

PRIVATE AND CONFIDENTIAL

SOFT CORPORATE OFFER FOR AU – CIF

RE: GOLD (AU) LONG-TERM CONTRACT

ATTENTION: The End Buyer

THROUGH: Fully Authorised and Appointed Buyer Representative and Mandate

Soft corporate offer

COMMODITY SPECIFICATIONS:

COMMODITY	GOLD DORE BARS (AU METAL)
ORIGIN	TBA
FORM	Dore bars
QUANTITY	1000 kg's spot deal with possible rolls and extensions as per agreement by both parties
QUALITY	23 carats or better
PURITY	95% or better
PACKAGING	Export package metal boxes
DISCOUNT	LMBA less --% gross and --% net to buyer
COMMISSION	3% (1.5 Seller side CLOSED and 1.5% Buyer side
PAYMENT GUARANTEE	Standby letter of credit (SBLC) or MT 760 blocked funds as guarantee prior to shipment
PAYMENT	Wire transfer swift MT103 to seller's Financial Administrator's nominated accounts within 2 business banking days after final assay report
SHIPMENT	Seller is responsible for the cost of exporting the gold from original port to buyer's destination, Dubai
DESTINATION	CIF UAE (o r buyer's preferred destination as agreed upon)._____

TRANSACTION PROCEDURES

1 Upon receipt and in principle acceptance of this SCO buyer will respond with an LOI.

- 2 Seller will respond to LOI with FCO and full SPA for buyer to sign.
- 3 After both parties have signed the SPA, seller will issue full legal and legitimate POP in the form of:
 - 3.a Security warehouse SKR (internationally recognised). Detail of the WAREHOUSE and REFINERY in the COUNTRY OF ORIGIN will be detailed in the FCO.
 - 3.b Video evidence of the stock
 - 3.c Initial assay report from seller's refinery. Detail of the WAREHOUSE and REFINERY in the COUNTRY OF ORIGIN will be detailed in the FCO.
- 4 Upon receipt of satisfactory and verifiable POP from seller, buyer will issue payment guarantee of the value of one month's shipment in the form of an MT760 SBLC or MT760 Blocked Funds via SWIFT to the Seller Financier's Bank, issued **for a period of one year and one day from an A rated Fitch world Bank, and which must be cash-backed, divisible, and non-transferable.**

Possible other form of payment security under DLC or LC with the consent of the seller.

- a.1 The FINANCIER'S preferred bank is UOB (United Overseas Bank). Important to note is that this is a FITCH Bank and is a AAA FITCH rated bank.
- a.2 If need be HSBC can be used and maybe alternative top banks.
- a.3 The specific arrangements are all in place and working well with the above bank.
- a.4 Shipment of the first consignment will be within **fifteen banking days** after receipt of the SWIFT in the Seller Financier's bank and will be reflected in the SPA.

5 The Seller will pay all taxes and duties and obtain all required export documentation, from the country of origin, and will pay the air freight fee and insurance fee directly to their designated shipper to transport the Gold to the airport in the Buyer's destination port. Transportation from the

COUNTRY OF ORIGIN to BUYERS DESTINATION will take place by an extremely reputable Company with a very positive TRACK RECORD with the MINING GROUP.

5 The Seller will notify the Buyer at least 2 (Two) days in advance via fax or E-Mail of the date of transport of Seller's gold bars from Seller's departure point, which notice shall include the name of the airline, Airway-bill and copy of insurance and

- export documents, flight number, dates of expected departure and arrival time.
- 6 The Buyer shall clear the Import customs duty and other VAT taxes applicable at destination airport and complete the delivery to the refinery. Buyer is responsible for all charges at the destination airport and his designated refinery.
- 7 Both buyer and seller shall be present for the refining process at buyer's refinery and after the final assay is performed the assay/smelters report will be provided to both parties for agreement and acceptance.
- 8 Upon mutual acceptance of the final assay/smelting report the seller shall issue formal final commercial invoice and buyer shall affect payment via bank wire transfer (SWIFT MT103) to Seller's nominated receiving Bank Account, that being the Financial Administrator account, within 2 (Two) business days after the final assay.
- 9 Upon confirmation of the transfer of payment to the Seller's account, transfer of ownership of the gold from seller to buyer's name will occur.
- 10 Immediate payment of intermediary commissions shall be affected to designated paymaster.
- 11 All risk and ownership documents of the shipment will be transferred to the Buyer upon handover.

QUANTITY:

1000 kg's spot deal with possible rolls and extensions as per agreement between the parties

FIRST DELIVERY

15 (Fifteen) banking days after receipt of the SWIFT in the Seller Financier's bank and will be reflected in the SPA.

PAYMENT GUARANTEE /BANK INSTRUMENTS

To guarantee the payment of each delivery, the Buyer / Buyer's bank undertakes to open an Irrevocable "Good End Execution", Payment guarantee, confirming the readiness of the Buyer to pay for each and every shipment of gold doré bars delivered on a monthly basis. Payment guarantee shall be a SBLC MT760 or Bank Guarantee MT760. Swift (from a top-rated bank) to be raised prior to the first shipment and issued

for a period of one year and one day from an A rated Fitch rated world Bank. Cash-backed, divisible, and transferable.

DOCUMENTS:

Each shipment and delivery shall be identified with all appropriate contract reference codes and numbers. Seller shall provide the following documents to Buyer prior to arrival of goods at the port of destination:

- 1 Commercial Invoice.
- 2 Packing List.
- 3 Certificate of Origin.
- 4 Certificate of Ownership.

- 5 Airway Bill.
- 6 Movement Certificate.
- 7 Certificate of Laboratory Analysis report.

PENALTY

Any defaulting party will be liable to penalty charges. In the event that the seller fails to meet their obligations or presents documents pertaining to this deal without legal authorisation, then the buyer reserves the right to pursue legal channels to recoup their costs for the issuing of SBLC and any other incurred damages. In the event that the buyer fails to meet their obligations then the seller reserves the same rights to pursue legal channels.

VALIDITY

This SCO shall be valid for -- banking days from the date of issue. Note that no product is reserved on issue of an SCO and available quantities may reduce with other sales.

KONTAKT: business@wesam europe.com