

Page N°: 1/6

### Job File No.: 181202/65647-1481-1/M-NK-2015

### **INSPECTION REPORT**

In pursuance of an order for inspection given to us

 BY
 :
 "CARBO ONE LIMITED "

 TO INSPECT
 :
 Coal 50-200 mm, grade "Washed SS - coal" (Bachatsky SSPK) (as declared) in rail cars

 BY
 :
 Sampling and Analysis

 AT
 :
 Bachatsky open cut, Kemerovo region, Russia

 ON
 :
 3 January 2015\_

WE HEREBY REPORT that we have performed sampling and analysis of the above mentioned commodity.

**SAMPLING:** Manual sampling as per ISO 18283 5.3. from the tops of the rail cars: Sampling material in motion, on systematic known mass intervals basis. Increments were collected from freshly exposed surface, on a mass interval basis, with fixed increment mass. Manual Sampling method was agreed to with the SGS Principal, as sampling by other methods was not possible.

### I. ANALYSES WERE PERFORMED IN SGS LABORATORY:

**1. Proximate analysis** was performed in SGS laboratory (Accreditation Certificate No. POCRU.0001.21TY38, valid till 22.09.2016) according to ISO Methods with results as follows:

Basis Reported	Total moisture, % ISO 589-2003, ISO 5068-1- 2007	Ash, % ISO 1171-97	Yield of volatile matter, % ISO 562-98	Total sulphur, % ISO 334-92	Gross calorific value, kcal/kg ISO 1928-76
As Received	4.9	4.9	20.0	0.22	7595
Air Dry Basis	0.5	5.1	21.0	0.23	7949
Dry Basis		5.1	21.1	0.23	7990
Drv Ash Free			22.2	0.24	8421

Net Calorific Value (as received) was calculated in accordance with ISO 1928:2009 (Pt. 12.2.2.1 и Pt E.3.3): 7368 kcal/kg

2. Screen test were performed in accordance with ISO 1953 with results as follows:

Nominal Top Size (mm)	+200	150-200	100-150	50-100	20-50	0-20
Yield (%)	0	14.1	35.5	43.9	4.0	2.5

 SGS Vostok Limited

 312-24, Ordzhonikidze Street, 654005 Novokuznetsk

 Russian Federation

 t : +7 3843 39 16 81, 39 16 82, 39 16 83

 f : +7 3843 39 12 42

 e: ru.novokuznetsk@sgs.com

 www.ru.sgs.com

 Member of SGS Group

This document is issued by the Company subject to its General Conditions of Service (www.sgs.com/en/Terms-and-Conditions.aspx). Attention is drawn to the limitations of liability, indemnification and jurisdictional issues established therein.

Incomminication and jursdictional issues established inferent. This document is to be treated as an original within the meaning of UCP 600. Any holder of this document is advised that information contained hereon reflects the Company's findings at the time of its intervention only and within the limits of client's instructions, if any. The Company's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents. Any unauthorized alteration, forgery or falsification of the content or appearance of this document is unlawful and offenders may be prosecuted to the fullest extent of the law.



**3. Determination of characteristics of hygroscopic moisture** was performed in accordance with GOST 8719-90 with results as follows:

### Hygroscopic moisture: 1.67

**4. Determination of characteristics of plastic layer** was performed in accordance with GOST 1186-87 with results as follows:

Attribute	Unit	Value
X	mm	20
Y	mm	susasasas <b>7</b> as

### 5. Ultimate analysis was performed in accordance with ISO methods with results as follows:

Entropy of the second s	Percentage, %	Test's methods	
Element sasassessesses	Dry Ash Free basis		
Carbon	88.2	ISO 625-96 (GOST 2408.1-95),	
Hydrogen	4.61	ISO 609-96 (GOST 2408.4-98)	
Nitrogen	2.04	ISO 333-83 (GOST 28743-95)	
Oxygen	4.91	ISO 1994-76 (GOST 2408.3-95)	

# **6. Determination of chemical composition of ash** was performed in accordance with ASTM D 3682-87 (GOST 10538-87) methods with results as follows:

Compounds	Percentage, %
Silicon dioxide	17.06
Alumina	27.04
Iron trioxide	18.54
Titanium dioxide	0.47
Calcium oxide	19.71
Magnesium oxide	7.68
Potassium oxide	0.368
Sodium oxide	0.195
Sulphur trioxide	8.500
Phosphorus oxide	0.103
Manganese oxide	0.326



 SGS Vostok Limited

 312-24, Ordzhonikidze Street, 654005 Novokuznetsk

 Russian Federation

 t : +7 3843 39 16 81, 39 16 82, 39 16 83

 f : +7 3843 39 12 42

 e: ru.novokuznetsk@sgs.com

 www.ru.sgs.com

 Member of SGS Group

This document is issued by the Company subject to its General Conditions of Service (www.sgs.com/en/Terms-and-Conditions.aspx). Attention is drawn to the limitations of liability, indemnification and jurisdictional issues established therein.

Incomminication and jurisdictional issues established therein. This document is to be treated as an original within the meaning of UCP 600. Any holder of this document is advised that information contained hereon reflects the Company's findings at the time of its intervention only and within the limits of client's instructions, if any. The Company's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents. Any unauthorized alteration, forgery or falsification of the content or appearance of this document is unlawful and offenders may be prosecuted to the fullest extent of the law.



**7. Determination of elements' content** was performed in accordance with ISO and ASTM methods with results as follows:

Compounds	Percentage, %	Test's methods
Fluorine	0.0041	ASTM D 3761-96
Chlorine	0.021	ISO 587-97 (GOST 9326-2002)
Arsenic	<0.0005	ISO 601-81, ISO 2590-73 (GOST 10478- 93)
Phosphorous	0.002	ISO 662-81 (GOST 1932-93)

**8. Determination of free swelling Index** was performed in accordance with ISO 501-81 (GOST 20330-91) with results as follows:

FSI 0.5

**9. Determination of Grey-King coke type** was performed in accordance with ISO 502-82 (GOST 16126-91) with results as follows:

### GREY-KING COKE TYPE A

**10. Determination of Roga Index** was performed in accordance with ISO 335-74 (GOST 9318-91) with results as follows:

### RI 16(2:4)

**11. Determination of plasticity according to Gieseler** was performed in accordance with ASTM D 2639-98 with results as follows:

Attribute	Unit	Value
Initial softening Temperature	Oo	423
Max. Fluidity Temperature	Oo	456
Resolidification Temperature	O	479
Max. fluidity	ddpm	2



 SGS Vostok Limited

 312-24, Ordzhonikidze Street, 654005 Novokuznetsk

 Russian Federation

 t : +7 3843 39 16 81, 39 16 82, 39 16 83

 f : +7 3843 39 12 42

 e: ru.novokuznetsk@sgs.com

 www.ru.sgs.com

 Member of SGS Group

This document is issued by the Company subject to its General Conditions of Service (www.sgs.com/en/Terms-and-Conditions.aspx). Attention is drawn to the limitations of liability, indemnification and jurisdictional issues established therein.

Incomminication and jurisdictional issues established therein. This document is to be treated as an original within the meaning of UCP 600. Any holder of this document is advised that information contained hereon reflects the Company's findings at the time of its intervention only and within the limits of client's instructions, if any. The Company's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents. Any unauthorized alteration, forgery or falsification of the content or appearance of this document is unlawful and offenders may be prosecuted to the fullest extent of the law.

Page N°: 4/ 6

**12. Audiber-Arnu Dilatometer test** was performed in accordance with ISO 349-75 (GOST 13324-94) with results as follows:

Attribute	Unit	Value 395	
Softening Temperature	O0		
Max. Contraction Temperature	O <sup>0</sup>	513	
Max. Dilatation Temperature	<b>O</b> <sup>0</sup>	Hard and Andrews	
Contraction	%	-7.5	
Dilatation	%		

**13. Determination of Hardgrove Index** was performed in accordance with ISO 5074-80 (GOST 15489.2-93) with results as follows:

**HGI 68** 

**14. Determination of actual density** was performed in accordance with GOST 2160-92 with results as follows:

**AD** 1.39 g/cm<sup>3</sup>

**15. Determination of ash fusibility** was performed in accordance with GOST P 54238-2010 (ISO 540:2008). The reported results are as follows:

Attributo	Unit	Value	
Attribute		Oxiding	Reducing
Initial deformation temperature	O <sub>0</sub>	1238	1173
Softening temperature	O <sup>0</sup>	1250	1187
Hemispherical temperature	°C	1269	1209
Fluid temperature	O0	1300	1243

**16.** Determination of petrographic composition and metamorphism stage was performed in accordance with ISO 7404 with results as follows:

Composition Coal		Percentage, %
		96
	Clay	4
Minoral induciona	Quartz	
Milleral inclusions	Sulphide	
111112	Carbonate	



 SGS Vostok Limited

 312-24, Ordzhonikidze Street, 654005 Novokuznetsk

 Russian Federation

 t : +7 3843 39 16 81, 39 16 82, 39 16 83

 f : +7 3843 39 12 42 e: ru.novokuznetsk@sgs.com

 www.ru.sgs.com

 Member of SGS Group

This document is issued by the Company subject to its General Conditions of Service (www.sgs.com/en/Terms-and-Conditions.aspx). Attention is drawn to the limitations of liability, indemnification and jurisdictional issues established therein.

Incomminication and jurisdictional issues established therein. This document is to be treated as an original within the meaning of UCP 600. Any holder of this document is advised that information contained hereon reflects the Company's findings at the time of its intervention only and within the limits of client's instructions, if any. The Company's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and obligations under the transaction documents. Any unauthorized alteration, forgery or falsification of the content or appearance of this document is unlawful and offenders may be prosecuted to the fullest extent of the law.



Page N°: 5/ 6

#### Microlythotype:

Microconstituent	Percentage, %
Vitrinite	20
Semivitrinite	16
Inertinite	64
Liptinite	0

#### Sum of the fusainized components **ΣOK 75%**

#### Rank III

Interval No.	Ro min	Ro max	Frequency, %
Constant account of the second second	0.85	0.89	0
2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	0.90	0.94	2
	0.95	0.99	7
	1.00	1.04	31
	1.05	1.09	31
Sector and a construction of a	1.10	1.14	22
ECISIOSOSOSOSOSOS	1.15	1.19	5
8 50505050565 8 50505050565 8 50505050565 1	1.20	1.24	2
9505056565 50 950505650 50	1.25	1.29	0



#### SGS Vostok Limited

312-24, Ordzhonikidze Street, 654005 Novokuznetsk **Russian Federation** t : +7 3843 39 16 81, 39 16 82, 39 16 83 f: +7 3843 39 12 42 e: ru.novokuznetsk@sgs.com www.ru.sgs.com Member of SGS Group

This document is issued by the Company subject to its General Conditions of Service (www.sgs.com/en/Terms-and-Conditions.aspx). Attention is drawn to the limitations of liability, indemnification and jurisdictional issues established therein. This document is to be treated as an original within the meaning of UCP 600. Any holder of this document is advised that information contained hereon reflects the Company's findings at the time of its intervention only and within the limits of client's instructions, if any. The Company's sole responsibility is to its Client and this document the transaction documents. Any unauthorized alteration, forgery or falsification of the content or appearance of this document is unlawful and offenders may be prosecuted to the fullest extent of the law.



Page N°: 6/ 6

### **Reflectance indices R<sub>0</sub>:**

Average	1.07
Minimum	0.90
Maximum	1.25
Standard deviation	0.057
Quantity of scissions	ALL

#### ANALYSES WERE PERFORMED IN SUBCONTRACTED LABORATORY: II.

The sample was sent to subcontracted laboratory OAO "Zapadno-Sibirski Ispytatelny Centr" (Accreditation Certificate No. POCC RU.0001.21 A9 07) for analysis, and the findings reported by OAO "Zapadno-Sibirski Ispytatelny Centr" were as follows:

#### 1. Determination of elements' content was performed in accordance with GOST methods with results as follows:

Compounds	Percentage, %		
Germanium	<0.0001		
Selenium	<0.0005		
Gallium	0.0002		
Mercury	<0.2*10-4		

2. Determination of elements' content was performed in accordance with GOST methods with results as follows:

Element	Content,%	Element	Content,%	Element	Content,%
Ва	0.01	Cd	<0.001	Pb	<0.0002
Ве	<0.0001	Со	0.0001	Ag	<0.00001
В	0.004	Li	<0.001	Sc	0.0002
Bi	<0.0002	La	0.001	Sr	0.02
V	<0.001	Mn	0.005	Sb	<0.002
W	<0.002	Cu	<0.0001	Ti	0.01
Yb	<0.0001	Мо	0.0001	Р	<0.1
Y	0.001	As	<0.01	Cr	<0.001
Nb	0.001	Ni Ni	0.0001	Се	<0.02
Sn	< 0.0002	Zr	0.001		
Zn	< 0.003				

This document is a witness of services in collection and processing of information rendering,

Signed and dated in Novokuznetsk / ES 20 January 2015

For and on behalf of SGS Vostok Limited

SGS Vostok Limited 312-24, Ordzhonikidze Street, 654005 Novokuznetsk **Russian Federation** t : +7 3843 39 16 81, 39 16 82, 39 16 83 f: +7 3843 39 12 42 e: ru.novokuznetsk@sgs.com www.ru.sgs.com Member of SGS Group

This document is issued by the Company subject to its General Conditions of Service

This document is issued by the company subject to its defined in controllions of iselvice (www.sec.com/ent/erms-and-continions.sec). Attention is drawn to the limitations of liability, indemnification and jurisdictional issues established therein. This document is a dvised that information contained hereon reflects the Company's findings at the document is advised that information contained hereon reflects the Company's findings at the time of its intervention only and within the limits of client's instructions, if any. The Company's sole responsibility is to its Client and this document does not exonerate parties to a transaction from exercising all their rights and exiting under the transaction documents. Any unauthorized from exercising all their rights and obligations under the transaction documents. Any unauthorized alteration, forgery or falsification of the content or appearance of this document is unlawful and offenders may be prosecuted to the fullest extent of the law.