



TO: End Buyer, Buyer Mandate

Our Ref: fgmc/85236-B509

We hereby issue this Offer with given terms and conditions as stated in this offer to confirm our readiness to execute a Sales and Purchase Agreement with end buyer, with the ability to supply the following commodity according to the terms and conditions as below.

COMMODITY : IRON ORE (Magnetite)

ORIGIN : CHILE.

QUANTITY IN MINES : Over 50.000.000 MT/APP

TOTAL EACH LOAD : 50.000 MT +/- 10% BY MONTH

PACKING : BREAK BULK

PERIOD OF CONTRACT : 12 MONTHS with rolls and extension

DELIVERY CONDITIONS: FOB TOTORALILLO or CALDERA.

LOADING PORT : TOTORALILLO or CALDERA

PRICE : USD \$102.00 - FOB

DESTINY : INTERNATIONAL

INSPECTION : ALEX STEWART - SAN LORENZO- AT LOADING PORT

SPECIFICATIONS

Chemical Composition (on dry basis)

Fe : 62.00% basis; Rejection below 60% SiO₂ : 4.0% max

Al₂O₃ : 3.0% max;

Phosphorus : 0.1% Sulphur : 0.04% max; Na₂O₃ : 1% max; K₂O: 0,2% max

TiO₂: 0,25%max Cu:0,1%max;

Moisture (Free loss at 105 degrees centigrade): 6.00% maxPhysical composition on natural basis

(Size distribution): Granulometry 90% between 12 and 0 mm, passes

Procedure as below..

1. Seller issues Full Corporate Offer.
2. Buyer approves FCO and signs
3. Buyer issue ICPO.
4. Seller issue contract
5. Buyer and Seller sign contract.
6. Seller Issues Proforma Invoice
7. Buyer pays 100% with SBLC
8. The seller will deliver the first 50,000 MT in 45 days after receiving the SBLC.



9. Sellers prepares goods for shipment as per contract.

10. Seller starts arrangements and provides the following shipping documents:

A. Certificate of weight and quality by SAN LORENZO or other international standard certification Company.

B. Commercial Invoice

Pls feel free to contact us for further discussion

Sincerely

Fugo Materials