

SERVICES SUPPLY CONTRACT

between

BLUEROCK DIAMONDS PLC

(Company Reg Number: 08248437)

AND

KAREEVLEI MINING PROPRIETARY LIMITED

(Company Reg Number: 2013/077678/07)

AND

BINVIC PROPRIETARY LIMITED

(Company Reg Number: 2011/009873/07)

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THIS SERVICES SUPPLY CONTRACT (the 'Contract') is entered into as of the 15th day of February, 2021.

BETWEEN

BLUEROCK DIAMONDS PLC ("BRD"), a limited liability Company registered under the United Kingdom Companies Act 2006, Registration Number 08248437, dealing in the business of mining and selling of diamonds, of 4th Floor Reading Bridge House, George Street, Reading, Berkshire, RG1 8LS.

AND

KAREEVLEI MINING PROPRIETARY LIMITED ("the Employer"), a subsidiary of BRD and a private limited liability Company registered under the South African Companies Act 2008, Registration Number 2011/009873/07, dealing in the business of mining and selling of diamonds, of Building 6, De Beers, Geology Complex, Hull Street, R64, Kimberley, Northern Cape, South Africa.

AND

BINVIC PROPRIETARY LIMITED ("the Supplier") a private limited liability Company registered under the South African Companies Act 2008, Registration Number 2011/009873/07, dealing in the business of Project Management of 4th Floor, The Firs, Craddock Avenue, Rosebank, Johannesburg, South Africa.

WHEREAS:

The Supplier has been selected by the Employer as the contractor for the delivery of certain services connected with the uprate construction works at the Kareevlei Diamond Mine near Kimberley, Northern Cape, South Africa, which services are described in detail in the Employer's Requirements contained in the Contract.

In consideration for the delivery of the aforesaid services in accordance with the Contract the Employer agrees to pay to the Supplier the fixed Contract Price in the manner stated in the Appendix.

Upon successful completion of the Services in accordance with the Contract, the Supplier may be retained by the Employer to provide services relating the ongoing maintenance of the Process Plant at Kareevlei Diamond Mine on terms and conditions to be agreed in writing between the Parties.

The Parties hereby reach agreement as set out in this Contract.

The documents which comprise the Contract shall be read in the following order of priority:

1. This Contract.
2. Appendix and Annexure A to this Contract.
3. The Standard Conditions for the supply of Services.
4. The Employer's Requirements.

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[Handwritten signatures and initials]

Witnessed as hereunder;

SIGNED AT Kimberley THIS 29 DAY OF June 2021 by and on behalf of BLUEROCK DIAMONDS PLC

[Signature]

Gus Simbanegavi

DIRECTOR

BEFORE US:

NAME: NATHANIA TERBLANCHE DATE: 29 JUNE 21

SIGNATURE: [Signature]

ADDRESS: 27B LANDBOUWEG, KIMBERLEY, 8300

DESIGNATION: ACCOUNTANT KAREEVLEI

Name:

DATE:

Signature:

Address:

DESIGNATION:

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[Handwritten marks]

SIGNED AT KIMBERLEY THIS 29 DAY OF JUNE 2021 by and on behalf of KAREEVLEI MINING PROPRIETARY LIMITED

[Signature]

Gus Simbanegavi

DIRECTOR

BEFORE US:

NAME: NATHANIA TEUBLANCHE DATE: 29/6/21

SIGNATURE: [Signature]

ADDRESS: 27B LANDBOUWEG, KIMBERLEY, 8300

DESIGNATION: ACCOUNTANT - KAREEVLEI

Name:

DATE:

Signature:

Address:

DESIGNATION:

[Handwritten marks]

SIGNED AT Rosebank THIS 22nd DAY OF June 2021 by and on behalf of
BINVIC PROPRIETARY LIMITED



DENNIS KEENAN
MANAGING DIRECTOR

BEFORE US:

Name: Dawid Peyper

DATE: 22 June 2021

Signature: 

Address: 1 Craddock Avenue, 4th Floor, The Firs, Rosebank, Johannesburg, 2000

DESIGNATION General Manager

Name: Samantha Keenan

DATE: 22 June 2021

Signature: 

Address: 1 Craddock Avenue, 4th Floor, The Firs, Rosebank, Johannesburg, 2000

DESIGNATION: Financial Director

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1. STANDARD CONDITIONS FOR THE SUPPLY OF SERVICES**1.1. GENERAL PROVISIONS****1.1.1. Definitions**

In the Contract as defined below, the words and expressions defined shall have the following meanings assigned to them, except where the context requires otherwise:

"Appendix" the document labelled "Appendix" and attached hereto.

"Certificate of Practical Completion" means the certificate referred to in Sub-Clause 1.7.1.4.

"Contract" means these Standard Conditions for the supply of Services, the Employer's Requirements, the Appendix, all the documents referred to in or incorporated by reference into the Employer's Requirements and the Appendix.

"Contract Price" means the fixed 'Total Contract Price' specified in the Appendix.

"Cost" means actual expenditure properly incurred (or to be incurred) by the Supplier whether on or off the Site, including overheads and similar charges, but does not include profit.

"Country" means the country in which the Site is located.

"day" means a calendar day.

"Drawings" means the Employer's drawings relevant to the supply of the Services as included in the Contract or referred to in the Employer's Requirements, and any Variation to such drawings.

"Effective Date" means the date on which the Supplier shall commence providing the Services, stated in the Appendix.

"Employer" means the person named as such in the Contract and the legal successors in title to this person, but not (except with the consent of the Supplier) any assignee.

"Employer's Liabilities" means those matters listed in Sub-Clause 1.5.

"Employer's Requirements" means the document entitled "Employer's Requirements" appended hereto and any variation to such document.

"Force Majeure" means an exceptional event or circumstance:

- which is beyond a Party's control;
- which such Party could not reasonably have provided against before the Effective Date;
- which, having arisen, such Party could not reasonably have avoided or overcome; and
- which is not substantially attributable to the other Party.

Notwithstanding the a foregoing, Force Majeure shall not include a strike or other labour dispute which is confined to the Supplier's workforce, and which has not occurred by reason



of one or more of the Employer's Liabilities. The Parties expressly agree that any action taken by any sphere of the South African Government to implement measures pursuant to the Disaster Management Act, 2002 and/or the Statement of Emergency Act, 1997 and/or any regulations promulgated pursuant to these acts to prevent the spread of the Corona Virus (COVID-19) in the Republic of South Africa, including any lockdown measures and/or restrictions on the operations of entities and/or gatherings of people ("COVID Measures") such COVID Measures shall not constitute an event of Force Majeure for purposes of clause 1.15 and shall be subject to the provisions of clause 1.16.

"Goods" means any item or items which the Employer instructs the Supplier (including any of them or any part of them) to purchase for and on behalf of the Employer in connection with the supply of the Services.

"Laws" means all national (or state) legislation, statutes, ordinances, and other laws, regulations, and by-laws of any legally constituted public authority.

"Objects of the Services" means the Employer's works, facilities, plant, equipment, and other items in respect of which the Services are to be provided, as specified in the Employer's Requirements.

"Party" means either the Employer or the Supplier and "Parties" shall mean both of them.

"Services" means the services which the Supplier is to provide for the Employer (including any of them or any part of them) in accordance with the Contract, which services are more fully described in the Employer's Requirements.

"Services Completion Date" means the date for completion of the Services specified in the Appendix and any extension thereto in accordance with the Contract.

"Signature Date" means the date of last signature of the Contract by the Party signing it last in time.

"Site" means the place or places named in the Appendix to which the Goods (if any) are to be delivered and at which the Services are to be provided.

"Supplier" means the person named as such in the Contract and the legal successors in title to this person, but not (except with the consent of the Employer) any assignee.

"Supplier's Equipment" means all apparatus, machinery, vehicles, facilities, and other things required for the execution of the Services at the Site.

"Variation" means a change to the Specification and/or drawings (if any) which is instructed by the Employer to the Supplier under Sub-Clause 1.8.

1.1.2. Law

The law governing the Contract is the law stated in the Appendix.

1.1.3. Communications

Wherever provision is made for the giving or issue of any notice, instruction, consent, approval, or other communication by any person, unless otherwise specified such communication shall be written in the English language and shall not be unreasonably withheld or delayed.

1.1.4. Compliance with Laws and Site Rules and Procedures

- 1.1.4.1. In its performance of the Contract, the Supplier shall comply with all applicable Laws. The Supplier shall at its own cost give all notices, pay all taxes, duties, and fees, and obtain all permits, licenses and approvals (including, but not limited to, all import and export licenses and permits), as shall be required by the applicable Laws in relation to the Services and the remedying of all and any defects therein.
- 1.1.4.2. The Supplier shall furnish the Employer with any information, documentation and/or assistance which it may reasonably require in connection with any statutory investigation arising from or connected with the supply of the Services.
- 1.1.4.3. When visiting or using the Site and/or any of the Employer's premises or facilities, the Supplier shall comply, and shall require its employees, agents and sub-contractors to comply, with all reasonable directions of the Employer and all guidelines, rules, requirements or Site-specific conditions which the Employer may communicate to the Supplier from time to time, or which might reasonably be inferred from the use to which the premises or facilities are being put, including but not limited to rules in respect of health and safety, security, the issuance of permits and the induction of personnel ("the Site Rules and Procedures").
- 1.1.4.4. Any delay caused by the Supplier or its subcontractors not complying with the Site Rules and Procedures shall not be the basis of a claim by the Supplier for an extension to any of the delivery dates or for additional remuneration.

1.2. THE EMPLOYER

1.2.1. Provision of Site

The Employer shall provide the Site and right of access thereto at all times and for all periods necessary to enable the Supplier to supply the Services in accordance with the Contract.

1.2.2. Permits and Licenses

Subject to Sub-Clause 1.4.1.4 (ii), the Employer shall, if requested by the Supplier and to the extent that it is legal and practicable to do so, assist the Supplier free of charge in applying for any and all permits, licences or approvals which are required for the provision of the Services.

1.2.3. Employer's Instructions

The Supplier shall promptly comply with all instructions given by the Employer in respect of the Services including the suspension of all or part of the Services.

1.3. EMPLOYER'S REPRESENTATIVES

1.3.1. Authorised Person

One of the Employer's personnel shall have the authority to act for it. This authorised person shall be as stated in the Appendix, or as otherwise notified by the Employer to the Supplier in writing from time to time, which may include personnel of either the Employer or BRD.

1.3.2. Employer's Representative

The Employer may also appoint a firm or individual to carry out certain duties in connection with the Contract. The appointee may be named in the Appendix or notified by the Employer to the Supplier in writing from time to time. The Employer shall notify the Supplier of the delegated duties and authority of this Employer's representative.

1.4. THE SUPPLIER

1.4.1. General Obligations

- 1.4.1.1. In performing the Services, the Supplier shall exercise the standard of care and skill to be expected of the competent, experienced supplier of services of the kind comprised in the Services.
- 1.4.1.2. The Supplier shall be deemed to have visited the Site and to have been satisfied with the Site conditions and all other circumstances affecting the Services.
- 1.4.1.3. Subject always to Sub-Article 1.4.1.1, in performing the Services, the Supplier shall:
 - (i) at all times ensure that it holds all authorisations and approvals required under the applicable Laws to render the Services and to fulfil and perform its obligations under this Contract;
 - (ii) at all times ensure that it has such suitably competent, skilled, and experienced staff resources at its disposal as are necessary for it to provide the Services to the Employer on the basis contemplated in the Contract;
 - (iii) insofar as it is reasonably practicable to do so without causing disruption and/or delay to the performance of the Services, co-ordinate its own activities with those of the Employer and all others at the Site so as not to interfere with the activities of the Employer or any other person on the Site;
 - (iv) be aware of and comply with and ensure that its officers, employees, agents and/or subcontractors are aware of and comply with:
 - (a) all Laws applicable to the supply of the Services;
 - (b) all Site Rules and Procedures applicable to the Services of the Services;

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- (c) all lawful instructions and directions given by the Employer's authorised person;
 - (v) ensure that its officers, employees, agents and/or subcontractors entering the Site or any premises of the Employer for the purpose of supplying the Services are properly qualified and skilled in the performance of their tasks, and are of such character and proficiency as not to prejudice:
 - (a) safe working practices;
 - (b) safety and care of property (including the Goods); and
 - (c) continuity of work.
- 1.4.1.4. If, in the reasonable opinion of the Employer's authorised person, any of the Supplier's officers or employees and/or the officers or employees of its subcontractors or agents fail to comply with the requirements set out in Sub-Clauses 1.4.1.4.(iv) and (v), the Employer may require the Supplier to remove such person or persons from the Site and the Supplier shall promptly do so and replace them with a properly compliant person or persons.
- 1.4.2. The Supplier shall stand in a fiduciary relationship to the Employer notwithstanding the fact that the Supplier shall remain an independent contractor to the Employer at all times. Without prejudice to the generality of the expression "*fiduciary relationship*", such obligation shall imply that the Supplier shall in relation to the Employer, act honestly and in good faith and in particular shall:
- (i) only exercise the powers it may have from time to time in relation to the Employer, in the best interests and for the benefit of the Employer;
 - (ii) not act without authority nor exceed the powers set out in the Contract; and
 - (iii) avoid any conflict between its own interests and those of the Employer.
- 1.4.3. The Parties agree that time is of the essence. Accordingly, subject to Sub-Clause 1.6.3, should the Supplier fail to complete the Services by the Services Completion Date, the Employer shall be entitled to claim from the Supplier the liquidated damages stated in Sub-Clause 1.7.4.1.
- 1.4.4. Supplier's Representative**
- The name and particulars of the person authorised to receive instructions on behalf of the Supplier is set out in the Appendix.
- 1.4.5. Subcontracting**
- 1.4.5.1. The Supplier shall not subcontract the whole or part of the Services.
- 1.4.5.2. Other than in respect of the supply (if any) of minor components, the Supplier shall not subcontract any part of the Services without the prior consent of the Employer.

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1.4.5.3. Subject to Sub-Clause 1.4.5.1., the Supplier shall be responsible for the work, acts and/or omissions of all and any of its subcontractors as if the work had been carried out by the Supplier itself.

1.5. EMPLOYER'S LIABILITIES

In this Contract, Employer's Liabilities means:

- 1.5.1. war, hostilities (whether war be declared or not), invasion, act of foreign enemies, within the Country;
- 1.5.2. rebellion, terrorism, revolution, insurrection, military or usurped power, or civil war, within the Country;
- 1.5.3. riot, commotion or disorder in the Country by persons other than the Supplier's personnel and other employees, affecting the Site and/or the Services;
- 1.5.4. ionising radiations, or contamination by radioactivity, except to the extent to which the Employer may be responsible for the use of any radio-active material;
- 1.5.5. pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
- 1.5.6. use or occupation by the Employer of any part of the Site, except as may be specified in the Contract;
- 1.5.7. any breach, failure, default and/or other act or omission by the Employer, its directors, officers, agents or other contractors;
- 1.5.8. a suspension under Sub-Clause 1.2.3 unless it is attributable to the supplier's failure;
- 1.5.9. any delay or disruption caused by any Variation;
- 1.5.10. Force Majeure.

1.6. DELIVERY

1.6.1. Completion and Acceptance of the Services

- 1.6.1.1. The Supplier shall execute the Services in accordance with the Milestones identified in the Appendix and shall complete the Services at the Site by no later than the Services Completion Date.
- 1.6.1.2. Should the Supplier have failed to complete the Services by the date when the Supplier's liability to pay delay damages in terms of Sub-Clause 1.7.4 reaches the relevant maximum cap specified in the Appendix, then the Employer shall be entitled to terminate the Contract upon 14 days written notice to the Supplier.
- 1.6.1.3. The Supplier shall notify the Employer in writing of the impending completion of any Milestone no earlier than 14 days prior to the date when he reasonably anticipates that completion will occur.
- 1.6.1.4. The Employer shall, within 28 days after receiving the Supplier's application referred to in Sub-Clause 1.7.1.3:
 - (i) Issue a Certificate of Practical Completion in respect of the relevant Milestone to the Supplier, stating the date on which those Services were completed in accordance with the Contract, except for any minor

- outstanding work and defects which will not substantially affect the ability of the Employer to use the Objects of the Services for their intended purpose (either until or whilst this work is completed, and these defects are remedied); or
- (ii) reject the application, giving reasons and specifying the work required to be done by the Supplier to enable the relevant completion certificate to be issued.

The Supplier shall then complete this work before issuing a further notice under this Sub-Clause.

- 1.6.1.5. If the Employer fails either to issue any Certificate of Practical Completion or to reject the Supplier's application within the period of 28 days, and if the relevant Services have been completed substantially in accordance with the Contract, the Certificate of Practical Completion in respect of those Services shall be deemed to have been issued on the last day of that period.

1.6.2. Programme and Expedition

- 1.6.2.1. The programme for the execution of the Services is attached hereto in Annexure B to the Appendix, setting out the timetable for the completion of the Services ("Programme"), provided that the Services shall be completed on or before the Services Completion Date.
- 1.6.2.2. At two-week intervals from the Signature Date, alternatively whenever requested to do so by the Employer's representative, the Supplier shall furnish the Employer with an updated Programme fully revised to reflect the actual progress of the Services.
- 1.6.2.3. If the Supplier fails to proceed with the rendering of the Services in a timely manner for a reason other than one or more of the Employer's Liabilities, the Employer shall be entitled to instruct the Supplier to take all reasonable steps to expedite the Services.
- 1.6.2.4. The cost of expediting the Services in accordance with this Sub-Clause 1.6.2.3 shall be for the Supplier's account, save in circumstances in which the Supplier is entitled to an extension to the Services Completion Date in accordance with Sub-Clause 1.6.3 [Extension of Time] or Clause 1.8 [Variations and Claims].

1.6.3. Extension of Time

- 1.6.3.1 The Supplier shall be entitled to an extension to the Services Completion Date, if it is or will be delayed by any of the Employer's Liabilities or COVID Measures pursuant to clause 1.16, provided always that the Supplier has given notice to the Employer of the cause and estimated duration of the delay within 21 days of the date when the Supplier became aware or ought to have become aware of the event giving rise to the delay. If the Supplier should fail to give notice as aforesaid within the said period of 21 days, the relevant delivery date(s) will not be extended.

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1.6.3.2 On receipt of the aforesaid notice from the Supplier, the Employer will consider all supporting details provided by the Supplier and will extend the Services Completion Date by such period of time as shall be just and reasonable.

1.6.4. Late Completion

1.6.4.1. Subject to Sub-Clause 1.6.3 and Sub-Clause 1.6.4.2, if the Supplier fails to complete the Services by the Services Completion Date, the Supplier shall pay the Employer the liquidated damages stated in the Appendix for each day of non-completion, up to the maximum amount stated in the Appendix. All such amounts, if any, shall be set-off against the next payment instalment due to the Supplier in accordance with the Appendix.

1.6.4.2. The aforesaid liquidated damages shall be the sole, final and exclusive monetary remedy for delay under the Contract.

1.7. LIABILITY FOR DEFECTS AND DAMAGE

1.7.1. Defects Notification Period

1.7.1.1. To ensure that the Services meet the standards required by the Contract, during the period of 3 months ("the Defects Notification Period") from whichever is the soonest of the date when the Certificate of Practical Completion for the final Milestone is issued or deemed to have been issued in accordance with clause 1.6.1.4, the Supplier shall:

- (i) complete any work which is outstanding on the aforesaid date, within the time stated in the Certificate of Practical Completion or such other reasonable time as instructed by the Employer;
- (ii) execute all work required to remedy defects or damage, of which a notice is given to the Supplier by (or on behalf of) the Employer within the Defects Notification Period.

1.7.1.2. If a defect appears or damage occurs during the Defects Notification Period, a notice shall be given to the Supplier accordingly, by (or on behalf of) the Employer. Promptly thereafter:

- (i) the Supplier and the Employer's authorised person shall jointly inspect the defect or damage; and
- (ii) the Supplier shall then prepare and submit a proposal for necessary remedial work.

1.7.1.3. The above remedial work shall be carried out at the risk and cost of the Supplier only to the extent that the work in question is rendered necessary by the Supplier's failure when performing the Services to exercise reasonable care and skill to the standard referred to in clause 1.1.4.1 hereof.

1.7.1.4. Without derogating from the generality of clause 1.7.1.3, but in amplification thereof, under no circumstances shall the Supplier bear any liability whatsoever for:

- (i) the quality, suitability or fitness for purpose of:

- 1.7.1.4.i.1. any pre-existing facilities, installations, plant, equipment, materials or other goods which were located at the Site prior to the commencement of the Services;
- 1.7.1.4.i.2. any and all designs furnished to the Supplier by the Employer, BRD, their directors, officers, employees, agents, consultants or other contractors for the purpose of or in connection with the performance of the Services; and/or
- 1.7.1.4.i.3. any and all plant, equipment, materials or other goods supplied by the Employer or BRD to the Supplier as free-issue items for the purpose of or in connection with the performance of the Services;
- (ii) any and all defects and/or damage arising from any defect in and/or failure of any of the items described in sub-paragraph (i) above, to the extent that such defect and/or failure does not arise from a failure by the Supplier to exercise reasonable care and skill as required by this Contract; and/or
- (iii) any and all defect and/or damage arising from improper operation and/or maintenance by the Employer or BRD of the Objects of the Services, to the extent that such improper operation and/or maintenance does not arise from a failure by the Supplier to exercise reasonable care and skill as required by this Contract.
- 1.7.1.5. To the extent that any defect, damage or failure to achieve expected performance does not arise from a failure by the Supplier to exercise reasonable care and skill as required by this Contract, the Supplier shall nevertheless be required to exercise all reasonable endeavours to rectify the said defect or damage upon it receiving notification thereof in accordance with clause 1.7.1.2. However, such rectification shall be carried out at the risk of the Employer and shall be treated as a Variation.

1.8. VARIATIONS AND CLAIMS

1.8.1.1. Right to Vary

The Employer may instruct Variations.

1.8.1.2. Valuation of Variations

Variations shall be valued as follows:

- (i) at a lump sum price agreed between the Parties, or
- (ii) where appropriate, at the rates stated in Annexure A, or
- (iii) in the absence of stated rates, the rates in Annexure A shall be used as the basis for valuation, or failing which,
- (iv) at appropriate new rates, as may be agreed or which the Employer (acting reasonably) considers appropriate, or

- (v) if the Employer so instructs, at the daywork rates set out in the Annexure A for which the Supplier shall keep records of hours of labour and Supplier's Equipment, and of any materials used.

Notwithstanding the foregoing, other than in respect of any Goods specified in the Employer's Requirements, all of which are deemed included in the Contract Price, the Supplier shall invoice the Employer for Goods procured at Cost plus 10% (ten percent).

1.8.2. Right to Claim

If the Supplier incurs additional Cost as a result of any of the Employer's Liabilities other than Force Majeure, the Supplier shall be entitled to be paid the amount of such additional Cost by the Employer. If, as a result of any of the Employer's Liabilities other than Force Majeure, it is necessary to change the timing, sequence or substance of the Services, this shall be dealt with as a Variation.

1.8.3. Variation and Claim Procedure

The Supplier shall submit to the Employer an itemised make-up of the value of Variations and claims within 28 days of the date when it became aware, or ought to have become aware, of the instruction or of the event giving rise to the claim, failing which the Supplier shall forfeit all and any entitlement to the Variation and/or claim concerned. The Employer shall check and if possible, agree the value. In the absence of agreement, the Employer (acting reasonably) shall determine the value.

1.9. CONTRACT PRICE AND PAYMENT

1.9.1. Contract Price

1.9.1.1. Subject to Clause 1.8 [*Variations and Claims*] and to the remainder of this Sub-Clause, the Contract Price is a fixed price and includes all of the Supplier's obligations under the Contract and all things necessary for the proper execution and completion of the Services.

1.9.2. Contract Price Payment Procedure:

1.9.2.1. The Variations shall be valued and paid at the rates set out in Annexure A, subject to Clause 1.8 [*Variations and Claims*]. The Employer may in its sole and absolute discretion elect to pay for Variations in cash or by way of issue of shares by BRD in accordance with the provisions of clause 1.9.4.

1.9.2.2. The Supplier shall at its own costs and expense obtain any exchange control approvals which might be required from the Financial Surveillance Department of the South African Reserve Bank or one of its authorised dealers in terms of the exchange control regulations promulgated under the South African Currency and Exchanges Act, 1933 and in accordance with the requirements of those Regulations and accompanying directives and rulings, for the issue to it by BRD of shares in BRD



- to discharge a portion of the Contract Price, a copy of which approvals shall be provided to BRD prior to it issuing any shares to the Supplier in terms of the Contract.
- 1.9.2.3. The Supplier shall be entitled to be paid in the amounts stated in the Appendix subject only to such payments to which the Supplier may be entitled pursuant clause 1.8 ("Supplier Claims").
- 1.9.2.4. On the 1st day of the month following the month in which any Supplier Claim occurs, the Supplier shall submit to the Employer's Authorised Person a Payment Certificate showing the amounts to which the Supplier is entitled by reference to the rates set out in Annexure A – Section 1 and the relevant portions and items set out in the Employer's Requirements.
- 1.9.2.5. Within 15 days of the delivery of each statement, the Employer shall pay to the Supplier the amount shown on the Supplier's Payment Certificate less any amount regarding which the Employer has specified in writing its reasons for disagreement by issuing to the Supplier the ordinary shares stated in the Contract (or otherwise in accordance with clause 1.9.4). The Employer shall not be bound by any sum previously considered to be due to him by the Supplier.
- 1.9.2.6. If the Employer requests so in writing, the Supplier shall provide the Employer with access to all records necessary to calculate and verify the amount claimed in any invoice.
- 1.9.2.7. The Supplier shall not otherwise charge the Employer any fees in connection with the Services unless the Employer has given its prior written approval.
- 1.9.2.8. The Supplier shall not be entitled to claim or receive any benefits or rewards, other than those specifically provided for in the Contract.

1.9.3. Delayed Payment

The Supplier shall be entitled to interest at the rate stated in the Appendix for each day the Employer fails to pay beyond the prescribed payment period.

1.9.4. Payment by way of shares or cash

The Employer may in each instance where it is obliged to make payment to the Supplier, other than the Contract Price, elect in its sole and absolute discretion whether to make payment in cash, or by procuring payment by BRD, on its behalf, by the issue of its ordinary shares to the Supplier ("BRD Shares") (or any combination thereof). Where payment occurs by the issue of shares, the number of shares due to the Supplier shall be calculated with reference to (i) the official share price in British Pounds Sterling of BRD on the London FTSE at 12 midday British Summer Time on the date of issue and (ii) the prevailing British Pounds Sterling / South African Rand spot exchange rate on that date.

1.9.5. Obligation to retain BRD Shares

The Supplier shall not dispose of any of the BRD Shares for a period of 12 months from their date of issue.

1.10. TERMINATION**1.10.1. Default by Supplier**

- 1.10.1.1. In addition to the Employer's rights of termination under Sub-Clause 1.6.1.2, if the Supplier abandons the Site without lawful excuse, refuses or fails to comply with a valid instruction of the Employer or fails to proceed expeditiously and without delay, or is otherwise in breach of the Contract, the Employer may give notice referring to this sub-clause and stating the default.
- 1.10.1.2. If the Supplier has not taken all practicable steps to remedy the default within 7 days after the Supplier's receipt of the Employer's notice, the Employer may by a second notice given within a further 21 days, terminate the Contract.
- 1.10.1.3. In all instances of termination for the Supplier's default, upon termination the Supplier shall immediately cease work and demobilise from the Site leaving behind any Supplier's Equipment which the Employer instructs in the notice is to be used for the completion of the Services.

1.11. DEFAULT BY EMPLOYER

- 1.11.1. If the Employer fails to pay in accordance with the Contract or is, despite a written complaint, in breach of the Contract, the Supplier may give notice referring to this sub-clause and stating the default. If the Employer has not taken all practicable steps to remedy the default within 7 days after the Employer's receipt of this notice, the Supplier may suspend the execution of all or part of the Services.
- 1.11.2. If the default is not remedied within 28 days after the Employer's receipt of the Supplier's notice, the Supplier may by a second notice given no later than 21 days thereafter, terminate the Contract. The Supplier shall then immediately cease work and demobilise from the Site and claim payment of outstanding amounts from the Employer as contemplated in clause 1.14.

1.12. INSOLVENCY

If either Party becomes bankrupt or insolvent, goes into liquidation, has a receiving or administration order made against him, compounds with his creditors, or carries on business under a receiver, trustee or manager for the benefit of its creditors, or if any act is done or event occurs which (under the applicable Laws) has a similar effect to any of these acts or events, the other Party may terminate the Contract immediately upon written notice. The Supplier shall then demobilise from the Site leaving behind, in the case of the Supplier's bankruptcy, insolvency, liquidation et al, any Supplier's Equipment which the Employer instructs in the notice is to be used for the completion of the Services.

1.13. TERMINATION FOR CONVENIENCE

- 1.13.1. The Employer may at any time give notice to the Supplier to terminate the Contract, or any part thereof, for any reason whatsoever.
- 1.13.2. On receipt of the aforesaid notice, the Supplier shall immediately cease work and demobilise from the Site as specified in the notice and take all possible steps to mitigate its loss.
- 1.13.3. Save with the Supplier's written permission, neither the Employer nor BRD shall be entitled to terminate the Contract under this Sub-Clause 1.13 in order to complete the Services (or any portion thereof) itself or to arrange for the Services (or any portion thereof) to be completed by a third party.

1.14. PAYMENT UPON TERMINATION

After termination, the Supplier shall be entitled to payment of the unpaid balance of the Services which have been performed and any Goods which have been delivered, adjusted by the following:

- 1.14.1. any sums to which the Supplier is entitled under Sub-Clause 1.15.4,
- 1.14.2. any sums to which the Employer is entitled,
- 1.14.3. if the Employer has terminated under Sub-Clause 1.10.1, the Employer shall be entitled to a sum equivalent to 10% of the Contract Price pertaining to those portions of the Services not executed at the date of the termination,
- 1.14.4. if the Supplier has terminated under Sub-Clauses 1.11, or if the Employer has terminated under Sub-Clause 1.13, the Supplier shall be entitled to the Cost of his suspension and demobilisation together with a sum equivalent to 10% of the Contract Price pertaining to those portions of the Services not executed at the date of termination.

The net balance due shall be paid or repaid within 28 days of the notice of termination in accordance with clause 1.9.4.

1.15. RISK AND RESPONSIBILITY

- 1.15.1. If a Party is or will be prevented from performing any of its obligations by Force Majeure, the Party affected shall notify the other Party in writing immediately.
- 1.15.2. If necessary, the Supplier shall suspend the execution of the Services and (where applicable), to the extent agreed with the Employer, demobilise the Supplier's Equipment at the Site.
- 1.15.3. If the force majeure event continues for a period of 84 days, either Party may then give notice of termination, which shall take effect 28 days after the giving of the notice.
- 1.15.4. After termination of the Contract, the Supplier shall be entitled to payment of the unpaid balance pertaining to the Services which have been performed and any Goods which have been delivered, adjusted by the following:

- 1.15.4.1. any sums to which the Supplier is entitled under any other provision of this Contract,
 - 1.15.4.2. the reasonable cost of his suspension and demobilisation, excluding profit,
 - 1.15.4.3. any sums to which the Employer is entitled.
- 1.14.4. The net balance due shall be paid or repaid within 28 days of the notice of termination in accordance with clause 1.9.4.

1.16. COVID MEASURES

- 1.16.1. If and to the extent that any COVID Measures are implemented after the Signature Date that:
- 1.16.1.1. require the Employer to reduce its capacity and/or the number of employees that may be on Site; or
 - 1.16.1.2. require the Employer to cease all activities on the Site,
- then, in the event of the scenario described 1.16.1.1, the Supplier shall reduce its number of employees that may be on Site for the duration of the applicable COVID Measures proportionally by the same percentage as the reduction of the Employer's employees and, in the event of either of the scenarios described in 1.16.1.1 and 1.16.1.2, the Supplier shall be entitled to submit an extension of time claim pursuant to clause 1.6.3.
- 1.16.2. If either Party is required to take any measures on Site as a result of an outbreak of COVID-19 on Site, the Parties shall take all such measures as may be reasonably necessary to sanitize the Site (to the extent that it may be necessary to do so) and take such other steps as may be reasonably necessary to prevent the further spread of COVID-19 at the Site. In such instance, and only to the extent that such measures prevent the Contractor from carrying out the Works, the Supplier may submit an extension of time claim pursuant to clause 1.6.3, but such claim shall be limited to an extension of time of 2 days in each instance and shall not give rise to a Supplier Claim and/or a change to the Contract Price.

1.17. RESOLUTION OF DISPUTES

- 1.17.1. In the event that a dispute should arise out of or in connection with any aspect of the Contract, including but not limited to the formation, existence, validity, effects, interpretation, implementation, violation, resolution or annulment of the Contract, regardless of whether such dispute arises during the currency of the Contract, following the performance of the Contract, or after the Contract has been terminated, the Parties shall comply with the following procedure for the resolution of the dispute:
- 1.17.1.1. The Parties shall first attempt to resolve the dispute by means of amicable discussions between the Employer's authorised representative and the Supplier's authorised representative.

- 1.17.1.2. In the event that the Parties are still unable to settle the dispute within 14 days from the commencement of amicable discussions as aforesaid, the Parties' respective CEOs shall meet with one another and endeavour to resolve the dispute through further amicable discussion.
- 1.17.1.3. If Parties' respective CEOs are unable to resolve the dispute in the course of discussions with one another within 14 days from the commencement of their amicable discussions as aforesaid, the Parties shall be entitled to have the dispute definitively settled by means of arbitration, to the exclusion of the jurisdiction of any and all courts of law save as otherwise stated herein.
- 1.17.1.4. Subject to Sub-Clauses 1.17.1 to 1.17.3, either Party may demand that a dispute be determined by arbitration in terms of this Clause 1.17 by giving notice thereof to the other Party.
- 1.17.1.5. Subject to Clause 1.17.3, nothing in this Clause 1.17 shall preclude either Party from obtaining interim relief on an urgent basis from a court of competent jurisdiction pending the decision of the arbitrator.
- 1.17.1.6. Unless otherwise agreed by the Parties in writing, the arbitration shall be conducted:
- (i) in terms of the general provisions and standard procedures of the Rules for Domestic Arbitration of the Arbitration Foundation of Southern Africa;
 - (ii) in Johannesburg, Gauteng, Republic of South Africa;
 - (iii) before a single arbitrator agreed between the Parties.
- 1.17.1.7. Should the Parties fail to agree on an arbitrator within 14 days after the giving of notice in terms of Sub-Clause 1.17.1.4, the arbitrator shall be appointed by the President for the time being of the Association of Arbitrators (Southern Africa).
- 1.17.1.8. It is the intention of the Parties that the arbitration shall be held and completed as soon as possible after the giving of notice in terms of Sub-Clause 1.17.1.4.
- 1.17.1.9. The Parties agree that no representation, statement or decision made pursuant to the procedures for amicable settlement set out in Sub-Clauses 1.17.1 and 1.17.2 shall prejudice either Party in any subsequent arbitration held pursuant to this Clause 1.17.
- 1.17.1.10. The decision of the arbitrator shall be final and binding on the Parties and may be made an order of the court referred to in referred to in Sub-Clause 1.17.15 at the instance of either of the Parties.
- 1.17.1.11. The arbitrator shall be entitled to make such order as to costs as he may deem appropriate, save that any costs order shall be made on the attorney-and-own-client basis.
- 1.17.1.12. Any proceedings held under this Clause 1.17 shall be private and confidential. The Parties shall keep secret and confidential any information which a Party receives or acquires in any way arising out of such proceedings and shall not publish, disclose, divulge, or communicate to third parties any such information.
- 1.17.2. The provisions of this Clause 1.17:



- 1.17.2.1. constitute an irrevocable consent by the Parties to any and all proceedings in terms hereof and neither Party shall be entitled to withdraw therefrom or claim at any such proceedings that it is not bound by such provisions.
- 1.17.2.2. are severable from the rest of the Contract and shall therefore remain effective and binding on both Parties even if the Contract is terminated, cancelled, void, or otherwise is not, or ceases to be, enforceable or of full force or effect, or lapses.
- 1.17.3. Should either Party be of the view that the dispute requires urgent relief not obtainable in terms of the provisions of this Clause 1.17, the Parties shall meet urgently in an attempt to resolve the dispute. If the dispute is not resolved in a reasonable time, having regard to the nature and urgency thereof, the Party requiring such urgent relief shall be entitled to make application to court in accordance with Sub-Clause 1.17.1.5.
- 1.17.4. Execution of the Services in terms of the Contract shall continue during arbitration proceedings unless the Employer shall order the suspension thereof or of any part thereof.

1.18. MISCELLANEOUS

1.18.1. Marketing and Announcements

- 1.18.2. The Supplier shall not use any promotional, advertising, marketing or publicity material, whether sourced from the Employer or any other persons, unless the Employer has provided its prior written approval in respect thereof.
- 1.18.3. The Supplier shall not make any public announcement about the Services or the Contract without the Employer's prior written approval.
- 1.18.4. The Supplier shall not, during the term of the Contract or at any time thereafter, use, utter, publish or cause to be published by way of the internet, social media, press, radio, television or in any other manner, any comments likely to discredit or damage the reputation of the Employer, its officers, directors, contractors or employees or any of their activities.

1.18.5. Confidentiality

Unless otherwise provided for in the Contract, and with the exception of those matters set out below, the Parties warrant that each shall keep confidential all information of a commercial and/or technical nature that is received from the other Party relating to the Services (hereinafter referred to as "Confidential Information"), and that the Parties, their employees, servants and agents shall not divulge or disclose any such Confidential Information to any person or organisation.

The aforesaid obligation of confidentiality shall not apply to the following:

- 1.18.5.1. any matter generally available in the public domain other than as a result of a breach of this Sub-Clause;

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- 1.18.5.2. any disclosure of Confidential Information which may reasonably be required for the performance of either Party's obligations under the Contract;
- 1.18.5.3. disclosure of Confidential Information which either Party is required to disclose by the applicable Laws;
- 1.18.5.4. the disclosure of Confidential Information to any third party without the consent of the non-disclosing Party, to the extent that such disclosure is necessary for the purposes of fulfilling the Services, provided that the obligations of confidentiality contained herein shall be imposed mutatis mutandis upon all third parties to whom such disclosure is made;
- 1.18.5.5. The provision of Confidential Information to any third party with the consent of the non-disclosing Party.

1.18.6. Entirety of Agreement

This Contract contains the entire agreement between the Parties and supersedes all prior negotiations and communications. Save as otherwise provided in this Contract, no variation or amendment to this Contract shall have any force or effect unless reduced into writing and signed by the authorised representatives of both Parties.

1.19. Non-waiver

No relaxation, indulgence or grace on the part of either Party will in any way operate as or be deemed to be a waiver by such Party of any of its rights under the Contract.

1.20. Limitation of Liability

- 1.20.1. Save as may otherwise be expressly stated in the Contract and the extent permitted by the law governing the Contract,
 - (i) the maximum liability of the Supplier, whether arising by way of breach of contract, delict (including but not limited to negligence), breach of statutory duty or from any other cause whatsoever, shall not exceed the Contract Price; and
 - (ii) neither Party shall be liable to the other Party for any loss of profit, loss of use, loss of contract, loss of opportunity or for any consequential, incidental, indirect and/or punitive damages whatsoever, whether such loss or damage arises by way of indemnity, breach of contract, delict (including but not limited to negligence), breach of statutory duty or any other reason whatsoever.
- 1.20.2. The entirety of this Sub-Clause 1.20 shall survive any default, cancellation, termination, or any other discontinuance of the Contract, irrespective of the cause thereof.

1.21. Notices

Any notice given under or pursuant to the Contract shall be sent either by hand (against receipt), or by registered mail or courier, or by fax or e-mail (against an official receipt of transmission) to the address for notification of the receiving Party as set down in the Appendix, or to such address as the receiving Party may, by notice to the other Party, have substituted therefor.

1.22. Severability

If any provision of the Contract or any part thereof is determined by a forum of dispute resolution applicable to the Contract to be invalid, void, voidable or unenforceable, such provision (or such part thereof) shall be deemed severable from the Contract, and other provisions of the Contract, including any non-offending remainder of the offending provision shall not be affected.

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2. EMPLOYERS' REQUIREMENTS

2.1. PROJECT OVERVIEW

Kareevlei Mining (Pty) Ltd ("the Employer" or "the Company") is currently upgrading its diamond production plant, comprising a 'Dry Plant', incorporating ore crushing and screening equipment, together with a 'Wet Plant' for the recovery of diamonds at the Company Kareevlei Diamond Mine in the Northern Cape. The Company requested that Supplier spend some time on the Site during the first week of February 2021, to meet the Company management team and review and report on the ongoing site construction activities of the installation of the Dry and Wet Plants.

The Dry Plant was seen to be well underway and nearing completion with cold commissioning currently taking place. Hot commissioning of the Dry Plant should be completed by end May 2021. Hot commissioning shall be undertaken by the Employer's other contractors, but the Supplier shall be on standby to assist with such defects remediation as may be required.

Construction of the Wet Plant had not commenced, but minor earthworks activities were taking place. The Scrubber steel structure is on the critical path and detailing and fabrication of the steel structure needs to commence without delay. Installation of the structure is planned between mid to end June 2021. It is critical to have the civils completed ahead of the structural steel delivery to site. There is a clear indication that the new conveyors/stringers that have been delivered to site can be preassembled with their idlers, walkways, and ancillaries immediately. The already delivered trestles to site can be installed as soon as the concrete Services is complete. The concrete Services can progress, and completion is estimated to be complete by end of March 2021. Supplier will oversee the construction and completion of the Slimes and Raw Water Dams, inclusive of all slimes & water pumps and pipelines.

In order to achieve the completion of the wet plant, the following execution strategy will be taken into consideration:

- 1.1.1. Determine commissioning dates by producing a level 4 schedule with all outstanding activities.
- 1.1.2. Identify potential risks of further delays.
- 1.1.3. Identify potential risks of further cost overrun by estimating the amount of Services to be completed according to the level 4 schedule.
- 1.1.4. Define concerns around the design and manufacturing drawings for the Crushing and Wet Plant processing lines.
- 1.1.5. Clarify the confidence that the old Wet Plant will continue to operate until end of July 2021.
- 1.1.6. Recommend accelerating and recovery of construction and produce a Programme of Work to achieve this.



2.2. SERVICE TO BE PROVIDED

2.2.1. Scope of Services

The scope of the Services will be for the provision of site construction management, supervision, skilled and unskilled labour (hereafter referred to as the "Services") required to:

- Complete the "snag list" work at the Dry Plant (but only to the extent that the Supplier agrees to provide assistance to the Employer with the hot commissioning of the Dry Plant);
- Complete construction and cold commissioning of the:
 - Wet Plant Coarse Tailings Conveyor System,
 - Return Water Dam - Return Water Pumping System,
 - Slimes Starter Dam System - Slimes Delivery Pumps/Pipelines and the Return Water Pumping System; and
 - Raw Water Supply System - pipeline Installation from existing Borehole and Pit Water Dam, excluding existing pumps
- Site labour, excluding refurbished or replacement materials, required to rebuild the Dense Media Separation Plant.
- Project Planning, Expediting and Construction Management.
as detailed in paragraphs 2.2.2 – 2.2.18 below.

2.2.2. Procurement

Other than what is expressly set out in Annexure A and Annexure C, the Supplier shall be responsible for the procurement of all plant and equipment to be used in the provision of the Services (but NOT plant, equipment, materials or any other items for inclusion in the Objects of the Services), management, supervision, and skilled and local unskilled labour, testing, tools and consumable materials.

In the manner contemplated in Annexure C, the Supplier may procure additional plant, equipment, materials or any other items for inclusion in the Objects of the Services for and on behalf of the Employer, provided that those items shall be procured by the Supplier on such terms and conditions as may be agreed in writing with the Employer and which shall be excluded from the Contract Price.

2.2.3. Camp Establishment

Provision for the supply of 12-man camp for artisans outside the mining area. Access to water, sewerage system and electrical point for connection to be supplied by the Company, laundry and housekeeping shall be provided by the Company. All meals and drinking water shall be catered for by the Company.

2.2.4. Tools & Construction Plant

The specification of all necessary equipment, plant, and tools suitable for the Services, including associated consumables necessary to complete the Services.

2.2.5. Goods Received

Receiving, offloading, safekeeping, storing, issuing and administration of all goods arriving on Site for the Services.

2.2.6. Site Management

Provision of site construction management to plan, organisation and control all site activities in such a manner as to advance and complete site construction and cold commissioning timeously and professionally and in accordance with the specifications and the drawings provided and other requirements.

2.2.7. Site Establishment:

2.2.7.1. Site offices, ablutions and communications required by Supplier for the execution of the Project. It is understood that the cost of construction of any sewage cesspit and soak away for use with these Site offices and the ablution/toilet is included in the Supplier's Price.

2.2.7.2. Hire of Crane(s), Telehandler and Mobile Lift Platform ('Cherry-picker') necessary for the implementation of the Services on site.

2.2.8. Labour Services

The provision of all labour with the necessary skills to carry out the Services in a manner acceptable to the Company.

The Supplier shall make all legal appointments as required by the OHS Act or the MHSA, whichever may be applicable in the circumstances.

The use of local labour for any unskilled Services shall be sourced from around the Company as the Company does not have accommodation available for unskilled labour.

2.2.9. Exclusions

Other than those items specified in Annexure A and Annexure C:

- procurement of plant, materials, equipment, and any other goods for incorporation into the Objects of the Services, and logistics of any kind (all of which shall be provided free issue by the Employer)
- Fully equipped Medical Facility to be established by the Company
- Electrical Power supply
- Any and all designs necessary for the provision of the Services
- Potable Water
- Site civils, inclusive of survey, foundation shuttering, steel tying & concrete pouring.

2.2.10. Assumptions

- Delivery lead times will influence the schedule execution.
- No delays due to quality issues will occur for equipment supplied by the Company.
- No allowance has been made for any delay in the identification and relocation of any possible existing services.

2.2.11. Location

The on-site Services will be constructed entirely within the Company's premises.

The Company controls access to the security area.

This is a Brownfields project and area of Services is a congested area.

2.2.12. Temporary Equipment

There will be no temporary equipment.

2.2.13. Execution

Execution of each item of the Services in accordance with the Drawings, Specifications, General Notes, and Instructions from the Company's technical representative.

2.2.14. Site Clearance

On completion of the Services Supplier shall obtain written confirmation from the Company that the site has been cleared to The Company satisfaction. This Clearance certificate shall accompany Supplier's final invoice.

2.2.15. Location

The Services will be carried out in the mine site area defined by the Company.

2.2.16. Key Activities

Management and implementation of site construction and cold commissioning of the Kareevlei Uprate Project. Civil, mechanical, electrical, Instrumentation construction and cold commissioning of the Project.

2.2.17. Site Inspection

A site visit was conducted. Supplier is a South African based company and is familiar with the local conditions, laws, duties, taxes as well as specifications, drawings, documents, existing facilities, etc.

2.2.18. Specific Methodology

Supplier will perform the Services under the leadership of the Project Manager, Gerrie Germishuys (gerrie.germishuys@Supplier.com). Supplier specialises in the management, planning and construction of plants, dams, pipelines and has successfully completed several similar projects within the mining sector. The Scope of Services of the project is nothing out of the ordinary.

3. CONTRACT PROGRAMME

3.1. Key Dates

The following dates represent the key dates for this project:

| | |
|---|------------------|
| Contract award/Starting date | 15 February 2021 |
| Completion of Cold Commissioning (Line B) | 14 July 2021 |
| Completion of Hot Commissioning (Line B) | 25 July 2021 |
| Completion of Hot Commissioning (Line A) | 2 August 2021 |

3.2. Programme Feasibility

The Programme to perform the Services is challenging based on the objectives presented to Supplier. The key dates set by the Company are accepted and acknowledged based on the exclusion and assumptions.

The program stipulates a start and a completion date. Some items are linked to procurement and logistics, which may lead to Supplier waiting for certain long lead items of delivery.

4. RELATIONSHIP THE PARTIES

The relationship between the Employer / the Company and the Supplier is that of an independent contractor and thus the Supplier shall not present itself or make any third party believe that Supplier is an employee, Agent, or Representative of the Employer or the Company. Nothing herein may be construed so as to create a partnership, or joint venture relationship between those parties.

5. NOTICES

All notices and other communications given hereunder will be in writing. Email is an accepted form of communication. Written correspondence will be effective when sent to the parties during weekdays at the addresses or numbers listed below, as follows:

For: Bluerock Diamonds Plc and Kareevlei Mining (Pty) Ltd

c/o Kareevlei Mining, Wesselton Village, off Old Boshoff Road, Kimberley,

South Africa

Tel No RSA: +27 087 808 6116

Email: gianfielding@msn.com & gus@kareevlei.com

For: Binvic (Pty) Ltd

4th Floor, The Firs, Craddock Avenue, Rosebank, Johannesburg, South Africa

Email: dennis.keenan@Supplier.com

6. SUPPLIER PROPOSAL

Supplier proposal is intended to de-risk the project and complete the Services in the shortest time possible to avoid possible further financial overruns and potential program delays. Supplier will immediately appoint a Project Manager reporting to the Project Coordinator and he will form part of the Project team with a mandate to:

- 6.1 Expedite all procured items related to construction, manage all site construction and cold commissioning Services.
- 6.2 Complete a comprehensive assessment of current fabricators and confirm production schedules.
- 6.3 Assess current outstanding fabrication.
- 6.4 Assess structural and mechanical equipment on site and items stored elsewhere.
- 6.5 Fast track detailing and fabrication of all outstanding items on the critical path.
- 6.6 Assess concerns with the design of the crushing circuit and the 2 (two) processing lines will be assessed and recommendations/modifications made if required.
- 6.7 Conduct an audit on the mechanical equipment to ensure all is on site or on order.
- 6.8 Produce a level 4 schedule within 2 weeks as a minimum requirement.
- 6.9 Carry out a costing audit/exercise between the Company and Supplier in order to produce an estimate for the remainder of the Services as soon as practically possible.

APPENDIX

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| Contract Price | <p>ZAR 15,986,706.00 (Fifteen Million Nine Hundred and Eighty-Six Thousand Seven Hundred and Six South African Rands), inclusive of VAT, payable in two instalments as set out below.</p> <p><u>First Instalment</u></p> <p>ZAR 12,789,364.80 to be paid by the Employer to the Supplier, partly in cash and partly by means of the Employer procuring the issue by BRD, on the Employer's behalf, of ordinary BRD shares in its share capital to the Supplier as follows:</p> <p>(i) ZAR 11,121,186 settled on or about 20 May 2021, by BRD issuing to the Supplier 1,223,332 ordinary BRD shares, calculated with reference to (i) 0,4551 British Pounds Sterling and (ii) the prevailing British Pounds Sterling / South African Rand spot exchange rate on that date (being R19.98.</p> <p>(ii) a cash amount of R1,668,178,02 to be paid by the Employer to the Supplier within 5 days of the Employer receiving such amount as a VAT refund from the South African Revenue Service as VAT input credit applicable to the Contract Price.</p> <p><u>Second Instalment</u></p> <p>The Second Installment shall fall due on whichever is the soonest of the date of issue and the deemed date of issue of the final Certificate of Practical Completion ("the Due Date"). The Second Installment shall comprise ZAR 3,197,341.20 to be paid by the Employer to the Supplier, partly in cash and partly by means of the Employer procuring the issue by BRD, on the Employer's behalf, of ordinary BRD shares to the Supplier, as the Employer may elect in its sole and absolute discretion, provided that should the second instalment be paid by the issue of shares in BRD to the Supplier, the number of shares due to the Supplier shall be calculated with reference to (i) the official share price in British Pounds Sterling of BRD on the London FTSE at 12 midday British Summer Time on the date of issue and (ii) the prevailing British Pounds Sterling / South African Rand spot exchange rate on that date. If the Employer elects to make payment of the Second Instalment in cash, such Second Instalment may be paid in 6 equal monthly instalments, on or before the last calendar day of each month, commencing on the</p> |
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| | <p>Due Date, provided that interest will accrue on the outstanding amount of the Second Instalment at a rate of 12% (nominal annual compounded monthly in arrears and calculated on a 365 day year factor, irrespective of whether or not it is a leap year), until such time as it has been settled in full.</p> <p>The interest rate for late payments is 12% (nominal annual compounded monthly in arrears and calculated on a 365-day year factor, irrespective of whether or not it is a leap year), calculated from the due date for payment until the date of actual payment.</p> |
| Effective Date | 15 February 2021 |
| Milestones | <p>14 July 2021: Cold Commissioning (Line B)</p> <p>25 July 2021: Hot Commissioning (Line B)</p> <p>2 August 2021: Hot Commissioning (Line A)</p> |
| Service Completion Date | 06 August 2021 |
| The Site is | <p>Kareevlei Mining</p> <p>Wesselton Village</p> <p>Off Old Boshoff Road</p> <p>Kimberley, South Africa</p> |
| Governing Law of the Contract | England and Wales |
| Employer's Authorised Person | Ian Fielding (Project Coordinator) |
| Employer's Representative | Gus Simbanegavi (Chief Executive Officer) |
| Supplier's Authorised Persons / Representatives are | <p>i. Dennis Keenan (Managing Director)</p> <p>ii. Dawid Peyper (General Manager) and</p> <p>iii. Gerrie Germishuys (Project Manager)</p> |
| The daily amount for delay damages is 0.1% of the Contract Price per day | |
| The maximum amount for delay damages is limited to 15% of the Contract Price | |

Handwritten signatures and initials, including a large 'B' and a '2'.

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| <p>The Employer's address for communication is as follows:</p> | <p>Bluerock Diamond PLC and Kareevlei (Pty) Ltd c/o Kareevlei Mining\Wesselton Village off Old Boshoff road Kimberley, South Africa</p> |
| <p>The Supplier's address for communication</p> | <p>Binvic (Pty) Ltd 4TH Floor Craddock Avenue Rosebank, Johannesburg, South Africa</p> |

Handwritten notes:
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