

# SCO COAL - SOFT CORPORATE OFFER



<b>Product:</b>
<b>Type B Thermal Coal</b>

<b>Country:</b>	Colombia
<b>Date:</b>	September 8, 2022
<b>Validity:</b>	5 Business days

**Attention:**

**Via: JG / Cesar G.**

<b>PRODUCT DESCRIPTION</b>			
<b>Commodity:</b>	Type B Thermal Coal // With mining origin from Cerrejón		
<b>Origen:</b>	Colombia		
<b>Technical Sheet</b>			
<b>Item</b>	<b>Guaranteed Value</b>	<b>Rejection Value</b>	<b>Method</b>
Total moisture % by weight	11.25	12.0	ISO
Ash % by weight	10.00	11.71	ISO
Volatile Matter (96 by weight)	32.50	33.69	ISO
Fixed Carbon (by difference) 96 in weight	44.20	46.50	ISO
Total Sulfur % by weight	0.68	0.80	ISO
Gross Calorific Power (Kcal /Kg)	5684	Under 5500	ISO
BMO Calorific Value (GJ/Ton)	22.67	27.67	ISO
BMO Calorific Value (J/G)	22479	27672	ISO
Size	0 – 50 mm	0 – 50mm	ISO
<b>NOTE: All analyzes corresponding to each quality will be applied to ISO standards.</b>			

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Quantity:	From <b>60,000 MT</b> up to two Million tons <b>(2,000,000) metric tons (MT)</b> per month, dispatch, until reaching an increase defined between the parties.
Packing:	In bulk
Terms of sale:	<b>FOB</b> Puerto Bolívar, La Guajira, Colombia <a href="https://goo.gl/maps/RE1SQ9rBdQCeLVg69">https://goo.gl/maps/RE1SQ9rBdQCeLVg69</a>
Other conditions of sale:	Important Observation: If the client requires the CIF sale, the selling company can collaborate in the coordination of the maritime transport. The buyer must sign the transportation contract directly with the shipping company and must also bear the cost of this transportation. <b>We Sale only FOB</b>
Term contract:	1 to 5 years minimum, with annual renewals and extensions (rolls and extensions)
Delivery time FOB Colombian port:	15 to 21 calendar days after signing the contract and verification of the letter of credit by our bank officer.
Price (FOB Colombian Port)	<p><b>The value of a ton of type B thermal coal is <b>USD \$ 180.00 per MT (US dollars).</b></b></p> <p><b>The sale price depends on the purchase quantity; Please contact us and we will quote you.</b></p> <p><b>Shopping guide: price LME with discount of 60% and possibly more discount. ASK US.</b></p> <p>The price of a ton of Coal will be negotiated every three (3) months and the increases or decreases of coal will be applied in each negotiation period in accordance with the established international variations.</p>
Way to pay:	SBLC letter of credit or documentary letter of credit (DLC), transferable and irrevocable, confirmed, and revolving issued by a TOP 50 bank
Unforeseen costs:	Any additional cost due to delay in the arrival of the ship will be borne by the buyer, likewise, any delay in the final payment that generates "stand by" costs of the port and other charges, will be borne by the buyer.

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## LOADING PROCESS

- Before the coal is loaded onto the wagons, a complete laboratory analysis is carried out to determine that the ore meets the required quality.
- Coal is crushed and shipped by rail, then transported using direct loading systems that deposit the ore directly into the holds of coal ships.
- LOADING RATE:** The direct cargo seaport can handle 180,000 tons of capacity, the loading rate can reach 7,000 tons per hour, with peaks of up to 11,000 tons per hour per band and there are three bands, it has a navigable channel of 19.00 Mt deep with direct loading system.

- The port can receive ships with the following characteristics:

<b>Maximum Length:</b>	300.00 meters (984 feet)
<b>Maximum sleeve:</b>	45.00 meters (147 feet)
<b>Maximum cargo draft:</b>	-17.00 meters (-55 feet)
<b>Maximum draft in ballast:</b>	9.00 meters (29.5 feet)
<b>Maximum air draft:</b>	21.00 meters (69 feet) (Measured to the extreme stop of the hatch cover)
<b>Maximum cargo area length:</b>	215.00 meters (705 feet)

## STANDARD OPERATION PROCEDURE SOP.

To start the business, please send back this document signed by the buyer or buyer mandate.

1. NCNDA From Mandate to Mandate, and between seller & buyer
2. THE SELLER sends formal SCO and copy of the coal technical sheet.
3. THE BUYER: Sends a LOI & KYC to the seller mentioning that accept the

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technical specs of the coal offered according to the technical sheet and SOP that will not be changed in the course of this negotiation.

4. THE SELLER: Sends a FCO with prices, delivery time and form of payment among the Official authorization for commercialize the coal (RUCOM) and SGS certificate.

5. THE BUYER signs the FCO for the acceptance of the conditions and terms and attaches send the ICPO (including CIS & Registration certificate) to THE SELLER.

6. THE SELLER sends the SPA draft to Buyer for review

7. THE BUYER AND SELLER discuss any modification of the sales contract UNTIL the last draft is approved and the party's sign.

8. THE SELLER will issue proforma invoice for the buyer to sign and return. This contract between the buyer and the seller will be presented to the respective banks, among the following documents:

9. The NO CIRCUMVENTION, NO DISCLOSURE (NCNDA) agreement and the Irrevocable Master Fee Protection Agreement (IMFPA) that will become an integral part of SPA.

10. The Buyer's issue the DLC / SBLC the non-operational Letter of Credit (SBLC / LC MT 700) to receive POP.

11. Once the DLC / SBLC is operative the buyer nominates the vessel (LAYCAN) and the Seller confirms with Port Authorities.

12. The buyer's vessel must have a standard tanker charter (questionnaire 88, according to Colombian port protocol

13. The shipping procedure begins for the first shipment within 15/25 days after receipt of the Payment Instrument at the Seller's bank.

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14. The Buyer pays according to the payment terms stated in the SPA.

**Note.** Item 12 must be done every month of the annual business contract.

**To start the business, please send back this document signed by the buyer or buyer mandate.**

We are interested in starting this negotiation:

**We accept the SOP and price.**

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**Name:**

Company:

Email and phone:

**Mandate:**

Name

Email and Phone

**Lawyer:**

Name

Company

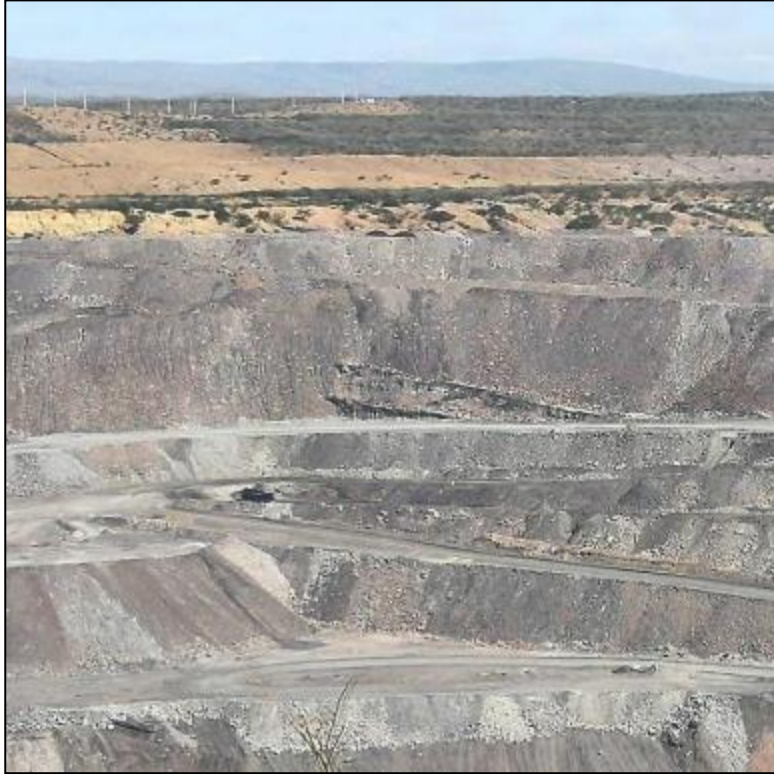
Email and Phone

# SCO COAL - SOFT CORPORATE OFFER

## PHOTOS



# SCO COAL - SOFT CORPORATE OFFER



**IMAGES OF THE COAL MINE**



# SCO COAL - SOFT CORPORATE OFFER

## OPERATION





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## OPERATION



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## TRANSPORTATION



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## LOADING TO THE SHIP



**Fulfilled the contract**