



GUJARAT NRE MINERALS LIMITED

CORPORATE ADDRESS: CNR BELLAMBI LANE & PRINCES HIGHWAY, RUSSELL VALE, NSW 2517
ABN 28 111 244 896

Section B General Terms and Conditions Contract for Purchase of Goods & Services

Date:

Parties

Between: **Gujarat NRE Minerals Ltd** (ABN 28 111 244 896) of Cnr Princess Highway & Bellambi Lane Russell Vale NSW ("GNML")

And

.....("Supplier")

1 Definitions

In these conditions:

GNML means the Gujarat NRE Minerals Ltd a company established under the *Corporation Act 2000*.

contract means the contract between GNML and the supplier for the purchase of the goods or services:

- (a) including these conditions, the purchase order form and any other documents incorporated by reference in the purchase order form; and
- (b) any amendments agreed in writing by GNML.

goods means any goods to be supplied under the contract.

intellectual property includes all copyright and neighbouring rights, all rights in relation to inventions (including patent rights), registered and unregistered trade marks, trade secrets and know how, circuit layouts and all other rights resulting from intellectual activity.

services means any services to be supplied under the contract.

supplier means:

- (a) the person named on the purchase order who is to supply the goods or services to GNML; and
- (b) if the supplier includes more than 1 person —those persons jointly and severally.

2 Performance and delivery

(1) The delivery of all goods and the performance of all services must be made at the time and place, and in the manner:

- (a) stated in the purchase order; or
- (b) reasonably specified by GNML in writing to the supplier.

(2) Goods must:



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- (a) be packed, marked and labelled to ensure their safe delivery and safe handling by GNML after delivery; and
 - (b) if specific packing, marking or labelling is required under the purchase order — comply with those requirements.
- (3) Time is of the essence.

3 Packaging requirements

- (1) The supplier must:
- (a) ensure that packaging and waste is minimised;
 - (b) where packaging is necessary, shall favour packaging that is or can be reused, or is readily recyclable; and
 - (c) must avoid the use of loose foam packaging.

4 Quality and compliance with requirements

- (1) The supplier must:
- (a) provide the goods or services at a high standard with all due skill, care and diligence; and
 - (b) comply with any requirements relating to the services stated in the purchase order.
- (2) All goods must conform to any specifications relating to goods stated in the purchase order.
- (3) Without limiting subclauses (1) and (2):
- (a) all goods must be:
 - (i) free from defects in materials and workmanship; and
 - (ii) of merchantable quality; and
 - (iii) fit for their purpose; and
 - (b) all services must:
 - (i) be free from defects in performance; and
 - (ii) meet their purpose; and
 - (iii) be complete.

5 Inspection and acceptance — services

- (1) GNML may inspect the performance and outcome of the services at any time.
- (2) For that purpose the supplier must, at reasonable times, give GNML's representatives access to the premises at which the services are being performed.
- (3) If there is a defect in the performance of the services or the services are not complete, GNML may by written notice require the supplier to remedy the defect, or complete the services, at no additional cost to GNML.
- (4) If the services do not meet their purpose or are not in accordance with the contract, GNML may by written notice require the supplier to redo the services at no additional cost to GNML.
- (5) If the supplier fails to remedy a defect in the performance of the services, complete the services or redo the services within 14 days after notification by GNML under this clause, GNML may perform or have performed the necessary work and recover the cost from the supplier without prejudice to any other rights or remedies GNML may have.



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6 Inspection and acceptance — goods

- (1) GNML may:
 - (a) inspect the goods at any time before acceptance; and
 - (b) reject any goods found not to be in accordance with the contract.
- (2) After acceptance, GNML may reject any goods for any non-conformity with the contract that could not have been discovered by reasonable inspection before acceptance.
- (3) GNML will not be liable to pay for any rejected goods or for any damage or costs arising from inspection or rejection of goods.
- (4) If GNML rejects any goods, the supplier must, without prejudice to GNML's rights otherwise arising under the contract or the general law, comply with a requirement of GNML:
 - (a) to replace, without cost to GNML, the rejected goods with goods complying in all respects with the contract; or
 - (b) to refund any payment for the rejected goods; or
 - (c) to repair the goods, on site or otherwise, to the satisfaction of GNML.
- (5) For paragraphs (4) (a) and (b), GNML may remove the rejected goods at the supplier's expense.
- (6) Without additional cost to GNML, the supplier must provide access to premises and all other necessary assistance for GNML's representatives to inspect the manufacture of the goods.
- (7) If GNML requires the supplier to submit samples of goods, the supplier must not proceed to bulk manufacture until GNML has approved the samples.

7 Title

Title in, and risk of loss of or damage to, the goods passes to GNML on delivery.

8 Warranty

- (1) If GNML gives prompt notice of any defect or omission discovered in goods during any warranty period, the supplier must correct that defect or omission without delay and at no cost to GNML.
- (2) The supplier must meet all costs of, and incidental to, the discharge of warranty obligations, including any packing, freight, disassembly and reassembly costs.

9 Inclusive price

The price of the goods or services includes:

- (a) all taxes (including GST), duties and other imposts for which the supplier is liable; and
- (b) all insurance costs; and
- (c) all amounts payable for the use of the goods or services (whether in the course of manufacture or use of the patents, copyright, registered designs, trademarks and other intellectual property rights); and
- (d) all charges for supply of the goods or the performance of the services; and
- (e) no extra charges for testing, inspection, packing, delivery or otherwise.

10 Intellectual property



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- (1) All intellectual property created under the contract and relating to the goods or services is from the time of creation, owned by GNML.
- (2) The supplier may only use, disclose, copy or reproduce that intellectual property for the purposes of the contract.
- (3) The supplier at all times indemnifies GNML, its officers, employees and agents, from and against all loss, damage, costs (including legal costs and expenses on a solicitor/own client basis), compensation and expenses arising out of the infringement or alleged infringement of any intellectual property, because of the purchase, possession or use of the goods or the outcomes of the services.

11 Assignment and subcontracting

The supplier must not, without the consent in writing of GNML, assign its rights under the contract or subcontract any part of the performance of the contract.

12 Applicable law

- (1) The contract is made under the laws in force for the time being in the State of NSW, Australia where the goods or services are supplied.
- (2) The supplier must ensure that the work done under this contract complies with the laws from time to time in force in the State of NSW where the work under this contract is to be performed.

13 Payment

- (1) Subject to subclause 5 (3), GNML must pay for the goods or services within 30 days after the latest of the following:
 - (a) title in the goods (if applicable) has passed to it and the goods been accepted;
 - (b) satisfactory completion of the services (if applicable);
 - (c) receipt of a correctly rendered invoice.
- (2) An invoice will be correctly rendered if it:
 - (a) is addressed in accordance with the purchase order; and
 - (b) identifies the purchase order; and
 - (c) is, if explanation is necessary, accompanied by documentation substantiating the amount claimed; and
 - (c) is, if required by Australian law, a valid tax invoice within the meaning of the *A New Tax System (Goods and Services) Act 1999*.

14 Termination for insolvency or breach

- (1) Without prejudice to its rights at common law, GNML may, by written notice to the supplier, terminate the contract if the supplier:
 - (a) becomes bankrupt or insolvent; or
 - (b) being a partnership, becomes dissolved; or
 - (c) makes an assignment of its estate for the benefit of creditors or enters into any arrangement or composition with its creditors or has a receiver or receiver and manager appointed; or
 - (d) goes into liquidation or passes a resolution to go into liquidation, otherwise than for the purpose of reconstruction; or
 - (e) becomes subject to any petition or proceedings in a court for its



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- Compulsory winding-up or becomes subject to supervision of a court either voluntarily or otherwise; or
- (f) suffers any execution against its assets; or
 - (g) fails:
 - (i) to commence performance of the contract or to proceed at a rate of progress that will ensure the due and proper completion of the contract; or
 - (ii) to take action to remedy a breach of any other obligation under the contract within 7 days after being given written notice by GNML requiring the supplier to remedy the breach; or
 - (iii) to remedy a breach mentioned in this paragraph within 14 days after being given the notice; or
 - (h) assigns its rights otherwise than in accordance with the requirements of the contract.
- (2) If, before termination of the contract under subclause (1), GNML has made any payment in advance on account of the contract price to the supplier, the total amount of that payment must be repaid by the supplier to GNML on termination and, if not repaid is recoverable by GNML from the supplier as a debt.
- (3) If the contract is terminated under this clause:
- (a) the parties are relieved from future performance, without prejudice to any right of action that has accrued at the date of termination; and
 - (b) rights to recover damages are not affected; and
 - (c) the supplier indemnifies GNML for any loss it may incur in purchasing similar goods or services from other suppliers.

15 Termination for convenience

- (1) GNML may at any time give written notice to the supplier to terminate the contract, or any part of the contract, without cause.
- (2) On receipt of the notice, the supplier must cease or reduce work as required by the notice and take all steps possible to mitigate losses.
- (3) On termination of the contract or any part under this clause, the supplier may submit a claim for compensation.
- (4) GNML must pay to the supplier a fair and reasonable amount for any loss or damage sustained by the supplier because of the termination.
- (5) The supplier is not entitled to claim compensation for any work done or expenditure incurred contrary to the contract or for loss of anticipated profits.
- (6) The aggregate of any compensation and any sums paid or due or becoming due to the supplier under the contract will not exceed the contract price payable under the contract.
- (7) If this clause is invoked, it will prevail over other inconsistent provisions.

16 Confidentiality

- (1) The supplier must treat, and require its employees, agents and subcontractors to treat, all confidential information of GNML given in connection with the contract and identified as having, or marked with, a classification indicating its confidentiality, according to that classification.



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(2) This clause does not apply to information that is part, or becomes part, of the public domain otherwise than by breach of this clause.

17 Compliance with GNML'S policies

The supplier must, when using GNML's premises or facilities, comply with all reasonable directions of GNML and all procedures and policies of GNML relating to occupational health (including no smoking), safety and security in effect at those premises or in relation to those facilities, as notified by GNML or as might reasonably be inferred from the use to which the premises or facilities are being put.

18 Compliance with laws

The supplier must, in carrying out the contract, comply with all relevant laws and any requirements of relevant authorities.

19 Indemnity

Subject to the contract, the supplier indemnifies GNML, its officers, employees and agents for any loss (including legal costs and expenses on a solicitor/own client basis) or liability reasonably incurred or suffered by any of those indemnified arising from any claim, suit, demand, action or proceeding by any person against any of those indemnified if the loss or liability was caused by any wilful, unlawful or negligent act or omission of the supplier, its officers, employees, agents or subcontractors in connection with the contract.

20 Waiver

- (1) A party's failure or delay to exercise a power or right does not operate as a waiver of the power or right.
- (2) A waiver is not effective unless in writing.

IN WITNESS WHEREOF, we GNML &("Supplier") have each caused this Agreement to be executed and delivered on the date first set for above.

GUJARAT NRE MINERALS LTD

Manger commercial & Finance

Dated

Supplier.....

Managing Director