

4

APPENDIX No 2

PROPOSED PROGRAMME FOR MINING OPERATIONS

2.1 Introduction

Arab Contractors Limited is a Zambian registered company under the Company Registration Act. The company has established operations in Egypt and Nigeria, with recent contracts extended to East and Central Africa. The company is actively involved in construction and civil works with a dedicated and experienced team of shareholders. Recently Arab Contractors Limited was awarded a number of construction and civil works contracts in Zambia, a number of which are within Lusaka and Central Provinces. To meet the contractual obligations, the company would require large volumes of quarry products.

It is from this background that the company herein applies for a Large Mining License over the area covered by Prospecting License No. 19393-HQ-LPL.

Upon grant of the license, Arab Contractors Limited intends to start quarrying operations at the identified site within the tenement. The company will invest an initial sum of more than USD 10m mainly on capital plant and equipment, with a further USD 2m in operation costs for the initial two (2) year period. The quarry operations will run on minimal mechanisation, whilst utilizing locally available skilled and unskilled human resource as much as practically possible. As much a matter of policy, and as a part of its operate social responsibility, Arab Contractors will be committed to contributing positively to the local and regional economic growth through the quarrying project at Ngwenya Area in Kafue District.

With increasing demand on quarry aggregates, the company plans to run the quarry throughout the year while maintaining sufficient stock piles to cover for the planned plant maintenance period.

In as much as practically possible, the company will remain committed to the Environmental Management Plan (EMP) herein outline.

2.2 Summary of Programme of Operation

No.	Activity	Period		Estimated Cost	Comments
		Start	End		
2.2.1	Prospecting works	Feb 2014	April 2014	20,000	Works for phase I works for phase II to be commenced
2.2.2	Mobilisation	March 2014	June 2014	12,000	Mobilisation for quarrying operations commenced during prospecting
2.2.3	Procurement of Plant & Equipment	February 2014	June 2014	5,000	Commenced during prospecting
2.2.4	Consultative meetings with Stakeholders	January 2014	February 2014	3,500	Meeting conducted with stakeholders, forestry department, Zambia Environmental Management Agency, Kafue District Council, Ministry of Agriculture, Ministry of Land, Chiefs representatives and local community.
2.2.5	Identification of affected households for possible relocation	January 2014	January 2014	2,000	No households were identified
2.2.6	Survey of tenement and pegging	February 2014	February 2014	2,500	Survey of the proposed site was done.
2.2.7	Environmental Project Brief EPB General Mining area	December 2013	February 2014	3,000	EPB for quarrying operations was prepared by consultant Tropical Environmental Management Experts and submitted to ZEMA.
2.2.8	Casting of Crusher Foundation and Crushing Plant assembly, clearing of stock piling area & construction slab	February 2014	March 2014	150,000	Site for Crushing Plant identified and crushing plant components delivered.
2.2.9	Construction and civil works, Office Block, Workshop & Wash bay, Stores rooms, Ablution Block, First Aid Clinic, Weigh Bridge, Fuel Station & Gen-Set room, Security fence and Gate	March 2014	April 2014	350,000	Location for crushing plant construction sited
2.2.10	Over burden removal	April 2014	April 2014	2,500	
2.2.11	Quarrying & Crushing Operations	April	On-going	As per Annex	Open pit mining expected at the identified pit location

2.3 Processing and Crushing

The operations at the site will be concentrated at the open pit and crushing plant. The crushing plant will consist of crusher, multiple screen and discharge conveyors will be used. At the crushing plant, quarry material will be off loaded directly into the feeder, which will feed into the Primary Jaw Crusher. From the Jaw Crusher the crushed material will be conveyed via a conveyor belt into a Secondary Jaw Crusher where different quarry products will be produced. The products will then be conveyed on conveyor belts to storage areas awaiting collection by clients. The oversize rocks in the vibrating screen will be routed to the impact crusher and sent back to the Jaw Crusher for further crushing.

2.4 Stock Piles and Waste Rocks Dumps (WRDs)

The project will maintain stone aggregate material on maximum five (5) stock piles based on aggregate sizes at the conveyor tail-ends. The stock piles will act as storage and collection points. The designated stock piling and Waste Rock area will be approximately 0.40 hectares in extent.

Though no substantial Over Burden operation will be done at the OMQ, a WRD will be maintained. Both Stock piles and WRDs will be located on the windward side so as to check on dust effect on both personnel and general work environment.

The Stock piles and WRDs operated and maintained in adherence to the EMP outlined herein.

2.5 Infrastructure Development

Infrastructure development at the quarry site will include among others the following:

- Construction of main access road from the main road to the quarry site