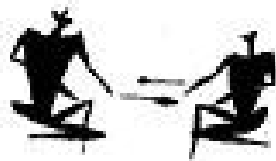
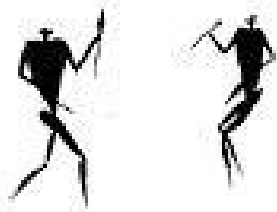


REQUEST FOR PROPOSALS

FOR THE KLEIN SKRIJ LODGE IN THE KHOMANI SAN AND MIER
CONTRACTUAL PARK AREAS
KGALAGADI TRANSFRONTIER PARK

September 2005



IMPORTANT NOTICE

This Request for Proposals has been produced by South African National Parks (SANParks), in connection with the tendering of the Klein Skrij Lodge in the San and Mier Contractual Parks. The information contained in this Request for Proposals has been provided by SANParks.

No representation or warranty, express or implied, is made, or responsibility of any kind is or will be accepted, by SANParks, with respect to the accuracy and completeness of this Request for Proposals, and any liability in connection with the use by any interested party of the information contained in this Memorandum is hereby disclaimed.

This Request for Proposals has been provided to the recipient to assist in making its own appraisal of the opportunities presented herein and in deciding whether to submit a proposal in connection with the tender opportunity. However, this Request for Proposals is not intended to serve as the basis for an investment decision on the opportunities, and each recipient is expected to make such independent investigation and to obtain such independent advice, as he or she may deem necessary for a decision.

SANParks may amend or replace any information contained in this document at any time, without giving any prior notice or providing any reason.

September 2005

TABLE OF CONTENTS

1. **ABBREVIATIONS AND DEFINITIONS 4**

2. **INTRODUCTION 4**

3. **KLEIN SKRIJ PAN OPPORTUNITY 5**

4. **AUOB RIVER CAMP OPPORTUNITY 10**

5. **BIDDERS REQUIRED QUALIFICATION CRITERIA..... 10**

6. **SITE VISITS AND DUE DILIGENCE PROCESS 11**

7. **CONTENTS OF BIDS 13**

8. **EVALUATION OF BIDS 14**

9. **BID DATE 21**

10. **OPENING AND EVALUATION OF BIDS 21**

11. **SIGNATURE AND EFFECTIVENESS OF THE MANAGEMENT AGREEMENT 22**

12. **TIMETABLE..... 22**

13. **GENERAL RULES OF BIDDING 23**

14. **FURTHER INFORMATION..... 24**

15. **ANNEXURE 1A – QUALIFICATION SUBMISSIONS 25**

16. **ANNEXURE 1B – FINANCIAL INFORMATION RELATING TO THE BIDDER 26**

17. **ANNEXURE 2 – BUSINESS AND OPERATIONAL PLAN 27**

18. **ANNEXURE 3 – DEVELOPMENT AND ENVIRONMENTAL PROPOSAL 29**

19. **ANNEXURE 4 – RISK MATRIX..... 33**

20. **ANNEXURE 5 - BEE 34**

21. **ANNEXURE 6 – MANAGEMENT FEE OFFER..... 36**

22. **ANNEXURE 7 - MANAGEMENT AGREEMENT..... 37**

23. **ANNEXURE 8: FORM OF PERFORMANCE BOND..... 38**

24. **ANNEXURE 9 - BID COVER SHEETS 41**

1. ABBREVIATIONS AND DEFINITIONS

In this Request for Proposals the following words and expressions shall have the meanings hereby assigned to them when said terms are used with a capitalised first letter:

| | |
|-----------------|--|
| Bidders | Interested parties that had registered their interested by Friday 23 September 2005 |
| DEAT | Department of Environmental Affairs and Tourism |
| EIA | Environmental Impact Assessment |
| JMB | Joint Management Board – a forum of representatives of South African National Parks and the San and Mier Communities |
| KTP | Kgalagadi Transfrontier Park |
| RFP | Request for Proposals |
| SANParks | South African National Parks |

2. INTRODUCTION

2.1 Land Claim Settlement

As part of the final settlement of the land claims from the Khomani San Community and the Mier Community against the South African portion of the Kgalagadi Transfrontier Park, land in the southern portion of the park was transferred to the respective communities for the establishment of contractual parks. Referred to as the San and Mier Contractual Parks, the conservation management of the area remains the responsibility of SANParks. The principal three parties (SANParks, San & Mier Communities) formed a Joint Management Board (JMB) to discuss issues of communal concern. Both contract parks will operate for 99 years, with all parties having the opportunity to terminate the contract after 30 years.

2.2 Establishment of a Co-operation Lodge

As part of the contractual agreement, the three principal parties agreed to establish a “co-operation lodge”. The aim of the lodge is to symbolise co-operation between the principal parties, to assist the promotion of their other eco-tourism facilities and to jointly establish a facility for eco-tourism which will generate income for the San and Mier Communities, thus contributing to the alleviation of poverty in the region. Any

income derived from the lodge would be divided equally by the principle parties to the JMB. The lodge was, by agreement between the principal parties on 2003-02-12, constructed at Klein Skrij Pan.

The Department of Environmental Affairs and Tourism, as part of the poverty relief programme, made R 6,5 million available for the design and construction of the lodge, whilst SANParks contributed R 1,5 million to complete the lodge.

3. KLEIN SKRIJ PAN OPPORTUNITY

3.1 Concession Opportunity and Location

The concession opportunity is located in the southern portion of the Kgalagadi Transfrontier Park (KTP) with the park boundary fence forming the south-western boundary of the area.

The construction of Klein Skrij Pan Lodge was completed in June 2005, and the following facilities are available:

- 12 x 2-bed tourism units with *en suite* bathrooms
- 1 x Central Public area including a lounge, dining room, reception, curio shop, office, store room and kitchen with walk-in fridge and freezer.
- 2 x Staff Units (Management/Guides)
- 3 x Staff Units (3-beds each with ablution facilities and a shared kitchen facility)

DEAT has indicated that an amount of R 1,5 million (VAT inclusive) poverty relief funding will be made available to acquire furnishings and fittings for the lodge. Since these funds will be made available as part of the poverty relief programme, furniture and fittings must be hand made as far as possible, using local labour. The “person days” of this exercise must be recorded and submitted to the poverty relief project in Kgalagadi Transfrontier Park.

It will be expected from the successful operator to supply a generator (120 KVA is the minimum requirement) for power provisioning of the lodge and facilities and a swimming pool, if required by the operator.

3.2 Term of Agreement

The principal parties hereby offer this concession opportunity to a private tourism operator to manage and operate the lodge for a period of 10 (ten) years, subject to paragraph 4.1.2.

3.3 Size

The Management Area will comprise of a 4 000 ha exclusive use area surrounding the lodge, with the opportunity to negotiate with the San and Mier Communities to make use of the contractual parks area or portions thereof.

3.4 Description of Management Area

The management area is typical of the Kalahari Desert environment and scenically attractive - a "region covered by a layer of red sand piled into dunes". Numerous pans occur in the area, and these pans provided the main focus areas for the selection of a lodge site. The majority of game in the Kgalagadi Transfrontier Park is associated with the dry riverbeds of the Auob and Nossob Rivers, and the Operator will be allowed access to the Auob River for game viewing purposes.

3.5 Concession activities

The management area can accommodate a maximum number of 40 people – 24 tourist beds and 16 staff beds are available. Any proposed extensions of the lodge and facilities will be subject to approval from the JMB and EIA process, and the availability of water will be a limiting factor.

The management area can accommodate both day and night drives in open 4x4 vehicles accompanied by a qualified guide. The opportunity also exists for accompanied walks with suitably armed and qualified guides in areas approved by the JMB. These walks will be an excellent opportunity to expose tourists to the San and Mier cultures and their rich heritage.

3.6 Access to lodge and management area

Controlled access to the lodge and the rest of the management area will be via an approved entrance point/gate on the south-western boundary of the park. This gate can be reached by travelling from the town Welkom to Twee Rivieren, and from there along a secondary road that, for the majority of the route, follows the boundary fence of the park. This access point and route must be used for the delivery of services and

goods, while guests to the lodge can either enter through this access point or gain access via Twee Rivieren, where the operator must collect and transport them to the lodge via the approved routes.

3.7 Access to Kgalagadi Transfrontier Park

SANParks consented to the following provisions with regard to the lodge:

- Access will be granted to and from the remainder of the Park for guests of the lodge, subject to the standard conditions on access to the park.
- The access of the Operator and its staff and suppliers to and from the remainder of the Park will be arranged in terms of the concession conditions.

Access between the contractual parks and the Transfrontier Park tourist-road network shall be through agreed points or points that must preferably be close to the co-operation lodge.

3.8 Access to San Commercial Preferential Zone

There is an area of commercial preferential use allocated to the San Community that is situated between the contractual parks' boundary and the Auob River. Any tourist that crosses this zone between the contract parks and the Park road network must pay a levy that will accrue to the San Community. This levy still needs to be determined.

3.9 Roads and tracks

Traversing of the management area will be allowed by using the existing tracks in the area, and is further subject to negotiations with the San and Mier Communities to enlarge the management area or use tracks in the Contractual Parks. The use of these roads, as well as the development of new roads will be subject to the findings of an EIA, as well as a decision from the JMB. The construction and maintenance of any and additional tracks will be at the Operator's expense. All tracks must be made available to SANParks for park management purposes.

Access from the Lodge to the Auob River will be allowed via an existing track, with the construction of a new track as an alternative return/access road to the Auob River.

3.10 Access Constraints

The Kgalagadi Transfrontier Park is situated in a remote part of South Africa and access to the park will require a considerable amount of travelling, since the closest airport is at Upington. Guests will have to travel 260 km by vehicle from Upington to Twee Rivieren to gain access to the park. From Twee Rivieren, tourists will need to travel another 60 km to access the lodge at the approved points of entry.

In the event that the Operator requires the use of the park landing strip situated approximately two kilometers from Twee Rivieren, the Operator must ensure that the commercial use complies with existing legislation, and an agreement must be reached between SANParks and the Operator on the flight arrangements and schedules.

All access to the lodge, traversing the management area as well as the delivery of goods and services will necessitate the use of 4x4 vehicles. Special arrangements will be required to accommodate deliveries to the lodge.

3.11 Services

Water: Potable water will have to be imported from outside the park due to the quality of the groundwater in the area. Water for other domestic uses can be obtained from boreholes. A lime water softener is currently installed on site, but due to the high salinity of the water, further quality improvements will be required for domestic use of the water. Water is a limited resource in the Kalahari and water saving measures must be entrenched in the management of the lodge.

Electricity: The closest ESKOM power is at Twee Rivieren, which did not make it a viable option for the proposed development. Whilst provision was made for gas for cooking purposes, a generator will be required to provide power for lighting, refrigeration and hot water.

Communications: No Telkom lines or cellular signals are available for the area. All options to provide communications need to be investigated, with due considerations of the environmental impacts and required EIA processes caused by towers and overhead lines.

3.12 EIA Process

The EIA process for the Klein Skrij Pan Lodge and associated infrastructure was completed and on the basis of a positive Record of Decision, the construction was

completed.

Should the successful Operator require additional infrastructure (fly-camps, roads, etc.) it has to be negotiated and approved by the JMB. The development of this infrastructure and the EIA process will be for the cost of the Operator.

3.13 Community Involvement and Empowerment

SANParks is facilitating this concession process on behalf of the three parties involved in the co-operation lodge. The San and Mier Communities are equal participants in the concession process, and will therefore be included in all aspects of the process. The Management Agreement will be signed with the three parties involved (SANParks, San community, Mier Community). The empowerment of the San and Mier Communities is an important aspect of the co-operation lodge.

3.14 Management Fees

- 3.14.1 In consideration of the rights granted to the Operator by the parties to the JMB, the Operator shall agree to pay the JMB a management fee of 12 % of the Lodge's gross turnover, subject to a minimum rental.
- 3.14.2 The minimum rental will be determined by the Bidder and submitted as part of the Bid. The winning bid will be the highest Rand amount offered and will be adjusted and escalated annually at the beginning of each Contract Year, by an amount equal to the Consumer Price Index.
- 3.14.3 The Management Fee shall accrue and be payable by the Operator to the JMB, monthly in arrears within 7 (seven) Business Days after the end of each month.
- 3.14.4 All Management Fees or other amounts payable in terms of the Management Agreement shall be exclusive of VAT.

3.15 Environmental Guidelines

National Parks must be viewed as sensitive areas for development and therefore Environmental Guidelines were drafted to guide development and operations in Management areas in National Parks. Please familiarise yourself with these guidelines attached as Annexure I to the Management Agreement.

4. AUOB RIVER CAMP OPPORTUNITY

4.1 Auob River Camp

4.1.1 This PPP opportunity is being launched by SANParks simultaneously with the Auob River Camp Concession in the Kgalagadi Transfrontier Park. Bidders are encouraged to package the projects due to the synergy of the 'cultural' and 'wildlife' products, however, it is not compulsory and bidders can tender for only one of either of the sites. Additional information is available in the Auob River Camp RFP.

4.1.2 In the event that a single bidder is successful in acquiring both the Klein Skrij Lodge and the Auob River Camp Concession, the term of the Klein Skrij Lodge Management Agreement will be negotiated to coincide with the term of the Auob River Camp.

5. BIDDERS REQUIRED QUALIFICATION CRITERIA

In order to participate in the bidding process, bidders are required to meet the following qualification criteria:

5.1 Financial strength

The asset value of the Submitting Company must be at least R10 million. If the Submitting Company is a newly created company or partnership, then it can meet this criterion with reference to the financial assets of its parent shareholders or partners, weighted in proportion to their shareholding or participation. In addition, the relevant company must be commercially solvent.

5.2 Proven eco-tourism experience

The Submitting Company must demonstrate proven eco-tourism experience in one of two ways. Firstly, it must have one or more shareholders or partners, owning a total of more than 20% of the company, who each have more than 5 years experience in a senior position with an eco-tourism lodge or facility. Alternatively, it must have operated a conventional hotel of at least 100 beds, for at least 3 years and must demonstrate a firm commitment to employ appropriately experienced eco-tourism

individuals, as defined above, in a senior management capacity. Curricula vitae of individuals involved must be supplied.

5.3 Bidders information

Bidders must provide the information in the format presented in Annexure 1 and label the information as "Qualification Requirements of (bidder name)". Bidders that fail to conform to the minimum requirements as set out in this paragraph 5; will be disqualified without further evaluation.

6. SITE VISITS AND DUE DILIGENCE PROCESS

6.1 Compulsory Site Visit

6.1.1 A compulsory site visit for Auob River Camp and Klein Skrij Lodge will be arranged for 4 and 5 October 2005. For this purpose, all interested bidders are required to register for this site visit by sending the information below to the SANParks Project Officer, A van Jaarsveld on annemiv@sanparks.org on or before Friday 23 September 2005.

6.1.1.1 Names

6.1.1.2 Contact telephone, fax and e-mail

6.1.1.3 Sites to be visited

6.1.1.4 Four-wheel drive vehicle - Yes/No

6.1.2 This site visit will form part of the due diligence process, and will be preceded by an information session. Please note that this site visit is compulsory, and must be attended by the bidders or a duly authorized representative.

The preliminary programme is as follows:

4 October 2005

13:30 Arrival at Twee Rivieren

14:00 -16:00 Information session on the proposed PPPs

| | |
|-------------|---------------------------|
| 16:00 | Depart to Auob River Camp |
| 16:15-17:15 | Site visit |
| 17:15 | Return to Twee Rivieren |

5 October 2005

| | |
|---------------|-----------------------------|
| 8:00 | Depart to Klein Skrij Lodge |
| 11:00 – 13:00 | Site visit |
| 13:00 | Depart to Twee Rivieren |

Please note that travelling and accommodation costs for this visit will be for your own account.

Closest commercial airport: Upington

Distance from Upington to Twee Rivieren: 260 km

Closest accommodation in park: Twee Rivieren (Please call SANParks Central Reservations in Pretoria at 012-428 9111).

The Klein Skrij Lodge is only accessible by 4X4 vehicle. Bidders are therefore requested to, if possible, attend the site visit with an adequate four-wheel drive vehicle.

Interested parties who expressed an interest in the proposed concession will have the opportunity to meet the Park Manager, Business Development Unit and the San & Mier Communities.

6.2 Other Sites Visits and Due Diligence

6.2.1 For the purposes of further site due diligence, interested bidders are also entitled to book their own site visits through the KTP Park Manager between the 12 September 2005 and 21 October 2005.

Contact Details:

Park Manager: Nico v/d Walt

Tel: 054 561 2000

Fax: 054 561 2005

E-mail: nicovdw@sanparks.org

7. CONTENTS OF BIDS

7.1 Bid Submission

Bidders are required to submit two envelopes in accordance with the directions below.

- 7.1.1 The first envelope must contain three copies of the following:
- 7.1.1.1 the information requested to meet the qualification criteria in the format provided in Annexure 1A;
 - 7.1.1.2 the financial information relating to the bidder, in the format given in Annexure 1B;
 - 7.1.1.3 a business and operational plan, in the format given in Annexure 2;
 - 7.1.1.4 an environmental proposal, in the format given in Annexure 3;
 - 7.1.1.5 a completed risk matrix, in the format given in Annexure 4;
 - 7.1.1.6 a BEE proposal, in the format given in Annexure 5;
 - 7.1.1.7 a tax clearance certificate, issued by the South African Receiver of Revenue within six months of the Bid Date, for each South African member or entity in the bidding consortium; and
- 7.1.2 The second envelope must contain three copies of the following:
- 7.1.2.1 details of the bidder's Management fee offer in the format in Annexure 6;
 - 7.1.2.2 a signed copy of the Management Agreement to be inserted by the bidder;
 - 7.1.2.3 a performance bond from a reputable bank, approved by SANParks, in a form substantially similar to that set out at Annexure 8. All bids must remain valid for a period of 60 business days from the Bid Date.

- 7.1.3 Envelopes should be clearly marked as to whether they are Envelope 1 or 2, and must have the bid cover letter in the format given in Annexure 9 attached to the front of each envelope.

8. EVALUATION OF BIDS

8.1 General

Bids will be evaluated on three main elements: functionality, BEE and Management fee offered.

Envelope 1 comprises of the qualification criteria, functionality and BEE bids. A minimum threshold of 65% of the total functionality scorecard points, and a minimum threshold of 50% of the total BEE scorecard points, must be achieved by a bidder.

Envelope 2 containing the Management fee offer, will only be opened and evaluated in the event that the functionality and BEE minimum thresholds are met.

With regard to overall bid scoring:

1. Functionality will be weighted 40% of the overall bid score
2. BEE will be weighted 10% of the overall bid score
3. The Management fee offer will be weighted 50% of the overall bid score

The provisions of the Preferential Procurement Policy Framework Act apply.

8.2 Scoring for functionality

The functionality aspects of a bid will be scored out of 100 points. A bidder must achieve 65% of the total functionality points in order to pass. Functionality is made up of the following elements, each elaborated in the relevant annexures to this RFP, and each bid will be scored as indicated in the functionality scorecard below:

| | | Scoring | Maximum sub-total | Maximum Total |
|-----|--|---|--------------------------|----------------------|
| 1 | <i>Financing plan</i> | | | |
| 1.1 | <i>Has adequate finance been secured by the bidder to implement the project?</i> | <i>Fully = 5 Partially = 3 Not at all = 0</i> | 5 | |
| 1.2 | <i>Are the shareholders/participants in the bidder solvent and liquid?</i> | <i>Fully = 5 Partially = 3 Not at all = 0</i> | 5 | |
| 1.3 | <i>Is the basic cash flow model submitted by the bidder viable?</i> | <i>Fully = 5 Partially = 3 Not at all = 0</i> | 5 | |

| | | Scoring | Maximum sub-total | Maximum Total |
|----------|---|--|--------------------------|----------------------|
| | | | | 15 |
| 2 | Business and operational plan | | | |
| 2.1 | Is or will the bidding company be constituted as required in the RFP? | Fully = 5 Partially = 3 Not at all = 0 | 5 | |
| 2.2 | Is the proposed tourism product within the range of product types specified in the RFP? | Fully = 5 Partially = 3 Not at all = 0 | 5 | |
| 2.3 | Bidder's experience and track record in similar enterprises, in similar target markets | Excellent = 15 Acceptable = 8 Poor = 0 | 15 | |
| 2.4 | Bidder's commercial knowledge of the target market for this product, demonstrated in the rationale of the business plan | Excellent = 20 Acceptable = 10 Poor = 0 | 20 | |
| 2.5 | Do the bidder's planned operating standards and staffing qualifications meet those specified in the RFP? | Fully = 10 Partially = 5 Not at all = 0 | 10 | |
| | | | | 55 |
| 3 | Development and environment plan | | | |
| 3.1 | Are all EIA requirements understood and planned for? | Fully = 2 Partially = 1 Not at all = 0 | 2 | |
| 3.2 | Is it acknowledged that the bidder must comply at all times with the SANParks guidelines? | Fully = 2 Partially = 1 Not at all = 0 | 2 | |
| 3.3 | Did the bidder commit to the appointment of an ECO for the duration of the PPP Term? | Fully = 2 Partially = 1 Not at all = 0 | 2 | |
| 3.4 | Is the planned number of guest and staff beds within the limits given in the RFP? | Yes = 2 Partially = 1 No = 0 | 2 | |
| 3.5 | Are waste management plans within the specifications given in the RFP? | Yes = 2 Partially = 1 No = 0 | 2 | |
| 3.6 | Are the roads and tracks within the specifications set out in the RFP? | Yes = 2 Partially = 1 No = 0 | 2 | |
| 3.7 | Are fire management plans within the specifications given in the RFP? | Yes = 2 Partially = 1 No = 0 | 2 | |
| 3.8 | Are there adequate plans for staff health, safety and medical/emergency evacuation? | Yes = 2 Partially = 1 No = 0 | 2 | |
| 3.9 | Is there commitment to abide by the guidelines given in the RFP for vehicles and guest activities? | Yes = 2 Partially = 1 No = 0 | 2 | |
| 3.10 | Is it acknowledged that SANParks has the right to undertake the conservation management in the area? | Yes = 2 No = 0 | 2 | |
| | | | | 20 |
| 4 | Risk matrix | | | |
| | Does the bid commit to the RFP's required risk allocation for the project? | Fully = 10 Adequately = 5 Unacceptably = 0 | | 10 |
| | Total Functionality points | | | 100 |

| | Scoring | Maximum sub-total | Maximum Total |
|--------------------------|----------------|--------------------------|----------------------|
| <i>Minimum threshold</i> | | | 65 |

8.2.1 Financing plan

A bidder is expected to provide financing information in line with the requirements set out in Annexure 1B.

Bids will be assessed and scored on whether the necessary finance arrangements of the bidder are in place.

A maximum total of 15 points has been allocated to the bidders financing plan.

8.2.2 Business and operational plan

A bidder is expected to provide a business and operational plan in line with the requirements set out in Annexure 2.

The purpose of the evaluation of the business and operational plans is to ensure that the bidder has fully developed all business aspects of the proposed tourism project, and is proposing credible schemes which are based on generally accepted business principles applicable to tourism projects, and which are in line with SANParks' specifications given in this RFP.

A maximum total of 55 points has been allocated for the business and operational plan.

8.2.3 Development and Environmental plan

SANParks shall review and evaluate the development and environmental plans submitted by bidders in accordance with the specifications and information given in Annexure 3.

The purpose of the evaluation of development and environmental proposals is to ensure that bidders understand and have fully planned for the prevailing environmental issues that apply to the investment area and have factored those issues into their plans.

A score out of 20 will be awarded for the environmental competence of the bidder.

8.2.4 Risk matrix

A bidder must indicate the extent to which the bid complies with the risk allocation of the risk matrix given in Annexure 4. A maximum of 10 points has been allocated to assessing compliance with risk allocation.

8.3 Scoring BEE

8.3.1 SANParks shall evaluate the bidder's BEE proposal, and allocate scores according to the methodology and weightings provided in the scorecard below. The definitions for each element (as well as details concerning the Mandatory Community Trust) are outlined in Annexure 5 and the Tourism BEE Charter and Scorecard. Any bonus points accruing to a bid above the total scores achievable for each element will be added to the total BEE scorecard points earned by the bid. The bidder must meet a minimum threshold of 50% of the total BEE scorecard points in order to pass.

| Indicator | 2009 Weightings | | 2009 Milestones | 2009 Charter | Bid offered | Evaluation | Bonus |
|----------------------|-----------------|---------------|--|--------------|-------------|--|-------|
| | Weighting | Sub-Weighting | | Target | | | |
| | A | B | | C | | | |
| Ownership | 15% | 5% | % share of economic benefits as reflected by direct shareholding by black people. ¹ | 21 % | | > target – 5.0 = target – 2.5 < target – 0 | |
| | | 10% | Mandatory Community Trust | 50% of above | | > target – 10.0 = target – 5.0 < target – 0 | |
| | | | | | | score out of 15 | |
| | | | | | | Bonus score for materially exceeding target | 2 |
| Strategic Management | 14.00% | 2.50% | Black People as a % of Board of Directors | | | > target – 2.5 = target – 1.25 < target - 0 | |
| | | 2.50% | Black women as a % of Board of Directors | 15.00% | | > target – 2.5 = target – 1.5 < target - 0 | |
| | | 2.50% | Mandatory Community Trust as a % of Board of Directors | 15.00% | | > target – 2.5 = target – 1.5 < target - 0 | |
| | | 3.25% | Black people as a % of executive management | 30.00% | | > target – 3.25 = target – 1.63 < target - 0 | |
| | | 3.25% | Black women as a % of executive management | 15.00% | | > target – 3.25 = target – 1.63 < target - 0 | |
| | | | | | | score out of 14 | |
| | | | | | | Bonus score for materially exceeding target | 2 |
| Employment Equity | 14.00% | 1.50% | Black people as a % of management | 35.00% | | > target – 1.5 = target – 0.75 < target - 0 | |

¹ Note: Direct shareholding includes employee share option schemes.

| | 2009 Weightings | | 2009 Charter | Bid offered | Evaluation | Bonus | |
|--------------------------|-----------------|--------|---|-------------|---|--|--|
| | | 1,50% | Black women as a % of management | 18.00% | | > target – 1.5 = target – 0.75 < target - 0 | |
| | | 1,50% | Local people as a % of management | 15.00% | | > target – 1.5 = target – 0.75 < target - 0- | |
| | | 1,50% | Black people as a % of supervisors, junior & skilled employees | 45.00% | | > target – 1.5 = target – 0.75 < target - 0- | |
| | | 1,50% | Black women as a % of supervisors, junior & skilled employees | 23.00% | | > target – 1.5 = target – 0.75 < target - 0- | |
| | | 1,50% | Local people as a % of supervisors, junior & skilled employees | 35.00% | | > target – 1.5 = target – 0.75 < target - 0- | |
| | | 1,50% | Black people as a % of total staff | 53.00% | | > target – 1.5 = target – 0.75 < target - 0- | |
| | | 1,50% | Black women as a % of total staff | 28.00% | | > target – 1.5 = target – 0.75 < target - 0- | |
| | | 2,00% | Local people as a % of total staff | 50.00% | | > target – 2.0 = target – 1.0 < target - 0 | |
| | | | | | score out of 14 | | |
| | | | | | Bonus score for materially exceeding target | 2 | |
| Skills Development | 20.00% | 5.00% | % of payroll spend on skills development (including skills development levy) on all accredited training | 3.00% | | > target – 5.0 = target – 2.5 < target - 0 | |
| | | 5.00% | % of skills development spend on all black employees | 75.00% | | > target – 5.0 = target – 2.5 < target - 0 | |
| | | 5.00% | Number of learnerships as a % of total employees | 2.00% | | > target – 5.0 = target – 2.5 < target - 0- | |
| | | 5.00% | Number of learnerships as a % of total learners | 80.00% | | > target – 5.0 = target – 2.5 < target - 0- | |
| | | | | | score out of 20 | | |
| | | | | | Bonus score for materially exceeding target | 2 | |
| Preferential Procurement | 15.00% | 10.00% | Spend on BEE compliant companies as a % of total procurement spend | 40.00% | | > target – 10.0 = target – 5.0 < target - 0 | |
| | | 5.00% | Spend on Local BEE compliant companies as a % of total procurement spend | 20.00% | | > target – 5.0 = target – 2.5 < target - 0- | |
| | | | | | score out of 15 | | |
| | | | | | Bonus score for materially exceeding target | 2 | |

| | 2009 Weightings | | | 2009 Charter | Bid offered | Evaluation | Bonus |
|--|-----------------|-------|--|--------------|-------------|--|-------|
| Enterprise Development | 14.00% | 7.0% | The sum of % spend of post tax profits on enterprise development and % employee time contributed to enterprise development over total management time | 1.00% | | target – 7.0 = target – 3.5 < target – 0 | |
| | | 7.0% | Enhanced revenue and/ or cost savings and/ or twining initiatives facilitated for black owned SMMEs, as a % of revenue of the company measured. | 1.00% | | target – 7.0 = target – 3.5 < target - 0 | |
| | | | | | | score out of 14 | |
| | | | | | | Bonus score for materially exceeding target | 2 |
| Social Development and industry specific | 8.00% | 3.00% | % CSI spend of post-tax profits on education, community programmes, job creation, training, health, conservation, community tourism and marketing activities to develop local black tourists market (or % management time over total employee time)* | *1.00% | | > target -3.0 = target – 1.5 < target - 0 | |
| | | 2.00% | % of new recruit with no prior work experience | 10.00% | | > target – 2.0 = target – 1.0 < target - 0 | |
| | | 3.00% | Status of TOMSA levy collector | Yes | | > target – 3.0 = target – 1.5 < target - 0 | |
| | | | | | | score out of 8 | |
| | | | | | | Bonus score for materially exceeding target | 2 |
| Total | 100% | 100% | | | | Total score out of 100 | |

8.3.2 In case of failure by a bidder to achieve the minimum threshold of 50%, the evaluation committee shall be entitled in its sole and absolute discretion to fail the BEE proposal and to declare it to be non-compliant with the terms of this RFP.

8.3.3 In the event of a BEE proposal being declared non-compliant according to paragraph 8.3.2 above, that bidder's entire bid submission shall be declared non-compliant.

8.4 Management Fee Proposal

- 8.4.1 In the event that a bidder meets the thresholds for both functionality and BEE, SANParks will open and evaluate Envelope 2.
- 8.4.2 Under the Management Agreement, the Management fee income to SANParks shall be the greater of, as per the schedule set out in Annexure 6:
- 8.4.2.1 The 'Minimum rental' as determined by the Bidder and submitted in the format required in Annexure 6 (increased annually by CPIX); and
- 8.4.2.2 The 'Management Fee', which is 12% of gross revenue earned in each Contract Year, proposed by the bidder.

Submission of a financial offer that does not conform to the requirements of Annexure 6 will result in disqualification of the bid.

- 8.4.3 The calculation of Management fee points will be done using the prescribed price formula set in the regulations to the PPPFA, with the maximum points being awarded to the bidder which (having passed the functionality and BEE thresholds) makes the highest Minimum rental offer, and the remaining points being allocated pro-rata to the remaining bidders which have passed the functionality and BEE thresholds.

8.5 Evaluation of bids that meet the applicable minimum thresholds

The functionality, BEE and Management fee elements of the bid are each scored out of 100 points, and the scores achieved (if the minimum thresholds are achieved for functionality and BEE), are calculated into the bidder's overall score using the following formula:

$$a * (\text{functionality score} / 100) + b * (\text{BEE score} / 100) + c * (\text{Management fee score} / 100) = d$$

where -

- a is the weighting for functionality (40 % weighting)
- b is the weighting for BEE (10%)
- c is the weighting for Management fee (50 % weighting) and
- d is the total score achieved by the bidder

8.6 Selection of preferred bidder

SANParks shall calculate the scores of each bid to calculate an overall bid score. The bidder that receives the highest overall bid score will be declared the preferred bidder; and the bidder that receives the second highest overall bid score will be declared the reserve bidder.

9. BID DATE

Bids must be submitted to South African National Parks, 643 Leyds Street, Muckleneuk, Pretoria, for the attention of A van Jaarsveld – SANParks Project Officer, between the hours of 9:00 and 12:00 on **Friday 11 November 2005, (the “Bid Date”)**.

10. OPENING AND EVALUATION OF BIDS

10.1 Opening of Bids

10.1.1 The bids will be opened by the SANParks Project Officer on Monday 14 November 2005. The bids will be opened according to the procedure set out below by members of a Bid Evaluation Committee representing SANParks in the presence of SANParks’ legal and financial advisors. The Bid Evaluation Committee will be comprised of three groups. These groups are the Technical Evaluation Teams (“TETs”), the Evaluation Co-ordination Committee (“EEC”) and the Project Evaluation Committee (“PEC”).

10.1.2 The Bid Evaluation Committee shall separate bid Envelopes 1 from Envelopes 2, and the latter shall be locked in the safekeeping of the Chief Financial Officer until called upon, in compliance with the bid evaluation procedure, by the PEC.

10.2 Evaluation of Bids

10.2.1 The Bid Evaluation Committee, in consultation with its financial and legal advisors, shall review the bids in order to ascertain whether or not they conform to this RFP, with respect to completeness of documentation.

10.2.2 In the event that a bid is not complete, or requires clarification, the Bid Evaluation Committee may, at its sole discretion ask bidders for clarification and/or additional information to ensure complete evaluation. Any request for clarification

or additional information shall be in writing. No amendment in the substance of the bid will be sought, offered or permitted, save in the event of manifest errors.

10.2.3 Bids that fail to conform in respect of paragraph 10.2.2 above may at the sole discretion of SANParks result in the disqualification of the bid without further evaluation.

10.2.4 SANParks shall not be obliged to reimburse the bidders for any costs and/or damage they incurred during the preparation of offers for cancellation, suspension or delay of bidding.

11. SIGNATURE AND EFFECTIVENESS OF THE MANAGEMENT AGREEMENT

11.1.1 The JMB will countersign the Management Agreement signed by the Winning Bidder by 1 December 2005. The Management Agreement will commence on 1 January 2006.

11.1.2 The Management Fees will become payable from commencement, according to the schedule established in the Management Agreement.

12. TIMETABLE

| Event | Date |
|---|--------------------------------|
| RFP advertisement | 4 & 11 September 2005 |
| Compulsory site visit | 4 & 5 October 2005 |
| Other Site visits | 12 September – 21 October 2005 |
| Bid date | 11 November 2005 |
| Bid evaluation | 14 – 17 November 2005 |
| Announcement of preferred bidder and reserve bidder | 18 November 2005 |
| Signature date | 1 December 2005 |
| Commencement Date | 1 January 2006 |

13. GENERAL RULES OF BIDDING

- 13.1** This RFP sets out important information regarding the rules and procedures for bidding for the PPP opportunity and supersedes all other SANParks communications to bidders with regard to the PPP opportunity.
- 13.2** SANParks, reserves the right to modify the timetable in paragraph 12 or otherwise amend, supplement or clarify this RFP at any time. SANParks may cancel the bid at any time without prior notice, and may disqualify any bidder as provided for in this RFP. SANParks shall not incur any liability whatsoever in exercising any rights in this paragraph 13.2 or otherwise granted in this RFP or available under the laws of the Republic of South Africa.
- 13.3** The bid will be conducted in accordance with, and shall be governed by, the laws of the Republic of South Africa and this RFP.
- 13.4** Bids and all correspondence and documents relating to bids shall be in the English language.
- 13.5** The submission of a bid by a bidder implies full knowledge and acceptance of, and submission to, all the terms and conditions set out in this RFP and under the applicable laws of the Republic of South Africa.
- 13.6** Bidders shall be responsible for any and all costs, expenses and losses incurred by them in the preparation and submission of bids or otherwise in connection with the bid. SANParks will not compensate bidders for any such costs, expenses or losses, regardless of the outcome of the bid.
- 13.7** Each bidder shall be solely responsible for its own due diligence investigation of the investment opportunities, environmental compliance requirements, the proposed contractual terms and all matters relating to this RFP. Neither SANParks, the San and Mier Communities, nor any of their respective officers, employees, agents or advisers makes any representation or warranty, express or implied, concerning any matter affecting the tourism opportunities, except for the representations and warranties of SANParks that will be set out in the Management Agreement.

13.8 No verbal agreement or conversation with, nor any verbal clarification from, any officer or employee of SANParks, the San and Mier Communities or any of their advisers shall affect or modify any of the terms and conditions contained in this RFP. Only written amendments, supplements or clarifications to this RFP from duly authorised staff of SANParks, and that are circulated to each bidder, should be relied upon as authorised. For the purposes of this paragraph 13.8, communications sent from duly authorised staff of SANParks to bidders via electronic mail shall be deemed as communications in writing.

14. FURTHER INFORMATION

All questions or requests for clarification concerning this Request for Proposals shall be in writing and addressed to:

South African National Parks
Attention: Ms. Annemi van Jaarsveld
643 Leyds Street
Muckleneuk
P.O. Box 787,
Pretoria, 0001
Phone: (2712) 426-5027
Fax: (2712) 343-3849
E-Mail: annemiv@sanparks.org

15. ANNEXURE 1A – QUALIFICATION SUBMISSIONS

15.1 Financial Requirements

15.1.1 The Submitting Company shall submit the following economic and financial documentation:

15.1.1.1 audited financial statements corresponding to the last two (2) years;

15.1.1.2 annual reports for the last two (2) years;

15.1.2 If the qualification criteria are being met by reference to any other companies, whether current or intended Shareholders or partners, then these companies must submit the same information.

15.1.3 If the financial criteria are being met by companies which are privately held, and do not produce audited statements, or by private individuals, then these companies or individuals must produce a statement of assets, with confirmation of ownership, certified by a qualified auditor.

15.2 Eco-tourism Track Record

15.2.1 The qualifying Eco-tourism Operator(s) or individuals, shareholders or partners, of each Submitting Company, who are being used to meet the criteria regarding eco-tourism experience or the generation of turnover, must provide a general description of the Eco-Tourism/Hotel facilities and services they have operated, including, (i) the number of years in active existence; (ii) the nature of the product sold; and (iii) the total number of beds such facilities or services comprised.

15.2.2 In the event that the Submitting Company is satisfying the requirements under this Section by using the qualifications of a Partner, Shareholder or parent, these indicators must also be certified in the above-mentioned manner. Additionally, each of the members of the Partnership, or the Shareholder or subsidiary as the case may be, must demonstrate that such Shareholder, parent or partner is willing and able to support the technical operations of the Submitting Company for the Management Area or sites involved.

16. ANNEXURE 1B – FINANCIAL INFORMATION RELATING TO THE BIDDER

Bidders must provide the following information, labelled as “Financial Information on (bidder name)”:

- (a) Indicate the expected capital outlay in furniture, vehicles, plant equipment and start-up expenses.
- (b) Explain the financing plan; i.e. indicate how much capital will be needed, where it will come from (own capital, grants, borrowings) and the expected amount and terms (interest rate, repayment period, security) of any proposed loans.
- (c) Provide a simplified cash-flow forecast for the project’s first five years, along the following lines:

| | <u>Start-up</u> | <u>Yr. #1</u> | <u>Yr #2</u> | <u>Yr #3</u> | <u>Yr #4</u> | <u>Yr #5</u> |
|---|-----------------|---------------|--------------|--------------|--------------|--------------|
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| <u>Cash inflows:</u> | | | | | | |
| Owners' capital | | | | | | |
| Loans received | | | | | | |
| Grants received | | | | | | |
| Cash from sales & other operating revenue | | | | | | |
| Cash from other sources | | | | | | |
| Total cash inflow A | | | | | | |
| <u>Cash outflows:</u> | | | | | | |
| Project costs and start-up expenses | | | | | | |
| Salaries, wages & staff costs | | | | | | |
| All other operating costs & expenses | | | | | | |
| Loan repayments | | | | | | |
| Replacement of equipment & vehicles | | | | | | |
| Total cash outflow B | | | | | | |
| <u>Net cashflow</u> | | | | | | |
| [A – B] before Management fees & tax | | | | | | |

17. ANNEXURE 2 – BUSINESS AND OPERATIONAL PLAN

The following information should be provided, backed up with demonstration of existing processes and systems utilised in existing business with which the bidder is associated:

17.1 Constitutional information

A bidder must form a specific company, or special purpose vehicle (SPV), for the purposes of bidding for this PPP opportunity. Failure to do so may result in the bid being declared invalid.

- (a) The name, address, telephones and fax numbers of the bidder, and the trading name of the bidder if different from the registered name.
- (b) Directors and their responsibilities.
- (c) Place of registration.
- (d) Registration number.
- (e) Memorandum and Articles (or equivalent constitutive documents).
- (f) Shareholders Agreement (if applicable).
- (g) Direct shareholder(s) and percentage shareholding or other beneficial interest or participation held by each; if there is more than one class or share or funding the percentages held by each.

17.2 Background and rationale

- 17.2.1 The bidder and its objectives.
- 17.2.2 Track record and knowledge of existing products/activities offered in the tourism industry, including size of existing operations in terms of turnover.
- 17.2.3 Detailed description of activities/products envisaged for Klein Skrij Lodge and the management thereof.
- 17.2.4 Current operating standards - include outline of Operations and Procedures Manuals.
- 17.2.5 Proposed organisational and staffing structures, including, Management policies.
- 17.2.6 Measures to transfer knowledge and expertise.

17.2.7 Labour plan, including details of numbers of permanent and part-time staff that will be employed, staff procurement policies, employment policies and socio-economic goals with employment.

17.2.8 Memberships and registrations (list any awards/accolades/ratings).

17.2.9 Curricula vitae of shareholders, directors, management and staff.

17.3 Market analysis

17.3.1 Bidders' track record and knowledge of the market including existing relationships with tour operators and travel trade plus references.

17.3.2 Target market (geographical, income, nature of activity, etc).

17.3.3 Marketing channels.

17.3.4 Product branding plans

17.3.5 Time taken to establish market.

17.3.6 Growth in occupancy.

17.3.7 Pricing range; and

17.3.8 Competitive analysis.

18. ANNEXURE 3 – DEVELOPMENT AND ENVIRONMENTAL PROPOSAL

Items to address in Development and Environmental Proposals.

18.1 Legislative Requirements

- 18.1.1 Confirmation that EIA requirement is understood and will be complied with for any additional infrastructure.
- 18.1.2 Acknowledgement that Development and Environment Proposals lacking sufficient detail may be disqualified.

18.2 SANParks Requirements

- 18.2.1 Acknowledgement that the Operator must comply at all times with SANParks Environmental Guidelines as they may change from time to time.

18.3 Appointment of Environmental Control Officer

- 18.3.1 Acknowledgement of requirement to appoint Environmental Control Officer (ECO).

18.4 Cultural, Archaeological and Natural Resources

- 18.4.1 Agreement to abide by provisions of Environmental Guidelines section 2.3.

18.5 Biosphere Manipulation

- 18.5.1 Agreement to abide by provisions of Environmental Guidelines section 2.4.

18.6 Carrying Capacity

- 18.6.1 Agreement to abide by provisions of this RFP.

18.7 Water

- 18.7.1 Identification of water source(s)

- 18.7.2 Estimates of total extraction requirements and confirmation that, during Operational Phase, total water extraction from any and all sources inside the Park will be limited to not more than 350 litres (*l*) per guest-bed per day.

18.8 Liquid Wastes

- 18.8.1 Confirmation that monthly wastewater monitoring will be undertaken, and these reports made available to SANParks.
- 18.8.2 Confirmation that fuels, solvents, other wastes will be stored in vessels equipped with secondary containment structures, removed from the Management Area and Park, and disposed of in compliance with national, local and SANParks requirements.

18.9 Solid Wastes

- 18.9.1 Estimates of volumes of solid waste, by different waste categories, that the development is expected to generate.
- 18.9.2 Description of Operator's proposed methods for recycling solid wastes.
- 18.9.3 If applicable, request to utilise SANParks incinerator located at nearby SANParks rest camp.
- 18.9.4 Alternatively, request to construct an incinerator within the Management Area, if applicable, with understanding that this will be subject to the findings of the EIA.

18.10 Roads and Tracks

- 18.10.1 Number of kilometres of roads/tracks to be constructed, including type and quantity of traffic expected on these roads. NB: this number must be within limits SANParks has set for the Project.
- 18.10.2 Acknowledgement that tracks for game viewing purposes must be kept to the narrowest width possible to accommodate one vehicle at a time.

18.11 Fire Management

- 18.11.1 Acknowledgement that Operator may not control natural fires occurring in a Management Area, except in the immediate surrounds of the Lodge and/or to save human life or property.
- 18.11.2 Acknowledgement that control of natural fires elsewhere in the Management Area is the responsibility of SANParks and that Operator may not attempt to control natural fires without SANParks' consent and direction.

18.12 Staff Accommodation and Safety

- 18.12.1 Estimate of total number of Operator staff, including number to be (i) accommodated on-site (including family members) and (ii) accommodated off site.
- 18.12.2 If Operator is requesting that staff be housed at SANParks rest camps in the Park, this request must be included, indicating the number of staff for which request is made. SANParks will undertake its best efforts to house such staff, or to enable the Operator to develop housing for such staff at the rest camps, but SANParks makes no undertaking thereto. SANParks' inability to meet the Operator's request will not be accepted as a valid reason for changes in the conditions of the Operator's bid.
- 18.12.3 Acknowledgement that Operator must implement a staff medical plan that complies with the Health and Safety Act, and an emergency medical evacuation policy that covers both guests and staff.

18.13 Access

- 18.13.1 Acceptance of the terms and conditions for controlling access into and out of the Park as set forth in section 2.13 of the Environmental Guidelines.

18.14 Operator Vehicles

- 18.14.1 Total number of Operator vehicles that the Operator intends to have based within the Management Area and/or other location inside the Park, including use for which each is intended.

- 18.14.2 Agreement to abide by vehicle standards presented in Environmental Guidelines section 2.14.

18.15 Guest Activities

18.15.1 Game Drives

- 18.15.1.1 Agreement to adhere to rules for game drives and sightings specified in Environmental Guidelines (sections 2.15.1 and 2.15.2)

18.15.2 Off-road driving

- 18.15.2.1 No off-road driving will be permitted.

18.15.3 Walks

- 18.15.3.1 Agreement to abide by rules presented in Environmental Guidelines section 2.15.4.

18.16 Monitoring of Compliance with Codes of Conduct:

- 18.16.1 Agreement to post Codes of Conduct in guest rooms and other areas where they will be visible, and to distribute a letter from the JMB to guests advising them of relevant Park rules and regulations.

- 18.16.2 Agreement to provide guests with a means to provide feedback (e.g., an evaluation form, the results of which will be reviewed by SANParks, the JMB and the Operator.

18.17 Monitoring

- 18.17.1 Acknowledgement of the SANParks' right to undertake necessary conservation management activities in all of the Management Area.

- 18.17.2 Confirmation of willingness to participate in a JMB-Operator forum, and to comply with any standards thereby agreed established.

19. ANNEXURE 4 – RISK MATRIX

| Risk | General description | Project-specific description | Mitigation measures | Allocation (JMB/ Operator/ shared) |
|---------------------------|--|-------------------------------------|----------------------------|---|
| Financing | Raising of capital for Capex and Opex; tax, inflation, interest rate, and currency risks | | | |
| Supporting infrastructure | The risk that supporting infrastructure may be inadequate to sustain the enterprise | | | |
| Utilities | The risk that utilities may not be fully available or may cause delays | | | |
| Environment and heritage | The possibility of liability for losses caused by environmental or heritage damage or delays | | | |
| Maintenance | The possibility that the costs of maintenance to required standards may vary from projections or that maintenance is not carried out | | | |
| Operations | Any factors (other than Force Majeure) impacting on operations | | | |
| Market, demand, volume | The possibility that demand for the product is less than projected | | | |
| Political | The possibility of unforeseeable conduct by the JMB, SANParks adversely affecting the project, or expropriation of Operator assets | | | |
| Force majeure | The possibility of the occurrence of unexpected events beyond either party's control may adversely affect the project | | | |

20. ANNEXURE 5 - BEE

20.1 The bidder must make commitments in the space provided in the BEE scorecard, which commitments will become binding in the Management Agreement. Any positive, innovative proposals or commitments by the bidder to any element(s) of the bid should be provided in notes supplementing the scorecard, and may earn bonus points. The bidder may commit that certain percentages will grow over time.

20.2 The names, BEE credentials and contact details of black equity shareholders, black managers, black women managers must be provided to substantiate the commitments. Where possible, these details should also be provided for black enterprises and/or black people targeted for subcontracting and procurement.

20.3 The actual anticipated number of construction jobs and operating jobs must be given.

20.4 The Mandatory Community Trust must be established for the San and Mier Communities. Representatives of the San and Mier communities will be present at the bidders' site visit. No further bidder engagement with the San and Mier Communities may take place until the announcement by SANParks of a preferred bidder, at which point, meetings will commence between the preferred bidder and the San and Mier Communities. Failure by a bidder to abide by this provision of the RFP will be grounds for disqualification of that bidder at the sole discretion of SANParks.

20.5 Definitions

The definitions used in the BEE element of the bid shall be those given in the Tourism Charter & Scorecard, with the addition of the following:

20.5.1 Community Trust - A not-for-profit trust created in terms of applicable law by volunteer members for the purpose of channelling the proceeds of various activities and investments for the common good of persons from the San and Mier Communities.

20.5.2 Local - The San and Mier Communities.

- 20.5.3 Mandatory Community Trust Ownership - Equity in the Private Party which must, as a mandatory provision of the PPP, be acquired by the Community Trust defined above.

21. ANNEXURE 6 – MANAGEMENT FEE OFFER

Please note that this information must be contained in Envelope 2 and is not to be submitted in Envelope 1 with the Functionality and BEE information.

Bidders must present their Financial Offer in the following format:

Letterhead of Bidder

To: The JMB
South African National Parks
643 Leyds Street
Muckleneuk
Pretoria
0001

(Name Of Bidder) hereby agree to pay the JMB an annual management fee of 12 % of the Lodge's gross turnover, subject to a minimum rental in the event that *(Name of Bidder)* is selected as the Winning Bidder.

Minimum rental = (place R amount here)

(Name of Bidder) hereby warrants that the Minimum rental referred to above is included in the Lease Agreement, signed and attached as part of our Bid Submission.

The undersigned is a duly authorised representative of the Bidder with full power and authority to submit this Offer and commit the Bidder to the terms hereof.

Truly yours,

Name: _____

Signature: _____

Title: _____

22. ANNEXURE 7 - MANAGEMENT AGREEMENT

The Management Agreement does not form part of the RFP but will be available on or before Monday 12 September 2005 on the SANParks website: www.sanparks.org

23. ANNEXURE 8: FORM OF PERFORMANCE BOND

Form of Performance Bond to be provided to South African National Parks, the Khomani San Community and the Mier Community (herein referred to as the “**Principal Parties**”)

Whereas:

1. The Principal Parties have awarded a management agreement in respect of the operation, management and maintenance of the Lodge and related services for visitors to the area measuring 4000 hectares at the Klein Skrij Pan located within the Khomani San Land and Mier Land on which the Lodge will be situated, pursuant to the terms of this Management Agreement (hereinafter called the “**Management Agreement**”) to [] (hereinafter called the “**Operator**”); and
2. The Operator is obliged by the terms of the Management Agreement to provide this Bond to the Principal Parties to secure the performance of its obligations under the Management Agreement.

We, the undersigned

_____ and _____
(Name) (Name)

acting herein as

_____ and _____
(Position) (Position)

of _____
(hereinafter called the “**Bank**”)

being duly authorised to sign and incur obligations in the name of the Bank under and in terms of a Resolution of the Board of Directors of the Bank, a certified copy of which is annexed hereto, hereby irrevocably and unconditionally guarantee and undertake on behalf of the Bank that:

- 1 The Bank shall pay amounts not exceeding R 250,000-00 (Two Hundred and Fifty Thousand Rand) in aggregate (the “**Maximum Amount**”) without delay, on receipt by the Bank of the first written demand of the Principal Parties that the amount is due and payable and without proof of any breach or other default. The Bank shall pay such amount(s) to the Principal Parties upon receipt of a certificate in the form attached signed by authorised representatives of the Principal Parties certifying that the Principal Parties are entitled to draw on this Bond pursuant to the provisions of the Management Agreement (the “**Certificate**”). The Principal Parties may make partial and/or multiple demands under this Bond provided that the aggregate of amounts paid under this Bond shall not exceed the Maximum Amount.
- 2 The demand for payment together with this Bond (or a certified copy hereof) and the Certificate shall constitute prima facie proof of the Bank’s indebtedness hereunder for the purposes of any proceedings including but not limited to provisional sentence proceedings instituted against the Bank in any court of law having jurisdiction.
- 3 Neither the failure of the Principal Parties nor of the Operator respectively to enforce strict or substantial compliance by the Operator or any contractor or sub-contractor with their respective obligations nor any act, conduct, or omission by the Principal Parties or Operator prejudicial to the interests of the Bank including, without

limitation, the granting of time or any other indulgence to the Operator, any contractor or sub-contractor or any other person or by amendment to or variation or waiver of terms of the Management Agreement, any sub-contract or any ancillary or related document (the “**Underlying Documents**”) will discharge the Bank from liability under this Bond. For the avoidance of doubt, the Bank’s liability under this Bond will not be discharged notwithstanding the winding up, dissolution or judicial management of the Operator, any contractor or sub-contractor or any other Person and the Bond shall be honoured regardless of the invalidity, illegality or unenforceability of the Underlying Documents.

- 4 This Bond shall:
 - 4.1 remain in full force and effect from the date hereof, and shall expire on the earlier of:
 - 4.1.1 the issuance of a replacement Bond in accordance with the terms of the Management Agreement;
 - 4.1.2 90 Business Days after the expiry or earlier termination of the Management Agreement; or
 - 4.1.3 the date when the Bank has paid to the Principal Parties an amount which is equal to (or amounts which in aggregate total) the Maximum Amount;
 - 4.2 exist independently of the Management Agreement or any amendment, variation or novation thereof;
 - 4.3 not be ceded, assigned or otherwise transferred by the Principal Parties, or otherwise dealt with in any manner whatsoever (save for the purposes and in the manner referred to above) which has or may have the effect of transferring or encumbering or alienating the Principal Parties rights hereunder;
 - 4.4 be returned to the Bank on its expiry, cancellation, withdrawal or this Bond being fully drawn; and
 - 4.5 be governed by the laws of the Republic of South Africa.
- 5 The Bank shall deposit any payment made under this Bond into an account designated by the Principal Parties.
- 6 The Bank shall make any payment demanded under this Bond free, clear of and without any deduction, withholding, counterclaim or set-off of any kind. If the Bank is required by law to make payments subject to the deduction or withholding of tax, it will make such further payments as are necessary to ensure that the amounts paid to the Principal Parties equal the amounts that would have been paid to the Principal Parties had no such deduction or withholding been made or been required to be made.
- 7 The obligations of the Bank under this Bond shall not in any way be affected by the invalidity, illegality or unenforceability for any reason of the obligations of the Operator.
- 8 The Bank shall have no right of recourse or claim of whatever nature against the Operator arising out of its obligation to pay or arising out of actual payment under this Bond to the Principal Parties.
- 9 Addresses and Notices:
 - 9.1 The parties hereto choose *domicilium citandi et executandi* for all purposes of and in connection with this agreement as follows:

The Principal Parties _____
Telefax:

The Bank: _____
Telefax: _____

- 9.2 Any party hereto shall be entitled to change its *domicilium* from time to time, provided that any new *domicilium* selected by it shall be a physical address in the Republic of South Africa, and any such change shall only be effective upon receipt of notice in writing by the other party of such change.
- 9.3 All notices, demands, communications or payments intended for any party shall be made or given at such party's *domicilium* for the time being.
- 9.4 Any notice required or permitted to be given under this Bond shall be valid and effective only if in writing.
- 9.5 A notice sent by one party to another party shall be deemed to be received
 - 9.5.1 on the same day, if delivered by hand;
 - 9.5.2 on the same day of transmission, if sent by telefax with a receipt confirming completion of transmission.
- 9.6 Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen *domicilium citandi et executandi*.

SIGNED ON _____ 2005

AT _____ (Place)

SIGNATURE _____ SIGNATURE _____

[NAME] [NAME]

[TITLE] [TITLE]

WITNESS 1 _____ WITNESS 2 _____

24. ANNEXURE 9 - BID COVER SHEETS

To be placed on each envelope:

BID FOR KLEIN SKRIJ LODGE
ENVELOPE 1: FUNCTIONALITY AND BEE BID

Name of Bidder:
Postal address:
Street address:
Telephone:
Cell phone:
Facsimile:
Contact person:
Email address:
Signature of Bidder:
Date:
Capacity under which it is signed:

*Signature of this document shall constitute acceptance of the terms and conditions of this bid.
Failure by the bidder to sign this form may invalidate the bid.*

BID FOR KLEIN SKRIJ LODGE
ENVELOPE 2: PPP FEE OFFER

Name of Bidder:
Postal address:
Street address:
Telephone:
Cell phone:
Facsimile:
Contact person:
Email address:
Signature of Bidder:
Date:
Capacity under which it is signed:

*Signature of this document shall constitute acceptance of the terms and conditions of this bid.
Failure by the bidder to sign this form may invalidate the bid.*