



FULL CORPORATE OFFER

Product: Copper Cathodes – Grade A (99.99%)

Quantity: 1,000 MT per Month × 12 Months = 12,000 MT per Year

Delivery Terms: CIF – Port of Destination (China)

Itinerary: DRC – ZAMBIA – TANZANIA

Contract Duration: 12 Months

BETWEEN MAIN SELLER

Name :

E-mail :

Mobile :

Represented by :

Designation :

Hereinafter referred to as the MAIN SELLER

BUYER

Company Name :

Address :

Tel :

Mob :

E-mail :

Country :

Represented by :

Signatory/Position :

Khumotone intends to enter a 12 month contract with **3 000 MT** of Copper Cathode (Grade A: 99.99%) Under this signed Agreement and sealed with Buyer, and the terms set forth herein, and;

WHEREAS, the buyer undertakes to purchase 3 000 MT/MONTH X 12 MONTHS, of COPPER CATHODES (99.99%) Under this signed agreement with Seller and under the terms and conditions set forth herein.

THEREFORE, the parties hereto and given the mutual covenants and agreements contained herein mutually covenant and agree as follows:

1. SCOPE OF THE AGREEMENT :

The Seller, under full authority and responsibility, confirms the right to sell and export **1,000 MT per month of Grade A Copper Cathodes (99.99%)**, totaling **12,000 MT per year**, in compliance with international standards BS EN 1978:1998 (CU-CATH-1).

Inspection and certification shall be carried out by **SGS, CCIC, or Alfred H. Knight** under CIF terms at both the port of shipment and destination.

2. CONTRACT VALUE AND PRICE FORMULA:

- **Reference Price:** LME minus eight percent (**LME – 8%**).
- **Payment Options:**
 - **Option A:** Payment by **MT103** after each shipment, based on the **LME price on the date of SGS inspection minus 8%**.
 - **Option B:** Payment by **MT103** after the last shipment of each quarter, based on the **average LME price of the previous 90 days minus 8%**.

All values shall be expressed in **USD** and determined only after successful **SGS inspection and certification** at the destination port.

(The previous ±5% exchange variation clause is hereby deleted.)

Immediate Payment Clause (Non-Negotiable):

As the Seller accepts the **Documentary Letter of Credit (DLC)** as the Buyer's financial guarantee, it is agreed that **all payments following SGS inspection and certification must be executed immediately via MT103**, without any delay or dependence on the internal document verification process of the issuing or confirming banks.

The DLC shall serve solely as a **financial guarantee**, not as the payment mechanism.

This clause is **strictly non-negotiable**.

3. PAYMENT TERMS:

The Buyer shall open an **Irrevocable Documentary Letter of Credit (DLC)** covering the total annual quantity of 12,000 MT.

Each payment (monthly or quarterly) will be made via **MT103** immediately after SGS certification.

All export taxes, insurance and freight under CIF terms are the Seller's responsibility.

4. ADVANCE PAYMENT AND PERFORMANCE BOND (PB)

The Buyer agrees to make an **advance payment of USD 10,000,000 (ten million U.S. dollars)** before production begins.

This amount will be transferred to the Seller's **partner bank account in Portugal**, as specified in the SPA.

The same account shall issue a **Performance Bond (PB)** of **USD 10,000,000** in favor of the Buyer, guaranteeing the Seller's performance throughout the contract period.

PB Fee Deduction Authorization:

Both parties agree that any **bank fee, commission, or issuance cost related to the PB** may be **directly deducted by the issuing bank** from the **USD 10,000,000 advance payment**.

This deduction is **pre-authorized and accepted by both parties**, valid for all banking and accounting purposes, and shall be expressly stated in the SPA to ensure legal enforceability.

Advance Settlement in Product (Net Value Basis):

The advance payment shall be entirely settled in **copper cathodes** through a **final additional shipment** delivered before the end of the contract.

The settlement will be calculated on the **net amount effectively received by the Seller** (i.e., **after deducting the PB issuance costs**) at the **LME price on the date of the initial transfer minus 8% (LME – 8%)**.

This shipment will constitute **full discharge of the advance payment and the PB guarantee**.

5. ARBITRATION

Any dispute arising shall be resolved by arbitration under the jurisdiction and commercial law of **Dubai, United Arab Emirates**.

6. SIGNATURES

SELLER / VENDEDOR

Khumotone International Trading LLC

Representative: Jaime Pinto – CEO

Passport No.: N3220675

Date: _____

BUYER / COMPRADOR

Yunnan Shenhuan Mining Co., Ltd.

Representative: Zhiheng Duan – Managing Director

Date: _____