



**ALEXKOR SOC LIMITED □ REQUEST FOR PROPOSAL (RFP) □ RFP
NUMBER: 2016/10/14 DUE DILIGENCE: APPOINTMENT OF A SERVICE
PROVIDER TO CONDUCT A DUE DILIGENCE STUDY ON A MINING
COMPANY, WHICH CURRENTLY OPERATES TWO BENEFICIATION
PLANTS ONLY. THE SERVICE PROVIDER IS ALSO EXPECTED TO
DEVELOP A BUSINESS CASE**

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This document□ has been prepared for the exclusive use of professional service providers, that will submit a tender proposal to Alexkor SOC Limited. It contains confidential data and planning, and should be handled accordingly. To safeguard the integrity of the information contained within this enquiry, the whole or part(s) of this enquiry may not be quoted or published without the prior written consent of Alexkor SOC Limited.

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Document A: Conditions to be observed when tendering DOCUMENT A

CONDITIONS TO BE OBSERVED WHEN TENDERING

1.	Scope of Tender	Alexkor SOC Limited (hereinafter referred to as the "Company") issues this tender document for the procurement of a service provider to conduct a due diligence study on a mining company, which currently operates two beneficiation plants only. The service provider is also expected to develop a business case.
2	Eligible Tenders	The tenderer is expected to examine all instructions, forms, terms, and specifications in the tender document. Failure to furnish all information or documentation required may result in the rejection of the Tender.
		A prospective tenderer requiring any clarification of the tender document shall contact the Company in writing at the e-mail address of the contact person provided in the tender invitation in this tender

3	<p>Clarification of Tender</p>	<p>document.</p> <p>The Company will respond to any request for clarification within three working days, provided that such a request is received prior to the deadline for submission of Tenders.</p> <p>Should the Company deem it necessary to amend the tender document as a result of a request for clarification, it shall do so in writing to all prospective tenderers.</p> <p>Should there be a difference of interpretation between the Tenderer and Company; the Company reserves the right to make a final ruling on such interpretation.</p> <p>There will be a non-compulsory clarification meeting at the Alexkor SOC Head Office on the 22nd of September 2016 at 10h30. The Company address is: Woodlands Office Park, 20 Woodlands Drive, Building 15, 2nd Floor, Woodmead, Johannesburg, 2191</p>
4	<p>Amendment of Tender Document</p>	<p>At any time prior to the deadline for submission of Tenders, the Company may amend the tender document by issuing addenda. Any addendum issued shall be part of the tender document and shall be communicated in writing via the tendering medium used to advertise this Tender. To give prospective tenderers reasonable time in which to make an addendum to their Tenders, the Company may, at its discretion, extend the deadline for the submission of Tenders.</p>

5	Rejection of Proposal	The Company reserves the right to reject a proposal for award if it determines that the tenderer recommended for award has engaged in prohibited practices in competing for the contract in question.
6	Cost of Tendering	The tenderer shall bear all costs associated with the preparation and submission of its Tender, and the Company shall not be responsible or liable for those costs, regardless of the conduct or outcome of the Tendering process.
7	Language of Tender	<p>The Tender, as well as all correspondence and documents relating to the Tender exchanged by the tenderer and the Company, shall be written in the English language.</p> <p>Supporting documents and printed literature that are part of the Tender must also be in the English language.</p>
8	Letter of Tender and Price Schedules	<p>The Tender shall comprise of the following:</p> <ul style="list-style-type: none"> . a) Tender cover letter <input type="checkbox"/> . b) Completed tender form <input type="checkbox"/> . c) Signed confidentiality undertaking <input type="checkbox"/> . d) Tender company references <input type="checkbox"/> . e) Company BBBEE certificate <input type="checkbox"/> . f) A valid and original tax clearance certificate issued by SARS <input type="checkbox"/> . g) Proof of database registration with the Central

		Database of the National Treasury
9	Tender currency	The currency of the tender and the payment shall be South African Rand.
10	Period of validity of Tenders	<p>Tenders shall remain valid from the Tender submission deadline date to the last day as stated in this tender.</p> <p>In case the award is delayed beyond two months of the expiry of the initial Tender validity, the Contract price shall be adjusted in accordance with Statistics SA escalation indices for the period in question.</p>
11	Format and signing of Tenders	<p>The tenderer shall prepare one original of the documents comprising the Tender as described in (8) above and clearly mark it "ORIGINAL." The original shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the tenderer.</p> <p>The name and position held by each person signing the authorization must be typed or printed below the signature.</p> <p>Any amendments, interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the Tender.</p>
12	Submission, sealing and marking of Tenders	Tenderers must submit their Tenders by depositing the tender into the Company's tender boxes as specified in 13 below. The tender envelope shall bear the name and address of the tenderer and be

		addressed to the Company.
13	Deadline for submission of Tenders	<p>Tenders must be received by the Company at Woodlands Office Park, 20 Woodlands Drive, Building 15, Woodmead, Johannesburg, no later than 12h00 on 14 October 2016</p> <p>The Company may, at its discretion, extend the deadline for the submission of Tenders by amending the Tender Document, in which case all rights and obligations of the Company and tenderers previously subject to the deadline shall thereafter be subject to the deadline as extended.</p>
14	Late Tenders	<p>The Company shall not consider any Tender that arrives after the deadline for submission of Tenders. Any Tender received after the deadline for submission of Tenders shall be declared late, rejected, and returned to the tenderer.</p>
15	Withdrawal, Substitution, and Modification of Tenders	<p>A tenderer may withdraw, substitute, or modify its Tender after it has been submitted by sending a written notice, duly signed by an authorized representative. The corresponding substitution or modification of the Tender must accompany the respective written notice. All notices must be received by the Company prior to the deadline prescribed for submission of Tenders. Tenders requested to be withdrawn shall be returned to the tenderers.</p>

		No Tender may be withdrawn, substituted, or modified in the interval between the deadline for submission of Tenders and the expiration of the period of Tender validity specified by the tenderer on the Letter of Tender or any extension thereof.
16	Confidentiality	Information relating to the evaluation of Tenders shall not be disclosed to tenderers or any other persons not officially concerned with such process until information on Contract award is communicated to all tenderers. Any attempt by a tenderer to influence improperly the Company in the evaluation of the Tenders or Contract award decisions may result in the rejection of its Tender. From the time of Tender opening to the time of Contract award, if any tenderer wishes to contact the Company on any matter related to the tendering process, it should do so in writing.
17	Determination of responsiveness	<p>The Company's determination of a Tender's responsiveness is to be based on the contents of the Tender itself. A substantially responsive Tender is one that meets the requirements of the Tender Document without material deviation, reservation, or omission. "Deviation" is a departure from the requirements specified in the Tender Document; "Reservation" is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in the Tender Document; and "Omission" is the failure to submit part or all of the information or documentation required in the Tender Document.</p> <p>A material deviation, reservation, or omission is one that, if accepted, would affect in any substantial way the scope, quality, or performance of the technical requirements as specified in Document C; or limit</p>

		<p>in any substantial way, inconsistent with the Tender Document, the Company's rights or the tenderer's obligations under the proposed Contract; or if rectified, would unfairly affect the competitive position of other tenderers presenting substantially responsive Tenders.</p> <p>The Company shall examine the technical aspects of the Tender in particular, to confirm that all requirements of Document C have been met without any material deviation, reservation, or omission.</p> <p>If a Tender is not substantially responsive to the requirements of the Tender Document, it shall be rejected by the Company and may not subsequently be made responsive by correction of the material deviation, reservation, or omission. Provided that, if a Tender is substantially responsive, the Company may waive any quantifiable nonconformity in the Tender that do not constitute a material deviation, reservation or omission.</p>
18	Qualification of Tender	<p>The Company shall determine to its satisfaction whether the tenderer that is selected as having submitted the lowest evaluated and substantially responsive Tender meets the qualifying criteria specified in Document C.</p> <p>Should Tenderer(s) be selected for further negotiations, they will be chosen based on the greatest benefit to the Company and not necessarily because of the lowest costs. □The Company reserves the right to undertake post-</p>

		tender negotiations with the preferred Tenderer or any number of short-listed Tenderers.
19	Company's right to accept any Tender, and to reject any or all Tenders	The Company reserves the right to accept or reject any tender, and to annul the Tendering process and reject all Tenders at any time prior to contract award, without thereby incurring any liability to tenderers. In case of annulment, all Tenders submitted shall be promptly returned to the tenderers.
20	Award Criteria	The Company shall award the Contract to the tenderer in terms of the PFMA and the PPPFA and in terms set out in this Document Preference will, at all times, to be given to BBBEE companies.
21	Notification of Award	Prior to the expiration of the period of Tender validity, the Company shall notify the successful tenderer, in writing, that its Tender has been accepted. Until a formal contract is prepared and executed, the notification of award shall constitute a binding contract.
22	Communication	Tenderers are warned that a response will be liable to disqualification should any attempt be made by a tenderer either directly or indirectly to canvass any officer(s) or employees of ALEXKOR in respect of a tender, between the closing date and the date of the award of the business. A tenderer may, however, BEFORE THE CLOSING DATE direct any enquiries relating to the RFP to the Company official Contact Person as indicated on this RFP. The closing time for clarification of queries is five (5) days before the deadline for

		tender submission and all queries shall be submitted via email.
23	Technical Specifications (Document C)	All Tenderers are required to submit tenders in accordance with the stipulated technical specification as indicated on this tender. Failure to comply with the required technical specification will result in disqualification.
24	Broad Based Black Empowerment	<p>The Company applies a policy of Broad Based Black Economic Empowerment (BBBEE) in all its employment, programmes, practices and business relationships as set out in Document E. Information submitted will be considered during the tender adjudication process.</p> <p>The BBBEE certificate from South African Accreditation Systems (SANAS) or from the Auditors approved by the Independent Regulatory Body of Auditors (IRBA) MUST be submitted. The Company reserves the right, should it deem it necessary, to monitor every stage of the contract to ensure:</p> <ul style="list-style-type: none"> • That the directors who were awarded the tender are in <input type="checkbox"/> control of the company and/or that changes in directors <input type="checkbox"/> does not affect delivery of the contract adversely; <input type="checkbox"/> • That, if there are changes in the control of the company, <input type="checkbox"/> these should be brought to the attention of the Company; <input type="checkbox"/> • That in the event that the tender or any part thereof is to be subcontracted to another company or organization after the tender

		<p>was awarded, the Tenderer must immediately advise the Company and the Company shall approve as it <input type="checkbox"/> deems fit. <input type="checkbox"/></p> <ul style="list-style-type: none"> • Successful delivery of the contract, or timeous termination <input type="checkbox"/> of the contract should such action be in the best interest of the Company. <input type="checkbox"/> • Audit the successful Tenderer's contract from time to time.
25	Default by Tenderers	If a Tenderer withdraws their tender(s) within the period for which they have agreed that their tender shall remain open for acceptance, or fails to enter into a written contract when called upon to do so; or fails to accept an order in terms of the tender, the Company may, without prejudice to any other legal remedy which it may have, accept their tender(s) notwithstanding the purported withdrawal, or proceed to accept any other less favourable tender or call for tenders afresh and may recover from the defaulting Tenderers any additional expense to which it has been put by reason of the calling for new tenders or the acceptance of any less favourable tender.
26	Risk aspects	The Tenderer should highlight any risks to the Company related to any aspects of the intended plan, cost and schedule of the scope of work.
27		<p>Payment will be made by means of a bank transfer. The Tenderer must provide:</p> <ul style="list-style-type: none"> – Name and address of their bank. <input type="checkbox"/> – Company account number to be

	Payment	<p>credited. <input type="checkbox"/></p> <ul style="list-style-type: none"> – Verification that the number is a valid bank account of the Company. <input type="checkbox"/> – The Company's standard payment terms are 30 days from date of invoice. <input type="checkbox"/>
28	Assignment of Contract	The Tenderer shall not have the right to cede any right or delegate any obligation in terms of this contract to any third party unless with the prior written approval of the Company.
29	Commission	<p>The Company shall not in any way be responsible or liable for payment of the commission due on this contract as far as the total contract amount would be exceeded by any addition of such commission.</p> <p>The payment of commission shall be the exclusive liability of the Tenderer, which indemnifies the Company hereby against agent's claims for commission of any nature.</p>
30	Publications	The Tenderer shall not permit or allow any information regarding the contract works to be published in any scientific, engineering or other newspaper, periodical or publication without first obtaining the consent of the Company thereto.
31	Law Applicable	Irrespective of where this contract happens to be finally concluded, it shall be deemed to have been entered into in the Republic of South Africa whose law and courts' jurisdiction shall prevail throughout, in this connection. The Tenderer shall be in full and complete compliance with any and all applicable State and Local laws and regulations.

32	Proposals are considered to be binding on the tenderers	Representations made in the tender, including claims made in respect of commitments to dates of delivery, shall be considered binding on the Tenderer at the time of contract negotiation, unless specifically noted by the Tenderer in the tender.
33	Failure to comply with these conditions	These conditions form part of the tender and failure to comply therewith may invalidate a tender.

	<p>34 Disclaimers</p>	<p>Tenderers are hereby advised that the Company is not committed to any course of action because of its issuance of this TENDER and/or its receipt of a tender in response to it. In particular, please note that the Company may:</p> <ul style="list-style-type: none"> • change all services on tender and to have Supplier re-bid on any changes <input type="checkbox"/> • reject any tender which does not conform to instructions and specifications issued herein <input type="checkbox"/> • disqualify tenders received after the stated submission deadline <input type="checkbox"/> • not necessarily accept the lowest priced tender <input type="checkbox"/> • reject all tenders, if it so decides <input type="checkbox"/> • award a contract in connection with this tender at any time <input type="checkbox"/> • award only a portion as a contract <input type="checkbox"/> • split the award of the contract to more than one tenderer <input type="checkbox"/> • make no award of a contract <input type="checkbox"/>
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| | | <ul style="list-style-type: none">• Kindly note that the Company will not reimburse any <input type="checkbox"/> Tenderer for any preparation costs or other work performed in connection with this tender, whether or not the Tenderer is awarded a contract. <input type="checkbox"/>• The appointed company is expected to furnish Alexkor SOC Ltd with professional indemnity. This is compulsory and if not provided, then the company will be disqualified and another company will be appointed. |
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QUERIES FROM TENDERERS

The Company has provided a single point of entry for any questions or queries that the Tenderer may have. All queries must be submitted in writing and directed to the authorized contact person, whose contact details are shown below. Unauthorized communication and will result in disqualification of the respective Tenderer's tender submission.

The Authorized contact person's details for Tenderers Queries are as follows:

Humphrey Mokwena (Chief Operations Officer)

Email: humphreym@alexkor.co.za

END OF DOCUMENT A

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Document B: Declaration of Interests

DOCUMENT B

DECLARATION OF INTERESTS

1. Any due diligence service provider or natural person, excluding any permanent employee of ALEXKOR, may make an offer or offers in terms of this tender invitation. In view of possible allegations of favouritism, should the resulting tender, or part thereof be awarded to:
 - 1.1. Any person employed by the ALEXKOR in the capacity of Tenderer, consultant or service □ provider; or □
 - 1.2. Any person who acts on behalf of ALEXKOR; or
 - 1.3. Any person having kinship, including a blood relationship, with a person employed by, or □ who acts on behalf of ALEXKOR; or □
 - 1.4. Any legal person which is in any way connected to any person contemplated in paragraph □(a), (b) or (c),□ it is required that: □The Tenderer or his/her authorized representative shall declare his/her position *vis-à-vis the Company* and/or take an oath declaring his/her interest, where it is known that any such relationship exists between the Tenderer and a person

NAME :

POSITION :

OFFICE WHERE EMPLOYED :

TELEPHONE NUMBER :

RELATIONSHIP :

2. Failure on the part of a Tenderer to fill in and/or sign this certificate may be interpreted to mean that an association as stipulated in paragraph 1, supra, exists.

3. In the event of a contract being awarded to a Tenderer with an association as stipulated in paragraph 1, supra, and it subsequently becomes known that false information was provided in response to the above question, the Company may, in addition to any other remedy it may have:

3.1. recover from the Tenderer all costs, losses or damages incurred or sustained by the Company as a result of the award of the contract; and/or

3.2. Cancel the contract and claim any damages, which the Company may suffer by having to make less favourable arrangements after such cancellation.

SIGNATURE OF DECLARANT

TENDER NUMBER

DATE

POSITION OF DECLARANT

NAME OF COMPANY OR TENDERER

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TENDER FORM (TO BE FILLED OUT AND RETURNED WITH TENDER)

WOODLANDS OFFICE PARK, 20 WOODLANDS DRIVE, WOODMEAD

JOHANNESBURG

We offer to provide the scope of the plan / services in accordance with the accompanying sections A to G of the tender data pack for the following rate as determined in accordance with the conditions of the contract.

We confirm that we have submitted all returnable schedules and documentation as required by this enquiry, that the offer is firm and binding and valid for 60 calendar days from the date hereof, that the offer is and shall remain fixed for the current year and a reasonable escalation rate will be applied to all such fees for the subsequent years of the contract period. By signing the TENDER documents, the Tenderer is deemed to acknowledge and accept that all the conditions governing this TENDER, including those contained in any printed form stated to form part thereof and the Company will recognize no claim for relief based on an allegation that the Tenderer overlooked any such condition or failed properly to take it into account for the purpose of calculating tendered prices or otherwise.

Yours sincerely,

Name(s) : (Insert name and signature of authorised representative)

Capacity : (Insert capacity of duly authorised representative)

On behalf of : (Insert name and address of the organization)

Witness name : (Insert name and signature)

Date : (Insert date)

END OF DOCUMENT B

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DOCUMENT C □

SPECIFICATION FOR THE APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT A DUE DILIGENCE STUDY ON A MINING COMPANY, WHICH CURRENTLY OPERATES TWO BENEFICIATION PLANTS ONLY. THE SERVICE PROVIDER IS ALSO EXPECTED TO DEVELOP A BUSINESS CASE

1. INTRODUCTION

As a commercialized state asset, the core business of Alexkor is the mining of diamonds on land, along rivers, on beaches and in the sea along the northwest coast of South Africa. These activities are complemented by geology, exploration, ore reserve planning, rehabilitation and environmental management. Alexkor's distinctive competencies are its quality of diamonds and its unique land and mineral resources. Over the life of the mine approximately 10,000,000 carats of gemstone quality diamonds have been recovered.

Recently, Alexkor's management has been directed to refocus its activities and play a significant role in ensuring other government parastatals and SOEs have access to crucial commodities necessary to conduct their mandated activities. The refocus has led to Alexkor's new coal mining business. The coal mining strategy, which is largely driven by Eskom's critical shortfall in strategic coal supply, ensures energy security in the country. In line with its commitment to address the issue of inequity, Alexkor will endeavour to partner with black emerging miners to realize this strategy.

Consequently, Alexkor is looking for suitable and experienced professional service providers to assist it with the due diligence study on a mining company that

currently operates two beneficiation plants only. As such Alexkor is calling for proposals from Service providers with the expertise outlined in the section below.

2. SCOPES AND EXTENT OF WORK

Alexkor would like to invite registered service providers to bid for the following services.

2.1. Conduct a due diligence on the mining company

The appointed service provider shall conduct a due diligence study as per the scope of work provided in **DOCUMENT G: Scope of work**

2.2. Provide a Business Case

Once the due diligence study has been completed and it is favourable, then the preferred service provider will assist Alexkor in drafting a business case to justify Alexkor's potential partnership with the mining company. The contents of the business case will be as per the scope of work provided in DOCUMENT G: Scope of work.

3. SKILLS TRANSFER

During the implementation stages of the project, it is critical that the service providers are committed to transferring skills through mentoring of Company employees and/or BEE candidates as proposed by the Company.

The appointed Company might be required to form a JV with their preferred empowerment partner and the allocation of fees should be 75:25, to ensure that more meaningful transformation is achieved.

4. DEMONSTRATION OF CAPABILITIES □

Tenderers may be required to demonstrate their proposed capabilities by means

of a presentation; clear and easily verifiable reference documentation. Tenders, which do not meet the technical requirements, will not be considered for further evaluation.

5. PROJECT COSTS

A detailed project budget must be provided. Provide costing for each of the tasks to be undertaken. An outline of the project phases should be clearly indicated and a detail of what costs will be utilised at which stage of the project.

□END OF DOCUMENT C □

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DOCUMENT D

1. EVALUATION CRITERIA

1.1. Responses will be evaluated using a predetermined set of evaluation criteria/ threshold as set out in the table below. The evaluation criteria is designed to reflect the Company's requirements in terms of identifying a suitable service provider and ensure the selection process is transparent and afford all the bidders a fair opportunity for evaluation and selection.

NO	Category	Total / % Weight	Points
A.	Functionality	100	
1	Bidder understanding of the brief and the methodology to be employed to achieve the objectives.	20	
2	Capability and experience	20	
3	Track Record	30	
4	Skills transfer	10	
5	Project management and quality control	10	
6	Project success factors	10	
B	B-BBEE level Contributor	Number of Points 10	
1		10	
2		9	
3		7	
4		5	
5		3	
	Lower rated (below a score 5)		
C	Level of BEE ownership	Number of Points 10	
100%		10	
	Great than or equal to 65% and less than 100%	9	
	Great than or equal to 50% and less than 65%	7	
	Great than or equal to 26% and less than 50%	5	
	Great than or equal to 10% and less than 26%	2	
	Less than 10%	0	
D	Pricing	90	

90/10 Principle will be applied as follows to obtain the total score:

B & C scores will be averaged and will contribute 10% towards the Total Score

D score will contribute 90% towards the Total Score

1.2. EVALUATION THRESHOLD□Bidders must achieve **70%** of the total score for functionality to pass to the next level where they will be evaluated for HDI/BBBEE, level of BBBEE ownership and pricing. □

1.3. FRONTING IS PROHIBITED□Fronting means a deliberate circumvention or attempted circumvention of the B-BBEE Act and the Codes. Fronting commonly involves reliance on data or claims of compliance based on misrepresentations of facts, whether made by the party claiming compliance or by any other person. □

**2. IN EVALUATING THE TECHNICAL INFORMATION CONTAINED IN THE BID,
THE EVALUATION COMMITTEE WILL BE GUIDED BY THE FOLLOWING:**

2.1. Bidder understanding of the brief - The bid provides a clear indication that the bidder fully understands the purpose and scope of the work and the bidders' own roles and functions in this regard. □

2.2. Capability and experience - The bid provides a clear indication that the bidder's team comprises people with the necessary experience, skills, qualifications, knowledge and skills required to ensure the efficient and effective generation of the required deliverables to the standards of quality. □

2.3. Skills transfer - The bid clearly describes the bidder's contribution to ensuring the transformation of this work (be specific) e.g. mentorship, bursary, on-the job training and/or other initiatives that successfully transfer skills to historically disadvantaged individuals. □

2.4. Qualifications and experience in performing due diligence and business cases work - The bid clearly describes the bidder's track record in performing due diligences and business cases work, relevant qualifications and proper project management and quality control measures.

END OF DOCUMENT D □

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DOCUMENT E □

**1. BROAD BASED BLACK ECONOMIC EMPOWERMENT FORM AND
FINANCIAL INFORMATION**

1.1. The Company fully endorses and supports the Government's Broad-based Black Economic Empowerment Programme and it is strongly of the opinion that all South African Business Enterprises have an equal obligation to redress the imbalances of the past. □

1.2. The Company will therefore prefer to do business with local and/or business enterprises in the surrounding areas that share these same values. □

1.3. In addition to the above, Tenderers who wish to enter into a Joint Venture or subcontract portions of the contract to BBBEE companies, must state in their tenders the percentage, of the total contract value that will be allocated to such BBBEE companies, should they be successful in being awarded any business. A rating certificate in respect of such BBBEE JV- partners and / or sub-Tenderer/s, as well as a breakdown of the distribution of the aforementioned percentage must also be furnished. □

1.4. In view of the high emphasis which the Company places on Broad-based Black Economic Empowerment, the Company will allocate points to BBBEE in awarding this tender. However, Price and delivery /lead-time will also play a very important factor.

1.5. Each Tenderer is required to furnish proof of the above to the Company. Failure to do so will result in a score of zero being allocated for BBBEE. Tenderers are required to respond to all the items of this document. Compliance is Mandatory. The Company reserves the right to audit and/or request information to support or validate of any of the figures provided in response to the BEE questionnaire prior to the award of the tender.

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2. BUSINESS DETAILS OF TENDERER

2.1. Name of company or close company: _____

2.2. Company or Close Company registration number :□_____

2.3. VAT number :_____

2.4. Postal Address:_____

2.5. Street Address:_____

2.6. Telephone Number_____ Fax Number _____

2.7. Contact Person _____

2.8. Full Names of Shareholders/Members by race and gender and % shareholding; (In case of a public company, shareholders with more than 10%): □

2.9. Name(s) of responsible officers that will be assigned to this contract, if it is awarded to your company.

2.10. Name and address of bankers: _____
Branch _____ Account No. _____

2.11. Name and Address of attorneys:

2.12. Name and address of auditors / accounting officer

3. BUSINESS DETAILS OF HOLDING, SUBSIDIARY AND ASSOCIATED COMPANIES

3.1. Name of Group Holding Company: _____

3.2. Registration Number of Group Holding Company

3.3. Postal Address _____

3.4. Street Address _____

3.5. Names and addresses of all subsidiary companies _____

4. FINANCIAL INFORMATION

4.1. Audited financial statements for the last three financial years, where applicable, of the tendering company and the holding company must be enclosed with your tender application.

4.2. State the names of group holding, subsidiary or associated companies that will be supporting contract undertakings in connection with this tender and state the nature and extent of this support

4.3. Has the tendering company or any associated company been liquidated or placed under provisional liquidation or judicial management? If so, give full details and reasons: _____

4.4. Has any director or former director of the tendering company ever been declared insolvent and if so has such director rehabilitated?

5. CORE BUSINESS, SUB-CONTRACTING AND STRATEGIC ALLIANCES

4.5.1. Tenderers must supply a brief description of their core business in the field in which they are tendering together with the major users of their services.

CORE BUSINESS	USER COMPANY CONTACT PERSON AND TELEPHONE NUMBER

5.2. What business activities are being sub-contracted or can be sub-contracted?

END OF DOCUMENT E

ALEXKOR SOC LIMITED □ REQUEST FOR PROPOSAL (RFP) □ RFP NUMBER: 2016/10/14 DUE DILIGENCE: APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT A DUE DILIGENCE STUDY ON A MINING COMPANY, WHICH CURRENTLY OPERATES TWO BENEFICIATION PLANTS ONLY. THE SERVICE PROVIDER IS ALSO EXPECTED TO DEVELOP A BUSINESS CASE

DOCUMENT F

CONFIDENTIALITY UNDERTAKING

1. The Tenderer undertakes in relation to the Company's Confidential Information:

- a. To keep it confidential and not to disclose it to any person, whether by press release, public announcement or otherwise, without the prior written consent of the □ Company; □
- b. To use it only for the purpose for which the Company has disclosed it to the tenderer □ and for no other purpose and in particular, but without prejudice to the generality of the foregoing: □ i. not to make any commercial use thereof; □ ii. not to use the same for the benefit of itself or of any third party; □ iii. not to use the same for the purpose of guiding or conducting a search of any information, materials or sources, whether or not available to the public, for any purpose whatsoever, including, without limitation, for the purpose of

demonstrating that any information falls within one of the exceptions set out herein; iv. not to copy, reproduce or reduce to writing any part thereof except as may be reasonably necessary for the purpose for which it was disclosed; v. to apply thereto no lesser security measures and degree of care than those which the tenderer applies to its own confidential information.

2. The obligations imposed herein do not extend to information which is required to be disclosed by the provisions of any law or statute or regulations, or during any court proceedings or by the rules of any recognised Stock Exchange where the party required to make the disclosure has taken all reasonable steps to oppose or prevent such disclosure, and to limit, as far as is reasonably possible, the extent of such disclosure prior to making such disclosure.

END OF DOCUMENT F

**ALEXKOR SOC LIMITED□REQUEST FOR PROPOSAL (RFP)□RFP NUMBER:
2016/10/14 DUE DILIGENCE: APPOINTMENT OF A SERVICE PROVIDER TO
CONDUCT A DUE DILIGENCE STUDY ON A MINING COMPANY, WHICH
CURRENTLY OPERATES TWO BENEFICIATION PLANTS ONLY. THE
SERVICE PROVIDER IS ALSO EXPECTED TO DEVELOP A BUSINESS CASE**

Document G: Scope of Work

DOCUMENT G

SCOPE OF WORK

1. The scope of work for the **due diligence** will be specifically be for the targeted mining company and will cover but not limited to the following areas:

I. Financial Information

A. Annual and quarterly financial information for the past three years

1. Income statements, balance sheets, cash flows, and footnotes
2. Planned versus actual results
3. Management financial reports
4. Breakdown of sales and gross profits by:
 - ❖ Product Type
 - ❖ Channel
 - ❖ Geography (if applicable)
5. Current backlog by customer (if any)
6. Accounts receivable aging schedule

B. Financial Projections

1. Quarterly financial projections for the next three fiscal years

- ❖ Revenue by product type, customers, and channel
- ❖ Full income statements, balance sheets, cash
- 2. Major growth drivers and prospects
- 3. Predictability of business
- 4. Risks attendant to foreign operations (e.g., exchange rate fluctuation, Government instability)
- 5. Industry and company pricing policies
- 6. Economic assumptions underlying projections (different scenarios based on price and market fluctuations)
- 7. Explanation of projected capital expenditures, depreciation, and working capital arrangements
- 8. External financing arrangement assumption

C. Capital Structure

1. Current shares outstanding
2. List of all stockholders with shareholdings, options, warrants, or notes
3. Schedule of all options, warrants, rights, and any other potentially dilutive securities with exercise prices and vesting provisions.
4. Summary of all debt instruments/bank lines with key terms and conditions
5. Off balance sheet liabilities

D. Other financial information

1. Summary of current federal, state and foreign tax positions, including net operating loss carry forwards
2. Discuss general accounting policies (revenue recognition, etc.)
3. Schedule of financing history for equity, warrants, and debt (date, investors, dollar investment, percentage ownership, implied valuation and current basis for each round)

II. Products

A. Description of each product

1. Major customers and applications
2. Historical and projected growth rates
3. Market share
4. Speed and nature of technological change
5. Timing of new products, product enhancements
6. Cost structure and profitability

III. Customer Information

- A. List of top 15 customers for the past two fiscal years and current year-to-date**
(name, contact name, address, phone number, product(s) owned, and timing of purchase(s))
- B. List of strategic relationships**

(name, contact name, phone number, revenue contribution, marketing agreements)

C. Revenue by customer

(name, contact name, phone number for any accounting for 5 percent or more of revenue)

D. Brief description of any significant relationships severed within the last two years.

(name, contact name, phone number)

E. List of top 10 suppliers for the past two fiscal years and current year-to-date with contact information

(name, contact name, phone number, purchase amounts, supplier agreements)

IV. Competition

A. Description of the competitive landscape within each market segment including:

1. Market position and related strengths and weaknesses as perceived in the market place
2. Basis of competition (e.g., price, service, technology, distribution)

V. Marketing, Sales, and Distribution

A. Strategy and implementation

1. Discussion of domestic and international distribution channels
2. Positioning of the Company and its products
3. Marketing opportunities/marketing risks
4. Description of marketing programs and examples of recent marketing/product/public relations/media information on the Company

B. Major Customers

1. Status and trends of relationships
2. Prospects for future growth and development
3. Pipeline analysis
- C. Principal avenues for generating new business

D. Sales force productivity model

1. Compensation
2. Quota Average
3. Sales Cycle
4. Plan for New Hires

E. Ability to implement marketing plans with current and projected budgets

VI. Risks and Challenges faced by the company

VII. Management and Personnel

- A. Organization Chart
- B. Historical and projected headcount by function and location
- C. Summary biographies of senior management, including employment history, age, service with the Company, years in current position
- D. Compensation arrangements
 - 1. Copies (or summaries) of key employment agreements
 - 2. Benefit plans
- E. Discussion of incentive stock plans
- F. Significant employee relations problems, past or present
- G. Personnel Turnover
 - 1. Data for the last two years
 - 2. Benefit plans

VIII. Legal and Related Matters

A. Pending lawsuits against the Company

(detail on claimant, claimed damages, brief history, status, anticipated outcome, and name of the Company's counsel)

B. Pending lawsuits initiated by Company

(detail on defendant, claimed damages, brief history, status, anticipated outcome, and name of Company's counsel)

C. Description of environmental and employee safety issues and liabilities

- 1. Safety precautions
- 2. New regulations and their consequences

D. List of material patents, copyrights, licenses, and trademarks

(Issued and pending)

E. Summary of insurance coverage/any material exposures

F. Summary of material contacts

G. History of SEC or other regulatory agency problem, if any

H. Proof of Integrated Water-Use License Authorization (IWULA)

I. Proof of EMPR

J. Proof of payment for Employees Workmen Compensation

2. The scope of work for the **bankable business case** will cover but not limited to the following areas:

2.1 Background

Alexkor SOC Ltd is interested in acquiring equity in this mining company and depending on the results of the due diligence, would like to look into the possibility

of making an offer to this mining company. Alexkor will only be in a position to make this offer once a **bankable** business case has been presented and approved by the Shareholder. It is in this light that the appointed service provider should also develop a robust business case subsequent to the due diligence study.

The purpose of this business case is to assist Alexkor in developing the vision and plans around the coal strategy. It will also ensure that resources are allocated on a sound business rationale and consistent with the priorities of the company.

2.2 Scope

The scope of work for the business case will cover but not limited to the following areas:

- 1 INTRODUCTION**
- 2 EXECUTIVE SUMMARY**
- 3 BUSINESS NEED AND CURRENT SITUATION**
- 4 PROJECT OVERVIEW**
 - 4.1 Objectives
 - 4.2 Scope and out of scope
 - 4.3 Deliverables
 - 4.4 Stakeholders
 - 4.5 Resources
- 5 STRATEGIC ALIGNMENT**
- 6 ENVIRONMENTAL ANALYSIS**
- 7 MARKET READINESS**
- 8 ALTERNATIVES (BUSINESS, TECHNICAL)**
- 9 BUSINESS AND OPERATIONAL IMPACTS**
- 10 RISK ASSESSMENT AND ANALYSIS**
- 11 FEASIBILITY ASSESSMENT AND ANALYSIS**
- 12 IMPLEMENTATION STRATEGY**
- 13. SYNERGIES/VALUE ADD POST ACQUISITION**
- 14. FUNDING OPTIONS AVAILABLE TO ALEXKOR**
- 15. POST ACQUISITION CAPITAL STRUCTURE**
- 16. ROBUST AND AUDITABLE FINANCIAL MODELLING**
- 13 CONTRACT MANAGEMENT PROCESSES AND TOOLS**
- 14 PROJECT REVIEW AND APPROVAL PROCESS**

15 RECOMMENDATIONS

16 BUSINESS CASE SIGN OFF

END OF DOCUMENT G