

SASOL PETROLEUM MOZAMBIQUE LIMITADA

REQUEST FOR EXPRESSION OF INTEREST For The Provision Of COATED LINE PIPE AND HOT INDUCTION BENDS

1. BACKGROUND

Sasol Petroleum Mozambique Limitada (SPM) (hereinafter referred to as Sasol) is the Operator of the Production Sharing Agreement (PSA), which is a license holding in the Province of Inhambane, Mozambique, containing light oil and gas resources.

Sasol has been actively executing the PSA Plan of Development which was approved by the Government of Mozambique in 2016, and has recently submitted a revision to the Plan of Development.

The revised Plan of Development, which is still to be formally approved, describes Sasol's ongoing intent to optimally develop the light oil and gas resources contained in the Inhassoro, Temane and Pande fields.

A key objective of the revised Plan of Development is to enable the supply of natural gas to the Central Térmica de Temane power plant, which is also under development as part of Mozambique's national electrification programme (the Temane Regional Electricity Project). Another key objective is to enable the production of liquefied petroleum gas (LPG) for domestic consumption. This requires the construction of a new light oil, gas and LPG processing facility and associated surface facility infrastructure (hereinafter referred to as the PSA Project) in the Temane area in the Province of Inhambane.

In support of the engineering, procurement and construction of the PSA Project, amongst others, the manufacture and/or source and supply of equipment together with services and support is required.

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2. OBJECTIVE OF THIS REQUEST FOR EXPRESSION OF INTEREST (EOI)

The PSA Project requires the manufacture and/or source and supply of various categories of equipment and materials commonly used in the oil, gas and petrochemical industries.

This request is intended to solicit information required to enable Sasol to identify and assess suitably qualified and experienced manufacturers and/or suppliers of the various types of equipment and materials established and operating in the Republic of Mozambique, in order to create an opportunity for such local companies to potentially participate in the future bidding for the manufacture and/or source and supply of this equipment and materials.

Interested vendors will need to demonstrate their appropriate ability and experience to successfully manufacture and/or source and supply the equipment and materials as listed below in compliance with the specified project technical and commercial requirements and criteria.

Sasol hereby invites eligible vendors to indicate their interest in the manufacture and/or source and supply of the types of equipment and materials described in paragraph 3 hereinbelow. Interested vendors should provide appropriate information showing that they have the required qualification(s), capability and relevant experience to manufacture and/or source and supply this equipment and materials.

3. PROCUREMENT OF COATED LINE PIPE AND HOT INDUCTION BENDS

The PSA Project seeks suitable Suppliers to supply 3LPE coated line pipe and hot induction bends for the construction of a natural gas flow line. The successful vendor may be requested to deliver the material to site and must therefore be familiar with the provisions of Incoterms 2020.

Table 1: Approximate length and wall thickness of 3 LPE coated pipe to be supplied

NPS	Wall Thickness	Total Length
6"	6.35 mm	5 808 m
6"	7.92 mm	382 m
8"	10.31 mm	240 m

8"	7.92 mm	20 128 m
8"	8.74 mm	752 m
10"	11.13 mm	400 m
10"	7.09 mm	5 740 m
10"	8.74 mm	8 210 m
10"	9.27 mm	1 540 m
12"	11.13 mm	770 m
12"	12.70 mm	405 m
12"	8.38 mm	15 190 m
12"	9.53 mm	15 255 m
16"	10.31 mm	15 900 m
16"	11.91 mm	1 540 m
16"	14.27 mm	450 m

General Pipe Specification:

- The starting material shall be thermomechanical-rolled coil.
- Acceptable process of manufacture is HFW.
- The upper design temperature is +65°C.
- The pipe material shall be API 5L X65M and shall conform to production specification level PSL 2 with resistance to ductile fracture propagation.
- The acceptable delivery condition shall be thermomechanical rolled.
- Certificate of Compliance to EN 10204 type 3.2.

General 3LPE Pipe Coating Specification:

- The pipe shall be coated according to ISO 21809-1.
- The minimum design temperature is -10°C and the maximum design temperature is +65°C.
- Coating class and thickness – Class B3 – minimum 3.5mm.
- Pm (kg/m) shall be $130 < Pm \leq 300$.
- Surface shall be cleaned by abrasive blasting to ISO 8501-1 grade Sa 2 ½.
- Surface dust contamination shall be ISO 8502-3 Class 1 maximum.
- Certificate of Compliance to EN 10204 type 3.1.
- Coating facility has passed Sasol's quality assurance audits.

Hot Induction Bends Requirements:

- Bends shall be manufactured from line pipe to ASME B16.49.
- Bends radius shall be 5D.

- Bends shall comply with supplementary requirement SR15.3 for through-bend ovality to allow for segmentation.
- Certificate of Compliance to EN 10204 type 3.1.

4. ESSENTIAL DOCUMENTATION AND INFORMATION THAT IS REQUIRED TO BE SUBMITTED:

1. Technical capability:
 - a. Proven recent track record for delivery to ISO 8502-3 Class 1.
 - b. The vendor manufacturing and supplying the pipeline material shall have a proven track record of pipe manufacture using X65 M material.
 - c. ISO 9001 certification required.
 - d. ISO 3834-2 certification required.
 - e. Qualification and experience of personnel.
 - f. List of projects done in the last two years with similar scope.
 - g. Proven safety track record and accredited safety system must be in place.
 - h. The vendor manufacturing and supplying the pipeline material shall hold a valid API 5L Monogram License covering this project's range of application.
 - i. Supplier successfully supplied similar products recently to reputable clients.
2. Management / Supervisor & Skilled Resources - Organogram of directors and senior managers, including CV's of shop floor supervisors.
3. Information and details of the vendor's Quality Management System (QMS), which should be well established. Quality Management Manual to be submitted.
4. Relevant financial information of the company (last 3 years turnover, net profit after tax and total equity reserves).
5. Confirmation of the vendor's ability to conduct business in the English Language.
6. Local Content:
 - a) Provide vendor's ownership structure (percentage shareholding held by shareholders as well as a description of the identity of shareholders, i.e >50% national equity or <=50% national equity) or details of registration of the vendor in terms of Mozambican legislation (if there exists no ownership).

- b) Provide information on the number of Mozambican nationals employed by the vendor (if any).
- c) Provide an indication of Mozambican procured materials (predominantly built, sourced and/or manufactured in Mozambique).
- d) If a foreign vendor, provide an indication of the vendor's association to local Mozambican vendors.
- e) Provide information on any other notable development contributions to Mozambican local content.

5. SELECTION OF POTENTIAL VENDORS

Potential vendors will be selected in terms of the PSA Project's evaluation criteria (as determined by Sasol), taking into account the information that each vendor will supply and any risks associated with the selection of such vendors.

Potential vendors will be selected by Sasol in its sole and unfettered discretion.

6. SUBMISSION INSTRUCTIONS

Interested and eligible vendors should submit their company profile documentation, with inclusion of all other essential documentation as stated, to the following:

- E-mail address: yasmeen.safedien@sasol.com
- Description: PSA Project – EOI for the Provision of Coated Line Pipe and Hot Induction Bends
- Closing Date: 20 July 2020
- Closing time: 12:00 (UTC+02:00) Harare, Pretoria

7. GENERAL

Details of this Expression of Interest are also available on Sasol's official website: <https://www.sasol.com/psa-project>.

Interested and eligible vendors should note that this request by Sasol is aimed solely at requesting information required by it to enable future decisions regarding the manufacture and/or source and supply of equipment and materials and the selection

of potential manufacturers and/or suppliers. It does not, in any manner, indicate any intention by Sasol to enter into further discussions with any vendor who submits information and expresses interest to participate in this process, or to enter into any contract or other commercial relationship between Sasol and such vendor, nor does it constitute an undertaking by Sasol to award any contracts to, or to place any purchase orders related thereto whatsoever, on any vendor. Sasol is under no obligation to consider only the vendors who respond to this EOI for potential future contracts or purchase orders.

Responses by Sasol will only be made to short-listed prospective manufacturers and/or suppliers and Sasol may request further information from such manufacturers and/or suppliers. Sasol may also arrange for auditing of information that has been provided by a vendor pursuant to its response to this EOI.

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