

Standard Terms and Conditions of Sale

- 1. Conditions of Sale:** GBS Railroad and Mining Services (GBS) provides Goods and Services on behalf of its Vendors exclusively on the basis of the following terms and conditions. The customer's terms and conditions are accepted only where they do not contradict these terms and only with express written confirmation by GBS.
- 2. Warranty:** GBS and its Vendors warrant to the original purchaser only, that the Goods and Services supplied as part of this sale are free from defects in material and workmanship. The duration of this warranty being one (1) year from the date of delivery. If the Purchaser discovers within the time period mentioned above that the Goods and/or Services have a defect, he/she must promptly notify GBS in writing giving a full description of the defect. Within a reasonable time period after the notification, GBS will, at its discretion, make good the defect, provide a replacement, or credit the relevant invoice for the Goods or Services which are the subject of the defect.
In respect to those Goods not manufactured by GBS, GBS and its Vendors extend to the Purchaser the equivalent warranty (but subject to the same conditions and limitations) as is provided to GBS by the supplier of those Goods to GBS.
Warranty Exclusions: GBS does not warrant damage caused by the use of the Goods for purposes or in any manner other than those for which it was designed or approved, including but not limited to a) experimental uses or processes b) unauthorized attachments or modifications c) abuse or misuse by the purchaser or operator d) operation in an environment unsuited for the purpose intended e) operating the Goods outside the manufacturers specified parameters.
Disclaimer of Warranty: THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
Limitation of Remedies: In no case shall GBS be liable for any special, incidental, or consequential damages based upon breach of warranty, breach of contract, negligence, strict liability in tort, or any other legal theory. Such damages include, but are not limited to: loss of profits, loss of savings or revenue, loss of use of the equipment or any associated equipment, cost of capital, cost of any substitute equipment, facilities or services; downtime; the claims of third parties including customers, and injury to property.
Any action for breach of warranty must be commenced within fifteen (15) months following delivery of the equipment or ninety (90) days following completion of installation or field repairs. Unless modified in writing and signed by both parties, this agreement is understood to be the complete and exclusive agreement between the parties relating to warranty. No employee of GBS or any other party is authorized to make any warranty in addition to those made in this agreement.
In the event any clause in this Warranty is found to be unlawful under the law of any state, the other provisions of the Warranty will continue in effect to the extent consistent with the applicable state law.
- 3. Terms of Payment:** Unless otherwise agreed upon in writing, terms of payment are to be in cash, in Australian Dollars (AUD), against delivery. All orders are subject to confirmation by Company officers. Company may request full or partial payment in advance. Goods remain the property of GBS until paid for in full. Any Goods held on behalf of Purchaser after notification that Goods are ready to be shipped, will be at the risk and expense of the Purchaser.
- 4. Terms of Delivery:** Unless otherwise expressly agreed to in writing by Vendor, all delivery dates set forth herein referring to the completion of manufacture and availability for shipment of the equipment, are Vendor's best estimate thereof and are subject to change.
Unless otherwise agreed to in writing by the Vendor, risk of loss or damage for the equipment shall pass to Purchaser upon shipment by the Vendor, ex works, point of origin. Such shipment shall be deemed to constitute delivery of the equipment to the Purchaser.
Vendor shall have the right to ship all or part of the equipment whenever the same shall be ready for shipment. In the event Purchaser is unable to receive shipment, or in the event Vendor is prevented from making shipment, due to causes beyond Vendor's reasonable control, Vendor will store the equipment at Purchaser's risk and expense. In no event shall Vendor be liable for delays in delivery, when such delays are occasioned by any conditions beyond its reasonable control, including but not limited to; material shortages at Vendor's works or at Vendor's suppliers' works; strikes labor or transportation difficulties; war declared or undeclared; floods; riots; earthquakes; explosions; epidemics; acts of governments; acts of God, or by any changes or requests by Purchaser beyond the original agreed to terms set out in the order confirmation. In such event, Vendor's time for performance shall be extended.
- 5. Taxes:** Prices for any equipment are exclusive of all taxes. Such taxes, if applicable, shall be wholly at the expense of the Purchaser, and shall be collected accordingly by Vendor.
- 6. THE WARRANTIES OF VENDOR HEREUNDER, AND THE RIGHTS AND REMEDIES OF PURCHASER HEREUNDER ARE EXCLUSIVE AND IN SUBSTITUTION FOR ALL OTHERS. PURCHASER HEREBY WAIVES ALL OTHER WARRANTIES, GUARANTEES, OBLIGATIONS, CLAIMS FOR LIABILITIES, RIGHTS AND REMEDIES, EXPRESS OR IMPLIED; ARISING BY LAW OR OTHERWISE, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PURPOSE.**

GBS Railroad and Mining Services

ABN 64 860 518 641

PO Box 916, Mount Lawley, Western Australia 6929

Phone/Fax: (08) 9272 2464

Mobile: 0438 855 011