

Commodity Transaction Procedure

At NB Minerals Pty Ltd, we follow a structured transaction procedure designed to ensure transparency, efficiency, and security for both buyers and suppliers. Our role is to facilitate professional trade relationships within a reliable, compliant framework.

1. Buyer Inquiry

The process begins when a buyer submits a formal inquiry outlining their requirements—including product type, quantity, destination, contract duration, and preferred commercial terms. This allows NB Minerals to identify the most suitable suppliers within our network.

2. Buyer Verification

To maintain a secure trading environment, NB Minerals conducts due diligence on prospective buyers. This includes confirming company registration, identifying authorised representatives, and verifying financial capability to ensure transactions occur between credible counterparties.

3. Supplier Identification

Once requirements are confirmed, NB Minerals approaches qualified suppliers, including mining companies, producers, or authorised distributors capable of meeting the buyer's specific delivery schedule and quality standards.

4. Commercial Offer

We prepare a commercial offer outlining the proposed terms: commodity specifications, pricing structure, delivery terms (Incoterms), and payment conditions. This offer is presented to the buyer for formal review.

5. Letter of Intent / Expression of Purchase

If the buyer accepts the terms, they provide a formal expression of purchase (or Letter of Intent). This confirms their intent to proceed and moves the transaction into the final negotiation and contractual stage.

6. Contract Negotiation

Both parties negotiate final operational details, such as delivery schedules, independent inspection requirements, and logistics. Once alignment is reached, a formal Sales and Purchase Agreement (SPA) is drafted.

7. Contract Execution

The SPA is reviewed and signed by both the buyer and supplier. This document legally defines all obligations, including specifications, timelines, and payment mechanisms.

8. Financial Arrangements

Following execution, the buyer establishes the agreed financial instrument (e.g., Letter of Credit) in accordance with the contract. This secures the transaction for both parties before logistics begin.

9. Shipment and Inspection

Once payment mechanisms are confirmed, the supplier prepares the shipment. Independent inspection agencies (such as SGS or Intertek) are typically appointed to verify quality and quantity prior to loading.

10. Delivery and Completion

The commodity is transported to the agreed destination. Upon successful delivery and fulfilment of all contractual obligations, the transaction is finalised.

