

Rössing Uranium Limited
CONDITIONS OF PURCHASE ORDER

PREAMBLE

The conditions of this order are designed to protect Rössing's interest. Rössing Uranium want to ensure that the whole process, from Purchase to Payment, is as efficient as possible for both parties. These conditions are aimed at ensuring ease of understanding the order, delivery, goods receipt, invoicing and, payment requirements.

This order is placed as a result of negotiations with the supplier, and all the conditions are agreed by both parties, thus forming a legally enforceable contract. If these terms are not acceptable, the related order should not be accepted and services or goods should not be supplied before getting written acceptances of changes.

DEFINITIONS

Seller means the company nominated as the supplier on the face of this order, which supplies the goods or services and to which payment is made. For the purpose of this order, Seller and Supplier are synonymous.

Goods means the goods or the services specified in this order, and any attachments to the order.

Delivery Date means the date by which the Goods will be delivered to the delivery point, or to the Mine, as specified on this order.

Rössing means Rössing Uranium Limited.

Procurement Manager means the Procurement Manager of Rössing Uranium Limited or Rio Tinto Procurement Service Delivery Manager and their delegates.

CONDITIONS

1. **Offer and Acceptance** – This order is an offer to buy the Goods described in the order. The acceptance of this order, whether actual or implied, constitutes the acceptance of the offer and of all related conditions. It would be an advantage and benefit if a formal receipt and acceptance of order could be communicated directly to the relevant Buyer indicated on the order (preferably by e-mail or secondly by Fax.)
2. **Non-acceptance of Order** – Should the Seller not accept this order, they shall return it to Rössing within seven days of receipt with a written explanation for its rejection.
3. **Inspection** – Rössing may inspect the Goods at the Seller's premises at reasonable times before delivery or during the process of manufacture, having given the Seller reasonable notice (at least 24 hours) of an inspection.
4. **Specifications** – Goods delivered to Rössing shall be in accordance with the specifications given with this order and with generally accepted standards. Should

Rössing consider that any of the Goods delivered are not in accordance with these specifications or standards, Rössing shall be entitled to cancel this order, or part of it, and to receive compensation from the Seller for all expenses incurred.

Any variation from the specifications or standards laid down in this order shall be authorised in a revised Purchase Order before being applicable.

5. **Patents and Copyright** – Should any Goods sold to Rössing be covered by any patent or copyright, the Seller will compensate Rössing for any loss incurred and damage sustained by Rössing from any resulting claim or legal action arising from the use or sale of the Goods.
6. **Patterns, Drawings and Dies** – Where applicable, a charge for patterns, drawings and dies may be accepted by Rössing on the understanding that the patterns and dies remain the property of Rössing and are used only for Rössing’s requirements. Should Rössing wish to remove the patterns, drawings and dies from the Seller’s safekeeping, they must be handed over to Rössing’s nominee in sound and usable condition.
7. **Packing** – The Seller shall compensate Rössing for any loss or deterioration of the goods whilst in transit from the Seller’s to Rössing’s premises, or place of delivery as per INCO terms, due to the packing being inadequate or inappropriate to the method of transport. Goods must be individually identified, and each consignment must be accompanied by a detailed waybill giving gross weight of containers.
8. **Delivery** – Delivery to Rössing is deemed to take place when the Goods are received at the Rössing Central Stores or as per relevant INCO Terms. Goods delivered to site must not be delivered directly to Requestors sections, workshops or offices (**NB. There may be specific exceptions to this condition such as delivery of bulk commodities etc. but special arrangements will have been made prior to order.**)

Proof of Delivery as specified on the order, should be via a **Delivery Note or Goods Receipt Advice**, duly signed by an authorised representative of Rössing Central Stores (*Invoices should not be used as a proof of delivery*).

The following example shows required information on the Delivery Note.

<u>STANDARDS INFORMATION REQUESTED ON DELIVERY NOTES/GOODS RECEIPTS</u>								
<i>Suppliers Delivery Note Number:</i>				XXXXXX				
<i>Rössing Purchase Order Number:</i>				XXXXXXXXXX				
<i>ROSSINGS P/O LINE ITEM No.</i>	<i>ITEM DESCRIPTION</i>	<i>SUPPLIERS ITEM DESCRIPTION AND/OR PART No.</i>	<i>ROSSING MATERIAL No.</i>	<i>TOTAL P/O QUANTITY</i>	<i>QUANTITY DELIVERED</i>	<i>UNIT (eg. Each; Kg; Ton; Metre)</i>	<i>OUTSTANDING P/O QUANTITY OF THIS LINE ITEM</i>	<i>SUPPLIERS INVOICE NUMBER</i>
Same as on P/O (eg. 10; 20; 30 etc.)	If possible this description should match the description on the P/O	If applicable	If specified on the P/O - (This is for Stock Items)	For this Line Item	On this Delivery Note	Should be same as unit on P/O	This will help on reconciling progress to full delivery	If known at time of delivery
<i>PRINTED NAME; SIGNATURE; DATE OF RECEIPT BY ROSSING REPRESENTATIVE</i>								
<u>THE ABOVE INFORMATION IS REQUESTED FOR EACH LINE ITEM OF EACH RELEVANT PURCHASE ORDER</u>								

9. **Change of Ownership** – Goods are deemed to become the property of Rössing at the time of delivery to Rössing or as per INCO Terms of related Order. Goods remain at the sole risk of the Seller until delivery has taken place as per INCO Terms of related Order.
10. **Incidents Arising During Delivery** – The Seller will compensate Rössing for any loss incurred by Rössing arising from any accident, injury or damage to persons or property caused by the Seller during the delivery, inspection or installation of the goods by the Seller as per INCO Terms of related Order.
11. **Late Delivery** – Should the Seller fail to deliver the Goods by the Delivery Date, Rössing shall be entitled either:
 - (a) To cancel all or part of this order and to return to the Seller all deliveries made and to receive compensation from the Seller for all expenses incurred by Rössing as a result of the Seller's failure to deliver Goods on the Delivery Date or;
 - (b) To charge the Seller a penalty of 1% of the value of the Goods outstanding at the Delivery Date, for every week or part of a week that delivery is late, unless the penalty is varied elsewhere in this order.

However, if they are satisfied that every reasonable effort has been made by the Seller to deliver the Goods on time, and that the cause of the delay is beyond the control of the Seller, the Procurement Manager may grant an extension of the delivery period or waive the penalty.

12. **Defective Goods** – Should any Goods sold and delivered to Rössing be defective in any respect, the Seller undertakes to replace those Goods as soon as possible after being requested by Rössing to do so. The Seller will compensate Rössing for any direct loss incurred as a result of the defect.
13. **Goods not Covered by an Order** – Rössing is not responsible for Goods delivered, which are not covered by an official Purchase Order. If there is an oversupply of items identified on an order, these items will not be received and will be set aside. It is the Seller's responsibility to arrange all logistical and commercial requirements for their return.
14. **Invoicing**
 - (a) The Seller shall issue a separate invoice for each purchase order within seven days of delivery of the Goods and shall send it to:

Accounts Payable
Rössing Uranium Limited
Private Bag 5005
Swakopmund
Namibia

The following example shows required information on the Invoice.

STANDARDS /INFORMATION REQUESTED ON INVOICES										
Suppliers Invoice Number:		XXXXXX		Date of Invoice:		/ /				
Rössing Purchase Order Number:		XXXXXXXXXX								
ROSSINGS P/O LINE ITEM No.	ITEM DESCRIPTION	SUPPLIERS ITEM DESCRIPTION AND/OR PART No.	ROSSING MATERIAL No.	QUANTITY DELIVERED	UNIT (eg. Each; Kg; Ton; Metre)	UNIT PRICE	TOTAL DELIVERED LINE PRICE	SUPPLIERS DELIVERY NOTE No.	TOTAL P/O QUANTITY	OUTSTANDING P/O QUANTITY OF THIS LINE ITEM
Same as on P/O (eg. 10; 20; 30 etc.)	If possible this description should match the description on the P/O)	If applicable	If specified on the P/O - (This is for Stock Items)	Relating to this Invoice and respective Delivery Note	Should be same as unit on P/O		(Unit x Qty.)	Related to the specific Item No.	For this Line Item	This will help on reconciling progress to full delivery
THIS INFORMATION IS REQUESTED FOR EACH LINE ITEM OF EACH RELEVANT PURCHASE ORDER										

It is solely the responsibility of the seller to submit original invoices directly to the address indicated above – If third parties are used or copies of invoices are used, this could lead to delays in processing payments.

- (b) Invoices which do not conform to the conditions and requirements of the order may be rejected, unless the variation has been authorised in writing by the Procurement Manager. A new invoice that matches the order will be required for rejected invoices.
 - (c) When provision is made for payment of an invoice within a specified period, the effective date from which the period is calculated, is that on which the Goods and all necessary supporting documents are received by Rössing or it's Transport Company. The date of the Seller's invoice is not relevant to the date of payment.
15. **Compliance with Conditions** – Rössing is entitled to insist on compliance with these conditions despite any previous custom or practise.
 16. **Conflict of Conditions** – Should there be any conflict between the conditions of this order and any conditions stipulated by the Seller, the conditions of this order shall prevail, unless the Seller's conditions have been accepted in writing by the Procurement Manager. In the event of any conflict between the conditions of this order and the conditions of a separate but related contract signed by both parties, then the conditions of the separate contract shall prevail.
 17. **Gifts** – The Seller undertakes not to offer or give gifts or entertainment to any employee of Rössing which could influence, or be construed as being intended to influence, that employee in the performance of his duties. Any areas of doubt should be cleared with the Procurement Manager.
 18. **Conflict of Interest** – The Seller undertakes to declare in writing any conflicts of interest associated with their performance of this work or delivery of goods. This includes, but is not limited to, relationships with employees that may be able to influence awarding of work and any factor that would prevent the Seller from providing appropriate attention to the fulfilment of this Order.
 19. **Compliance with Rio Tinto Business Practices** – The Seller is expected to be familiar with Rio Tinto Business Practices and to ensure compliance with them at all times. Any

concerns about non-compliance should be raised in writing with the Procurement Manager. The Rio Tinto Business Practices are titled “**The way we work**” and “**The way we buy**” and available at www.riotinto.com or from the Procurement department.

20. **Publicity** – No information relating to this order may be released for publication without Rössing’s prior consent. If the Seller wishes to release information relating to this order in written or other media forms, a copy of the item in the appropriate format shall be forwarded (together with details of where it will be published or released) to the Procurement Manager for written approval. This restriction also applies to any orders or contracts placed by the Seller on third parties as a result of this order.
21. **Laws Applicable** – This contract shall be governed by the laws in force in the Republic of Namibia. Any legal action relating to this order shall be instituted in the Magistrate’s Court for the District of Windhoek notwithstanding that the amount of any claim otherwise exceeds the jurisdiction of such court or the High Court of the Republic of Namibia if the instituting party so wish.
22. **TAXES; FREIGHT COSTS AND CUSTOMS DUTIES** – The prices specified in the PO are exclusive of any value added tax (“VAT”), goods and services tax (“GST”), sales, use or consumption tax or similar government tax payable on the supply of the Products and/or Services (collectively, “Indirect Transaction Taxes”). If Supplier is required by applicable laws to collect and pay Indirect Transaction Taxes to relevant government agency, Buyer shall remit payment to Supplier of applicable Indirect Transaction Taxes at the percentage rate required by applicable laws in the jurisdiction where the supply takes place, provided Supplier has first provided to Buyer an invoice for Indirect Transaction Taxes Invoice that complies with applicable laws. Buyer reserves the right to withhold payment of Indirect Transaction Taxes if it has provided a valid tax exemption certificate to Supplier. If the PO requires Supplier to provide Services, and if Supplier is a foreign corporation or company (i.e. having its principal place of business outside of the country identified in Buyer’s address on the face of the PO) or a non-resident alien individual, then, unless Supplier provides Buyer with valid documentation (received prior to payment for Services) showing that an exemption applies where the Services are performed: (a) Buyer reserves the right to withhold payment of amounts required to satisfy tax withholding obligations under applicable laws on account of the Services; and (b) Buyer will use commercially reasonable best efforts to furnish Supplier receipts, proof of payment or other relevant documentation for any withholding taxes so paid. Unless specified otherwise on the face of the PO or in any attachments thereto, the prices are inclusive of, and Supplier shall be solely responsible for and pay, all costs of delivering the Products to the delivery point specified on the face of the PO, including, without limitation, all shipping and freight costs and all duties, fees, tariffs or similar analogous taxes on imports or exports of the Products (“Customs Duties”). Supplier will take all reasonable steps to minimize Customs Duties costs.