

Mingomba Mining Limited

Procurement Policy

(September 2023)

INTRODUCTION

Mingomba Mining Ltd (“**Mingomba**” or the “**Company**”) is committed to ensuring that the company sources goods and services in an ethical and socially responsible manner.

Our standards are based on the 6 KoBold ethics: *Safety, Anti-Corruption, Community Support, Environmental Protection, Anti-Discrimination, and Integrity.*

This **Procurement Policy** (the “**Policy**”) sets forth Mingomba’s **policy for the sourcing and supply of goods and services** that the Company may require in its course of business. The Company and its representatives, the employees, will conduct themselves in a manner that demonstrates fair practices and ethical behaviour with all its business partners, suppliers and key stakeholders in the supply chain value. The policy also aims to adhere to sustainable procurement principles guided by ISO 20400:2017.

PURPOSE

The objective of this policy is to communicate to all interested parties and stakeholders that the company and its representatives must comply with all laws that govern and impact procurement such as the anti-corruption laws, competition laws, and the company’s 6 ethics. **The policy is to be read alongside the Company’s global Anti-Corruption and Anti-Bribery Policy.** The policy is for bidders and suppliers to understand the procurement systems and processes to facilitate equitable participation in contracts and ensure the correct application of legal and best procurement practices.

SCOPE

The policy covers the procedure for engaging with the company for the provision of goods and services in Zambia. The Procurement of goods and services will require that each supplier & service provider must:

1. Provide goods and services in an ethical manner;

2. Based on the nature of the goods or service supplied provide a description of the environmental benefit of the good or service where applicable;
3. Ensure that best practice health and safety standards are upheld;
4. Explicitly demonstrate:

- Providing employment equity opportunities to women or differently-abled persons.
 - Ensuring Mother's Day Leave is provided every month to female employees according to Zambian law;
5. Adopt localization policies where applicable;
 6. Be an involved partner in Environmental, Social and Governance ("ESG") principles through Corporate Social Responsibility ("CSR"), therefore, business partners and suppliers of the Company must submit within their proposal a CSR initiative in line with the *Partnered Corporate Social Responsibility* section highlighted on Page 4 of this document.

The Company commits to:

1. Treat all suppliers ethically, equitably and fairly;
2. Periodically review service levels in a collaborative manner;
3. Address procurement queries with transparency;
4. Address procurement complaints raised by bidders and vendors.

APPLICATION

This policy is applicable to all relevant stakeholders for the procurement of goods, works or services, non-consultancy and consultancy services. The Company will not enter into a business transaction with a supplier who does not acknowledge the policy and will remove the vendor from the vendor database.

PRINCIPLES AND ETHICS

All employees and personnel connected through the procurement process are responsible for carrying out their duties with due diligence, whether directly or indirectly during the involvement of the procurement process from planning, requisitioning, approval, sourcing, ordering, delivery, documentation, and payment monitoring. For avoidance of doubt, due diligence means '*care should be exercised in a reasonable manner in order for a person to avoid committing an offence to themselves, the company, and/or the supplier*'. Unethical conduct by any of the relevant stakeholders must be reported in line with the whistleblowing policy.

DECLARATIONS

All employees and suppliers are required to declare any potential conflict of interest in form of:

- Conflicting directorships;
- Familial relationships;
- Directors of companies who are public officials or politically exposed persons; and

- Business gifts and hospitality.

SOLICITATIONS

The CEO **does not** award contracts. Individual Managers **do not** award contracts. The principles of procurement set out in this policy must be followed and suppliers who wish to solicit their value propositions are welcome to submit their proposals through a formalised channel below:

- Send introductory email and company profile to eprocurementzm@koboldmetals.com
- Request for a meeting to present to management the company's product and service offerings.
- The Company requests for proposal submissions, and submissions are sent to eprocurementzm@koboldmetals.com

COMMUNICATIONS

All queries regarding procurement of goods and services must be channelled to the relevant office, namely, the Accounting and Admin Lead.

ADJUDICATION

The adjudication team is independent of the negotiating team. They must not have direct contact with the bidders or suppliers. The end user department is an ex-officio member of the panel and will hold no voting rights on the decision for contracts of a very high value. Contract approval will be approved inline with the Company's delegation of authority.

NON COMPLIANCE

Non-compliance with any conditions set out within this policy between a Supplier and the Company will be subject to enquiry. Depending on the severity of the breach, the Company may offer Suppliers the opportunity to rectify any issues or false information.

SANCTIONS

Any supplier that breaches this policy including but not limited to

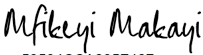
1. Non-satisfactory delivery of goods and services;
2. Substandard contract performance;
3. Collusion and/or price-fixing; and
4. Corrupt practices,

May have their services terminated with immediate effect and be removed from our purchasing systems.

PARTNERED CORPORATE SOCIAL RESPONSIBILITY

Mingomba Mining Ltd endeavours to build a resilient society in Zambia and beyond. Mingomba Mining Ltd believes its business partners and stakeholders are part of this endeavour and therefore the following service provisions are highlighted as high impact opportunities to transform our society into a sustainable society as responsible corporate citizens. Service providers with long term contract agreements in this category are expected to partner and adhere to the following initiatives aligned to the United Nations Sustainable Development Goals annually:

<u>SERVICE PROVISION</u>	<u>MEASURE</u>	<u>SDG Selection</u>
1. Construction or Drilling works with >US\$500,000 per annum	Commit a percentage of contract revenue (no less than 0.75%) on CSR project per annum within Chililabombwe district	1: Reduce Poverty 3: Good Health & Well being 4: Quality Education 6: Clean water 7: Affordable Energy
1. Catering 2. Cleaning 3. Construction 4. Labour Hire 5. Landscaping 6. General Maintenance 7. Security	• Recruitment of women and differently abled persons from within the district; • Recruitment from local communities; • Use of sustainable food packaging (no plastics) • Support a local school feeding programs; • Local Produce supply chain initiatives; • Local recruitment and training; • Sourcing of environmentally friendly cleaning agents; • Participate in beautification of the town with the local council.	1: Reduce Poverty 3: Good Health & Well being 5: Gender 8: Decent work and job opportunities 10: Reduced Inequalities 11: Sustainable Cities and Communities

DocuSigned by:

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Chief Executive Officer

I confirm that I have read the policy and acknowledge all its contents therein.

Company Representative	
Title	
Company/Organization	
Signature	
Date	