

ANNEXURE B

Illustrative Evaluation Methodology for Evaluation Purposes.

A Durban Area / Cluster			Bidder 1	
Item	Item description	Weighting	% Rotterdam Metal Bulletin (%)	Weighted price
1	Heavy scrap (above 3.5mm thick)	15%	62.00%	9.30%
2	Light scrap (below 3.5mm thick)	10%	38.00%	3.80%
3	Rails within the network	20%	48.00%	9.60%
4	Cutting of rolling stock (as and where lying)	20%	49.00%	9.80%
5	Port equipment (wharf cranes, straddle carriers etc)	20%	57.00%	11.40%
6	Port floating vessels	15%	62.00%	9.30%
Comparative average.				8.87%

Illustrative Rand Value
(Comparative average x
Illustrated ZAR)

R
385.70

If Rotterdam = \$300 per ton
If ZAR/US\$ = 14.50

Illustrated ZAR 4350 R per ton
(Rotterdam x ZAR/US\$)

All pricing line items have a % of price subject to the expected volumes.

The percentage of the Rotterdam will be weighted by the offer value (item 1 = 62%)

The weighted price = 9.30%

Each line will ~~be~~ follow the same weighting.

The pricing across all line items will be averaged which above = 8.87%

The Rotterdam x ZAR/US\$ values on the day of evaluation will determine the final Illustrative Rand Value.

This will be the price that will be used as the Price in the Price / BBBEE Preference calculator.

Price and BBBEE per area will then rank the bidders and the highest ranked bidder will be award the contract for the specific area.

This allows that there are 7 contractual opportunities of award that will each service the cluster of sites linked to the area.