully borne by the Contractor. **The bidder shall indicate its requirement of water and electricity to MBL well in advance on monthly / yearly basis.**

6. WORKING HOURS:

The Contractor shall nominate the basis of its shift roster. The proposed working hours must be in accordance with Mozambique Law and the Operational Labor Agreement. MBL may reasonably alter the hours of work at any stage during the term of this Contract and the Contractor shall abide by the changes.

Work may only be carried out when adequate supervisory capacity is available to ensure the health, safety and welfare of the Contractor's Personnel at all times and in accordance with all relevant Law.

7. INCLEMENT WEATHER :

The Contractor acknowledges and accepts full responsibility for any and all operational delays due to inclement weather such as rainfall, electrical storms, high winds and any other weather events. No additional cost shall be borne by MBL in any way resulting from such events.

8. COAL LOSS AND DILUTION :

It is an essential requirement of the Contract that the Contractor conducts its operations in such a way as to maximize production of coking coal of specified quality

and also to minimize the wastes during the extraction and processing of the tailings.

9. DAY WORKS :

On specific requests of MBL in cases of exigencies, the Contractor is obliged to provide the equipment and labour to MBL on its request for any purpose other than extraction and processing activities of the contractor as per the contract. The rates for such equipment and labour however may be mutually agreed on case-to-case basis.

10. MEASUREMENT OF QUANTITIES FOR STARTING OF OPERATIONS:

- a. **Survey before removal of tailings for starting operations:** There will be a Joint survey by MBL and Contractor to establish initial profile before start of mining operation and to set survey control points across the Site for future material volume computation. These control points shall be securely delineated and marked for access by both MBL surveyor and Contractor surveyor.
In case of any dispute, MBL's position will prevail.
- b. **Monthly Mining Survey:** MBL shall, at the end of each month, carry out a survey of the area of Tailings Storage Facility (TSF) or Tailings Cell (TC) during the Month. Copies of the survey data will be made available to the Contractor in both hard copy and electronic media at no charge.
- c. **Survey on Completion of Contract:** On completion of the Contract, there will be a joint survey by MBL and the Contractor in order to verify the total material volume computations.
In case of any dispute, MBL's position will prevail.

11. EMPLOYEE, INDUSTRIAL AND COMMUNITY RELATIONS:

- a. **Employee Relations:** The Contractor is responsible at all times for the due and proper conduct of all employee relations in respect of Work under the Contract.

Within thirty (30) days of the Contract Execution Date, the Contractor shall develop and submit to MBL a Site-Specific Employee Relations Management Plan for confirmation and ratification by MBL. The Contractor is required to outline its Employee Relations Management Plan. This process shall be consistent with MBL's employee relations procedures, workplace requirements and philosophies, and at all times be the responsibility of the Contractor, albeit MBL shall at all times be kept informed of developments.

MBL shall require the Contractor to address, but not be limited to the following, in the Employee Relations Plan:

1. Recruitment and selection criteria
2. Fair treatment process
3. Induction, ongoing training, development and termination
4. Drug and alcohol abuse management
5. AIDS and hepatitis management
6. Safety, Health and Environment Management Plan, including training and awareness schedule
7. Occupational Health and Workplace Rehabilitation
8. OH&S reporting and monitoring methodologies

9. Employee Performance Management, and
10. Employee Environmental Awareness.

The Contractor shall at all times be encouraged to develop for discussion further initiatives in relation to the Employee Relations Plan that would assist in developing an integrated approach.

b. Industrial Relations: The Contractor is responsible at all times for the due and proper conduct of all industrial relations in respect of Work under the Contract.

Within thirty (30) days of the Contract Execution Date, the Contractor shall develop and submit to MBL a Site-Specific Industrial Relations Management Plan for confirmation and ratification by MBL. The Contractor is required to outline its proposed Industrial Relations Management Plan. This process shall at all times be the responsibility of the Contractor but MBL shall at all times be kept informed of developments.

MBL shall require the Contractor to address, but not be limited to, the following in the Industrial Relations Management Plan:

1. Details of industrial relations arrangements (union membership and awards/agreements) that have applied to the Contractor's work on sites over the previous 3 years
2. Any industrial awards or agreements to which the Contractor is currently bound
3. The industrial award, agreement or employment arrangements that shall apply to all work undertaken on Site
4. Details of the employment conditions including rates of pay, allowances and general employment benefits
5. Details of union membership
6. Procedures for the recruitment and engagement of personnel for the Site, plus strategies for ensuring:
7. A harmonious industrial relations environment is achieved and maintained, and
8. High standards of OH&S are achieved.

c. Community Relations: MBL has a policy of developing and maintaining good and productive relationships with the local community. The Contractor is responsible at all times for the due and proper conduct of all its Personnel with regard to community relations. The Contractor is to follow the directives and intention in this Community Relations Management Plan at all times, noting that MBL reserves the right to alter the plan at any time.

Within thirty (30) days of the Contract Execution Date, the Contractor shall develop and submit to MBL, a Site-specific response on how it will incorporate MBL's Community Relations Management Plan in its Work under the Contract, for confirmation and ratification by MBL.

The Contractor is encouraged to:

1. Hire persons from the local region
2. Train and improve the skills of local unskilled employees
3. Provide apprenticeships, traineeships or similar industrial training and/or educational assistance to persons within the local community.
4. Take an active role, where reasonable, in developing business opportunities within the local community.
5. Purchase items from the local region
6. Encourage further development of services from the local region.

12. ENVIRONMENTAL MANAGEMENT:

- a. Environmental Management Plan:** The Contractor is responsible at all times for the due and proper conduct in relation to protecting the environment in respect of Work under the Contract.

The Contractor is required to outline the basis of its proposed Environmental Management. Within thirty (30) days of the Contract Execution Date, the Contractor shall submit to MBL a Site-Specific Environmental Management Plan for confirmation and ratification by MBL. This process shall at all times be the responsibility of the Contractor but MBL shall at all times be kept informed of developments.

The Contractor will ensure that all of its Personnel are made aware of their duties and responsibilities as outlined in the Site Environmental Management Plan.

Ameliorative measures to rectify breaches with the environmental statutory requirements, Site conditions or Site policies by the Contractor's sub-contractors and associates will be at the Contractor's expense. The Contractor must ensure, where applicable, that sub-contractors and associates fulfill all inspection, auditing and reporting functions required. The Contractor will maintain records to demonstrate compliance with this requirement.

MBL's representative may direct the Contractor to amend or revise the Contractors Site Environmental Management Plan from time to time. The Contractor shall submit all proposed amendments or revisions of the Contractors Site Environmental Management Plan (whether directed by Contractor Representative or otherwise) for approval by MBL's Representative.

In connection with the submission of any amendments or revisions of the Contractor's Site Environmental Management Plan:

1. If so directed by MBL's Representative, the Contractor shall provide additional information;
2. If MBL's Representative rejects part or all of a submission, the Contractor shall, within 7 days, submit an amended or new plan; and
3. Once MBL's Representative notifies the Contractor of the approval of a proposed plan or of a revision or amendment, it shall become the Contractors Site Environmental Management Plan and the changes will be effective immediately.

The Contractor shall attend regular meetings with and report to MBL's

Representative on its implementation of and compliance with the Contractor's Site Environmental Management Plan.

- b. Equipment Movement:** The Contractor shall ensure that all equipment is restricted to established roads and working places at all times. No equipment will be driven or operated on undisturbed ground except in the case of land clearing for which approval is to be obtained.
- c. Ground Disturbance:** MBL is committed to the principle that all operations will be carried out with minimum practical disturbance to the existing vegetation and natural landform. It is the responsibility of the Contractor to obtain necessary licenses prior to undertaking any clearing activities.
- d. Storage of Hydrocarbons:** All hydrocarbon containers will be stored in bounded areas according to MBL's Environmental policies, Law, license conditions, regulations and industry good practice.
All drums of capacity 200 liters or more will be stored within one of the following:

1. A compacted earthen floor and bund with a spillage capacity of at least 20% of the total hydrocarbon stored within the bund. If suitable compaction cannot be attained the bund will require lining with HDPE.
2. A concrete floor and bund with a spill holding capacity of 20% of the total hydrocarbon stored in the drums.
3. A concrete floor within a workshop with the floor bounded on three sides and the fourth open to enable any spillage to enter the drainage system and ultimately be retained by the waste oil collection system.
4. A concrete floor within a workshop with perimeter drainage installed to direct any spillage to the waste oil separation and collection system.

In addition, in all cases:

1. All drums stored vertically will be held individually or as groups on steel or plastic grates over drip or spillage trays with a capacity to hold 220 liters (1.1 times the capacity of a drum).
2. All drums stored horizontally will be located on suitable holding tables over a steel or plastic drip tray with a capacity of 220 liters.
3. Each row of horizontal drums will have a sand drip tray under each row of outlet (supply) valves.

All drums with capacity less than 200 liters are required to be stored on steel or plastic grates or shelving located over a concrete floor either bounded with a storage capacity of 20% of the total volume of stored materials, or unbounded with drainage to an approved oil separator and storage tank.

- e. Collection and Disposal of Waste Oil:** The Contractor is responsible to arrange for all his waste oils to be stored, retained and collected for recycling as per the environmental policies and procedures of MBL. Wherever possible, waste sump and other oils are to be placed directly into waste oil tanks rather than mixed with water. At no stage is waste oil to be stored in open 200 liter drums.

Waste oil is to be transported off Site for recycling or re-use, using an approved transport company.

- f. **Collection and Disposal of Waste Grease and Disposable Filters:** The Contractor is responsible to arrange for all his waste grease and disposable filters to be collected in sealable 200 liter drums. Waste grease and disposable filters must be transported offsite for recycling or re-use, using an approved transport company.

All sealable 200 liter drums containing the waste grease and disposable filters will be stored in bounded areas according to the environmental policies and procedures of MBL, Law, statutory requirements, license conditions, regulations and industry good practice.

- g. **Disposal of Tyres:** The Contractor is encouraged to consider negotiating a tyre supply Contract that includes collection and return of used tyres to the supplier / manufacturer.

MBL's environmental approvals do not allow for disposal of tyres on Site, even within contained Waste Dumps.

The Contractor must report to MBL on a quarterly basis method of disposal and the number of tyres disposed of during that period. The Contractor must regularly liaise with MBL to determine suitable alternative disposal methods.

- h. **Disposal of Batteries:** The Contractor is encouraged to consider negotiating a battery supply contract that includes collection and return of used batteries to the supplier / manufacturer. MBL's environmental approvals do not allow for disposal of batteries on site, even within contained Waste Dumps.

The Contractor must report to MBL on an annual basis the method of disposal and the number of batteries disposed of during that period. The Contractor must regularly liaise with MBL to determine suitable alternative disposal methods.

- i. **Recycling Policy:** The Contractor shall comply with MBL's policy of recycling dry waste. At all- time the Contractor must attempt to maximize the recycling of suitable wastes including but not limited to the following items;

1. Paper and cardboard, and
2. Wood, glass, plastic, PVC, HDPE.

- j. **Domestic Rubbish Tip:** The capacity of domestic rubbish disposal is limited on the Site and the Contractor is not encouraged to use this facility except for rubbish that cannot otherwise be disposed of or recycled.

The following materials are suitable for disposal in landfill at the Site:

1. Kitchen and household (domestic) solid wastes.
2. Office wastes that cannot be recycled, including food scraps.
3. Inert building rubbish (including concrete may be placed within a waste dump and buried).
4. Clean fill from building or associated excavations (may be placed within a waste dump and buried).

The following materials are not to be disposed in landfill at the Site:

1. Oil, grease or fuel of any type
2. Oil filters or oily rags
3. Chemicals

4. Medical wastes
5. Metal scrap, conveyor belting, rubber
6. Batteries
7. Tires

k. Environmental Incidents: All environmental incidents, whether large or small, must be reported to MBL. An “environmental incident” is an action that causes infringement of any of the approved standards of operation and agreed environmental control measures. These may include but not be limited to the following:

1. Harm or potential harm to vegetation, soil structure, groundwater, atmosphere, surface water or fauna;
2. Generation of excessive dust;
3. Generation of excessive noise;
4. Excessive air over pressure caused by blasting
5. Excessive ground vibration caused by blasting
6. Any release of contaminated waste, hydrocarbon, or chemical

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