

***Sale and Purchase Contract
(For Export of Pellet)***

Contract No: Z/1400/09

This contract (the “Contract”) is hereby agreed and executed by and between

(1) Parties to the Contract

(a) The Buyer:

A company registered and existing under the laws of -----

Tel: -----

Fax: -----

Email: -----

And (b) The Seller:

Sherkat-e-Madani va Sanati Golgozar (sahamiye aam) (also known as Golgozar Mining & Industrial Co., public joint stock)
A company registered and existing under the laws of the Islamic Republic of Iran, registry No. 409 in Sirjan, Kerman Province,
Islamic Republic of Iran with its address for all notifications, contact and service of process at: Attention Foreign Trade Dept.
Negin Tower, No. 273 Dr. Fatemi Avenue, Tehran, I. R. of Iran

Tel: +98 – 21 / 88977261 – 65

Fax: +98- 21 / 88977260

(2) Preamble, background and engagement in Contract

Whereas the Seller is a producer of **Pellet**, and Whereas the Seller has obtained all necessary and required licenses and permissions to sell and export such **Pellet** in accordance with the laws and regulations of Islamic Republic of Iran.

Whereas the Seller is desirous to sell and deliver **Pellet** to the Buyer and hereby makes an offer for such sale and delivery.

Whereas the Buyer has agreed to purchase the said **Pellet** from the Seller in accordance with the terms of this contract;

Now therefore the Buyer and the Seller (collectively the “Parties” to this Contract) hereby agree to this Contract in accordance to its terms whereby the Seller hereby agrees to sell, deliver the Material (as hereinafter described in section 3 of this Contract) to the Buyer and subject to receipt of payment convey good, marketable and unfettered beneficial ownership and title, and concurrently the Buyer hereby agrees to purchase, make payment and pay, receive and accept the delivery the Material in a timely and commercial manner for such Material in accordance to the terms of this Contract.

(3) Material

Pellet in bulk to be loaded to the carrier vessel nominated by the Buyer with typical specifications as follows:

Analysis %		
Min	65.00	Fe
Ave	1.50	FeO
Max	0.04	P
Max	0.008	S
Max	2.5	SiO2
Max	0.6	Al2O3
Max	0.6	CaO
Max	2.2	MgO
Ave 250		CCS(kg/p)
Min 90		8-16 mm%
Max 3.9		A.I%
Min 95		T.I%
19-24		Prosioty%
Min 90		Reducibility%

(4) Quantity

Sixty Thousand metric tons \pm %1 more or less at seller's option (**60,000 m. ton s \pm %1**) in total, whereby the basis of sale and final invoice shall be evidenced by the loaded quantities at the loading point in **Bandar Abbas-Rajae Jetty**- on basis of Free on Board (FOB), in accordance to the quantities stated in the relevant bill(s) of lading and as certified by the independent inspector and surveyor.

(5) Delivery Period

Available for loading Free on Board (FOB) at Bandar Abbas – **Rajae jetty- Iran Prompt.**

(5)(1) 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.

- *In case of the buyer fails to make preparation to carry the cargo within the Twenty days from notification of tender acceptance, then the seller has the right to cancel the contract & confiscate the bank guarantee for the subject cargo.*
- *In case of the buyer fails to make preparation to carry the cargo within the Twenty days from notification of tender acceptance, the seller is not responsible to keep the cargo, upon to buyer's request to deliver the cargo after the contract delivery time, the buyer must announce ten days before vessel arrival to supply the cargo.*
- *If the buyer refuses to carry the cargo or part of that within the Twenty days from notification of tender acceptance of a falling market price or so, seller has the right to confiscate his bank guaranty and the buyer must compensate the seller for al from notification of tender acceptance l loss and damage from such a refusal to the seller's interest.*
- *In case of the buyer fails to make preparation to carry the cargo within the twenty days from notification of tender acceptance, the buyer will be charged by seller for the cargo storage, USD 0.13 ton per day.*

(6) Terms of Delivery

(6)(1) Terms of Reference: Each Party's rights and obligations in relation to a Transaction shall be in accordance with Incoterms 2020 unless otherwise provided in this contract.

(6)(2) **Export Documentation:** Delivery of the Material is for the purpose of export from I.R. of Iran and the Seller must facilitate the export of the Material and obtain all necessary and required documentation, permits and or waivers from the relevant authorities in Iran prior to the delivery of each lot of the Material.

(6)(3) **Place of Delivery:** Delivery shall be on basis of **FOB-Rajaee Jetty-Bandar Abbas-Iran**.

(6)(4) **Vessel Nomination:** The Buyer must nominate suitable vessel(s) of the so-called **Supramax** size and capability with **min 4 (four) workable crane** and notify the Seller of such nomination. All nominated vessels must have adequate and acceptable insurance cover with valid and effective policies, to include third party insurance and pollution risk cover. At all material times, such vessels and its crew must comply with all rules and regulations of the port of Bandar Abbas and other laws and norms in practice in Iran for such purpose /to be nominated by the Buyer and notified to the Seller. 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 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.

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(6)(5) **Cargo Lot Size:** Buyer’s nominated vessels must be capable to carry approximately **60,000** metric tons of material per Cargo Lot, on board within the norms of **Supramax** class of vessels.

(6)(6) **Loading Rate:** Loading rate that Loading Point Rajaee Jetty in Bandar Abbas, in accordance to local customs and practices at the port, is Nine Thousand tons (**9’000 metric tons**) per weather working day, Fridays and Holidays excluded.

(6)(7) **Conveyance upon delivery:** Save for Seller’s claim for payment in full value of this Contract, the shipment shall be delivered to the Buyer free and clear of any other liens, encumbrances, or claims of any kind by third parties.

(6)(8) **Method of measurement of quantity:** All quantities delivered shall be measured by way of vessel draft Survey as reported by the Independent Inspector and Surveyor (SGS S.A.) as further defined in Section 12 herein.

(6)(9) **Conveyance upon delivery:** Save for Seller’s claim for payment in full value of this Contract, the shipment shall be delivered to the Buyer free and clear of any other liens, encumbrances, or claims of any kind by third parties.

(6)(10) **Method of measurement of quantity:** All quantities delivered shall be measured by way of vessel draft Survey as reported by the Independent Inspector and Surveyor (SGS S.A.) as further defined in Section 12 herein.

(7) Unit Price

(7)(1) The unit price per net metric shall be denominated in Dollar, for calculation and for settlement of invoice.

(7)(2) The unit price per metric ton shall be calculated and invoiced based on a formula as per the table below:

P (Base price of Final Invoice) = $platts\ cfr\ \%65 * -X$	
F: Premium & Penalty for Fe content	1.7 USD per dry metric ton for each 1% of Iron (Fe) content of the shipment in excess of 65% and 1 USD per dry metric ton for each 1% of Iron (Fe) content of the shipment below 64.5%.
X: Bidder’s offered adjustment factor and freight	---- USD

(7)(3) **65% Fe CFR North China:** Average 65% Fe CFR North China on the NOR date at discharge port, 15 days before & 15 days after discharge NOR of each vessel.

(7)(4) Ave price for cash in advanced payment will be on 65% Fe CFR North China of tender date.

**** If there is no Platts Index on tender date, then last published issue of platts before tender date will be considered.**

(7)(5) The buyer must send the signed & sealed NOR at discharge port to the seller maximum within 25 days from BL date.

(7)(6) In case of discharge NOR date is more than 25 days from BL date, then 25th day from BL date will be considered as the date of NOR at discharge port.

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

- All duty tax of Pellet export will be paid by Seller.

(8) Payment:

(8)(1) Down payment and the remaining balance of each invoice shall be denominated in **EURO** to the bank accounts as below:

EIH Bank	DE35 2031 0300 0049 1300 07	EIHBDEHHXXX	Europäiscge-iranische Handelsbank AG Depenau 2 20095 Hamburg
Bank Melli Iran	DE68 2021 0200 2239 3120 05	MELIDEHHXXX	Bank Melli Iran/Filiale Hamburg Holzbrücke 2 20459 Hamburg
Sepah Bank	DE20 5033 0600 1057 8200 06	SEPBDEFFXXX	Sepah Bank/Filiale Frankfurt Hafenstr. 54 60327 Frankfurt Am Main
Bank Sepah	IR79 0150 0000 0111 3710 0000 05	SWIFT CODE : SEPBIRTH A019	

THE EXCHANGE RATE WILL BE BASED ON THE EXCHANGE RATE OF PAYMENTS DATE TO THE SELLER'S ACCOUNT OR ANY OTHER NOMINATED ACCOUNT BY THE SELLER ACCORDING TO www.xe.com.

- 50% of the total contract value should be paid as a payment in advance to the Seller's account in two parts, 25% max. within Five working days from notification of the tender, the second 25% max. within Ten working days from notification of the tender, the remaining 50% should be paid in two parts, 40% before loading each cargo lot, 10% should be paid against survey and shipping documents as follow:

- 1-1 3/3 Full set of clean "on-board" bills of lading for each Cargo Lot
- 1-2 Certificate of Iranian origin issued by the Seller and certified by the Chamber of Commerce in Iran (either in Sirjan or Tehran)
- 1-3 Certificate of Quantity issued or counter-signed by SGS
- 1-4 Certificate of Quality analysis issued or counter-signed by SGS
- 1-5 Certificate issued by SGS for retaining samples at Loading Port at Bandar Abbas

(8)(2) Important note: Late payment of debt for each month is subjected to 2 percent interest penalty on the daily basis to the buyer's debt.

(8)(3) Force majeure circumstances such as sanctions which may cause delay in making payments on due dates will not be considered for penalty in clause (8)(1)

(9) Demurrage and Dispatch: Demurrage would be **USD 9,000** P.W.W day holidays, Fridays excluded. **Unless they are used**, Dispatch rate would be half of Demurrage. Not arrival nominated vessel in agreed lay days the penalty rate would be as much as Demurrage rate.

- **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 shall be started from the date of vessel berthing**

No demurrage shall be due or payable if such delay is due to any breakdown of the carrier vessel nominated by the Buyer and/or when delays are due to any breakdown of the vessel or its machinery, or lack of preparedness of the vessel or its crew and or in such events that the vessel or its crew are under official arrest or judicial arrest due to any violation of rules and procedures of the Loading Port and or the laws of the Islamic Republic of Iran for any particular act (for example and without limiting the foregoing matters related to matters of immigration, customs inspection, banned substances or contraband or smuggling or social behavior in violation of Iranian laws or such other acts or omissions ordinarily expected from a similar vessel and crew in a similar situation).

(10) Conveyance of Title and Beneficial Ownership

It is expressly and hereby agreed by and between the Buyer and the Seller that good and marketable title to the Material shall only pass from the seller to the buyer when full and complete payment for the Material, and each Cargo Lot has been received by the Seller, and that until such time that payment has been received by the Seller, regardless of possession or location of the Material, full and unfettered title and beneficial ownership of the material shall be reserved to the Seller.

(11) Possession for Risk of Loss

For the purpose of insurance coverage and interpretation of possession, the material is deemed to be delivered to the Buyer, pro rata, when the material is loaded onto the carrier vessel nominated by the Buyer from the loading conveyor belt and equipment at the Jetty, whether or not the bill of lading is issued by the master of the vessel (or its duly authorized agent or representative).

(12) Survey & inspection

(12)(1) Both the Buyer and the Seller hereby nominate SGS S.A. in Geneva (formerly Société Générale de Surveillance S.A.), or its local representative in Iran, as a mutually acceptable inspector and as an independent party to survey, inspect and report his findings in respect to the measurement of quality and quantity of the Material, retaining of samples and reporting of facts at the Loading Port (including the inspection of Vessel Time Sheet and Statement of Facts) in strict conformity with this contract. The findings of the said inspector shall be binding upon both the Seller and the Buyer in respect to the findings of SGS.

(12)(2) All costs for the inspection survey of quality and quantity shall be paid by the seller.

(13) Force majeure, contract frustration

(13)(1) Except for payment, no event act or omission shall be deemed an act of default of either of the Parties to this Contract in respect to the other if such act, event, or omission is caused by circumstances reasonably beyond the control of the affected party. For the purpose of example and without limiting the generalities of the foregoing, any and all acts or events related to Acts of God, adverse weather conditions, storms, floods, earth quakes, fires, explosions, theft, breakdown of machinery or equipment or data or telecommunication systems, radioactive contamination, riots and civil commotion, military operations or war (whether declared or not declared or war-like conditions), bans, orders or embargoes of any government, de facto government or similar authority that could have jurisdiction over the said event, act or circumstance shall be amongst the causes whereby such act, event or omission shall be deemed to as a matter beyond the reasonable control of the affected party.

(13)(2) It is hereby mutually agreed by and between the Buyer and the Seller that in case of any of such events or circumstances described, the affected party must inform the other party as soon as it may be practically possible and the Parties shall enter immediately enter into good faith negotiations to assess the effects of such events or circumstances with view to finding a reasonable and equitable solution for both of the Parties and to mitigate any further loss of time or monetary damages.

(14) Governing law of contract

(14)(1) This Contract and the rights and obligations of the Parties arising therefrom shall be governed by and construed, enforced and performed in accordance with the laws of the Islamic Republic of Iran in respect to form, content, validity, interpretation and definitions contained in this Contract. All terms and definitions of Incoterms 2020 are hereby incorporated in this Contract.

(14)(2) The United Nations Convention on Contracts for the International Sale of Goods (1980) shall not apply to this Contract.

(15) Language of Contract

This Contract and all relevant communications, notices, documentation and exchange of information and interpretation of it in respect to this contract shall be in the English language as communicated and practiced in England. Any translation or interpretation of documents or instruments in any other language shall be duly translated and interpreted as it may be reasonably interpreted and understood in English.

(16) Notices

Notices shall be deemed to have been adequately served if sent to each Party's address and or telephone and or telefax as outlined below:

To the Buyer: -----

A company registered and existing under the laws of -----

Tel: -----

Fax: -----

Email: -----

To the Seller:

Sherkat-e-Madani va Sanati Golgozar (sahamiye aam) (also known as GolGohar Mining & Industrial Co., public joint stock)

Attention Foreign Trade Dept. Negin Tower No. 273 Dr. Fatemi Avenue, Tehran, I. R. of Iran

Tel: +98 – 21 / 88977261 – 65

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All notices given under this Agreement shall be given as Notices in Writing. Each Notice in Writing shall be deemed given:

If sent by facsimile, telex or electronic means of communication, on receipt by the sending Party of evidence that the communication has been transmitted in full to the receiving Party, if received during ordinary business hours or by Noon of the next ordinary business day at destination; and or

If sent by courier, three (3) Working Days after dispatch thereof, and or

Each Party shall be entitled to record telephone conversations in connection with this Contract and such recordings may be used as evidence, if so permitted by local laws and regulations.

(17) Confidentiality

In relation to any transaction in this Contract, the identity of the Parties are private and confidential to the Parties and shall, save where disclosure is required by a regulatory governmental or judicial authority, not be disclosed to third parties.

(18) Settlement of disputes

(18)(1) In the absence of an amicable settlement of any unresolved issues or disputes, the following matters shall be referred to a panel of three arbitrators in accordance to the rules of the International Chamber of Commerce in Tehran, with any arbitration to be heard in the English language. Any decision or ruling arising from arbitration shall be binding on the Parties and an appeal to the commercial court under the provisions of Iranian Code of Civil Procedure is excluded.

(18)(1)(i) Any dispute as to whether an Invoice Amount (or pro-forma invoice) has been properly determined,

(18)(1)(ii) Any dispute in relation to any other sum payable under any provision of this Contract,

(18)(1)(iii) Any dispute in relation to the quantity or quality of the Material delivered and or the selection of the Primary Laboratory or the Referee Laboratory for such determination,

(18)(1)(iv) Any dispute relating to the basis of quantities loaded on board the carrier vessel, and

(18)(1)(v) Any other matter which the Parties agree should be referred to an independent expert for determination.

(19) Operations protocol

After the signing of this Contract and prior to any payment by the Buyer, a memorandum of operational details and coordination by and between the Seller and the Buyer (or the Buyer's agent) shall be signed which memorandum shall outline the following main issues:

(i) Schedule of shipments

(ii) The proposal of Laycan Date(s) at Bandar Abbas by the Seller and acceptance of same by Buyer

(iii) Operational, contract follow-up and finance contacts between the Seller and the Buyer, including their respective agents

(iv) Contacts with SGS as the independent surveyor

(v) Dates and hours of work and availability of the parties

(vi) Vessel's local agents in Iran

(20) Amendment

Amendments may be made to this Agreement including the terms applicable to any Transaction by mutual agreement of the Parties, but shall only become binding by written agreement signed by each of the Parties or upon receipt of duly authorized Notice in Writing to that effect to each Party from the other.

(21) Option on Netting out of claims against each other

(21)(1) If it is found that any Shipment forms part of a series of shipments in any given Delivery Period that can be shown by any party to form a continuous circle of such shipments (a "Circle"), the Parties hereby express willingness to consider negotiating and entering into a Close-Out Agreement provided always that each party in the Circle has given or gives a similar undertaking, it being always understood that each Party hereto retains all rights to decline to enter into a Close-Out Agreement in its sole discretion and without any obligation to give any reasons for its action. Any such Close-Out Agreement shall be agreed and executed no later than five (5) days prior to the first day of the Delivery Period to which the Close-Out Agreement relates.

(21)(2) Any amount received by one Party from the other Party shall be first applied to any past-due interest, if any, then to any interest due, if any, then to any principal amount past-due, if any, and then to the principal amount due and payable.

(22) Assignment or Novation

(22)(1) neither Party shall assign, transfer, novate, encumber, create an interest in or otherwise dispose of any rights or obligations under this Contract without the prior consent of the other Party by Notice in Writing, which consent shall not be unreasonably withheld or delayed.

(22)(2) Seller may assign, transfer, encumber or otherwise create an interest in any payment ("Payment Assignment") due to Seller pursuant to Section 8 above. Where a party other than Seller, Seller shall, by Notice in Writing, advise Buyer thereof prior to issuance of Seller's commercial invoice.

(23) Agents

Each Party may by Notice in Writing to the other Party appoint an agent to perform all or any part of its obligations under this Contract provided that the Party appointing the agent shall, subject to the provisions of this Contract, remain liable for all of its obligations hereunder and shall be directly responsible to the other Party in all respects for the acts of the agent. The expressions “Buyer” and “Seller” in this Contract shall be deemed to refer to Buyer’s agent and Seller’s agent respectively with respect to obligations and functions the agent is appointed to perform through the abovementioned procedures.

(24) Rights and permission to contract

All rights and permissions (including internal authorizations to enter, execute and deliver the deeds and to continue the respective obligations under this Contract are obtained or exist.

There is legal and operative right to enter into this Contract by the signatories hereunder and no compliance with any law, regulation, license, internal permissions or authorities have been avoided or exceeded.

This Contract of 24 articles is signed, executed, and delivered on this -----th day of -----2022. A.D.