

NOTICE OF SELECTION PROCEDURE

Call for expressions of interest in relation to the selection procedure in order to find the best project concerning realization of the provision of the integrated service of management, recovery and trade of steelworks slag

1. INTRODUCTION

Acciai Speciali Terni S.p.A. with Sole Shareholder, and registered office in Viale B. Brin, 218 (05100) Terni, Italy, company of private law and under private control (hereinafter "AST" or the "Company"), announces its intention to organise a selection procedure in order to seek (i) the best possible solution, under industrial, technical and economic perspective, for the recovery of slag arising from its cycle of steel production, also in view of a subsequent possible assignment to the selected tenderer of the realization of the infrastructures and processes, as well as, however, (ii) for the provision of the integrated service of management, recovery and marketing of such slag.

This notice is intended solely for the receipt of expressions of interest to facilitate the participation of the largest number of economic operators in possession of the necessary requirements, which are interested in participating in the selection process.

The Company reserves the right to identify, among the economic operators which have expressed their interest in participating in the selection procedure, eligible subjects which will be requested, by letter of invitation (the "Letter of Invitation"), to present their technical and economic offers for the identification of the economic operator to which assign the following activities: "design and construction of infrastructures and processes for the provision of an integrated service of recovery, management and marketing of slag arising from the production cycle of stainless steel" produced in the Company's premises in: Viale B. Brin n. 218, Terni, Italy.

The Company reserves the right to terminate, at any time, or to suspend, modify or cancel, in whole or in part, the present procedure or not to implement the selection, without the economic operators - which have expressed their interest in participating in the selection procedure, or that have presented their offer - retaining any entitlement.

The Company reserves the right of not inviting economic operators which are in conflict of interest with AST.

2. CUSTOMER

Acciai Speciali Terni S.p.A.

Viale B. Brin, 218

05100 Terni (TR), Italy

Certified electronic mail: legale@pec.acciaitermi.info

Fax: +390744490315

Contact Person for the procedure: Emiliano Cardenà

3. SUBJECT OF THE SELECTION

Subject of the selection is the design and realization of the infrastructures and processes for the provision of the entire integrated service of management, recovery and marketing of slag arising from the steel production cycle of AST.

Technical specifications, terms and conditions of the requested services, including the duration of the assignment, will be specified in the Letter of Invitation that will be sent to the subjects which have expressed an interest in participating in the selection procedure, according to the terms of participation set forth in this Notice.

The project that the Company will request to submit to the operators which will have received the Letter of Invitation, as better specified in the Letter of Invitation, shall include: (i) the indication of possible options for recovery of AST's slags, in relation to their different types, among those permitted by current Italian and European law and regulations; (ii) the types of products that could be obtained from the abovementioned recovery operations and their environmental and performance characteristics; (iii) the realization of the recovery operations; (iv) the timing of the progressive implementation of such operations; (v) the amount of slag that can be recovered through such operations; (vi) the demand and the relevant market for the products obtained from the recovery operations so as to be compliant to the requirements set forth by Article 184-ter of Legislative Decree No. 152/2006 ("Code of the Environment"); (vii) a conclusive summary report containing the project solutions indicated with numbers from (i) to (vi), and the reasoned recommendations on the feasibility of the integrated service; (viii) the economic and financial offer for the assignment of the entire integrated service management, recovery and marketing of slag from steel production cycle of AST based on the project results indicated in the previous points.

4. REQUIREMENTS

Only sole proprietor businesses or businesses in corporate form (considered as such under the law of the State of origin), of any nationality, either individually or jointly, that meet the following requirements, can express interest to participate in the procedure referred to in this Notice:

A) General requirements:

- not be subject to bankruptcy proceedings and/or procedures of insolvency and/or liquidation or similar measures provided for by the legislation in force in the relevant country of origin (in which the operator has its registered seat or its main office) as well as by Italian law, if the economic operator has some branch in Italy;
- not have been subject - relating to the legal representatives, executive directors, and other individuals provided with power of attorney in Italy - to any definitive measure of application of preventive measures provided

for by Italian law against organised crime activities (or similar measures in accordance with current regulations in the relevant country of origin), nor be subject to any pending proceedings for the application of such measures;

- not have been subject - relating to the legal representatives, executive directors or to other individuals provided with power of attorneys in Italy - to final convictions for any offense, pursuant to current regulations in the relevant country of origin and/or in Italy affecting the professional conduct or for environmental or financial crimes as well as for participation in criminal organization or for acts of corruption, fraud and money laundering;
- not have been subject to any fine pursuant to Legislative Decree No. 231/2001, regarding the administrative liability of companies and entities, or to sanctions under any similar legislation in force in its country of origin;
- be in compliance with the obligations relating to taxes and contributions in the field of social security and welfare, in Italy - if individuals - or in the country of origin.

B) Technical requirements:

- have executed and entered into and billed, at least one contract for the provision of integrated service of recovery, management and marketing of slags from the production cycle of stainless steel.

In case of jointly participation of more operators, the requirements referred to in letter A) shall be met and certified by each individual economic operator who participates jointly, while the requirement referred to in subparagraph B) must be met by at least one economic operator.

The possession of all the requirements will be subject to a declaration by the economic operator; the Company may require the submission of documentary evidence of this possession. However, the Company may reserve the right to verify the declaration.

In case of submission of untrue declarations and/or untrue documentary evidences - included documents attesting the possession of the requirements - or if documentary evidence has not been submitted, or if the Company considers the documentary evidence is not exhaustive or appropriate to prove the possession of the requirements, and if the economic operator has not submitted the integrative documents requested by the Company within the provided deadline, the lack of integrative documentation will imply the exclusion of the economic operator from this procedure and, as a consequence, it will not receive the Letter of Invitation from the Company.

5. PROCEDURE

The procedure is divided into two distinct phases: i) the first phase is designed to receive and evaluate the expressions of interest submitted by the economic operators of the reference market, which are in possession of the requirements referred to in paragraph 4, letters A) and B) of this Notice. Also during this phase, the Company may require documents attesting the possession of the declared requirements. After the evaluation of the expressions of interest, the Company will send the Letter of Invitation to economic operators which meet the requirements; ii) the second phase is aimed at requesting and evaluating the offers provided by the operators which will have received the Letter of Invitation. The method of evaluation of the offers and the award criteria will be specified in the Letter of Invitation.

The Letter of Invitation will be sent only to economic operators in possession of the requirements that have expressed an interest in participating according to the procedures referred to in paragraph 6) of this Notice. If within the period specified in paragraph 6) of this Notice any expression of interest has been submitted, the Company reserves the right to identify the person to be appointed of the abovementioned integrated service in the way it deems more appropriate.

Acciai Speciali Terni S.p.A., anyway, reserves the right: a) not to respond to the expressions of interest and tenders received; b) not to evaluate and assign the best offer; c) proceed with the awarding even in the presence of a single offer; d) not to enter into the contract even if the award has already occurred; e) suspend, interrupt and/or start the procedure again; f) identify the assignee in any way it deems most appropriate.

6. EXPRESSIONS OF INTEREST

Expression of interest should be sent to Acciai Speciali Terni S.p.A., to the registered office of the Company in Viale B. Brin, 218 (05100) Terni, Italy, within and no later than the following time-limit: **11.03.2016, at 12.00 p.m.**, via Certified Electronic Mail: legale@pec.acciaitermi.info, or by registered, and properly closed, letter with acknowledgment of receipt, or by hand delivery. On the envelope or in the subject of the certified mail must be marked: "Expression of Interest for participation in the selection procedure of the best offer in view of a possible subsequent assignment concerning the design and realization of infrastructures and processes for the provision, of the integrated service of management, recovery and marketing of slag arising from the production cycle of stainless steel".

The expression of interest must include:

- The application form containing the essential information requested to identify in an acceptable manner the person (if

participant individually) or the entities concerned (in the case of companies participating jointly); i.e. (i) if a company: name, registered office, the tax code and VAT number, or the other information necessary for the identification according to the law of the State of incorporation; (ii) if a sole proprietor business: name, surname, tax code and VAT number, or the other information necessary for the identification of the person under the law of the State of origin (where it has its registered or main office) and under Italian law if the economic operator operates in Italy;

(b) The indication of the addresses at which the participant / participants intend to receive any communications on the procedure, including fax number and e-mail address;

(c) The declaration, stating the possession of the general requirements referred to in paragraph 4, letter A);

(d) The declaration stating the list of services provided, pursuant to paragraph 4, letter B) of this Notice, indicating: the customer, the subject and the description of their main activities, the date of assignment, the period of performance and the consideration, together with a brief report regarding the problems faced and their outcome.

The expressions of interest must be signed by the legal representative of the interested party or by an attorney. An identity document must be enclosed to the application. If the application is signed by the attorney, it must also be accompanied by a copy of the general or special power of attorney.

If the expression of interest is submitted jointly by several companies, the documentation specified in subparagraphs (a), (b), (c), (d) of this paragraph 6, must be submitted by all enterprises and / or companies concerned.

Expressions of interest not signed or not accompanied by a copy of an identification document, as well as those received later than the deadline indicated above, will not be taken into account. Delivery of the expression of interest remains at the sole risk of the sender.

Expressions of interest which are proposed for subject to be appointed, or expressed by intermediaries or fiduciary companies, or in relation to which the requesting individual enterprise or company or the components of the joint participation are not clearly identifiable, will be not permitted and taken into consideration.

In order to facilitate the preparation of the application for participation by the stakeholders, a model known as "Exhibit A" is published on the Company's website together with this Notice as annex.

The expression of interest can be prepared in accordance with Schedule A or in any other form, provided that contains all statements / certifications referred to in subparagraphs (a), (b), (c), (d) of this paragraph 6.

All documents submitted must be written in Italian or English language.

7. REQUEST OF INFORMATION

Any additional information and/or clarifications concerning this Notice may be requested to the Contact Person for the procedure at the following email address: legale@pec.acciaitermi.info no later than the end of 26.02.2016 at 12.00 p.m..

The answers to the questions received within the prescribed period will be published exclusively on the Company's website at www.acciaitermi.com and the time of publication will be considered as known by all participants.

8. MISCELLANEOUS

The submission of expressions of interest and, in any case, the presentation of offers does not in any way bind the Company to accept such documents.

Documents provided in the framework of this procedure of expression of interest are definitively acquired by the Company without being due any considerations.

At no stage of this procedure, prizes, refunds, considerations or any other form of payments to participants are foreseen. Costs incurred by participants will be integrally born by the participants themselves.

The Company is entitled to invite, if necessary, the participants to complete or to provide clarifications on the documentation submitted.

Data collected during the procedure shall be treated in accordance with Legislative Decree No. 196/2003, exclusively within the scope of this procedure and, to that end, the participants, with the submission of the expression of interest, authorize their treatment.

This Notice and the whole procedure started with it is governed by Italian law and is subject to Italian jurisdiction. All disputes arising in connection with this procedure, including those relating to the validity, effectiveness, interpretation, execution of this Notice shall be referred to the exclusive jurisdiction of Terni, with exclusion of any other alternative or competent jurisdiction.

Terni, 12 February, 2016

Mrs. Lucia Morselli
Managing Director