

BRIDGESTONE MINING SOLUTIONS AUSTRALIA PTY LTD
(ABN 74 000 069 714)

PURCHASING TERMS

Bridgestone Mining Solutions Australia Pty Ltd (ABN 74 000 069 714) (“**BMSA**”) and the party that the Purchase Order is addressed to (“**Seller**”) agree that all orders given by BMSA to the Seller are subject to the following terms.

1. ORDERS

- 1.1. Each Order constitutes an offer to purchase the Goods from the Seller subject to these Conditions. In the event of any inconsistency between these Conditions and the terms on the Order, the terms on the Order will prevail to the extent of such inconsistency.
- 1.2. Orders will be deemed to have been received by the Seller:
 - (a) if given electronically, at the time of transmission by BMSA; and
 - (b) if given by post on the third business day after posting.
- 1.3. The Seller must confirm the receipt and acceptance of the Order in writing either electronically or by post.
- 1.4. The Seller is deemed to have accepted the Order on the basis of and subject to the Conditions if the Order has not been refused within seven days of the Seller receiving the Order.
- 1.5. These Conditions will override any Terms and Conditions supplied by the Seller. If the Seller attempts to provide its terms and conditions they will not be valid unless accepted by BMSA in writing.

2. PRICE AND PAYMENT

- 2.1. The Price cannot be varied except with the prior written agreement of BMSA. Requests for price variations must be submitted in writing at least 30 days before the desired effective date of the adjustment.
- 2.2. Unless otherwise agreed to in writing, payment will be effected by BMSA to the Seller within 30 days of the commencement of the month following BMSA confirming receipt of invoice from the Seller.

3. DELIVERIES

- 3.1. Deliveries by the Seller will only be made during normal business hours of BMSA on the date or within the time stated in the Order or in delivery schedules issued from time to time by BMSA.
- 3.2. On delivery all Goods shall be accompanied by a delivery document with BMSA’s Order number stated thereon.
- 3.3. BMSA’s Order number shall also appear on all packaging slips, bills of lading, packages, invoices and other correspondence in respect of the Goods.
- 3.4. All delivery costs to the address specified in an Order shall be paid by the Seller unless otherwise specified in the Order.
- 3.5. In addition to and without prejudice to any of its other rights, if a delivery date or delivery schedule is not complied with by the Seller, BMSA has the right to immediately terminate without liability to the Seller, the contract constituted by acceptance of the relevant Order. The Seller acknowledges that if priority freight is necessary to ensure Goods are delivered by the required delivery date, priority freight will be at the cost of the Seller.

4. ACCEPTANCE AND REJECTION

- 4.1. BMSA accepts the Goods subject to final inspection and may reject so much of the Goods whether paid for or not which do not conform to the requirements of the Order and these Conditions.

- 4.2. Any inspection or tests carried out by or at the direction of BMSA shall be final and conclusive provided however that acceptance of Goods by BMSA, regardless of whether or not an inspection has been made, shall not be regarded as confirmation that the Goods conform to the requirements of the Order and these Conditions.

- 4.3. If such Goods are rejected prior to payment being made then only the balance of the Goods that conform to the requirements of the Order and these Conditions will be admitted for payment provided however that if Goods are inspected using statistical sampling techniques the failure of the randomly selected Goods to reach the acceptable quality level as determined by BMSA shall entitle BMSA to reject all of the Goods.

- 4.4. In the event that Goods are rejected following payment the Seller will at the option of BMSA immediately reimburse such payment or immediately credit BMSA’s account with the value of the goods rejected. BMSA may return rejected Goods to the Seller at the Seller’s cost and risk or may at its option re-work such rejected Goods.

5. RISK

- 5.1. The risk of any loss, damage or deterioration to the Goods from any cause shall not pass to BMSA until the Goods have been delivered to the address specified in the Order or to the point of sale if any specified in the Order.
- 5.2. Any Goods rejected by BMSA will be at the Seller’s risk from the time the goods are rejected.

6. CANCELLATION

- 6.1. A contract constituted by acceptance of an Order may be cancelled by BMSA without liability to the Seller in the event of the Seller at any time failing or being unable to comply with any of the Conditions (including, without limitation, any of the warranties in the Conditions) or in the event of the Seller being insolvent, or a liquidator of the Seller being appointed or any receiver being appointed in respect of any of the assets of the Seller.
- 6.2. BMSA reserves the right to vary, modify or cancel an Order if BMSA’s delivery schedules are varied and in this event any claim which the Seller may have against BMSA shall be limited to the actual costs incurred (excluding loss of profit) to the date of variation, modification or cancellation.
- 6.3. Cancellation shall be in addition to and without prejudice to any of the rights of BMSA against the Seller at law or in equity.

7. PACKAGING

- 7.1. All Goods shall be properly packed, marked and labelled in a manner approved by BMSA.
- 7.2. All packaging costs shall be paid by the Seller.

8. QUALITY AND SELLER WARRANTIES

- 8.1. The Seller warrants and represents to BMSA that:
 - (a) the Goods are in accordance with the Order and the Conditions, the patterns, drawings, blueprints, specifications and the samples (if any) approved by BMSA;
 - (b) the Goods will be free from defects in design, material and workmanship;
 - (c) the Goods will be suitable for purpose;
 - (d) the Seller has the rights to sell the Goods free from all encumbrances and BMSA will enjoy quiet possession of the Goods;

- (e) the Seller will at its expense supply to BMSA in such number as is required by BMSA samples of the goods for BMSA's approval;
 - (f) the Goods will comply with all statutory requirements relating to the safety, manufacture, packaging, labelling, transportation, sale and quality of the Goods;
- 8.2. If the Seller is the manufacturer of the Goods or an agent of the manufacturer, the Seller must ensure that an effective quality assurance system is maintained. The Seller will comply with appropriate BMSA product and system specifications may be required to provide statistical batch certification for all products. In the event of any inconsistency between this clause 8.2 and clauses 8.1 and 9 of these Conditions, this clause 8.2 shall prevail to the extent of such inconsistency.
- 8.3. The Seller must ensure that the Goods are adequately tagged and labelled in accordance with all applicable laws.
- 8.4. The Seller agrees that it shall continue to be liable pursuant to clauses 8.1(b) and (c) notwithstanding any approval of BMSA referred to in clause 8.1(a).

9. INSPECTION

- 9.1. BMSA and BMSA's customers shall have the right to enter the Seller's premises at reasonable times to inspect such premises and any goods, materials therein and any property of BMSA therein and to monitor the production of the Goods.
- 9.2. The Seller will comply with all reasonable directions given by BMSA on any such inspection or monitoring.

10. TOOLING AND TOOL MAINTENANCE

- 10.1. All tools, fixtures, dies, jigs, gauges or other equipment ("BMSA's Tools") and all patterns ("Patterns") drawings, designs, blueprints, specifications and other papers ("Plans") supplied without charge to the Seller by BMSA or paid for by BMSA and used in producing the Goods will remain and be the sole property of BMSA and shall be appropriately marked by the Seller.
- 10.2. The Seller will pay for the delivery and installation of all BMSA's Tools and will on the installation thereof acknowledge in writing to them to be in good working order and condition.
- 10.3. On completion of or cancellation of a contract constituted by acceptance of an Order the Seller shall if and when required to do so at the Seller's expense deliver to BMSA all finished or unfinished work relevant to such contract and BMSA's Tools, Patterns and Plans.
- 10.4. The Seller shall at its expense maintain all BMSA's Tools and Patterns in good working order and condition.
- 10.5. The Seller will immediately advise BMSA of any breakdown to any of BMSA's Tools and of repairs required. The Seller will attend to all repairs without delay and repairs will only be carried out by repairers approved by BMSA.
- 10.6. The Seller shall insure and maintain insurance against fire, theft, malicious damage, impact of vehicles or by any other occurrence against which insurance cover is normally available for BMSA's Tools, Patterns and Plans.

11. INSURANCE

- The Seller must effect and maintain the following insurance relating to the Seller's supply of the Goods:
- 11.1. Public Liability Insurance for a minimum of \$20 million for each occurrence.
- 11.2. The insurance must be issued by a reputable insurer acceptable to BMSA.

12. INDEMNITY

The Seller indemnifies BMSA and must keep BMSA indemnified against all losses, claims, costs, expenses, damages, demands, proceedings, actions and penalties which BMSA may sustain or incur or which may be brought or established against it and which in any case arise out of or in relation to or by reason of:

12.1. The negligence, recklessness or wilful misconduct of the Seller or any agents of the Seller in the supply of the Goods;

12.2. The breach by the Seller of any of the Seller's obligations and undertaking contained in these Conditions; and

12.3. Any unauthorised act or omission of the Seller or any agents of the Seller in the supply of the Goods.

13. NON-DISCLOSURE

- 13.1. The Seller undertakes and agrees that it will not now or in the future use in the manufacture of goods for any third party any of BMSA's Tools, Patterns or Plans nor will it divulge to any other person any information with regard to drawings blueprints or specifications received from or provided by BMSA. This restriction shall apply even though the Seller may stop making the particular article for BMSA.
- 13.2. The Seller shall not advertise or publish the fact that the Seller is contracted with BMSA for the manufacture of the Goods.

14. MODIFICATIONS

By notice in writing BMSA may at any time alter the specifications, design, testing procedures, method of packing or place of delivery of the Goods and if required BMSA will negotiate with the Seller for an adjustment to the Price or the delivery date.

15. ASSIGNMENT

A contract constituted by acceptance of any Order is not assignable.

16. INTELLECTUAL PROPERTY

- 16.1. The Seller shall indemnify BMSA and its customers against all costs, expenses, judgements and damages arising out of the actual or alleged direct or contributory infringement of any Australian or foreign patent, trademark, copyright or industrial design or of any other intellectual property rights by reason of the manufacture, use or sale of the Goods.
- 16.2. If the Seller makes any modifications or variations to the Plans supplied by BMSA or has any input into the specifications or designs for the Goods then this indemnity will extend to any infringement arising out of the compliance with those specifications or designs.

17. NOTICES

Any notices required to be served under these Conditions shall be validly given if executed by a duly authorised person on behalf of the party giving the notice and if it is served personally upon or forwarded by prepaid post or sent by facsimile or EDI to the party whom the notice is to be given.

18. GOVERNING LAW

Notwithstanding any implication of law to the contrary all contracts between the Seller and BMSA shall be deemed to be made and construed and to be enforceable in and according to the laws of the State of New South Wales Australia and by mutual consent to be subject to the jurisdiction of the Courts of that State.

19. WAIVER

- 19.1. Waiver by BMSA of any default by the Seller in respect of any contract constituted by acceptance of an Order or failure by BMSA to exercise any of its rights under such contract shall not constitute waiver thereof by BMSA of

any of its rights under such contract arising through any further or subsequent default by the Seller.

- 19.2. Failure by BMSA to exercise its rights of cancellation or any other rights relating to a breach of the contract constituted by acceptance of an Order shall not constitute a waiver of such right or breach.

20. ENTIRE AGREEMENT

These Conditions are the only terms and conditions, which relate to the Goods and no other terms will be binding on BMSA unless such other terms are in writing and signed by the Seller and BMSA.

21. TIME

Time is to be of the essence in relation to any contract constituted by acceptance of an Order. Accordingly, and by way of example only, if BMSA suffers any loss as a result of late delivery or non-delivery of Goods, the Seller will indemnify BMSA for such loss.

22. EDI

- 22.1. Any reference to "in writing" or "document" in these Conditions shall include an EDI transmission.
- 22.2. An electronic transmission document will be deemed to be an original signed document when printed from electronic files.
- 22.3. The parties agree not to contest the validity of an EDI document under the process of any laws relating to whether certain agreements are to be in writing or signed by the party to be bound thereby.
- 22.4. All original documents referred to in this clause if introduced as evidence on paper, in any judicial, arbitration, mediation or administrative proceedings, will be admissible between the parties to the same extent as documents originated in documentary form.

23. GOODS AND SERVICES TAX

- 23.1. Unless the contrary intention appears, the terms and phrases used in these Conditions have the same meanings as those terms and phrases in A New Tax System (Goods and Services Tax) Act 1999.
- 23.2. If for any reason the provision of any services under these Conditions or any Order are not GST free as contemplated by this Clause, the Price in any Order shall be increased by the rate of GST imposed by GST law and BMSA shall pay that increased amount immediately upon demand by the Seller.
- 23.3. For the purposes of this Clause "Adjustment Event", "Adjustment Note", "GST", "Input Tax Credit", "Taxable Supply" and "Tax Invoice" shall have the meaning attributed to those terms in A New Tax System (Goods and Services Tax) Act 1999.

24. DEFINITIONS

In these terms and conditions of purchase:

"BMSA" means Bridgestone Mining Solutions Australia Pty Ltd (ABN 74 000 069 714) and any of its subsidiaries.

"Conditions", "these Conditions" means the terms, conditions and warranties of purchase set out in this agreement and the relevant Order and includes any other terms agreed to in writing between BMSA and the Seller.

"EDI" means electronic data transfer.

"Goods" means the goods and services (including any instalment or part of the goods and all packaging and labelling in respect of such goods) described in the relevant Order.

"GST" means any tax on goods and services imposed by the A New Tax System (Goods and Services Tax) Act 1999 and related legislation.

"Order" means any EDI or written order by BMSA to purchase goods from the Seller.

"Price" means the price of Goods stated in the relevant Order.

"Seller" means the party described in the Purchase Order and any of its subsidiaries.