

## **Term Sheet and instruction to the Bidders No. 1404\_06**

The present document sets out the general information and instructions to bidders for international tender for the export sale of approximately fifty thousand (50,000) Metric tons of Iron concentrate according to the terms herein after defined:

### **1- Commodity:**

Iron Ore Concentrate

### **2- Quantity:**

Approximately 50,000 MT  $\pm$  2,000 (fifty thousand metric tons  $\pm$  2,000 MT more or less based on seller's option.)

### **3- Delivery Terms:**

Available for loading Free on Board (FOB) – Bandar Imam Khomeini (BIK), IRAN.

3-1) Seller is responsible only up to loading on vessel; risk and cost transfer at ship's rail

3-2) Any delay at port due to buyer's documentation or carrier issues shall be at buyer's cost

3-3) Important note: Seller undertakes to issue an official and written notification which is explicitly stated the consignment is ready to be loaded and shipped, for each party separately, and Buyer undertakes to dispatch the vessel at loading Port immediately after receiving the above-mentioned notification. Any NOR issued by shipping companies in regards with this contract before the date of the above-mentioned Seller's official and written notification, doesn't create any obligations for the Seller especially regarding the demurrage costs.

### **4- Delivery Time:**

❖ Prompt

❖ In case of The Buyer fails to make preparation to carry the cargo maximum within twenty (20) days from the date of the letter of announcing tender winner then The Seller has the right to cancel the Contract & confiscate the bank guarantee for the subject cargo or The Buyer will be charged by seller for the cargo storage, USD 0.2 ton per day. After canceling the Contract, the Seller has the right to sell the cargo to any third party.

Important notice: The Buyer must arrange and notify the Seller to confirm the Notice of Readiness.

## 5- Chemical and Physical Specifications:

Analysis		
Fe %	65%	Approximately
FeO %	24%	Approximately
SiO <sub>2</sub> %	5%	Maximum
Al <sub>2</sub> O <sub>3</sub> %	1.4%	Maximum
S %	0.5%	Maximum
P %	0.03%	Maximum
MgO %	1.8%	Maximum
K80- micron	60	Ave
Moisture %	10%	Ave

## 6- Vessel nomination and acceptance:

6-1) The Buyer must nominate suitable vessel(s), of the standard type and size and notify the Seller of such nomination. The nominated vessels) must be suitable, have adequate classification and insurance cover including third party and pollution risk insurance cover, and must adhere to all standards and regulations in practice at Shipping Organization and Iranian ports (Bandar Imam khomeini). The seller reserves the right to reject the nomination of any vessel(s) by the successful bidder/buyer, provided such rejection is reasonable and on grounds on compliance with local rules and practices at Bandar Imam Khomeini.

6-2) the vessel's agent must be confirmed by The Seller and if not, The Seller chooses the agent.

6-3) the vessel and its owner must be confirmed by The Seller and if not, The Seller chooses them.

6-4) The Seller must be fully aware, access directly and in process of all the correspondence and documentation from the beginning to end of the vessel charter party.

- ❖ **The Seller reserves the unfettered right to reject any vessel nominated by the Buyer prior to the agreed Laycan period which rejection shall be notified to the Buyer in writing.**

Important Notice: after the nomination, and acceptance of the said vessel, and before loading, The Buyer should write an official letter to the shipping agency to deliver the related bill of lading to The Seller.

#### **7- Loading Rate:**

Loading rate at Loading Point in Bandar Imam Khomeini (BIK), in accordance to local customs and practices at the port, is eight Thousand tons (8'000 metric tons) per weather working day, Fridays and Holidays included.

The above loading rate is only possible for a vessel loading per crane (per hook) each for 2000 MT.

For any vessel requiring shore cranes, all details, circumstances must be accepted by The Seller and, The Seller reserves the unfettered right to reject any vessel nominated by the Buyer.

- Allowed loading duration is based on the above loading rate.

#### **8- Demurrage and Dispatch:**

All Demurrage and dispatch conditions including fee and other terms unless loading rate as mentioned in clause 7 of this term sheet would be based on freight contract which The Seller confirms. Otherwise, it is based on The Seller decision.

- Any delay in making payments on due date will cause non-berthing of nominated vessel and it would not be entitled to any demurrage during the delay.

- Lay time calculation will be from initial draft surveying until to final draft survey.

- Thus, all arrangement of vessel berthing and any needed documentaries in BIK port which may lead to demurrage have to be paid by The Buyer.

**9- Force Majeure:**

9-1) Neither party shall be liable for delays or failure caused by force majeure events such as war, natural disasters, port closures, etc.

9-2) In such case, the delivery period shall be extended accordingly.

**10- Damage & Insurance:**

Seller shall not be liable for any damage or loss after FOB delivery point. Insurance of goods during transit is buyer's responsibility.

**11- General Conditions:**

11-1) The bidders are required to Sabanour's Secretariat submit their sealed Envelope by no later than 16:30) on 15<sup>th</sup> October 2025.

11-2) the winner will be announced on maximum 5 working days in iran after envelopes opening to sign the contract and arrange the payments.

11-3) Deposit for taking part in tender is 50,000,000,000 IRR. The deposit could be provided by the following ways:

- a) Bank Guarantee certificate, it must be valid for at least three (3) months from the date of issue with the possibility of increasing the time to six (6) months only by seller request.
- b) Paying directly to Sabanour's Bank account (Sina Bank, Gisha Branch No 399, Account No 3997765501297-1 and IR 090590039977605501297001)

Note: In case of the first winner fails to buy the cargo and do all the related clauses of this document, then The Seller has the right to cancel the deal and confiscate the deposit and nominate the second winner to make the deal with the same condition.

11-4) The Buyer has to inform, receive confirmation and share all the correspondences, documentaries, and any other information to The Seller.

**12- Unit Price Formula:**

The unit price per dry metric ton offered by the bidder must be formulated as per the table below:

<u>P (Final Invoice Basis) = Platts daily Iron Ore For 65% Fe CFR NORTH CHINA - X (USD)</u>	
<u>X: Bidder's offer</u>	..... USD

❖ **All duty tax of concentrate export will be paid by Seller.**

12-1) Platts CFR %65: Average Platts CFR 65% on the NOR date at discharge port, 15 days before & 15 days after discharge NOR of the vessel.

12-2) Ave price for cash in advanced payment will be based on Platts CFR 65% of winner announcement date.

**\*\* If there is no Platts Index on winner announcement Date, then last published issue of Platts before winner announcement date will be considered.**

12-3) The buyer must send the signed & sealed NOR at discharge port to The Seller maximum within 30 days after BL date.

12-4) In case discharge NOR date is more than 30 days after BL date, then 30th day after BL date will be considered as the date of NOR at discharge port. Despite sending valid documents from The Buyer and if they will be confirmed by seller.

\*\* A day after BL exportation date will be counted as the first date to start calculation of the maximum days of submission the NOR at discharge port.

**13- Final price calculation:**

Average Platts CFR 65% on the NOR date at discharge port, 15 days before & 15 days after discharge NOR of the vessel.

**14- Fe Bonus/ Penalty:**

1.7 USD for each 1% increasing the given rate (65%), fractions pro rata.

1.7 USD for each 1% decreasing below 65%.

### **15- Exchange Rate Basis:**

- ❖ All the money transactions have to be in **seller's confirmed currency**, the exchange rate for United States Dollar to other currencies is extracted from [www.xe.com](http://www.xe.com), website.
- ❖ All transactions must first be confirmed by The Seller, if not, the paid transactions are not accepted and any further loss and costs should be paid by The Buyer.
- ❖ The rates are based on the date of the swift.

### **16- Payment Terms & Conditions:**

- ❖ 25% initial down payment, within 5 working days from announcing the winner
- ❖ 25% after signing the contract. If the Buyer fails to pay this amount within 5 days after signing the Contract, the Seller has the right to cancel the Contract and sell the cargo to any third party. The 25% paid as down payment is non-refundable and The Seller will use it as a penalty.
- ❖ 50% by nominating the vessel If the Buyer fails to nominate vessel within 20 days from the date of the letter of announcing tender winner, the Seller has the right to cancel the Contract and sell the cargo to any third party. The 25% paid as down payment is non-refundable and The Seller will use it as a penalty.

Important note: late payment of debt for is subjected to 1.5% monthly penalty based on the daily delay for each day of the remaining amount

- ❖ Approximated price for payments will be based on Platts 65% CFR North China of winner announcement date.
- ❖ The final invoice is based on unit price (as said in clause 12) and SGS Iran report.
- ❖ The seller will coordinate and sign contract with SGS Iran as mutual inspector.
- ❖ SGS inspection at seller's cost only at loading port. Any further inspection required by buyer shall be at buyer's cost.
- ❖ A Guarantee cheque equal to 10% of the total value should be handled to The Seller until final invoice is paid.

**17- Governing Law:**

All sales shall be constructed to and governed by the Laws of Islamic Republic of Iran.

Any dispute arising out of this agreement shall be settled under ICC Arbitration Rules, with seat of arbitration in Tehran (or Dubai).

**18- Documents:**

Offers by each bidder must be submitted in THREE sealed envelopes. These envelopes may contain the following:

A) First envelope: deposit guarantee document

B ) Second Envelope: Identification Documents of buyer as Below:

- Latest document of authorized signatures
- Latest documents of stock holders and board members
- Announcement of company establishment certificate

C ) Third envelope: signed and stamped copy of every page of the following document along with the draft of contract.( The price offer must be included in paragraph 12 of the term sheet file)

Bidder Name	
Email	
Phone Number	
Fax	
Contact Person	
Address	
Date	



**SABANOUR**

SABANOUR MINING AND INDUSTRIAL DEVELOPMENT COMPANY  
(Public Joint Stock)

### **19- Delivering Offers:**

Bidders should submit their envelopes To the Sabanour's Secretariat by 16:30 at the following address to the "Sabanour Building, No 49, West 26th St. Saadat Abad, Tehran Iran" on 15<sup>th</sup> October 2025.

Also, they can call directly to Sales Department with the following number: +98(21)27645000 (2243)

SABANOUR Mining and Industrial Development Company preserves the technical price and is authorized to accept or reject the offered price of the winner.

**Best Regards,**  
**Commercial Deputy**