

CONDITIONS OF PURCHASE

1. In these Conditions:-

(a) "the Company" means NeoNickel Limited.

(b) "the Supplier" means the person, firm or company to whom this order is addressed.

(c) "the Contract" means the contract subject to these Conditions of Purchase which is concluded upon acceptance by the Supplier of the order by the Company for the supply of articles, things or services ("the Goods").

2. This order constitutes an offer on the part of the Company for the purchase of the goods or services described in this order which must be accepted in writing by the Supplier or by the actual execution of the Order.

3. Acceptance of an order will be deemed to bind the Supplier to the following terms and conditions and no goods or services shall be supplied by the Supplier except in accordance therewith. In the case of any conflict between these conditions and those of the Supplier these conditions will prevail. If the Supplier is unwilling to contract on these terms and conditions then this form of Order must be returned to the Company.

4. (a) It shall be a term of the Contract that the Goods:-

(i) Comply with the warranties and conditions contained in Sections 12-15 of the Sale of Goods Act 1979 and any amending statutes or enactments;

(ii) Comply with any warranties or representations made by the Supplier, or its agent, to the Company or its agent.

(b) The Company reserves the right to reject the Goods or any of them for non-compliance with the requirements of this Clause.

(c) The Company may return the rejected goods at the Supplier's risk and expense and may also at such risk and expense return any goods in excess of the quantity ordered.

(d) In the event of the rejection of the Goods or any of them and subject to the provisions of Clause 6 hereof the Supplier may at its option elect either to:

(i) Supply replacement goods which comply with the requirements of this Clause provided that the proposed delivery date for the replacement goods is satisfactory to the Company; or

(ii) Promptly refund to the Company the purchase price together with any expenses reasonably incurred by the Company as a result of the failure of the Goods or any of them to comply with the requirements of this Clause.

5. The Company reserves the right to inspect the goods before delivery; exercise of this right shall not preclude the Company from subsequently rejecting the Goods for failure to comply with the requirements of Clause 4 hereof, nor shall failure to inspect constitute acceptance of the Goods.

6. If within 12 months after delivery the Company shall give notice to the Supplier of any defect in the Goods which arises under proper use from faulty design materials or workmanship, then the Supplier shall with all possible speed and at its expense replace or repair the Goods or, at the Company's option, refund all monies paid under the Contract provided that failure to give such notice shall not operate as a waiver of the Company's rights under Clause 4 hereof.

7. The Supplier will indemnify the Company against all loss, damage or injury suffered by the Company, or for which the Company may be liable to third parties, arising from the goods supplied under the Contract being defective due to faulty design workmanship or materials, or from any other breach of these Conditions by the Supplier.

8. (a) Time shall be of the essence of the Contract.

(b) If by reason of any cause beyond the Supplier's control the Supplier is or is likely to be prevented from effecting the delivery or performance on any date specified in the Contract, the Supplier shall promptly give the Company written notice of all the circumstances, whereupon the obligation of the Supplier to effect the delivery or performance shall be suspended for a period consistent with the extent and duration of the cause provided that the Company shall be entitled at its option at any time and whether or not time is of the essence of the Contract to treat the delay or anticipated delay in effecting the delivery or performance as repudiation of the Contract by the Supplier whereupon all monies paid by the Company in respect of the delivery or performance which has not been effected shall be refunded

and to the like extent all the obligations of the Company and the Supplier in respect of that delivery or performance shall absolutely cease and determine.

(c) If the Supplier shall fail to effect delivery or performance by a date in respect of which time is of the essence, then the Company shall in its absolute discretion be entitled to rescind the Contract.

9. The title to and risk in the goods shall pass to the Company upon physical delivery of the goods into the custody of the Company at the address indicated for such delivery, or, where the Company collects the Goods, at the place of such collection.

10. Unless otherwise agreed the Company shall not accept a charge for boxes, bags, barrels, packages or other containers of any description.

11. If no price is specified on the face of this order this must not be fulfilled at a higher price than that previously quoted or charged by the Supplier without the prior written approval of the Company.

12. If no special arrangement is noted on the face of this order or otherwise agreed upon by the Company, the Supplier shall give to the Company its best terms and cash discounts for prompt payment. In the absence of a statement on the face of this order that no cash discount is allowed, the Company shall be entitled to a two per cent discount for payment within thirty days from receipt of the goods or completion of the services.

13. The Supplier warrants that the goods the subject of this order comply in all respects with any statute, statutory rule, order or regulations including any price control regulations which may be in force at the time and further that the sale or use of the goods by the Company would not infringe any British or foreign patent, trade mark, trade name or registered design. The Supplier undertakes to indemnify the Company against loss, damage, liability, costs or expenses which the Company may suffer or incur by reason of any breach of the said warranties.

14. Any notice required to be served hereunder may be served by sending the same to the parties at their respective addresses as shown in this order and any notice so given shall be by registered post and shall unless the contrary be proved be deemed to be served forty eight hours after it is posted and in proving such service it shall be sufficient to prove that the envelope containing the notice was properly addressed and posted.

15. The construction validity and performance of this Contract shall be governed by the laws of England and the parties agree to submit to the jurisdiction of the English Courts.