

17<sup>th</sup> March, 2014

Dear Sirs,

With the present private enterprise-firm "Daryal" expresses our respect and thanks for your attention to our enterprise and its production.

Private enterprise-firm "Daryal" was founded on the 8<sup>th</sup> of February, 1994 and within all these 20 years is an operator of Ukrainian cored wires market. We produce and deliver our production to the major metallurgical plants of Ukraine and to the foreign countries as well. Besides we have been engaged in primary treatment of metals, theory and practice of usage of the technology and materials for secondary metallurgy and desulphurization of steel and cast iron, wholesale trade of metals and ferroalloys for metallurgical branch.

Firm "Daryal" produces cored wires with the diameters 13mm, 14mm, 15mm basing on our own technical standards TY Y 27.3-20496109-001:2010 and owns a number of patents for inventions and utility models. As well we can produce 10 mm cored wire according to the request.

As fillers for cored wires firm "Daryal" may propose practically all materials or mixtures, which are used for secondary metallurgy, in accordance with Customers' demands. Among the fillers there are: Calcium Silicide (CaSi-30, CaSi-40) Ferroniobium, Ferrovanadium, Ferromolybdenum, Ferrocacium, Calcium Carbide, Titanium sponge, Ferrotitanium FeTi70, Carbon containing material (carbon), cored wires with complex fillers and so on.

Among the constant Consumers of our products there were the biggest steel mills such as "AZOVSTAL", Ilyich, Interpipe, "Dneprovskiy Metallurgical plant", Kremenchuk Steel casting works, Alchevskiy metallurgical plant, Subsidiary Enterprise "Drill collars and Kellys Plant" and a number of other Ukrainian steelmaking enterprises. Firm "Daryal" exports its production to Russia (NLMK, OEMK, Uralstal, Tagmet), Egypt (Suez Steel), Czech Republic (EVRAZ Vitkovice), Turkey (Cholakoglu Metalurgy), Belarus (BMZ), Spain (foundries).

The primary raw materials for cored wire production are Ukrainian metal products of Zaporozhstal and ferroalloys/powder materials of the main world producers such as: SKW METALLURGY GROUP (Germany), CBMM (Brazil), CAMET/CAMBIOR/NIOBEC (Germany/Canada), ANDINA Electrometallurgica (Argentina), EVRAZ (Russia), TREIBACHER (Austria), OFZ (Slovakia), Zaporozhchey Titanium and magnesium plant, Novomoskovskiy plant of metals and alloys (Ukraine). With all above mentioned plants firm "Daryal" works via direct, long term contracts with the maximum possible discounts, which together with the possibility to use only high quality materials, gives us a considerable competitive advantages.

In 2006 Daryal's quality system was certified in accordance with international standard ISO 9001:2000. In September 2009 and in August 2012 our firm passed the re-certifications in accordance with standard ISO 9001:2008.

In 2005, 2008, 2009, 2010, 2011, 2012 and 2013 among a number of leading metalworking enterprises of Ukraine, Daryal was given the rank "Leader of Branch" by Chamber of Commerce and Industry of Ukraine and the Ukrainian National business rating.

Before 2012 every year our firm used to produce about 10-11 thousands tons of cored wires with different fillers. It was the only enterprise in Ukraine which during the last 7-8 years produced cored wires with Ferroniobium (Nb-65%), Ferrovanadium (V-80%), Ferromolybdenum (Mo-60%), Titanium sponge (Ti- 97.75%), Ferrotitanium FeTi70 in industrial volumes (from 60 to 200 tons of

each kind of filler every month) with guarantee of quality, keeping the term and volumes agreed in the delivery schedules.

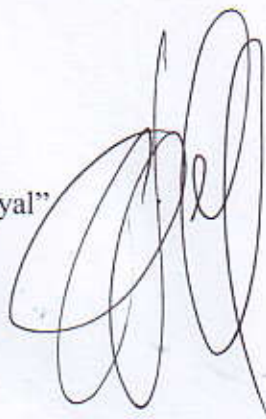
In case of your interest our enterprise is able to produce the cored wires with deviations from the standard parameters of the cored wire/coil/package according to the Customers requirements.

In the addition to this letter we propose to your attention the brief technical specification of the produced production in the standard variant, certifications, diplomas and other information.

Please feel free to ask any questions you have and we are ready to answer them immediately.

Best regards,

General manager firm "Daryal"  
Mikhail Petrov

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the bottom, positioned to the right of the typed name.



ISO 9001  
BUREAU VERITAS  
Certification



Частное предприятие

фирма

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Cored wires (CW) in coils, produced by our enterprise  
according to Technical standards of Ukraine –ТУ У 27.3-20496109-001:2010

№	Item of production/ filling	Approximate chemical compound of the filling	Characteristics of CW*
1.	CW with Calcium Silicide CaSi-30 filling (ГОСТ 4762-71)	Ca- 30,0% min; Si - 55-63% max; Al- 2,0% max; C- 1% max; P- 0,03% max; Fe - balance	Ø13 mm, filling: 220 g ± 10 g/m,
2.	CW with Calcium Silicide CaSi-40 (mechanical mixture) filling	Mixture of Calcium Silicide CaSi-30 and Calcium metal	Ø13 mm, filling: 210 g ± 10 g/m,
3.	CW with Carbon containing material filling (ТУ У 26.8-05394618-023:2011)	C - 95,0 % min; ashes - 4,0 % max, S - 0,7 % max; moisture - 0,9 % max; volatile matter – 0.5 % max;	Ø13 mm, filling: 150 g ± 10 g/m, Ø15 mm, filling: 180 g ± 10 g/m,
4.	CW with Titanium sponge TG-Tv filling; (ГОСТ 17746-96)	Ti - 97,75% min; Fe - 1,9% max; C- 0,1% max; Cl-0,15% max; N-0,1% max;	Ø13 mm, filling: 200 g ± 10 g/m,
5.	CW with Ferrotitanium FeTi70 filling (ГОСТ 4761-91)	Ti – 65-75%; Al – 5% max; Si – 1% max; C – 0,4% max; P – 0,05% max; S – 0,05% max	Ø13 mm, filling: 370 g ± 30 g/m,
6.	CW with Ferroniobium (FeNb) filling (ГОСТ 16773-85)	Nb- 63,0-67,0%; Ti- 1,0% max; Ta- 1,0% max; C- 0,15% max; Si- 2,5% max; S- 0,10% max; Al- 3,0% max; P- 0,1% max	Ø13 mm, filling: 600 g ± 20 g/m,
7.	CW with Ferrovanadium (FeV80) filling (ГОСТ 27130-94)	V- 76-83%; Al - 2,50% max; C - 0,30% max; Si - 1,00% max; P - 0,06% max; S- 0,05% max; Fe - balance	Ø13 mm, filling: 400 g ± 15 g/m, Ø15 mm, filling: 520 g ± 20 g/m,
8.	CW with Ferrocium (mechanical mixture) filling	The ratio is standard: Fe – 60%; Ca – 40%; On demand the production is possible in the ratio of Fe – 70%; Ca – 30%;	Ø13 mm, filling: 216 g ± 15 g/m, Ø13 mm, filling: 260 g ± 20 g/m,
9.	CW with Alumocalcium (mechanical mixture) filling	The ratio is standard: Al – 70%; Ca – 30%; On demand the production is possible in the ratio of Al – 60%; Ca – 40%;	Ø13 mm, filling: 140 g ± 9 g/m, Ø13 mm, filling: 135 g ± 9 g/m,
10.	CW with Al, Fe, Ti, Ca metal (mechanical mixture) filling	The ratio is standard: Al – 60%; Ca metal– 23%; Fe-5%; Ti – 12%	Ø13 mm, filling: 160 g ± 10 g/m,
11.	CW with Ferromolybdenum60 filling (ГОСТ 4759-91)	Mo- 55-65%; Si - 3% max; C- 0,10% max; S - 0,10 % max; P- 0,05% max; Cu -0,5 % max	Ø15 mm, filling: 760 g ± 30 g/m,
12.	CW with Calcium metal and fluxing material (fluxing limestone) filling 50%/50%	Ca -50% Fluxing material – 50%	Ø13 mm, filling: 160 g ± 15 g/m,
13.	CW with sulphur	S-99,0%	Ø13 mm, filling: 170 g ± 15 g/m,
14.	CW with lead filling	Lead and antimony alloys (Pb-99% min)	Ø13 mm, filling: 860 g ± 35 g/m,
15.	CW with bismuth filling	Bismuth (Bi)-97.0-99.98%	Ø13 mm, filling: 860 g ± 35 g/m,