

	<i>Scope of Work</i>	Form No: Foskor PROC 017 Revision No: 01 Effective Date: August 2024
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Supply through Wheeling of Renewable Electricity over 10 years or 20 years (2 offers to be submitted) to Foskor Mining Division (Phalaborwa) in the town of Phalaborwa, Limpopo Province of South Africa. The current notified maximum demand (NMD) with Eskom is 75MVA.

Scope of Work

Signature:

Project Engineer

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Abbreviations

BOQ	Bill of Quantities	MHSA	Mine Health and Safety Act (Act 29 of 1996)
DAP	Diammonium Phosphate	PPE	Personal Protective Equipment
DB	Distribution Boards	ESA	Electricity Supply Agreement
DWS	Department of Water and Sanitation	QC	Quality Control
DWG	Drawing	QCP	Quality control Plan
IPP	Independent Power Producer	COD	Commercial Operation Date
ISO	International Organization of Standardization	SHE	Safety, Health, Environment
WEPS	Wholesale Electricity Pricing System	SHERQ	Safety Health Environment Radiation & Quality
MAP	Monoammonium phosphate	NERSA	National Energy Regulator of South Africa
MCOP	Mandatory Code of Practice	ToU	Time-of-Use
RE	Renewable Energy	WBS	Work-breakdown structure
RFP	Request for Proposal		

1 SCOPE OF WORK

1.1 BACKGROUND DOCUMENTATION

Foskor's Mining Division's Phalaborwa phosphate mine is an open cast mine located in Phalaborwa, Limpopo. The objective of this Scope of Work document is to establish relevant technical and commercial requirements to satisfy Foskor's renewable energy procurement aspiration. This document must be read in conjunction with RFP reference number FOSPHB-RFP-15-26/27 and attachments.

Foskor intends to procure renewable electricity under one of the pricing offers described below and prefers to procure from one Independent Power Producer ("IPP") and/or aggregator, collectively referred to throughout this RFP as "IPPs" or "Bidders". Foskor is aware that there may be "pockets of Renewable Energy" ("RE") available in generation assets in construction or operation. Foskor's preference would be to secure all its RE from these assets as this would deliver the earliest RE to Foskor's mining operations. While

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Foskop preference is to procure from facilities that are already in production, other generation assets that may still be in development may still be considered at Foskop's discretion, if the full capacity requirement cannot be satisfied from assets in construction or operation. Some of the details requested in the RFP relates to generation projects that are "still in development". Foskop is also aware that some bidders may propose energy from various generators but for the purpose of the valuation – a "Designated Generation Facility" must be identified for the purpose of evaluating status, Commercial Operation Date ("COD") and the savings impact from generation profiles.

Foskop may elect to work with more than one IPP where a suitable IPP is either not capable or not willing to meet all the requirements in full. Foskop will retain the right to decide if it wants to appoint more than one supplier.

Foskop's key objectives for this RFP and embarking on the RE Project are:

- Reducing the electricity cost for its Phalaborwa operations
- Reducing reliance on Eskom generated electricity
- Utilising the proposed project to reduce its Greenhouse Gas scope 2 emissions.

The response from the Bidders must demonstrate how these key objectives are being met with their respective response.

1.2 SITE CHARACTERISTIC

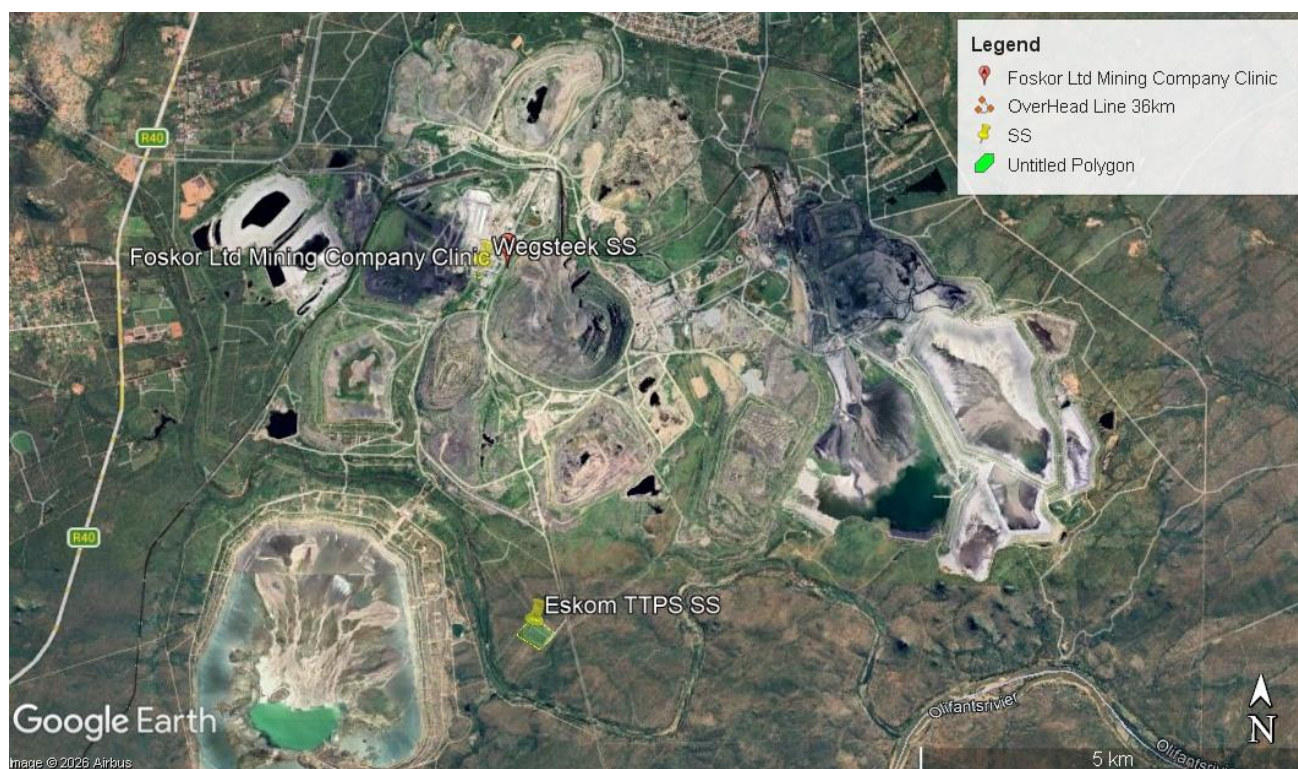
1.2.1 Electricity Supply

No.	Detail	Unit	Value
1.	Utility Supplier		Eskom
2.	Supply substation		Ext.8 and TTPS Substation in Phalaborwa
3.	Notified Maximum Demand	MVA	75MVA with agreement with Eskom to automatically increase to 90MVA
4.	Actual Maximum Demand	MVA	Average 65
5.	Supply Voltage	kV	132
6.	Tariff Structure		Megaflex Gen – non-local authority
7.	Annual electrical energy consumption and profile		Annexure 6 Foskop Phalaborwa Load Profile

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1.2.2 Site Geography

The plant is located at Phalaborwa, Limpopo, South Africa.



Location: 23°58'59" S

31°07'16" E

Site Altitude: 380 m above MSL

1.2.3 Ambient Conditions

No.	Detail	Unit	Value	Maximum
1.	Average summer temperature	°C	Average highs 30–34 °C Average lows: 18–22 °C	35–38 °C, 40 during heat waves in January and February
2.	Average winter temperature	°C	Average highs: 24–27 °C Average lows: 8–12 °C	
3.	Prevailing wind direction	Km/hour	west to northwest	

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4.	Design velocity	m/s	40	
5.	Average annual rainfall	mm	450–550 mm per year	
6.	Other		Very dusty	

1.3 SCOPE OF PROPOSAL

Foskor is inviting IPPs / Traders of renewable energy projects to submit compliant proposals for the supply of Renewable Energy to Foskor's Mining division in Phalaborwa, Limpopo province. The target of this RE programme is to achieve RE penetration of 50% by 2030. Bidders are required to submit two compulsory offers as described below:

- **Offer 1:** sale of renewable electricity via an offsite wheeling arrangement on a 10-year PPA
- **Offer 2:** sale of renewable electricity via an offsite wheeling arrangement on a 20-year PPA.

Proposals are to be based on the current and forecast demand profiles detailed in Annexure 6 Foskor Phalaborwa Load Profiles.

Foskor Phalaborwa is a 24/7 operation with an annual maintenance shutdown of either 5 calendar days for a short outage or approximately 30 calendar days planned normally during off-peak season, based on maintenance requirements.

For generation projects in development – Bidders must complete Schedule 20, Cashflow Template, in a fully functional, unlocked Excel format labeled Appendix 9, Financial Model for Projects Under Development. In this regard, each Bidder is expected to conduct detailed financial modelling of the Project to calculate the tariffs, Schedule 4 Price Schedule, and the required cash flow waterfall is a typical output of such a financial model.

For all Generation Projects (operations, construction or development) - Bidders are required to complete Schedule 4, Price Schedule. The schedule has 2 tabs, one for a 10-year PPA option and the other for a 20-year PPA option. Please refer to Foskor's terms in Annexure 1, PPA Term Sheet Offsite Wheeled, when calculating PPA tariffs. Tariffs shall be inclusive of all costs including taxes but excluding VAT. Bidders are to complete Schedule 20 Cashflow Templates. Please ensure that all information requested in Schedule 20 Cashflow Templates is provided. Blank schedules will render the submission non-compliant.

1.4 DESIGNATED GENERATION FACILITY INFORMATION

Bidders must provide the following information for the designated generator provided in the bid: Projected P50 & P90 Generation Profiles to be provided in hourly increments for the allocated generator to consider in the financial evaluation. The minimum generation guarantees must also be supplied. Please complete Schedule 7 Guaranteed Energy Supply Profile.

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1.5 PROJECTS IN DEVELOPMENT: CONSTRUCTION COST AND CONSTRUCTION SCHEDULE

If the energy being proposed is from a facility that has not yet reached financial close, Bidders must state in their Proposal, the total estimated cost of construction and commissioning of the Renewable Energy Facilities using 1 April 2026 as the base date, in ZAR, including the cost of any substations and overhead lines that make up the grid connection infrastructure.

Bidders must provide the estimated construction and commissioning lead time from the date of notice of Preferred Bidder to the commercial operation date based on the timelines anticipated by Foskop and detailed in the RFP Table 2 High Level Project Timeline of this RFP. This estimated timeline from the bidder must be provided in level 3 detail and labeled Appendix 4 Project Timeline.

1.6 PROJECT FUNCTIONAL SPECIFICATIONS

Information requested in this paragraph is only applicable if the energy is from a generating facility that has not yet achieved financial close.

Bidders are required to submit functional specifications for the proposed Wind and or PV Facilities and provide comprehensive information in support of their proposals for the new-build and for the offsite proposals. Please complete Schedule 19 Project Technical Input for Projects Under Development for this purpose.

The information provided in Schedule 7 Guaranteed Energy Supply Profile, Schedule 19 Project Technical Input for Projects Under Development, Schedule 6 Site and Permitting Tracker and Schedule 5 Experience Templates of the RFP will form the basis of the technical inputs into Schedule 20 Cashflow Templates and Schedule 4 Price Offer. Bidders are required to complete the above schedules in full to be compliant.

1.6.1 Environmental design assumptions and technical parameters

Bidders must provide written proof of all relevant environmental approvals for offsite wheeled energy where the energy is from a facility that has not yet reached financial close. Details must be provided by completing Schedule 6 Site and Permitting Tracker.

1.6.2 Project Development and Schedule

Bidders shall submit a level 3 Project construction schedule in MS Projects format as Appendix 4 Project Timeline, if the energy is from a facility that has not yet reached financial close.

1.6.3 List of Technical Risks, Opportunities, Issues and/or Concerns

Bidders shall upload a list designated Appendix 10 Technical Risks, containing any important technical risks, opportunities, issues and/or concerns for Foskop to consider in its evaluation and future planning. This will include risks that may hinder the performance of

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the bidder in executing the supply of energy to any of the Foskor operating plants, including the solar PV facilities at the operating plants. Appendix 15 Risk Schedule.

2 BIDDERS' FINANCIAL STATUS

2.1 BIDDER FINANCIAL ASSESSMENT

Only Bidders that are in a robust financial position will be considered as preferred Bidders. For this assessment Bidders are required to submit audited financial statements for the last three full years of operation labelled Appendix 12 Financial Statements.

2.2 GENERAL CONDITIONS – COMMERCIAL

Foskor's commercial preferences are presented in Annexure 1 PPA Term Sheet Offsite Wheeled. Bidders are to mark up Annexure 1 PPA Term Sheet Offsite Wheeled where the Bidder's position is not aligned. The marked up PPA term sheet is to be submitted, labeled as Appendix 10 Marked Up Offsite Wheeled PPA Term Sheet.