

South Aluminum Corporation (SALCO)

Bid Invitation

Date: August 27, 2025

No.: SAL/CATHODE/PASTE/AUGUST/2025

Subject: Procurement of Cathode Blocks, Side Paste (Cold Ramming Paste) and Cathodic Paste (Paste of

Steel Bar)

South Aluminum Corporation hereby invites you to bid for supply of following products based on the below terms and conditions:

Description of Goods and Quantity:

• Cathode Blocks: 1,600 Pcs

Side Paste (Cold Ramming Paste): 100 MT (±5%)
 Cathodic Paste (Paste of Steel Bar): 75 MT (±5%)

Delivery term: CFR Bandar Abbas port, Iran (As per Incoterms 2010).

Delivery time:

- All the Cathode Blocks should be shipped maximum by the mid-November.
- Both Side Paste and Cathodic Paste should be shipped maximum by the mid-October.

Note 1: Shipping date should be specified and will be one of the indexes to choose winner.

Origin: Any country from which Tenderers / Suppliers can supply Cathode Blocks, Side Paste and Cathodic Paste according to the specifications mentioned in the Annex II of this tender documents.

Payment term: Barter with Aluminum Ingot (P1015, P1020 or P610, P0507 grade in 50 or 1000 lb type

according to SALCO's level of inventory) in which SALCO can start delivery 3 working days after receiving

surrendered BL under the name of SALCO and also original CI, PL and CO just in case cargo has been

discharged in port of destination and total Aluminum Ingots can be delivered during at least 3 months

after arrival of the cargo to the port of destination as following:

Aluminum Ingots Delivery Term: FCA Lamerd, Special Economic Zone, Fars Province, Iran.

Aluminum Ingot Unit Price: LME Official Cash Settlement Price (USD) plus 40 USD as premium per

each MT (In case of delivering Aluminum Ingot with higher grade (P0610, P0507), 45 USD per MT will

be added to the flat price of Aluminum Ingot).

Quotation Period (QP) of Aluminum Ingot: The average of LME Official Aluminum Cash Settlement

price plus 40 USD as premium or plus 45 USD (for P610 or P0507) as premium which the said QP is 5

days (LME Price included days) after the date of bill of lading of the first truck (loaded with Aluminum

Ingot from Lamerd Special Economic Zone) for each Aluminum Ingot sales order of SALCO (Havaleh).

Note 2: In case there would be chance for cash payment SALCO can pay in cash but the priority will be

<u>barter method</u>. Suggested offer by bidders shall be based on barter method.

Cash payment: If SALCO choose cash payment method, SALCO will pay to nominated bank account

by Tenderer in case the money can be transferred to that bank account through Iranian bank channel.

Otherwise Tenderer should provide another account. Cash payment will start 30 working days after

the original BL or telex release of BL under the name of SALCO after arrival and discharge of cargo to

the port of destination.

Other Conditions:

Note 3: for further information on submitting an offer, please study Annex I & II.

Annex I. General Tender Information.

Annex II. Packaging, Specifications and Technical Map of Cathode Blocks, Side Paste and Cathodic Paste.

Note 4: Interested bidders may obtain further information either by contacting the following email

address or by phone at the following number:

Email: Mirzanezhad@salcocomplex.com

Tel: +98 21 5374 5321

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ANNEX I: General Tender Information

Validity: Your offer should be valid at least for 40 days after COB of the tender.

Deadline: Your offer should reach to SALCO's Raw Material Purchasing Department at: No.35, 13th St., Seyyed Jamalluddin Asadabadi Ave, Tehran-Iran, Postal code: 1433673981, in a sealed Envelope **no later than COB of September 14, 2025 (All received offers by email or fax will not be considered)**. This tender will not be extended except in special cases with the discretion of SALCO.

Note 5: All closed envelopes should be addressed by below information:

- 1. Name of Supplier
- 2. Number of Tender
- 3. Stamp of Company
- 4. Specify Envelop A, B, and C

Currency: The requested currency is USD.

Offer Terms: Your offer should consist of following information (Signed and Stamped in a sealed envelope):

Envelope "A" Guarantee:

 The Tenderers who have representative office in Iran or originally Iranian companies should provide SALCO with a guarantee issued by an Iranian bank for 250,000,000,000 Rials and put the original Bank Guarantee in envelope A. If the company cannot provide the guarantee itself or do not have representative office in Iran, then a third party company should provide this guarantee instead.

Note 6: There should be a hard copy of a letter (signed and stamped on letter head) inside envelope A which addresses the representative company as guarantee provider of Tenderer officially. Otherwise the envelope C will not be opened.

• The guarantee can be provided by bidder, equal the amount of 260,000 USD (or AED currency with XE.COM exchange rate at the date of payment) through bank payment to nominated bank account by SALCO. In case any bidder wants to pay by this method, an official email should be sent to SALCO (Note 4) to get the bank account information from SALCO at least 5 Iranian working days prior to payment. Any account receivable from SALCO in the exact date of September 14, 2025 also can be used as guarantee and will freeze in SALCO account.

Note 7: Please note that the bid guarantee is fixed as above mentioned amounts and cannot be change to offered volume.

Note 8: Note that the transfer cost of this payment in both payment to SALCO nominated account and returning back to Tenderers nominated account will be deducted from the paid amount and as whole procedure will be conducted through banks exchange services, this fee ratio is not open to objection by Tenderer.

Note 9: The payment should be made by a company / corporation. It cannot be made by an individual.

Note 10: Above said collaterals will be returned to participant's right after winners of the bid sign the contract. This amount for the company who wins the bid will remain in SALCO's account and will not be returned as the guarantee of fulfillment of obligations until the end of the contract. This can be returned with the decision of SALCO partially according to percentage of contract completion ratio.

Envelope "B":

Envelope B should show relevant expertise, capability and knowledge in the supply of Cathode Blocks and Pastes Internationally and complete information of Supplier (the relevant reference list and Catalogue of Supplier/manufacturer should be attached to your offer) as well as the precise specification of Cathode Blocks and Pastes. Please note that in case company CV is not accepted by SALCO, envelope C will not get opened.

Note 11: SALCO has right to ask for all detailed information and contact information of manufacturer and in case the bidder denies to share the information, SALCO has right to eliminate bidder from tender.

Envelope "C" should include:

- All pages of this tender document. Tenderers should print out all pages of this tender document
 and put them in Envelope C, <u>signed and stamped</u>. If this will not done by Tenderer, the envelopes
 will be considered as non-effective documents by SALCO.
- Tenderer should print out the technical spec of <u>Annex II</u> in both <u>envelope B and envelope C</u> signed and stamped. If this will not done by Tenderer, the envelopes will be considered as non-effective documents by SALCO.

Additional Information:

Note 12: Note that the inspection will be conducted at the port of loading before shipment or in the factory (in origin country) by SALCO's decision and the Tenderer must give possibility for SALCO's nominated inspector to make inspection inside factory as well as port of loading. Also SALCO's inspector should have right to take sample from manufacturer's production line to assess the product's quality. Pre-shipment inspection will be done by SALCO's nominated inspector and Supplier should make full cooperation with the SALCO's nominated inspector.

Then after getting confirmation on the mentioned inspection document from SALCO, the shipment will be allowed. Also, SALCO will carry out another inspection at the port of destination by the third-party inspection company. The reference to accept the cargo is the approval of Q&C Department of SALCO according to the inspection which is conducted in port of destination and if the quality doesn't match spec in Annex II, SALCO can reject the cargo (Note 23) and the whole guarantee of contract will be seized and also demurrage and any other related costs and damages must be paid by Tenderers / Suppliers.

Note 13: Sampling scope and sample column size: As the Cathode Block which after machining better not to be sampled, because the Cathode Block with hole will influence it's performance in the cell the sampling should be done from the Cathode Blocks before machining. Randomly 1 Cathode Block from each 85 Pcs Carbon Blocks from a batch number will be selected as sample. Each Carbon Block needs to take 3 cylinders with a diameter of no less than 60 mm and a length of no less than 150 mm. SALCO will not accept final delivered Cathode Blocks with hole for sampling.

Note 14: In case a company wins the tender and refuses or fails to act according to its proposed offer and contractual obligations, the Tenderer will not be allowed to participate in all future tenders and SALCO will be entitled to <u>remove that Tenderer from SALCO's Approved Vendor List</u> and will confiscate the guarantee amount immediately and is also entitled to claim the related losses occurred by the said winner/Supplier (like price increase which affects SALCO's supply chain for the occurred delay).

Note 15: This invitation for a tender does not bind SALCO to purchase of such goods. SALCO reserves the right to cancel the above tender without assign any reasons and without any intimation from the bidders.

Note 16: All tender bids must be submitted in person to SALCO's Row Materials Purchasing Department in a closed and sealed envelope at the following address. Bidders shall get a delivery receipt from mentioned department for delivery of envelopes. <u>Bids received through email or fax shall not be considered.</u>

Address: No. 35, 13th St., Seyyed Jamalluddin Asadabadi Av., Tehran-Iran.

Note 17: SALCO is permitted to set Quantity between the top offers. Number of accepted offers will be decided by SALCO.

Note 18: Participation in this tender constitutes acceptance of all above-mentioned terms and conditions.

Note 19: If the winner of the tender does not sign the contract or resist to accept contract terms and conditions within 14 days after official winner announcement email from SALCO side, SALCO has the right to disqualify that company and <u>remove that Tenderer from SALCO's Approved Vendor List</u> and cancel the deal which will lead to supply through another company.

Note 20: The documents of participation in the tender will be destroyed after 30 days from the opening of the envelopes.

Table No.1:

Items	Quantity	UOM	Unit Price (USD/UOM)	Total Price (USD)	Delivery Time (Months)
Cathode Blocks		Pcs			
Side Paste		MT			
Cathodic Paste		MT			
Total Price (USD)					

ANNEX II: Packaging, Specifications and Technical Map of Cathode Blocks, Side Paste and Cathodic Paste

Cathode Blocks: Two Cathode Blocks should be stacked on top of each other and completely wrapped with plastic film on a pallet and fixed (secured) with straps inside container (As shown in the picture of datasheet).

Side Paste and Cathodic Paste: In proper (two-layered) 1-MT jumbo bags on 1-MT pallets inside container (preferably using reusable or recyclable material so as not to adversely affect the shelf life) and should be restrained to prevent physical damage during transportation and storage.

Note 21: Shelf life of Pastes shall be greater than 12 months from the date of manufacture.

Note 22: Packing method should be suitable for ocean transportation and should be delivered free of moisture

Note 23: SALCO will not accept any broken or damaged Cathode Blocks and any torn jumbo bags of Pastes after opening the sealed containers in the SALCO's factory and damaged cargo will be rejected.

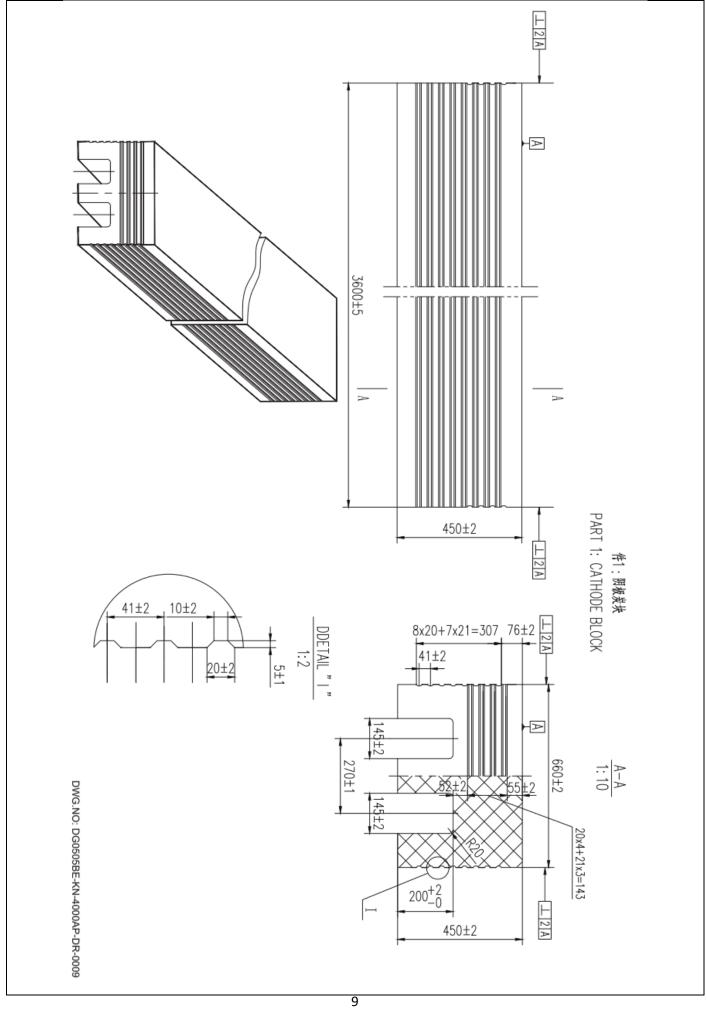
Note 24: Due to SALCO's location inside Special Economic Zone (LAMERD), in case the cargo get rejected inside the factory after opening sealed containers (the damaged, broken or torn items), none of these items will be sent back to seller, but the value of the rejected items will be deducted from the payment amount.

Chemical and physical properties					
Property		Unit	Acceptable Value	Test Method	
Apparent density		gr/cm ³	≥1.57	ISO 12985-1	
Real Density		gr/cm ³	≥1.99	ISO 9088	
Electrical Resistivity		μΩm	≤30	ISO 11713	
Compressive Strength		MPa	≥24	ISO 18515	
Ash Content		Wt%	≤4	DIN 51903	
Bending Strength		MPa	≤7		
Young's Modulus		GPa	≤7		
Thermal Expansion Coefficient at 300°C		10 ⁻⁶ /°C	≤4	ISO 14420	
Exp	ansion due to sodium absorption	%	≤0.7		
Dimensional Tolerance	Length	mm	±5		
	Width	mm	±2		
	Height	mm	±2		
	Groove depth and width	mm	±2		
	Corners	•	±0.4		

Note:

- 1- Standard: YS/T623-2012, GS-5
- 2- DWG.NO: DG0505BE-KN-4000AP-DR-0009
- 3- Packaging: As shown in the picture, two pieces of blocks are stacked on top of each other and completely wrapped with plastic film, then packed on a pallet and fixed with strapping.





Side Paste (Cold Ramming Paste)				
Property			GSLD-1	
Electrical resistance		μ.Ω.m	_	
LOI		%	9~13	
Compressive strength		MPa	≥16	
Apparent density			≥1.46	
Bulk density			≥1.89	
Ash			≤5	
Installation temperature		°C	ambient temperature e~55	
Thermal expansion	ΔL_A - ΔL_B	%	≤0.68	
	ΔL_A - ΔL_C	%	≤1.02	

Note:

- 1- Standard: YS/T 65-2012
- 2- Material shall be securely packed, preferably using reusable or recyclable material, and restrained to prevent physical damage during transportation and storage. The material shall be prepared in one-ton bags. Bags are to be created on one-ton pallets so as not to adversely affect the shelf life.
- 3- Shelf life shall be greater than 12 months from the date of manufacture
- 4- This specification applies to the carbonaceous paste used to ram the sidewalls and seams between cathode blocks in the lining of aluminum reduction cells.

Cathodic paste (Paste of Steel Bar)				
Property		Unit	GSLD-2	
Electrical resistance		μ.Ω.m	≤65	
LOI		%	9~13	
Compressive strength		MPa	≥18	
Apparent density		g/cm³	≥1.48	
Bulk density		g/cm³	≥1.90	
Ash		%	≤4	
Installation temperature		°C	ambient temperature ~55	
Thermal expansion	ΔL_A - ΔL_B	%	≤0.68	
	ΔL_A - ΔL_C	%	≤1.02	

Note:

- 1- Standard: YS/T 65-2012
- 2- Material shall be securely packed, preferably using reusable or recyclable material, and restrained to prevent physical damage during transportation and storage. The material shall be prepared in one-ton bags. Bags are to be created on one-ton pallets so as not to adversely affect the shelf life.
- 3- Shelf life shall be greater than 12 months from the date of manufacture