



## **ADVANCE CONTRACT AWARD NOTICE (ACAN)**

### **1. Title**

**Dummy-probing and reaming of boreholes at the New Afton mine, British Columbia.**

### **2. Definition**

An Advance Contract Award Notice (ACAN) allows departments and agencies to post a notice, for no less than fifteen (15) calendar days, indicating to the supplier community that it intends to award a good, service or construction contract to a pre-identified contractor. If no other supplier submits, on or before the closing date, a Statement of Capabilities that meets the requirements set out in the ACAN, the competitive requirements of the government's contracting policy have been met. Following notification to suppliers not successful in demonstrating that their Statement of Capabilities meets the requirements set out in the ACAN, the contract may then be awarded using the Treasury Board's electronic bidding authorities.

If other potential suppliers submit Statement of Capabilities during the fifteen calendar day posting period, and meet the requirements set out in the ACAN, the department or agency must proceed to a full tendering process on either the government's electronic tendering service or through traditional means, in order to award the contract.

### **3. Background**

The Targeted Geoscience Initiative phase 5 (TGI-5) of Natural Resources Canada is conducting a geological study of the New Afton porphyry deposit located near Kamloops, B.C., Canada. As part of the study, we seek to develop a 3D model of the central upflow conduits of the porphyry deposit. The 3D model will be constructed using seismic images combined with geological and geophysical logging information.

### **4. Objective**

As part of the study, we will collect data in 6 boreholes located underground at the New Afton mine. More specifically, we will deploy and retrieve instruments in six boreholes and subsequently cement fiber-optic cables in three boreholes (cementing will be done by New Gold, the owner of the New Afton mine). The work described in the technical specifications below is to ensure that boreholes are open prior to the deployment of instruments in the six boreholes.

### **5. Detailed Technical Specifications**

#### **5.1 *Dummy probing of 6 boreholes***

The contractor shall dummy probe 6 boreholes located underground at the New Afton mine near Kamloops, BC. The 6 boreholes have their collars located in two different drill bays (AD19 and DRM104). The Specific boreholes to be dummy-probed are:



Hole ID	Dip from horizontal (degrees)	Total depth (m)
EA16-167	-50	680
EA16-168	-44	505
EA16-169	-63	764
EA16-170	-55	739
EA16-171	-70	874
EA16-172	-62	725

## 5.2 Reaming of boreholes

The contractor shall ream up to 6 boreholes located underground at the New Afton mine near Kamloops, BC. The 6 boreholes have their collars located in two different drill bays (AD19 and DRM104). The specific boreholes to be reamed are the same as in section 3.1 above. Boreholes identified as open during dummy probing will not be reamed.

## 6. Tasks and Deliverables

### 6.1 Dummy-probing of 6 boreholes

A list of boreholes with maximum depth reached with the dummy probe and a list of depths in each borehole where some resistance was encountered while bringing the dummy probe back up to the collar. The total number of hours worked for dummy-probing must also be provided (dates and hour worked each day).

### 6.2 Reaming of boreholes

A list of boreholes reamed with maximum depth reached. The total number of hours worked for reaming must also be provided (dates and hour worked each day).

### 6.3 Schedule

Dummy-probing and reaming of the boreholes shall be conducted during the time period of December 15, 2016 to February 15, 2017. The exact time for each of the two tasks (dummy-probing and reaming) will have to be scheduled and coordinated with New Gold and NRCAN. Deliverable for each item shall be received by email within 5 days after work is completed (within 5 days after the completion of each task).

## 7. Constraints

The boreholes are within the operational area of New Gold Inc. Once at the mine site and after the mandatory site induction and safety orientation training (provided by New Gold Inc.), dummy probing and reaming of the boreholes will have to be coordinated with New Gold who will provide access to their private roads, personal protective equipment, and transportation of equipment and staff to each borehole collar location underground and back up to surface.

## 8. Indemnification

The Contractor shall indemnify and save harmless NRCAN and its employees and agents, from and against all claims, demands, losses, costs including lawyer's fees, damages, actions, suits or proceedings, that are in any manner based upon, arising out of, or attributable to the wilful or negligent acts or omissions of the Contractor or its employees and agents in carrying out the Work. NRCAN shall have the right to defend any such action or proceeding with counsel of its own choosing.



## 9. Estimated Cost

The estimated maximum value of the contract is \$82,631.25, including all applicable taxes.

## 10. Trade Agreements

### ***Applicable Limited Tendering Provision under NAFTA (Article 1016.2)***

**1016.2(b)** - where, for works of art, or for reasons connected with the protection of patents, copyrights or other exclusive rights, or proprietary information or where there is an absence of competition for technical reasons, the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute exists;

### ***Applicable Limited Tendering Provision under Canada-Chile (Article Kbis-09)***

**Kbis-09 (b)** - where, for works of art, or for reasons connected with the protection of patents, copyrights or other exclusive rights, or proprietary information or where there is an absence of competition for technical reasons, the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute exists;

### ***Applicable Limited Tendering Provision under Canada-Peru / Canada-Colombia (Article 1409)***

**1409 (b)** where the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist for any of the following reasons:

- (i) the requirement is for a work of art,
- (ii) the protection of patents, copyrights or other exclusive rights, or
- (iii) due to an absence of competition for technical reasons

### ***Applicable Limited Tendering Provision under AIT (Article 506.12)***

**506.12(b)** – where there is an absence of competition for technical reasons and the goods or services can be supplied only by a particular supplier and no alternative or substitute exists;

## 11. Exception to the Government Contracts Regulations and applicable trade agreements

Sole Source Justification - Exception of the Government Contract Regulations (GCR):

- (d) Only one person or firm is capable of performing the contract

This work will be done by the drilling company doing related work underground for New Gold at New Afton Mine, in British Columbia. New Gold will not let NRCan bring another drilling contractor underground. The sole source in this case is for operational reasons.

## 12. Name and Address of the Proposed Contractor

Atlas Drilling Inc.  
746 Carrier Street  
Kamloops, British Columbia  
V2H 1G2



### **13. Inquiries on Submission of Statement of Capabilities**

Suppliers who consider themselves fully qualified and available to provide the services/goods described herein, may submit a Statement of Capabilities in writing, preferably by e-mail, to the contact person identified in this Notice on or before the closing date and time of this Notice. The Statement of Capabilities must clearly demonstrate how the supplier meets the advertised requirements.

### **14. Closing Date**

Closing Date: 14 November 2016

Closing Time: 2:00 p.m. EST

### **15. Contract Authority**

Valerie Holmes  
Procurement Specialist  
Natural Resources Canada  
580 Booth Street, 5<sup>th</sup> Floor.  
Ottawa, ON  
K1A 0E4  
Telephone: (343) 292-8371  
Fax: (613) 947-5477  
E-mail : [Valerie.holmes@canada.ca](mailto:Valerie.holmes@canada.ca)