Tender No: TE /IZL/01/2022

TENDER RULES

APPOINTMENT OF CONSULTANT FOR PREPARATION OF ZAMBEZE PROJECT

Dated: 6.12 2022

Last date of Bid Submission: 27.12.2022

OBJECTIVE OF THE TENDER

The objective of this tender is to select and appoint a consultant/service provider (with appropriate experience in formulation and designing) to prepare three (3) separate tender documents for separate appointments, related evaluation of technical bids received and contract drafting for:

1) Mine developer and operator (MDO) for operation of Zambeze Mine;
2) For construction and operation of Coal Handling and Processing Plant (CHPP) on BOO basis.
3) Transportation of Coal from Benga Rail siding to Beira/Macuse/Nacala port by Rail.

BID PROCESS TIMELINE

S. No	Particulars	Date
1	Issue of Invitation to Bid	06.12. 2022
2	Last Date of Seeking Clarifications on Bid Document	16.12.2022
3	Last Date of Submission of Bid	27.12.2022 up to 15.00 hours (Mozambique Standard Time i.e. GMT + 2 hours)
4	Opening of Techno Commercial Bid	27.12.2022 up to 15.30 hours (Mozambique Standard Time i.e. GMT + 2 hours).

DISCLAIMER

1. The purpose of this document and any attachment thereto or part thereof (hereinafter "Document" or "Bid Document") is to provide interested parties with information to facilitate the formulation of their Techno Commercial Bid and Price Bid.
2. This document does not purport to contain all the information each Bidder may require. The Document may not be appropriate for all persons, and it is not possible for ICVL Zambeze, Lda (hereinafter "IZL") to consider the needs of each party who uses or reads the Document. The concerned parties should conduct their own investigations and analysis and should verify the accuracy, reliability and completeness of the information in the Document and may obtain independent advice from appropriate sources.
3. Neither IZL nor its employees make any representation or warranty as to the accuracy, reliability or completeness of the information in this Document.
4. Neither IZL nor its employees shall have any liability to any Bidder or any other person under the law of contract, tort, the principles of restitution or unjust enrichment or otherwise for any loss, expense or damage which may arise from or incurred or suffered in connection with the Document, or any matter deemed to form part of this Document, the award of the work, or the information supplied by or on behalf of IZL or its employees or otherwise arising in any way from the selection process for the tender.
5. The Document and the information contained herein are strictly confidential and privileged and are for the exclusive use of the party to whom it is issued. The Document must not be copied or distributed by the recipient to third parties other than, to the extent required by the applicable law or in confidence to the recipient´s professional advisors, provided that such advisors are bound confidentiality restrictions at least as restrict as those contained in the Document. In the event that after the issue of this Document the recipient does not continue with its involvement in the bidding process for any reason whatsoever, the Document and the information contained herein must be kept confidential by such party and professional advisors at all times.

6. IZL reserves the right to change, modify, add, alter this Document or cancel the bidding process without assigning any reason thereof, at any time during the bidding process. All parties to whom this Document has been issued shall be intimated by such change. The Bidders or any third party shall not object to such changes/modifications/additions/alterations explicitly or implicitly. Any such objection by the Bidders shall make the Bidder´s proposal liable for rejection by IZL. Objection by any third party shall be construed as infringement on confidentiality and privileged rights of IZL with respect to the Document. IZL has the right to reject the bids submitted by the Bidders without assigning any reasons thereof.
7. The Bidder shall not make any public announcements with respect to this Bidding process or the Document. Any public announcements to be made with respect to this bidding process or the Document shall be exclusively made by IZL. Any breach by the Bidder of this clause shall be deemed to be non-compliance with the terms and conditions of the Document and shall render the Proposal liable for rejection. IZL´s decision in this regard shall be final and binding upon the Bidder.
8. It is clarified that the provisions of point no 5, 6 and 7 shall not apply to information relating to this Document already available in the public domain prior to the issue of the Document.
9. Submission of Bid shall amount to undertaking for not challenging the provisions of the Bid Document.
10. The Bidder shall bear all costs associated with the preparation and submission of the Techno-Commercial and Price Bid. IZL shall not, under any circumstances, be responsible or liable for any such costs.
11. The Bid Document is not transferrable.

INTRODUCTION

1. International Coal Ventures Limited ("ICVL") is the parent company of ICVL Zambeze, Limitada ("IZL"). IZL is holder of a Mining Concession for a tenement area licensed under Mining Concession no. 4695C (former EPL946L) (also referred hereinafter as "Zambeze Coal Mine Project");
2. "Zambeze Project" or "Zambeze Coal Block" is located in the Tete Province, in an approximate DUAT (Right of Land Use and Development) area of 5,595 hectares, covering mainly the Tete Municipality (Tete city), and a smaller area in the neighboring District of Moatize (to the northeast).
3. Zambeze Coal Mine Project is 100% held by ICVL Zambeze, Lda ("IZL") pursuant to the Mining Concession 4695C and the Mining Contract signed with the Government of the Republic of Mozambique (approved by Resolution 67/2013 of August 20, 2014).
4. The IZL`s Zambeze Project consists of the development of an opencast coal mine and a coal processing plant, delivering Coking coal and Thermal coal products to the point of delivery. It includes the development of all associated infrastructure to support this Greenfield Project. The Coking coal product is the focus of this project and has a long-term strategic value for IZL.
5. The Zambeze Project reserve is located north-west of the town of Tete, in Mozambique. The successful advancement of the Zambeze Project will result in a multi-billion (US) dollar development project that will contribute to the country´s economic and social development.
6. The Zambeze Project has been actively explored since 2005 and historical exploration techniques have included geological mapping, open hole (non-coring, percussion and reverse circulation) and slim line and large diameter full core drilling.
7. As per the Feasibility Study conducted by DRA in 2018, The Zambeze Project contains a very large (>1.8 billion total tonnes in situ) coal deposit within the Moatize sub-basin coalfield of the Tete Province of Mozambique, 473 million tonnes of which are contained within the current open pit outline. The targeted seams (C, E, F and G) can be mined at a Life of Mine strip ratio of average 1.9 bcm per tonne of coal. The most important seam is

the C Seam (Chipanga Seam equivalent), which accounts for some 76% of the total raw tonnage, 76% of the primary product tonnes and 70% of the secondary product tonnes within the proposed pit outline. The Chipanga seam (C) was intersected at depths between 13.72 m and 319.28 m, varying in thickness from 18-36 m. The pit will be a maximum of 200 m deep for the initial 20-year LoM (Life of Mine). The coal seams dip towards the Southwest at angles of between 2° and 15°. Note that, presently, is being discussed with DRA to update the feasibility study of Zambeze project, so above parameters may change during the tendering process.

8. IZL intends to develop the Zambeze Coal Mine Project to produce Hard Coking coal with 10.5% -13.5% ash products and Thermal coal with 26.0 - 30.0% ash product. Ash content and other quality parameters for Hard Coking Coal and Thermal Coal will be specified in the tender document. Coking coal recovery, however, is the focus of the development.
9. While the mining concession is valid for 25 years, the project has potential to deliver a long-life asset that could still be operated well beyond that timeframe. The development of the Zambeze Project is to achieve a target process plant feed rate of 20 Mtpa of deshelled RoM. Construction is planned in two 10 Mtpa stages, the second stage commissioning scheduled for completion approximately 12 months post commissioning of the first stage works. **The design life of the project is 20 years. Note that, life of mine and size of process plant may change after the update of feasibility study.**
10. Zambeze Project is based on a high volume open-cast mine that will produce a significant amount of high-quality coking and thermal coal.
11. Key aspects of the Zambeze Project include:
    - Development of an open-cast mine using conventional shovel-dumper combination;
    - Processing of the ROM coal in Coal Handling & Processing Plant (CHPP) and transportation of the same to Benga Rail siding by Conveyor.
    - Transportation of processed coal product from Benga Rail siding to Beira/Macuse/Nacala port by Rail;

INSTRUCTION TO BIDDER

1. Introduction

IZL has planned to develop and operate the Zambeze Project through MDO Mode, Construction and operation of (CHPP) on BOO Basis and Transportation of Coal by rail to different ports, for which services of experienced consultants are required for preparation of the tender documents for the three separate works. as well as for subsequent evaluation of the technical bids received and drafting of Contracts with the Successful Bidders.

2. General

a) Bidders are invited to present proposals/bids for the tender for Consultancy Services to ICVL Zambeze, Lda. ("IZL").

b) Proposals/bids should be valid for a period of 90 (ninety) days, counting from the last date of submission of the Bid, and the Bidders commit themselves not to withdraw or change such proposals unilaterally during that period. Bids with shorter validity period may be liable for rejection.

c) Proposals/bids omitting any requested information may be rendered invalid, at the discretion of IZL. Also any conditions in the proposals/bids that are contrary to the tender requirements may be considered invalid

d) Bidders shall ensure that the documents are complete and in accordance with the contents of the tender. IZL accepts no liability for any errors or omissions in the proposal due to discrepancies, or similar, that has not been rectified during the tender period.

e) All information accompanying proposals shall only serve as reference and will be considered jointly with the standard specifications.

3. Scope

The following would be the scope of works of the consultant:

a) Preparation of tender documents for appointment of MDOs (Mining Developers and Operators) for the Zambeze project investment, development and operation of the Zambeze mine; with production target of ROM ("Run Off Mine") coal of about 20 MTPA and

removal of about 42 million BCM (bank cubic meters) of overburden (OB)/waste, per annum, as well as resettlement of approximately 1000 families.

b) Preparation of tender documents along with complete technical specifications, acceptable standards, final acceptance tests, final acceptance criteria, legal and financial requirements for appointment of a CHPP (Coal Handling and Processing Plant) operator for Construction operation of the CHPP, with 4 Modules of 5.3 MTPA of ROM coal on BOO basis and construction belt conveyor upto Benga Rail siding with Silos.

c) Preparation of tender documents along with complete technical specifications, acceptable standards, final acceptance tests, final acceptance criteria and legal and financial requirements for appointment of a Coal Chain operator who shall be responsible for transportation of coal from Benga Rail Siding to Beira/Nacala/Macuse port.

d) Participation in the pre-bid discussions for the tender of Zambeze project development and operation (which comprises: development and operation of the Zambeze mine; construction and operation of CHPP; and transportation of coal from Benga Siding to Beira/Nacala/Macuse port) and reply to the queries of interested parties.

e) Review the techno-commercial bids submitted by bidders for the tender of Zambeze project developers and operators (which comprises: development and operation of the Zambeze mine; construction and operation of CHPP; and transportation of coal from Benga Siding to Beira/Nacala/Macuse port) and discuss and review the deviations of bidders and furnish technical bid evaluation reports.

f) Assist ICVL in discussions with Successful Bidder and drafting of the provisions of the Contracts for the development and operation of the Zambeze mine, for the construction and operation of CHPP, and for the transportation of coal to Beira/Nacala/Macuse port.

4. Confidentiality

This tender is the property of ICVL Zambeze, Limitada ("IZL") and contains confidential information, the disclosure of which is strictly prohibited, and it cannot be reproduced, in part or in total, in any form, without the express consent of IZL.

The bidders assume the responsibility of not revealing its content to any entity that does not have an absolute need to know, within the exclusive scope of the reply to the present tender.

5. Costs of Preparation of the Proposal/Bid

All expenses inherent to the preparation and submission of the proposal/bid shall be borne by the bidder.

Likewise, the expenses and costs inherent to the execution of the Consultancy Services Contract shall be borne by the selected/successful bidder.

6. Tender Documents

The technical specifications of the requested services and the procedures for elaborating them are described in the terms of the present Tender.

It is mandatory for the bidder to comply with the instructions, terms, and specifications contained in the Tender documents.

The non-supply of all the required information or the presentation of a proposal/bid in disagreement with the Tender documents will be the responsibility of the bidder, being able to result in the application of penalties or the rejection of the proposal submitted.

7. Clarifications about the Tender Documents

Under the scope of the Tender the bidders can ask or request all the clarifications they deem pertinent, and IZL can present additional information relevant to the Tender.

8. Documents to be integrated

The proposal must be accompanied by the following documents:

a) Term of the Proposal/Bid signed by the person or persons authorized to oblige and bind the bidder.
b) Document proving the powers attributed to the signatory of the proposal to bind the bidder.

c) Proof of the legal existence of the bidder, namely: Articles of Association (Estatutos), Certificate of Commercial Registry, and Business Permit (Alvará).
d) Term of understanding of the scope.

9. Language of the Proposal/bid

The Proposal prepared by the bidder, as well as all correspondence and related documents exchanged between the bidder and IZL, shall be in English.

10. Period of Validity of the Proposal

Proposals/Bids shall remain valid for a period of 90 (ninety) days after the deadline date set by IZL. In exceptional cases, IZL may request the bidders to extend the period of validity of the proposals/bids, the request will be made in writing by e-mail, which will not allow the bidder to modify his bid, nor IZL to request any modification.

11. Proposal Price

The Bidder shall indicate the total price ("Price") of the services it proposes to provide, in USD (United State Dollars), however, payments to Mozambican incorporated and registered companies providing services in Mozambique will be made into a Mozambican bank account in Meticais (MZN), by conversion of USD to MZN at the applicable exchange rate of the bank of IZL.

In case the Bidder is a non-Mozambican entity and payments are to be made to a bank account abroad, the Consultancy Services Contract between the Successful Bidder and IZL will be required to be registered at/approved by the Central Bank of Mozambique and the Successful Bidder will be liable to pay for any taxes payable in Mozambique (mainly withholding taxes) for the amounts to be remitted abroad.

12. Eligibility Criteria

a) The bidder should have technical capability and proven experience in formulation& evaluation etc of tender documents on MDO mode for Mining of capacity of not less than 10 MTPA.

b) The bidder should also have technical capability and proven experience for formulation , Evaluation etc of tender documents for CHPP of 3 MTPA capacity on BOO /BOM basis .

13. EMD (Earnest Money Deposit) and Security Deposit

a) Each bid should be accompanied by proof of transfer (SWIFT, etc.) or deposit of the Earnest Money Deposit (hereinafter also referred to as "EMD") of USD 10,000.00 (ten thousand United States dollars) to the bank account of MBL given below:

Bank Name : Standard Bank (Mauritius) Limited

Branch Name _: Head Office

Account Holder Name _: Minas de Benga, Limitada

Account Number ____: 9090000111939

IBAN Number _: MU61SBIC2201900001119390000USD

BIC (SWIFT) : SBICMUMU

Currency __: USD

Account type _____: Current Account

b) The Earnest Money Deposit shall not bear any interest.

c) A bid which is not accompanied by Earnest Money Deposit of requisite value shall not be considered.

d) An Unsuccessful Bidder's Earnest Money Deposit will be returned to the Unsuccessful Bidder.

e) The Successful Bidder's Earnest Money Deposit will be converted to Security Deposit and shall be refunded after successful completion of the Consultancy Services Contract.

f) The Earnest Money Deposit shall be forfeited:

   i) if a Bidder withdraws or modifies its Bid during the period of Bid validity;

   ii) in the case of a Successful Bidder, if such Successful Bidder fails to sign the Consultancy Services Contract with IZL.

g) Bidders should provide their bank details alongwith their bid.

14. Payment Terms

a) USD …….,00 (……. United State Dollars), corresponding to 20% (twenty percent) of the Price shall be paid to the successful bidder within 30 days of signing of agreement (for the purpose of payment, the Successful Bidder shall submit a signed invoice at the quoted/agreed price.

b) USD …….,00 (……. United State Dollars), corresponding to 60% (Sixty percent) of the Price shall be paid after submission of the tender documents prepared by the Consultant (the Successful Bidder of this Tender) and acceptance of the same by ICVL.

c) USD …….,00 (……. United State Dollars), corresponding to 20% (twenty percent) of the Price shall be paid after assistance to IZL in discussions with Successful Bidder for the MDO Zambeze and assistance in completion of drafting of the Contracts for the development and operation of the Zambeze mine, for the construction and operation of CHPP, and for the transportation of coal from Benga Rail siding to Beira/Nacala/Macuse port.

15. Language

Proposals/bids must be presented in English and the Consultancy Services Contract shall be drafted and signed in English language.

16. Submission of the proposals/Bids

a) Bid must be in legible writing.

b) Bid shall be submitted in 2 (two) parts, **TECHNO COMMERCIAL BID (Part-A)** and **PRICE BID (Part-B)**.

c) **TECHNO COMMERCIAL BID (Part-A)** shall contain the technical offer (mainly the Terms of Reference for the Tender for Zambeze Mine Developer cum Operator) and the commercial conditions including proof of experience. **PRICE BID (Part-B)** shall only contain the Price (total price) charged for the preparation and delivery of the Tender Documents for Zambeze Mine Developer cum Operator, as well as for subsequent evaluation of the technical bids received, and drafting of Contracts with the Successful Bidders for development and

operation of the Zambeze mine; construction and operation of CHPP; and transportation of coal to Beira/Nacala/Macuse port, without any additional conditions (see attached Template).

d) Price shall be presented separately in the Price Bid format and the Price Bid shall be submitted in a separate cover. Price should not appear anywhere except in the Price Bid to be submitted separately.

e) Any corrections in the bid by use of products such as liquid correctors is strictly forbidden.

f) Deadline for Submission of Bids

Bids must be received by electronic mail address as specified well within 1500 Hrs (Mozambique Standard Time) on 27th December 2022.

Bid shall be submitted by email in 2 (two) parts within the time period specified as follows:

- 1st Email shall contain EMD details and all duly signed documents of experience and other certificates. Mail shall bear the reference "TENDER FOR APPOINTMENT OF CONSULTANT IZL, MOZAMBIQUE, Reference: TE/IZL/01/2022";
- 2nd Email shall contain only the price bid in PDF format and shall be password protected;

Emails shall be sent to the following addresses: Sourcing@icvl.co.mz

17. Signing of the Proposals

Proposals submitted shall be signed by the Bidder´s Authorized representatives.

18. Evaluation and Comparison of Bids

Part A of the bid shall be opened and evaluated; and Part B of the bid shall be opened for only those bidders who technically qualify on the given criteria.

19. The right of Minas de Benga, Lda to cancel or reject any proposal whatsoever or to cancel the tender

Award of the work will be at the absolute discretion of IZL, which shall be final. IZL reserves to itself the right to cancel the tender process without assigning any reason whatsoever and

without reimbursing for any costs, charges, expenses incidental to or incurred by any party to the tender process whomsoever, through or in connection with the preparation and submission of the bids.

A Bidder whose bid is not accepted or is rejected shall not be entitled to claim any costs, charges, expenses incidental to or incurred by the Bidder, through or in connection with the preparation and submission of the bid. Conditional bids may be rejected without assigning any reasons whatsoever.

20. Responsibility of Minas de Benga, Lda for expenses incurred by Bidders

Minas de Benga, Lda. will not be liable for any expenses incurred by Bidders in preparing and submitting their proposals or document.

21. Confidentiality of the contents of the documents

All communications/discussions in relation to the tender, irrespective of the submission of proposals, shall be treated by the Bidder as private and confidential.

22. Late Proposals

Proposals received after the closing hour of the tender, shall be declared null and void and shall not be taken into consideration.

23. Tenderer to acquaint with the Local conditions and Rules & Regulations

Any information or any matter derived from the tender documents or obtained from IZL shall not absolve or relieve the tenderer of any risk or of fulfilling all the terms and conditions of the bid including execution of all details which shall also cover incidental works not particularly mentioned in the tender documents but which, whether temporary or permanent, must evidently be required by reason for the nature of the works included in the tender. It shall be deemed that the tenderer has understood the position as set forth above while framing his bid.

Any neglect or omission or failure on the part of the Bidder in obtaining necessary and reliable information or on any other matter affecting the Bidder, shall not relieve the Bidder from any risk or liability or the entire responsibility for completion of the work in accordance with the Bidding Documents.

In their own interest, the Bidders are requested to familiarize themselves with the Tax laws, the Companies Act, the Customs Act and all other related acts and laws prevalent in Mozambique. The bidders shall also be provided on request resource model, geology, Mine plan, surface plan and critical cross sections of the mining area. The bidders may obtain the same by writing a mail on Ravinder.Chauhan@icvl.co.mz

24. Clarifications

a) Bidders may seek clarifications, if required, on this Document as per timelines specified in this Document. Any request for clarification must be sent in writing by paper, mail to IZL´s address or electronic mail to Ravinder.Chauhan@icvl.co.mz

b) Any clarification and amendment issued prior to the last date of submission of bids would be uploaded on the website, i.e. www.icvl.in and www.icvl.co.mz. All Bidders are suggested to visit the site from time to time. In case any queries remain un-replied, it shall be construed that in respect of those queries, the respective stipulations of the Bidding Document shall continue to apply and/or no new stipulations are made with respect to those queries.

c) Any Corrigendum/ Addendum /Clarification and /Amendment to this Document issued by IZL on www.icvl.in and www.icvl.co.mz shall also be considered as an integral part of this Document.

25. Disqualifications

Notwithstanding anything to the contrary contained herein and without prejudice to any of the rights or remedies of IZL, a Bidder may be disqualified and their Bid may not be considered for further evaluation for any of the reasons listed below:

a) Misrepresentation by a Bidder in the Techno Commercial Bid.

b) Failure by a Bidder to provide necessary and sufficient information as required and asked for in this Document.

c) If a winding up/insolvency or other proceedings of a similar nature is initiated or pending against the Bidder.

d) If the credentials of one company is utilized by more than one Bidder.

e) If a Bidder does not meet or ceases to fulfil the prescribed technical criteria mentioned in this Document.

f) If information becomes known after the Bidder has been qualified, at any stage, which would have entitled IZL to reject or disqualify the relevant Bidder, IZL reserves the right to reject or disqualify the relevant Bidder at the time, or at any time, such information becomes known to IZL.

g) IZL´s determination that one or more of the events specified under this section has occurred shall be final and conclusive.

26. Clarification from Bidder

If at any time during the evaluation process IZL requires any clarifications, IZL reserve the right to request such information from any Bidder and the Bidder shall be obliged to provide the same.

27. Rules of Construction

i. Words imparting singular shall also include plural and vice-versa and any word defined in the singular shall have the corresponding meaning when used in the plural and vice versa.

ii. The titles or headings in this Document are for convenience and easy reference only and shall not be taken into account for the purpose of construction or interpretation of this Document.

iii. A reference to any gender includes the other gender.

iv. Unless otherwise specified, a reference to a Chapter, Clause, Annexure, Schedule, Attachment or paragraph is a reference to a Chapter, Clause, Annexure, and Schedule, Attachment or paragraph of this Document.

v. The terms “include” and “including” shall be deemed to be suffixed with the words "without limitations", whether or not so followed.

vi. In case of Common Clauses appearing elsewhere in the tender documents, the clause in volume 1 of the tender document shall prevail.

28. Governing Law

This Document shall be governed by and interpreted in accordance with laws in force in Mozambique.

29. Signing of Consultancy Services Contract 0

IZL shall conclude the Consultancy Services Contract with the Successful Bidder whose bid has been determined to be qualified, substantially responsive, and has been determined as the lowest evaluated bid.

Notification of award of Consultancy Services Contract shall be made in writing through a Letter of Intent (LOI) to the Successful Bidder. The Successful Bidder shall acknowledge the receipt of the same in writing.

A formal Agreement (Consultancy Services Contract) will be signed between IZL and the Successful Bidder following the issuance of the LoI. If the Successful Bidder fails to sign the Agreement, the same shall constitute sufficient ground for the annulment of the LOI and also the forfeiture of EMD, in which event IZL may make the award to the next lowest evaluated responsive Bidder or call for new bids.

PART – B OF BIDDING DOCUMENTS

GLOBAL TENDER NO. TE/IZL*/01/2022* dated 06.12.2022

PROFORMA FOR PRICE BID

The file has to be in PDF and password protected and has to be sent to the following Mail ids. (Password to be provided only on request received from IZL):

Sourcing@icvl.co.mz

1. Name of the Bidder: …….…….
2. Address: ……..
3. Price chargeable ----------

NAME & SIGNATURE OF THE AUTHORISED SIGNATORY OF THE BIDDER

(NAME OF THE BIDDER)

Note: **No conditions shall be mentioned in this Format.**